

**REGULAR SCHOOL BOARD MEETING  
CENTRAL BUCKS SCHOOL DISTRICT**

**January 28, 2014**

The Central Bucks Board of School Directors held its meeting on Tuesday, January 28, 2014 in the Board Room of the Educational Services Center with President Paul Faulkner presiding. The meeting was called to order by President Faulkner at 7:30 p.m., followed by the Pledge of Allegiance.

**BOARD MEMBERS PRESENT**

Paul Faulkner, President; John Gamble, Joseph Jagelka, Geryl McMullin, Tyler Tomlinson, Jerel Wohl

**BOARD MEMBERS ABSENT**

Stephen Corr, James Duffy, Kelly Unger

**ADMINISTRATORS PRESENT**

Dr. David Weitzel, Dr. Nancy Silvius, Scott Kennedy, Gilbert Martini, David Matyas, Dale Scafuro, Edward Sherretta

**ALSO PRESENT**

Jeffrey Garton, Solicitor; Sharon Reiner, School Board Secretary

**APPROVAL OF MINUTES**

Motion by John Gamble, supported by Tyler Tomlinson, to approve the minutes of the January 14, 2014 school board meeting.

Motion Approved 6-0.

**PUBLIC COMMENT**

Andrew O'Chadlick recommended the district purchase a NMR (Nuclear Magnetic Resonance) Spectrometer to help students in Biology, Chemistry, and Physics classes; Bill Doyle expressed his opposition to the Standards-Based reporting initiative at the elementary level; Mary Schwartz, Laura Jackson, Thomas Brennon, George Jackson, Kathryn Miller, Morgan Tait, Kelly Tait commented on support for the former CB East Field Hockey and Lacrosse coach.

**SUPERINTENDENT'S REPORT**

Dr. Weitzel announced that Kristen Newfield, an Art teacher at the elementary level, died suddenly of a heart attack this past Saturday. A moment of silence was observed.

Dr. Weitzel announced that Lt. Governor Jim Cawley and Tim Eller, a representative from the Pennsylvania Department of Education, will be coming to Central Bucks School District on Thursday, January 30 to present the "Governor's Award for Excellence in Academics" to twenty-two of our schools. The schools are being recognized by the Pennsylvania Department of Education and the Governor's office for attaining a score of 90 percent or better based on the 2012-2013 School Performance Profile exams.

### 2014-2015 Preliminary Budget Adoption

Mr. Matyas presented a powerpoint on the Preliminary Budget Adoption. The 2014-2015 budget is an increase of \$8,798,957 over the 2013-2014 budget. Approximately \$5.8M is attributed to increased retirement system contributions. The remaining \$3M is attributed to salaries and health care benefit increases. The budget presentation also reviewed student enrollment and enrollment trends. Expenses by major budget areas were reviewed as well as the impact that mandated retirement expenses will have on the 2014-2015 budget and future budgets. The District will continue to refine staffing needs, refine health care numbers, analyze revenue and expenditure projections, and will analyze the Governor's proposed budget when that becomes available. The board this evening is being asked to approve the 2014-2015 Preliminary Budget in the amount of \$299,482,939. On May 28, 2014 the Board will be asked to adopt the final budget.

### **SCHOOL BOARD REPORTS**

The Finance Committee, Operations Committee, and MBIT Committee minutes were noted and are Attachment A for informational purposes.

### **TREASURER'S REPORT AND SUMMARY OF FUND DISBURSEMENTS**

Motion by Jerel Wohl, supported by Joseph Jagelka, to approve the Treasurer's Report and Summary of Fund Disbursements for the months of November 2013 and December 2013.

General Fund – November 2013	\$28,642,874.96
Capital Fund (net voids)	1,054,671.51
Food Service	<u>7,744.89</u>
TOTAL ALL FUNDS	\$29,705,291.36

General Fund – December 2013	\$46,312,311.04
Capital Fund (net voids)	732,453.70
Food Service	<u>0.00</u>
TOTAL ALL FUNDS	\$47,044,764.74

Motion Not Passed (there was no quorum) 4-0-2. (Geryl McMullin, Joseph Jagelka)  
The Treasurer's Report for November 2013 and December 2013 will be deferred to the February 11, 2014 Board meeting.

### **RATIFICATION OF INVESTMENTS**

Motion by Joseph Jagelka, supported by Jerel Wohl, to approve the Ratification of Investments for the months of November 2013 and December 2013.

Category	Purchase Date	General Fund		Rate	Yield	Bank Name
		Principal	Maturity Date			
MBS	11/4/2013	\$245,000.00	11/4/2014	0.45%	\$1,102.50	Bank Hapoalim BM New York
MBS	11/15/2013	\$245,000.00	11/14/2014	0.35%	\$855.15	BMW BK North Amer Salt Lake City, Utah
PLGIT	11/7/2013	\$248,000.00	11/7/2014	0.45%	\$1,116.00	Valley Green Bank, Philadelphia, PA
PLGIT	11/7/2013	\$248,000.00	11/7/2014	0.35%	\$868.00	Stearns Bank, St. Cloud, MN
PLGIT	11/7/2013	\$248,000.00	11/7/2014	0.35%	\$868.00	Franklin Synergy Bank, Franklin, TN
PLGIT	11/7/2013	\$248,000.00	11/7/2014	0.35%	\$868.00	Bridgewater Bank, Bloomington, MN
TOTALS		\$1,482,000.00			\$5,677.65	

General Fund						Bank Name
Category	Purchase Date	Principal	Maturity Date	Rate	Yield	
PSDLAP	12/18/2013	\$140,000.00	6/11/2015	0.35%	\$724.93	Luana Savings Bank
TOTALS		\$140,000.00			\$724.93	

Motion Approved 6-0.

