

SHIKELLAMY SCHOOL DISTRICT  
Sunbury, Pennsylvania

**Work Session - May 2, 2013**  
Island Park Administration Center - 7:00 p.m.

A Work Session of the Shikellamy School District Board of Directors was held on Thursday, May 2, 2013 at 7:03 p.m. at the Island Park Administration Center.

Board Members present were: Dr. Hartman, Mr. Garman, Mrs. Garman, Mr. Karpinski, Mr. Michaels, Mrs. VanDerPool and Mrs. Wiest

Board Members absent were: Mr. Kerstetter & Dr. Walter

Student Members Present: Miss Pehowic (arrived at 8:32 pm)

Others Present: Mr. Patrick Kelley, Superintendent  
Attorney Jeffrey Apfelbaum, Solicitor  
Mrs. Abbey Walshaw-Wertz, Director of Education  
Mr. David Sinopoli, Business Manager  
Mrs. Stephanie Michaels, Special Education Supervisor  
Ms. Dixie Barth, Priestley Elementary Principal  
Mrs. Susan Giberson, Beck Elementary Principal  
Ms. Holly Judge, Oaklyn Elementary Principal  
Mr. Brett Misavage, Chief Shikellamy Elementary Principal  
Mr. Frank Boyer, Middle School Principal  
Mr. Michael Hubicki, High School Principal  
Mrs. Mary Murphy-Kahn, High School Assistant Principal  
Mr. Douglas Benick, Director of Facilities  
Mrs. Bethanne Zeigler, Board Recording Secretary

#### **PUBLIC COMMENT**

There was no public comment.

#### **COMMUNITY FOUNDATION**

Attorney Apfelbaum reviewed the draft of the Community Foundation Trust document. Mrs. Wiest expressed her preference for the foundation would be to support groups and activities of the district and not scholarships or individual needs of students. It was decided to narrow the focus to groups and activities of the Shikellamy School District with the emphasis on the educational programming. In addition and after some discussion, it was agreed to increase the number of seats on the Trust Board to eleven and the name of the Trust will be Braves' Foundation. Proxy voting was explained as a management provision with administrative powers of the trust. Attorney Apfelbaum will make the changes and it will be distributed to the Directors early next week. A motion to adopt the foundation will be added to the May 9, 2013 voting agenda.

#### **HVAC CONTRACT DISCUSSION**

Mr. Benick made a recommendation to switch from Trane to NRG Controls North, Inc. for the HVAC contract. The cost is lower and the district would receive more services. This item will be placed on an agenda for board action.

## **FACILITIES BUDGET DISCUSSION**

At the April 25, 2013 work session, Mr. Benick reviewed the proposed Facilities Budget for the 2013-14 fiscal year. Mrs. Garman explained that this budget looks good now; however, things could still be cut, if necessary, at a later time. Dr. Hartman responded that if there is any real interest in cutting something, now is the time to take care of it. Mrs. Van Der Pool added that in the past, the facilities budget has been an area that cuts have been made and she believes that could be a problem now. A project to reconfigure the entry way at Oaklyn Elementary was discussed briefly and is being considered as a Capital Improvement project. Dr. Hartman cautioned the Board stating that the Capital Reserve is to be used for limited type expenses and the current buildings are in pretty good shape. However, one can not anticipate when an unexpected event will occur. In addition, certain projects could become part of a bond issue. Dr. Hartman is not suggesting that; however, he asked Mr. Benick to not permit the Board to forget about the Oaklyn project before the budget is passed in June.

## **REVIEW 2013/14 GENERAL OPERATING BUDGET**

Mr. Kelley stated that the administration has worked exhaustingly to eliminate some request for funds. There is a request for tax increase to increase revenues. He further explained the basic index, which is used for tax increase determination. It is predicted to drop below 2%, which allows for the ability to decrease the tax via referendum exceptions. The state subsidy is \$187,222. Mr. Sinopoli reviewed the changes made from the first presentation of the proposed 2013/14 General Operating Budget.

