

CENTRAL BUCKS SCHOOL DISTRICT

Finance Committee Meeting
November 20, 2018

Committee Members

Mrs. Beth Darcy, Chairperson	Mrs. Tracy Suits, Member
Mrs. Jodi Schwartz, Member (via phone)	Mr. Dave Matyas, Business Administrator
Mrs. Karen Smith, Member	Mrs. Susan Vincent, Director of Finance
Dr. John Kopicki, Superintendent	Mr. Brian Loftus, Director of Finance

Committee Members Absent

Mrs. Karen Smith

Others in Attendance

Mr. Glenn Schloeffel, Board President	Dr. Nadine Garvin, Asst. Superintendent
Mrs. Sharon Collopy, Board Member	Dr. Abram Lucabaugh, Asst. Superintendent
	Mr. Robert Kleimenhagen, Jr., CFM, SFP Director of Facilities & Energy Management Operations

The meeting was called to order at 6:02 p.m.

PUBLIC COMMENT

There was no public comment.

REVIEW OF THE PRIOR COMMITTEE MEETING MINUTES

The October 22, 2018 Committee Meeting minutes were reviewed.

INFORMATION/DISCUSSION/ACTION ITEMS

Late School Start Review: Dr. Kopicki addressed the Committee regarding the research that has been completed at the Board’s request regarding Late School Start. He noted that the presentation by Mr. Matyas would be informational, not a recommendation.

Mr. Matyas provided details about options for moving high school start times to a later time. He reviewed reasons supporting a later start time, presented at a conference at Trinity College attended by several members of the district. Reasons included sleep patterns of adolescents, additional sleep hours provided by a later start, a reduction in tardiness, truancy and drop out rates as well as improvements in academic achievements. Experts recommend a start time of 9:00 a.m.

Mr. Matyas noted some challenges our district would face vs. other districts that have implemented later start times. Pennsylvania requires a minimum of 990 hours of instructional time for secondary schools. Central Bucks schedule includes 1,150 hours of instructional time, vs. the average of 900 hours for New England schools. Pennsylvania also requires school districts to transport to private/parochial schools that are 10 miles outside of the school district border – New England school districts provide transportation within the public school boundaries.

When discussing later start times, the district must consider the need to support the schedules set by private/parochial schools. CB has no control over those scheduled times. The majority of private/parochial schools require transportation between 7:25 a.m. and 8:45 a.m., making it difficult to use those buses for other CBSD schools.

Three scenarios were created to determine transportation needs to support later start times. Mr. Matyas reviewed each scenario and the associated impact on transportation and budget. Potential issues, impact and outcomes for each scenario were detailed. Some potential issues include: heavier prime time traffic creating longer bus rides and expanded routes in the a.m. and p.m.; afternoon

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elementary stop times would move to well after 5:00 p.m. (with associated diminished daylight issues in the winter); and the need for more bus drivers for sports and field trips.

After much discussion regarding the factors included in Mr. Matyas' presentation, Mrs. Darcy recommended a committee be formed to begin an in-depth review. She noted the committee should include CB employees as well as community members. Pre-data will be collected through surveys. Mrs. Suits asked if, to make the later start time issue less complex, the district could consider reducing the number of instructional hours required for secondary students. Dr. Kopicki agreed that research shows later start times offer many benefits for adolescent students and he fully supports the idea of a committee to do further review. He noted that he could not support a scenario that would reduce instructional time for students or place elementary students in the position of being dropped off after dark, and cautioned the Committee that the eventual outcome of a Committee review may also be that the district cannot move the start times.

Mrs. Darcy suggested a committee be put in place by late January. Dr. Kopicki recommended the surveys be distributed at the beginning of the year in to gather data for the committee to review. He will proceed with getting a committee together and preparing a survey, to be distributed on or about January 7. The survey will be provided to the Board for review before distribution.

HVAC Renovations: Dr. Kopicki noted the Board had committed funds for the HVAC work at Butler and Tamanend during an October meeting. He believed the initial proposed budget was too high, and asked Mr. Kleimenhagen and Mr. Matyas to gather additional pricing. Two other contractors submitted pricing, with a potential savings of \$4 million. Mr. Kleimenhagen provided details on the updated pricing. Finalized pricing will be brought to the Operations Committee meeting next Wednesday.

Review of Finance Information Items: Mrs. Vincent provided details on General Fund, Capital Fund and Food Service disbursements. A review of bank balances was discussed, including an increase in interest rate from TD Bank retro to October 1. A summary of Totals by Bank, General Fund Balance and Capital Reserve commitments and balances were presented. Dr. Kopicki and Mr. Matyas provided an update on the move from CVS to Capital Rx.

Budgeting: Debt Defeasance Update (\$15M and \$20M options): Mr. Matyas provided a summary of defeasance options at \$15M and \$20M. He provided a comparison of the options at \$15M, \$20M, \$30M and \$35M. When asked by Mr. Schloeffel, Mr. Matyas indicated the \$30M option is one the district could comfortably handle. Mrs. Darcy and Mrs. Suits expressed reservation at committing \$30M when the district was facing so many large projects. Discussion was held regarding the district's \$2M capital fund obligation to MBIT for their roof replacement and HVAC repairs.

Budgeting: 2017-2018 Revenue and Expense Review: Mr. Loftus presented an overview of the 2017-2018 budget. The overview included operational revenue variances, details on improving local and state revenues, total expenses, and a summary of Revenues, Operational Expenses and the Operating Budget Variance of +\$4.1M. He detailed recommendations for proposed transfers to Capital Funds, that will be submitted to the full board for approval.

Budgeting: 2018-2019 Revenue and Expense Projections: Mr. Matyas provided details on projected revenues, which appear to be inline with the budget. Local and state revenues should be on target. Expenses are also on target, with no major variances at this time. Wages in the Philadelphia Metro area increased 2.9%, which shows a healthy economy - providing the opportunity for EIT revenue growth.

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Budgeting: 2019-2020 Proposed Preliminary Budget Presentation: Mr. Matyas presented details on anticipated revenues for 2019-2020, including growth in real estate taxes and Interim Real Estate taxes. An overall revenue increase of 1.1% is anticipated. 2019-2020 revenues are currently budgeted at \$340,839,973. Expenses are currently budgeted at \$343,251,512. Mr. Matyas will ask the Board for approval to publicly post the proposed preliminary expenditure budget at the December 4 Board meeting.

Replacement Pickup Truck for the Transportation Department: Mr. Matyas presented a proposal to purchase a new pick-up truck for the Transportation Department. A replacement will cost approximately \$42,000 and be purchased through Co-Stars. Final cost for the truck would be presented at the December 4 Board meeting for approval. The Committee agrees to move the proposal to the full board for approval.

An Executive Session will be held following this meeting to discuss Real Estate matters.

ADJOURNMENT:

The meeting was adjourned at 8:23 p.m.

NEXT MEETING:

The next meeting of the Finance Committee is January 16, 2019