#### **RESOLUTION FOR 2014-2015 PRELIMINARY BUDGET AND ACT 1 EXCEPTION**

Motion by John Gamble, supported by Geryl McMullin, to approve the Resolution for the 2014-2015 Preliminary Budget with submission to PDE, and PDE submission of an Act 1 referendum exception for mandated retirement system expenses. This Resolution is Attachment B.

Motion Approved 6-0.

#### **REIMBURSEMENT OF PAID REAL ESTATES TAXES TO PLUMSTEAD TOWNSHIP**

Motion by Geryl McMullin, supported by Jerel Wohl, to approve the reimbursement of real estate taxes paid by Plumstead Township for Parcels 34-011-029 and 34-011-053 in the amount of \$12,585.19.

Motion Approved 6-0.

#### **AMENDMENT TO THE BUCKS AND MONTGOMERY COUNTY SCHOOLS HEALTH CARE CONSORTIUM TRUST AGREEMENT**

Motion by Geryl McMullin, supported by John Gamble, to approve the Amendment to the Bucks and Montgomery County Schools Health Care Consortium Trust Agreement.

Motion Approved 6-0.

#### **SCHOOL BOARD POLICY FOR FIRST READ**

Motion by Geryl McMullin, supported by John Gamble, to table School Board Policy 808 – Food Services so that the proposed policy can be posted online for public review.

Motion Approved 6-0.

#### **SCHOOL BOARD POLICIES FOR APPROVAL**

Motion by Geryl McMullin, supported by John Gamble, to bring School Board Policy 231 – Student Travel, School Board Policy 412 – Evaluation of Professional Employees, and School Board Policy 413 – Evaluation of Temporary Professional Employees off the table.

Motion Approved 6-0.

Motion by Geryl McMullin, supported by Jerel Wohl, to approve School Board Policy 231 – Student Travel, School Board Policy 412 – Evaluation of Professional Employees, and School Board Policy 413 – Evaluation of Temporary Professional Employees.

Motion Approved 6-0.

## **PERSONNEL ITEMS**

Motion by Joseph Jagelka, supported by Jerel Wohl, to approve resignations, retirements, and unpaid leaves of absence; appointments, long-term substitute teachers, long-term per diem substitute teachers, classification changes, summer band director, community school staff, and EDRs,

### **RESIGNATIONS**

Name: Linda Perry  
Position: Bus Driver – Transportation Department  
Effective: February 6, 2014

### **RETIREMENTS**

Name: Karen Doman  
Position: Social Studies teacher – Central Bucks High School – East  
Effective: January 27, 2014

Name: Gail Page  
Position: Special Education teacher – Central Bucks High School – South  
Effective: June 13, 2014

### **UNPAID LEAVES OF ABSENCE**

Serena Jimenez English teacher – Central Bucks High School – South  
March 3, 2014 – August 2015

Lauren Meekins School Counselor – Kutz Elementary School  
April 10, 2014 – August 2014

Rebecca Turner Elementary teacher – Groveland Elementary School  
April 11, 2014 – August 2014

Jennifer Yarmolyk Elementary teacher – Mill Creek Elementary School  
April 28, 2014 – January 28, 2015

### **APPOINTMENTS**

Name: Brittany Brams  
Position: Special Education Assistant – Tamanend Middle School  
\$13.74 per hour  
Effective: December 10, 2013

Name: Katelyn Cipressi  
Position: Basic Skills Instructional Assistant – Buckingham Elementary School  
\$13.74 per hour  
Effective: January 21, 2014

Name: Craig Courtney  
Position: Custodian – Lenape Middle School  
\$15.17 per hour  
Effective: January 29, 2014

Name: Dana Coverdale  
Position: Duty Assistant – Central Bucks High School – East  
\$12.02 per hour  
Effective: January 15, 2014

Name: Kathy Dando  
Position: Temporary Personal Care Assistant – Tohickon Middle School  
\$12.52 per hour  
Effective: January 2, 2014

Name: Brett Flail  
Position: Temporary Duty Assistant – Unami Middle School  
\$12.02 per hour  
Effective: January 13, 2014

Name: Jayme Kilgore  
Position: Temporary Special Education Assistant – Buckingham Elementary School  
\$13.74 per hour  
Effective: January 14, 2014

Name: Deborah Warren  
Position: Personal Care Assistant – Central Bucks High School – East  
\$12.02 per hour  
Effective: January 21, 2014

#### LONG-TERM SUBSTITUTE TEACHERS

Name: Michael Brown  
Position: Business Education teacher – Central Bucks High School - West  
\$30,832 (M+0 credits, Step 6)  
Effective: January 27, 2014 until the end of the 2013-2014 school year

Name: Danielle M. DeGele  
Position: Elementary teacher – Warwick Elementary School  
\$26,627 (M+0 credits, Step 3)  
Effective: January 27, 2014 until the end of the 2013-2014 school year

Name: Michelle Franko  
Position: Biology teacher – Central Bucks High School – South  
\$19,432 (B+0 credits, Step 1)  
Effective: February 10, 2014 until the end of the 2013-2014 school year

Name: Katherine Helm  
Position: Special Education teacher – Central Bucks High School – West  
\$24,292 (M+6 credits, Step 1)  
Effective: January 28, 2014 until the end of the 2013-2014 school year

Name: Joshua Hoskins  
 Position: Social Studies teacher – Central Bucks High School – East  
 \$21,718 (B+0 credits, Step 1)  
 Effective: January 27, 2014 until the end of the 2013-2014 school year

Name: Katelyn Mullen  
 Position: English teacher – Central Bucks High School – West  
 \$11,819 (B+0 credits, Step 1)  
 Effective: January 28, 2014 until the end of the 2013-2014 school year

Name: Jessica Richman  
 Position: Special Education teacher – Cold Spring Elementary School  
 \$21,718 (B+0 credits, Step 1)  
 Effective: January 27, 2014 until the end of the 2013-2014 school year