## **2013-14 GENERAL OPERATING BUDGET CHANGES**

- Retirements / Resignations (Approximate) \$120,000
  - Foster Grandparents Program Reduction 11,490
  - Elementary – Supplies (Building, Library, Office) 12,700
  - Elementary – Library Books 3,300
  - Middle School – Supplies (Building) 15,000
  - High School –Supplies (Building, Office) 30,000
  - Maintenance – April 25 Review 124,160
  - Electrical Generation Conversion 108,690
  - Transportation – Current Route Changes and One Instead of Two Additional Routes 122,549
  - Student Activities Van 38,500
  - Transfer to Capital Reserve Fund (150,000)
  - Revenue - Updated Increased Real Estate Assessments 92,306
- \$528,695**

**First Draft Deficit (1,426,286)**

**Second Draft Deficit (893,731)**

- One Real Estate Mill Produces \$162,330.
- Referendum Exceptions Allow the School District to Increase Millage Above 3.5 Mill.
- 3.5 Mill Increase Equal \$568,155.

## **Certification of Estimated Ending Fund Balance**

2013-14 Total Budgeted Expenditures	\$39,850,724
Unassigned Fund Balance @ June 30, 2012	\$4,983,438
2012-13 Estimated Surplus	\$381,299
	<u>\$5,364,737</u>
Fund Balance % Limit (8%)	<u>\$3,188,058</u>

Potential Fund Balance to be used for 2013-14	\$2,176,679
2014-15 Health Care Increase (Approximate)	(\$300,000)
2014-15 Pension Increase (Approximate)	(\$720,000)
Wireless LAN Upgrade	(\$75,000)
Laptop Lease Agreement	(\$300,000)
Commit to Construction of Middle School Debt Service	(\$456,103)
2013-14 Budget:	
Current Deficit \$893,731 less 3.5 Mill Tax Increase \$568,155	(\$325,576)
	\$0

Mrs. Wiest inquired if the offer still stands from the Degenstien Foundation for a \$500,000 match for technology purchases. It was explained that the offer was for infrastructure expenses.

The fund balance was explained. Additionally, Dr. Hartman asked if the Board of Directors clearly understood what they would be voting on at the May 9, 2013 meeting. It is a tentative budget, which must be adopted by a certain date so that the district can have a balanced budget adopted by June 30, 2013. Mrs. Wiest pointed out that last year at this time; the Board approved a preliminary budget that included a tax increase; however the end result was different.

Building level and technology budgets will be reviewed at a subsequent meeting.

**ACTIONS, ITEMS, MINUTES, BILLS AND RESOLUTIONS**

Mr. Sinopoli briefly reviewed questions regarding the bill list.

<u>Questioned by:</u>	<u>Check #</u>	<u>Vendor</u>	<u>Amount</u>	<u>Explanation</u>
Mrs. Wiest	#38251	KidsWork Therapy Center	\$13,935	Inquired if this is a monthly bill, which is affirmative. She asked if the district could employ a therapist & was informed that there are not enough students to warrant the position.

The May 9, 2013 voting agenda was reviewed. Mr. Sinopoli requested to add resolutions to enter into the record acknowledgement of PlanCon Part K, which a letter was received on Tuesday from the Department of Education. Annual professional contracts were reviewed and will be voted on at the May 9, 2013 meeting, as well as contract renewals under the Property Committee.

**OTHER**

Mr. Michaels was approached by a Sunbury Celebration Committee member regarding the use of Chief Shikellamy Elementary School for the fireworks display. It is his understanding that there was a resolution passed several years ago given approval for this activity. Mrs. Zeigler was directed to research the matter and if there was board action, this may simply be information.

Mr. Kerstetter has requested that he and Mr. Michaels switch roles on the Joint Operating Committee for the SUN Area Technology Center. Mr. Michaels agreed to serve as the representative and Mr. Kerstetter will be the alternate. Formal action will be taken on May 9, 2013 to address the change.

Due to a schedule conflict with the SUN Area Technology Center graduation, the May 23, 2013 work session will be held on Tuesday, May 21, 2013. Dr. Hartman has requested that the Board receive good information in order to move forward. With the assistance of Public Financial Management, the Board needs to evaluate the financial picture to determine if they can float a bond issue, build a new school and still continue to operate the school district; while maintaining programs given the current restraints on school funding. Once that decision is made, discussion regarding architects can happen. After a brief discussion, it was agreed that the administration would contact Public Financial Management and have them present to the Board of Education at a work session that would immediately follow the voting meeting on May 9, 2013. At the May 21, 2013 work session, the administration will review the building budgets and the technology budget.

#### **ADJOURNMENT**

The meeting was adjourned at 8:59 pm and an executive session was called for personnel matters and one negotiation matter.