#### LONG-TERM PER DIEM SUBSTITUTE TEACHERS

Name: Heather Berk  
 Position: Biology teacher – Central Bucks High School – South  
 \$19.75 per hour  
 Effective: March 3, 2014

Name: Alison Bongiorno  
 Position: Art teacher – Buckingham Elementary School  
 \$19.75 per hour  
 Effective: December 18, 2013

Name: William Horner  
 Position: Technology Education teacher – Holicong/East/Tohickon  
 \$19.75 per hour  
 Effective: January 13, 2014

Name: Theresa Murphy  
 Position: English teacher – Central Bucks High School – South  
 \$19.75 per hour  
 Effective: March 3, 2014

Name: Christopher Pierangeli  
 Position: Social Studies teacher – Tohickon Middle School  
 \$19.75 per hour  
 Effective: January 6, 2013

#### CLASSIFICATION CHANGES

<u>Name</u>	<u>From</u>	<u>To</u>	<u>Effective Date</u>
Gertrude Conville	Duty Assistant West No Change In Salary	General Secretary West No Change In Salary	1/22/14
Susan Hedrick	Custodian Tohickon \$17.72 Per Hour	Temp Floating Head Custodian Various \$19.07 Per Hour	1/21/14 – 3/7/14

David Kelly	Custodian South \$16.70 Per Hour	Temp Floating Head Custodian Various \$19.07 Per Hour	4/28/14 – 6/13/14
Jeffrey Parker	Custodian Tamanend/Barclay \$15.63 Per Hour	Temp Floating Head Custodian Various \$19.07 Per Hour	3/10/14 – 4/25/14
Christine Trawinski	General Secretary Admin Center \$17.21 Per Hour	Administrative Secretary Admin Center \$19.36 Per Hour	1/2/14

#### SUMMER BAND DIRECTOR

Mark Appiotti      \$1,500

#### COMMUNITY SCHOOL STAFF

Jacquelyn Baker	Before/After School Instructor	\$17.30/hour
Allison Nichols	Before/After School Instructor	\$17.30/hour
Jacquelyn Pignitor	Before/After School Instructor	\$17.30/hour

#### EDRs

<u>Name</u>	<u>School/Position</u>	<u>Units</u>
Tom Gromball	Bridge Valley/Elementary General Music – Chorus	1
William Weir	Buckingham/Elementary General Music – Chorus	1
Mike Gruver	Cold Spring/Elementary General Music – Chorus	1
Frank Bolkus	Doyle/Elementary General Music – Chorus	1
Elaine Copeland	Jamison/Elementary General Music – Chorus	1

Motion Approved 6-0.

#### **STAFF CONFERENCES/WORKSHOPS**

Motion by Geryl McMullin, supported by Jerel Wohl, to approve the following staff to attend the listed conferences/workshops:

Laurel Podraza	3/20 & 3/21/14	Infinite Campus Interchange New York	\$1,001
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Motion Approved 6-0.

#### **INFORMATION ITEMS**

President Faulkner announced that Sabbatical Leaves were included as informational items.

Motion by Geryl McMullin, supported by Paul Faulkner, that the Central Bucks School Board dedicate the new science wing at Central Bucks High School – East in honor of Dr. N. Robert Laws for his thirty (30) years of leadership and service to the Central Bucks School District, and authorize the administration to appropriately place some form of recognition in a prominent position in the new wing.

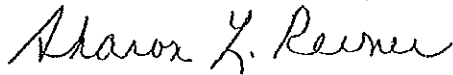
Motion Approved 6-0.

Mr. Gamble, Mr. Tomlinson, and Mr. Wohl commented on the VH-1 Save the Music Concert held at Holicong Middle School on Friday, January 24 and Saturday, January 25.

There being no further business before the Board, motion by Tyler Tomlinson, supported by John Gamble, to adjourn at 9:02 p.m.

Motion Approved 6-0.

Respectfully submitted,

A handwritten signature in cursive script, reading "Sharon L. Reiner".

Sharon L. Reiner  
Board Secretary



**CENTRAL BUCKS SCHOOL DISTRICT**  
**Finance Committee Minutes**  
**November 20, 2013**

Committee Members Present

Jerel Wohl, Chairperson  
Paul Faulkner, Member  
Tyler Tomlinson, Member

Other Board Members and Administrators Present

Steve Corr  
John Gamble  
Joe Jagelka  
Geri McMullin  
Kelly Unger

Dave Matyas, Business Administrator  
Susan Vincent, Director of Finance

Dr. Dave Weitzel, Superintendent  
Scott Kennedy, Director of Operations  
Ken Rodemer, Assistant Director of Operations  
Nadine Garvin, Principal Bridge Valley Elementary  
Craig Linn, Lea Huf, Lindsay Sankovsky, Aramark

Committee Members Absent

Jim Duffy, Member

The Finance Committee meeting was called to order at 7:20 p.m. by Jerel Wohl, Chairperson

PUBLIC COMMENT

Five members of the public were present. One person commented on the 2012-13 audit and stated their opinion that the district fund balance was too large.

APPROVAL OF MINUTES

The October 16, 2013 Finance Committee meeting minutes were accepted as presented.

INFORMATION/ DISCUSSION/ACTION ITEMS

**Analysis of Implementing a Minimally Processed Food Menu in CB Cafeterias** – The committee heard a presentation by Aramark listing the advantages and disadvantages of implementing a minimally processed menu at each school. A minimally processed menu uses food that has not been fundamentally altered from its original state, tends to be lower in fat, is more nutrient dense, and uses less preservatives. Compared to the federal Healthy Hunger-Free Kids Act (HHFKA), which school districts were mandated to implement in September of 2012, a minimally processed menu is not much different than current school menus when looking at macro nutrients.

<b>Macronutrient</b>	<b>H.H.F.K.A.</b>	<b>Minimally Processed</b>
Carbohydrates	48%	50%
Fat	34%	30%
Protein	18%	20%

Over the next few years as HHFKA requirements increase and more minimally processed products are available from food suppliers, the two menu styles will have the same characteristics.

Looking at the advantages and disadvantages of a minimally processed menu:

Advantages	Disadvantages
More nutrient dense	Food safety
Lower sodium content	Added production time
Fewer calories from fat	Product sourcing
Fewer additives and preservatives	Consistency
	Increased product cost
	Increased labor costs
	Customer preferences
	Additional serving lines needed at the elementary level
	Serving line speed

If fully implemented at all schools, the additional cost of a minimally processed menu would be approximately \$.50 per lunch.

The committee thanked the Aramark team for investing over 200 hours to prepare a sample menu and analyze implementation issues. They also asked several questions.

Q: Could some minimally processed foods (MPF) be incorporated into the current menu?

A: Current school menus incorporate minimally process food items and more are added as they become available from food suppliers.

Q: Has a MPF menu been incorporated in other school districts?

A: Yes, but student participation suffered.

Q: Why do you think implementation has not been successful?

A: Mainly due to the different foods offered to students all at once.

Q: What are the barriers to implementing an MPF menu at the elementary level?

A: Mainly a lack of space to serve students two separate menus and a lack of preparation space that would be needed to maintain proper food sanitation when preparing raw meats.

The committee was reluctant to implement a single MPF menu district wide so as not to force all parents to pay the extra cost of a MPF menu. Physical space constraints limit implementing a dual menu plan at all buildings. The committee expressed hope that more MPF items would be available soon to incorporate into the current menu structure.

**Fund Balance Review** – An analysis of the 2012-13 fund balance was shared with the committee. The intent of the analysis was to provide more detail behind the audit numbers. The 2012-13 year started with a balance of \$33,476,973 less \$11,374,948 which was assigned to the district Post Employment Benefit Fund, not the district's general fund. This left a starting balance for 2012-13 of \$22,102,025. During the 2012-13 fiscal year operations, the district realized \$24,413,287 in revenues exceeding expenses. At the end of the fiscal year, the district transferred \$8,000,000 to a long term capital account to pay for future Holicong Middle school renovations and used \$20,000,000 to pay off long term debt to reduce the budget impact of future PSERS retirement obligations. Finally an audit adjustment of \$4,014 was made to correct a book entry made in error when the district migrated to new financial software. This left an ending general fund balance of \$18,519,326 for fiscal year 2012-13.

**Review of the 2012-13 Audit** – The independent audit firm of Maillie LLC finished its yearly audit of the district and reviewed its draft report with the committee. Jeff Mantz, a manager with the firm, went through the draft report page by page to provide insight on what the audit report was presenting and details of how the auditors review the district financial statements and procedures when looking for potential fraudulent activity. The scope of the audit was reviewed and he had the following comments:

This was Maillie's fifth year of auditing Central Bucks and that is was the easiest year since the start of the engagement. All account back up information was provided timely and all of the testing of internal controls and internal processes provided clean results. All items requested for review were provided in a timely manner. Jeff described a number of the various tests that are performed to look for procedure weakness, internal control failures, ghost employees in the payroll system, and indicated that all test results were solid and did not point to any areas of potential weakness or failure.

It was noted that there was a sizable number of additions to Capital Assets, which is in line with the large volume of capital project work that is ongoing in the district.

The auditor commented on the single audit statement, which includes reviews of federal programs, and indicated that there were no findings. He also commented that the district is making a good faith effort to meet its long term GASB 45 Post Employment benefit obligations through the years.

He was questioned on the results of the fraud questionnaire distributed to staff, administration, and the school board. It was noted that there were no reports of suspected fraud or noted weaknesses in district procedures, based on the SAS 114 and 115 reports received by the auditors.

When asked about the district's financial position at the end of the 2012-2013, the auditor indicated that the debt defeasance executed during the year helped to reduce the districts outstanding debt and improved its position to meet upcoming obligations, such as the pension liability. He commended the Board for taking an aggressive long term approach to addressing the PSERS retirement system cost increases by permanently paying off debt years ahead of the amortization schedule.

A district-to-district comparison of 15 other school districts audited by Maillie was provided. When asked how CBSD compares to other school districts it was noted that statistically Central Bucks' financial standing is on average with the other districts. The district's general fund balance of \$18,519,326, which is 6.4% of the 12-13 total budget and is actually on the low side compared to other districts.

When questioned about outstanding debt, it was also noted that the district's outstanding debt is also on par with that of other districts, which without the debt defeasance it would have been on the high side.

Jeff Mantz closed his audit review by restating that the audit opinion is clean, without any findings. There were no instances of non-compliance and proper internal controls are in place. Based on this audit and prior audits, CBSD is designated as a low risk auditee.

**Financial Planning and Goal Setting** – Reviewing the results of the school board's direction on setting financial goals, shows consistency through the years. Academics are priority one, followed by goals on student safety and goals that maintain the long term financial health of the district. The district financial advisors, Public Financial Management (PFM), indicates that the district should consider one more round of debt defeasance in the range of \$35M to \$50M to keep the district in the best financial position for the next 5 to 10 years. Within five years, the district should be hitting the maximum employer's contribution percentage into the PSERS retirement system.

Goal Description (low value indicated highest ranked goal)		Total Score Low Score = Highest Rank	Average Score Low Score = Highest Rank
1	Maintain and Improve our Academics (re-establish initiatives)	12	1.3
2	Meet PSERS Obligations Without Max Tax Increases	40	4.4
3	Continue to Evaluate Security & Improve Where Possible	45	5.0
4	Minimize Real Estate Tax Increases	45	5.0
5	Pay Off More Debt	49	5.4
6	Pay for Building Renovations with Cash - No New Debt	53	5.9
7	Teacher Negotiations Budget Planning	60	6.7
8	Maintain General Fund Balance at 5%	72	8.0
9	Plan for the Affordable Care Act	79	8.8
10	Explore Alternate Revenue Streams (grants, Cyber Charter)	80	8.9
11	Increase the Number of School Days	94	10.4
12	Explore Walking More Students to School (Phase 2)	106	11.8
13	Explore Implementing Full-Day Kindergarten	113	12.6
14	Explore More Vocational (MBIT-type) Programs at CB HS	115	12.8
15	Elem. Schools Without A/C, Make "A" Schools for Transp.	117	13.0

These rankings are the start of the process and can be refined in the future. The purpose is to provide general direction for the start of the budget process.

**Draft of Capital Uses for Projected Fund Balances** – For the next 5 years, the district would like to continue the practice of budgeting for approximately \$7M for short term capital needs as noted:

Transportation	\$1M
Technology	\$2M
Short Term Capital	\$4.3M

In addition, administration feels we should be budgeting for other long term goals such as

- Long Term capital for future large construction projects that will cost approximately \$6-8M per year according to the district's long range capital plan. This will also eliminate the need to borrow for construction projects in the near term.
- It is also recommended to allocate some money towards the district's GASB 45 obligations which can also be used for debt defeasance in the future if the Board wishes to do so.
- The district should maintain a yearly budgetary reserve for self-insured health care expenses in case they exceed the expected budgeted amount. Any unused funds at the end of the fiscal year can also be used to help pay off current debt.
- Maintain budgetary reserves for future PSERS expenses since we know costs will go up dramatically over the next five years and our goal is to minimize tax increases during that period.

The reserves for GASB 45, health care, and PSERS could be used for debt defeasance or other future school board goals. The available funding for transfer to capital accounts is likely to decline over the next five years as PSERS contributions and health care cost continue to rise. It is also assumed that the school board will not raise taxes to the Act 1 maximum amounts over the next five years.

**2014-15 Budget**– The Act 1 base index for the 2014-15 budget process is 2.1%. This means real estate taxes could be raised by 2.1% if needed. In addition, it is anticipated that the district would also qualify for an exemption from Act 1 limits in the expense for state retirement payments (which will go from approximately 17% of gross payroll to 21%) and in the expense of special education costs bringing the total estimated maximum millage increase to approximately 3.3%. The actual calculation for the 2014-15 fiscal year is not available from PDE as of this date. As per past practice, administration will likely present an initial budget in December that has an increase greater than 2.1%. If administration doesn't do this, PDE will not allow the district to use Act 1 exceptions. Since we will not know until mid-February, via the governor's budget, if state subsidies will remain the same, or if we will see a reduction, we need to present a conservative budget at the start of the process.

As we look ahead to the 2014-15 budget, we have been looking at data from the state. The good news is that state revenue is trending upward for sales tax collected, corporate income taxes, real estate transfer taxes, and personal income taxes. The bad news is that every extra penny that the commonwealth takes in during 2014-15 will likely go towards meeting its PSERS and SERS pension obligations.

Projections from the state's Independent Fiscal Office show that most of the budgetary reserves will be used during 2014-15. This probably means that school district are unlikely to see subsidy increases for 2014-15.

Looking at local revenues, it appears that we have bounced off of the bottom and are starting to trend upward. Earned income taxes are up, real estate assessed values are increasing slightly, and the number of students eligible for free/reduced price lunches is dropping slightly. These are all good trends. Looking at real estate taxes, it is anticipated that the revenues will increase due to growth in real estate assessed values as new houses and business are built during the year. We are assuming that earned income taxes will grow by 2% or more per year over the next several years.

Other local taxes (interim RE, delinquent RE, PUC tax, and RE transfer) are assumed to have minimal growth. State and federal subsidies are assumed to have minimal growth over the years.

Looking at expenses, we anticipate salary increases to range from 1% to 2.4% depending on employment classification. Health care expenses are assumed to increase 7%. Prescription expenses are assumed to increase 6%. Dental, disability, life insurance, workers comp, and unemployment are projected to have moderate increases. Retirement expenses will increase by 26% in 2014-15.

300 Object: Professional Services: such as consultants, architects, legal, IU Services, psychologists, tax collection, doctor examinations, bank trustee and escrow, cooperative purchasing, I.T. Tech support, and athletic trainers are expected to increase 1% during 2014-15.

400 Object: Purchased Property Services: Copier lease, repair services by outside contractors, modular classroom lease, electricity, sewer, water, telephone system maintenance, are expected to increase 1% during 2014-15.

500 Object: Other Purchased Services: Services not provided by district personnel such as approved private schools for sp. ed., MBIT tuition, general travel expenses, homebound education, alternate education, charter school tuition, court placed education, postage costs, curriculum development, legal notices, insurance (E&O, Auto, Property, etc.), contracted transportation, phone line expenses, are expected to increase by .5% during 2014-15.

600 Object: Supplies: purchase of materials that are expendable and consumed in a short period of time, pencils, paper, office supplies, subscriptions, standardized test expenses, textbooks, audio visual materials, medical supplies, replacement parts, diesel fuel, gasoline, are expected to increase .5% during 2014-15.

700 Object: Property and Equipment: Expenditure for the acquisition of small fixed assets and replacement, TV's, projectors, Smartboards, DVD players, computers, medical equipment, athletic equipment, are expected to increase .5% during 2014-15.

800 Object: Other Expenses: Expenses not classified in other specific areas are organization/membership dues (PSBA, PASA, PASBO, etc), real estate taxes on unused land (county/municipal), and interest payments on debt. The good news is that interest payments on debt will be going down over the next five years due to prepayment of existing debt.

900 Object: Other Financing Uses: This group of expense accounts includes payment of principal on long term debt, transfers to other funds for major equipment purchases, improvement of facilities, prepayment of debt, self insured health care reserve, and other post employment benefits (GASB 45).

Principal payments on debt will be reduced over time due to the nearly \$100M debt payoff and debt restructuring that has occurred over the last few years. However, in the near term, principal payments on debt will remain at about \$16.2M per year.

Budgeted transfers to capital funds are the amounts for funding school buses, computers, and small construction projects.

Projected available for transfer to capital funds, are amounts budgeted for major construction projects, reserves for retirement system increases, and reserves for self-insured health care. If these reserves are not needed in the future, they can be used to pay off debt. PFM recommends a future debt defeasance of \$35M to \$50M.

The committee recommended submitting a proposed preliminary budget that would exceed the Act 1 base limit of 2.1% in case state funding levels are reduced in February. By using this process, the district could qualify for Act 1 exceptions – if needed.

**Athletic Trainer Services**— The district requested proposals for athletic trainer services and received three responses. A.T.I., the current company providing athletic trainer services provided the low quotation at \$68,000 per year. The new contract will save the district almost \$23,000 per year.

Athletic Training Services RFP - November 12, 2013

Vendor	Current Contract	14/15	15/16	16/17	17/18	18/19	Total
Bucks Phys. Therapy		\$84,000.00	\$87,000.00	\$90,000.00	\$93,000.00	\$96,000.00	\$450,000.00
NovaCare		\$75,500.00	\$76,500.00	\$78,000.00	\$79,500.00	\$81,182.41	\$390,682.41
ATI	\$90,850	\$68,000.00	\$68,000.00	\$68,000.00	\$68,000.00	\$68,000.00	\$340,000.00

The committee asked if ATI was providing good service to our students? Administration checked with the athletic directors and they have been very happy with the level of service and professionalism of the ATI athletic trainers. The committee recommended the contract be placed on the Board agenda for consideration.

#### ADJOURNMENT

The meeting adjourned at 10:15 p.m.

Minutes submitted by Dave Matyas, Business Administrator and Administrative Liaison to the Finance Committee

**CENTRAL BUCKS SCHOOL DISTRICT**  
**Operations Committee Minutes**  
**November 20, 2013**

Committee Members Present

Tyler Tomlinson, Chairperson  
Geri McMullin, Member  
Paul Faulkner, Member  
Joe Jagelka, Member  
Scott Kennedy, Director of Operations

Other Board Members and Administrators Present

Steve Corr                      Dr. Dave Weitzel  
Kelly Unger                     Dave Matyas  
Jerel Wohl                      Ken Rodemer  
Sue Vincent

The meeting was called to order at 6:30 PM by Tyler Tomlinson, Chairperson

PUBLIC COMMENT

APPROVAL OF MINUTES

The October 16, 2013 Operations Committee minutes were accepted as presented.

INFORMATION/DISCUSSION/ACTION ITEMS

Ken Rodemer distributed and reviewed the Operations Report.

Ed Sherretta discussed the 2014 computer replacement plan.

Scott Kennedy reviewed the proposed plan for replacing security cameras and converting to a new VMS (video management system) called PRISM. He reviewed the implementation plan along with the associated costs.

Scott Kennedy and Ken Rodemer gave an update on the status of the CB East Stadium. The Land Development submittal was delivered to the Buckingham Township Engineer on October 28<sup>th</sup>. Final design will be complete in December/January and out to bid in early 2014.

Scott Kennedy and Ken Rodemer presented a comprehensive list of proposed capital projects for the next ten years. The proposed projects were broken down years 2015-2020 and 2020-2025. Each project was assigned an approximate price range. These ranges are rough estimates only because limited research has taken place into the actual scope of work.

ADJOURNMENT

The meeting was adjourned at 8:05 p.m. Minutes submitted by Scott Kennedy, Director of Operations and Administrative Liaison



**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY**  
**EXECUTIVE COUNCIL MINUTES**  
**November 11, 2013**

- I. The regular meeting of the MBIT Executive Council was convened on Monday, November 11, 2013; at 5:38 p.m. by Mr. John Gamble, Chairperson, in Room 101 at MBIT. The Executive Council rose to recite the Pledge of Allegiance to the flag. The following members were in attendance:

**Council Members**

Ms. Katherine Driban, Centennial S.D.  
Dr. Bill Foster, Council Rock S.D. (Arrived at 5:47 PM)  
Mr. John Gamble, Central Bucks S.D.  
Mrs. Bernadette Heenan, Council Rock S.D.  
Mrs. Betty Huf, Centennial S.D.  
Mr. Joseph Jagelka, Central Bucks S.D.  
Mr. Charles Kleinschmidt, Centennial S.D. (Arrived at 5:52 PM)  
Mrs. Kelly Unger, Central Bucks S.D.

**Absent**

Mr. John Vaughn, New Hope Solebury S.D.

**Others in Attendance:**

Dr. Raymond Boccuti, MBIT Superintendent of Record, New Hope-Solebury S.D.  
Mrs. Denise Dohoney, Assistant Director  
Mr. Jeffrey Garton, Esq., School Solicitor  
Mr. Richard Hansen, Facility Supervisor  
Mrs. Roberta Jackiewicz, Assistant Board Secretary  
Mr. Vincent Loliacono, Director of Facility Operations  
Mrs. Stacy Pakula, Career and Technical Education Supervisor  
Mrs. Kathryn Strouse, Administrative Director  
Mr. Robert Vining, Business Manager

- II. There were no guests at the meeting.
- III. Mr. Gamble welcomed Mrs. Unger back to the Council. He began his report by saying that leadership seems to be a common theme during the month of November. The Health Occupations Students of America (HOSA) held an induction ceremony that was attended by students, parents, teachers and administrators for the newly elected officers. The Central Bucks Chamber of Commerce selected four students from our school to be this year's recipient of their Young Citizens Award, for demonstration of exceptional commitment to the principles of good citizenship and community involvement. Those students will be recognized at a luncheon at the end of the month.

Next week we will be sending 25 SkillsUSA officers and representatives to the three day Fall Leadership Conference in the Poconos, where they will join students from other career and technical schools to learn about leadership and student government.

Mr. Gamble presented a plaque to Mrs. Heenan in recognition of her dedication and service as a member of the Executive Council. Mrs. Heenan thanked everyone and said she will continue to be involved with the school.

Mr. Gamble presented Dr. Boccuti with a Certificate of Recognition on behalf of the students, staff and Executive Council for his service as Superintendent of Record.

- IV. Mrs. Huf noted she has been re-elected and it is her pleasure to serve on the Executive Council for another four years. Ms. Driban said she is excited that Aspirations is open.
- V. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to approve the minutes of the October 14, 2013 meeting. Attachment 1 (pg. 1-1)
- VI. Routine Business:
  - A. Administrative Report

- 1. Mrs. Strouse thanked Mr. Gamble for his service as the Executive Council Chairperson for the last two years and presented him with a Certificate of Recognition.

Dr. Boccuti performed flute arrangements dedicated to Mrs. Heenan in honor of her service and to say thank you for his time at Middle Bucks as Superintendent of Record. He said he will continue to support our school strongly for New Hope-Solebury School District and will continue to work with the Superintendents.

Dr. Foster arrived at 5:47 PM and Mr. Kleinschmidt arrived at 5:52 PM.

- 2. Mr. Vining presented an overview of the first draft of the 2014-15 General Fund Budget. The increase on the general fund expenditures including lease rental is 3.03% or \$300,987. The General Fund increase is 3.54% or \$299,742.

He discussed the many challenges and unknowns, which include health insurance costs, retirement, insurance, utilities, state subsidies and federal grants. The goal is to be at or under the Act 1 Index of 2.1%.

Assumptions were made regarding salaries, medical and prescription benefit costs, the PSERS employer rate, increase in maintenance for aging HVAC, fire and smoke detection systems, equipment in programs and costs for supplies and utilities

Mr. Vining discussed the components of the increase which include salaries and wages, health insurance and contract benefits, employer's PSERS rate, purchased professional service, purchased property services, other purchased services, program supplies, non-instructional supplies, equipment for classroom and Information Technology and all other expenses.

The increase on the General Fund contribution that is proposed from the member districts is \$179,097 or 2.49%. When combined with the Authority Lease, the increase on the total expenditures that the districts are supporting is 2.08%.

State and Federal (Perkins) revenue were discussed. The Vocational Education and Retirement subsidies were increased and federal funding for the Carl D. Perkins Grant were decreased.

The next steps are to gather more information, update the proposed budget with first look healthcare premiums equivalents and certified employer rate for PSERS and look for savings. The next presentation will take place on February 10, 2014.

- B. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to receive and file MBIT's update including activities/events, correspondence and related matters as per Attachment 2 (pg. 2-1)

C. Committee Reports

1. Dr. Boccuti, Superintendent and Chairperson of the Professional Advisory Council said it is a pleasure to work with Mr. Vining every year on the budget. He works really hard to help our districts and it is appreciated. Attachment 3 (pg. 3-1)
2. Mrs. Bernadette Heenan, Chairperson said she did not attend the Building, Security and Technology Committee meeting and asked that the packet be referred to for the report. Attachment 4 (pg.4-1)
3. The Program, Policy and Personnel Committee meeting scheduled on Wednesday, November 6, 2013 at 5:15 PM was cancelled. Mrs. Betty Huf, Chairperson. Attachment 5 (pg. 5-1)
4. Ms. Katherine Driban, Chairperson of the Finance Committee said she attended a portion of the meeting via telephone and deferred to Dr. Foster for the report. Dr. Foster noted that they discussed the budget and audit, which are on the agenda for approval. They also reviewed financial information for Adult Education and Lil Bucks. Attachment 6 (pg. 6-1)

- D. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to approve the Cash Payments Report for October. Attachment 7 (pg. 7-1)

- E. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to approve the Treasurer's Report for September. Attachment 8 (pg. 8-1)

VII. Current Agenda Items

A. Personnel Items

1. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to approve the qualifying leave of absence consistent with Policy #435.1 -- Family and

Medical Leave for Angela Egge, Special Needs Coordinator, effective December 19, 2013.

2. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to approve the membership of the Middle Bucks Local Advisory Council for the 2014 calendar year. Attachment 9 (pg. 9-1)

B. Policies

1. ADOPTION

Ms. Driban moved, Mrs. Heenan seconded, passed unanimously to accept for adoption the following revised Administrative Regulations. Attachment 10 (pg. 10-1)

- a. Revised Administrative Regulation 335.1-R– Family and Medical Leaves – Eligibility/Types of Leaves in the Administrative Employees Section.
- b. Revised Administrative Regulation 435.1-R – Family and Medical Leaves – Eligibility/Types of Leaves in the Professional Employees Section.
- c. Revised Administrative Regulation 535.1-R – Family and Medical Leaves – Eligibility/Types of Leaves in the Classified Employees Section.

C. Other Matters for Consideration

1. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to receive and file the calendar of the Executive Council public meeting dates for the 2014 year. Attachment 11 (pg. 11-1)
2. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to receive and file the October 18, 2013 Local Advisory Council Minutes. Attachment 12 (pg. 12-1)
3. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to receive and file the MBAVTS Authority Audit Report prepared by Dreslin and Co., Inc. for the fiscal year ending June 30, 2013. Enclosure
4. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to receive and file the MBIT Independent Audit Report prepared by Dreslin and Co., Inc. for the fiscal year ending June 30, 2013. Attachment A

Mrs. Strouse explained there was a draft version of the Audit Report included in the packet and a final version was provided at this meeting. Mr. Vining noted that changes included reclassifications on the balance sheet. He said there were only minor changes, nothing substantial. All of the fund balance totals remained the same as what was reported in the draft.

5. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, authorizing the Business Manager to execute a 60 month FMV lease at cost of \$614 per month for Canon 5235 copier/printer/scanner for main office and Canon 8400 wide format printer for Commercial Art program replacing and canceling current FMV leases for Canon 5030 and Canon 3480 with combined monthly cost of \$385. In replacing current leases, maintenance cost for new printers is \$0.0547 cost per copy compared to \$0.0787 and \$0.0972 per color copy. All leases and maintenance are via Canon Solutions. Attachment 13 (pg. 13-1)

There was a question as to what the maintenance cost per copy includes. Mr. Loiacono explained that the maintenance cost per copy includes service calls, parts, maintenance and toner.

It was asked if these are newer copies or the same copiers with a different maintenance package. Mr. Loiacono noted that they are newer copiers.

It was mentioned that a few years ago we looked at our telephone service in a global way to save money and it was asked if we are still saving money. Mr. Vining said that we are. There was a discussion as to when changes were made to the system. Mr. Vining also noted that we get the e-rate rebate, and the economy has increased the percentage we get back.

6. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to approve a 1-year contract with Burns Mechanical Inc. to provide comprehensive HVAC maintenance services at a cost of \$44,750.00. Attachment B

Mrs. Strouse pointed out that Mr. Garton had not finished reviewing the agreement before it was included in the packet. He recommended that we identify each unit and specifically what services would be provided. He also recommended we change the payment from a 10 day turn around to a 30 day turn around. A new contract was provided at this meeting to include the above changes.

There was a discussion regarding if it would be better that the contract say to maintain the units per the manufacturers schedule and advice rather than specifying the specific service that would be provided on each unit. Mr. Hansen noted that sometimes the manufacturer really doesn't have a schedule. They look at the life of the piece of equipment. In Pennsylvania, we generally use a best practices formula. We look at how many hours the piece of equipment has been in operation. Maintenance is set up quarterly, so it is seasonal. In the spring, we clean the coils, which is something that wouldn't be done in the fall or winter. In the winter, we complete a winter start up where we check all of the winter components. The manufacturing of this equipment is done on a national and international level, and they would be adjusted to individual climates. The maintenance schedule we have here would be different from the manufacturers spec in Florida. Mr. Hansen was comfortable with the schedule and said that he helped formulate the schedule included in the contract.

Mr. Hansen also explained we have 66 units of various sizes that suits the environment of the school based on the needs of the programs. Each unit is calculated to the cubic footage of the program.

There was a question asked that since this system is probably more expensive in terms of maintenance and complexity, should we think in the long term about simplifying it. Mr. Hansen explained that the infrastructure of the school and the way it was designed in 1969, doesn't really allow you have a central boiler heating system. The school has four diverse wings that would require a tremendous amount of mechanical infrastructure to support them. We have programs that are diverse and have totally different environments. It would be virtually impossible to try to maintain an environment that each one of those programs could work within. This was reviewed when we put together the 2006 renovation plan, and it was cost prohibitive put in a central chiller system or a central boiler system.

7. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to authorize the Administration to advertise and solicit sealed bids for the sale of the student-built house project, at a price not to be less than \$82,500. Attachment 15 (pg. 15-1)
8. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to approve budget transfers. Attachment 16 (pg. 16-1)
9. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to cancel the December public meeting and authorize the Administration to pay bills to be ratified at the January meeting.

Mr. Gamble thanked everyone for their hard work and dedication over the last two years he has been Chairperson. He said he thinks the people in the room have made an exceptional working and learning environment that our children continue to excel in, and it has been his honor to serve as the Chairperson of the Executive Council.

There was an Executive Session held regarding a personnel matter.

10. Ms. Driban moved, Mrs. Heenan seconded, passed unanimously, to approve the settlement agreement as discussed in Executive Session.

VIII. Mrs. Heenan moved, Ms. Driban seconded, passed unanimously, to adjourn the November 11, 2013 meeting of the MBIT Executive Council at 6:40 PM.

Respectfully submitted,

Bernadette Heenan  
Secretary

Roberta Jackiewicz  
Assistant Secretary

**CENTRAL BUCKS SCHOOL DISTRICT**

**Resolution Approving Preliminary Budget  
and Authorizing Referendum Exception and Final Budget Notice**

**RESOLVED**, by the Board of School Directors of Central Bucks School District, as follows:

1. The Proposed Preliminary Budget of the School District for the 2014- 2015 fiscal year on form PDE 2028 as presented to the School Board is adopted as a Preliminary Budget Proposal for the School District General Fund. The Administration and School Board will continue review of budget components, and the Preliminary Budget may be revised prior to adoption of a Final Budget for the 2014- 2015 fiscal year.
2. The Act 1 index applicable to the School District as calculated by the Pennsylvania Department of Education is 2.1%. The Preliminary Budget Proposal assumes that the School District will receive approval for use of one or more Act 1 real estate tax referendum exceptions. The School District shall take all steps required to obtain approval for the referendum exceptions contemplated in the Preliminary Budget Proposal, including advertising once in a newspaper of general circulation and placing on the School District internet website Act 1 Referendum Exception Notice in substantially the form as presented to the School Board.
3. The School District shall continue to make the Preliminary Budget Proposal available for public inspection, and shall make the Proposed Final Budget in its then current form available for public inspection at least 20 days before the date scheduled for adoption of the Final Budget.
4. At least 10 days before the date scheduled for adoption of the Final Budget, the Secretary shall advertise Final Budget Notice in substantially the form as presented to the School Board. The notice shall be advertised once in a newspaper of general circulation and shall be posted conspicuously at the School District offices.
5. School District officials shall take all action necessary or appropriate to carry out the intent of this resolution.