



Wyomissing Area School District

630 Evans Avenue, Wyomissing PA 19610

Finance Committee
Wednesday, March 1, 2017
Community Board Room

Committee Chair: Maria Ziolkowski

Committee Members: Ryan Redner, George Zeppos

Meeting Minutes

Attendees: Maria Ziolkowski, George Zeppos, Ryan Redner, Susan Larkin, Sandra Reese, Jennafer Reilly, Laurie Waxler, Julia Vicente, Lynette Waller, Mark Boyer

Committee Members Absent: None

Public Attendees: Sign-in sheet attached

Meeting called to order by Maria Ziolkowski at 8:03 am

Approval of Minutes

- Motion to approve the minutes from February 1, 2017
- Vote: Motion Carried
- Resolved: Minutes from the meeting on February 1, 2017 were without modifications.

Public Comment: None

Presentation: See New Business

Old Business:

The cash flow through January 31, 2017 was presented to the committee. The cash flow was revised to reflect percentages of actual received to budget. Through January the District has received 85.3%, which is higher than projected. This is due to higher EIT and Transfer taxes. The expenditures were presented in the same manner. The District is at 46.6% of expense versus 43% budgeted and expenses are not projected to go over budget as of June 30, 2017. Payroll cost are trending lower than budgeted due to turn over and long term substitutes.

The Budget to Actual Projections for the 2016/17 fiscal year were presented. There is a budget surplus being projected of \$409k. The revenues were reviewed; we are on target for our tax collections. The majority of the savings is due to higher revenues. We are not anticipating placing an early freeze on spending.

The 2017/18 Budget was presented to the committee. Several projections and scenarios for tax increases were presented to the committee. Tax increase of 2.5%, 2.0%, 1.5%, 1.0%, .5% and 0% was presented to the committee. There is currently a budget gap of \$1,845,225. The presented budget covers immediate staffing needs in Special Education and health services. The administration sought guidance on 25 microscopes, replacement uniforms, and 4.9 positions that are included in projections. The committee agreed that they would like to see a less than 1% tax increase and would like to see all of the presented positions to be included in the 2017/18 budget.

New Business:

Under new business, the committee was presented with a review of the District's Bond/Debt Service. The presentation was provided by Ken Phillips from RBC and Rhonda Lord from Kegel, Kelin, Almy and Lord. The presentation reviewed the historical financial decisions made by the district. The District currently has \$3.4 million of net debt service which will be paid off in 2025. The last three debt issues have been bank loans and have been good decision that has saved the District money. Ken then presented potential debt issuance of \$3m and \$6m and explained the financial impact of each issue. The \$3m issue would be an additional \$102k towards the annual budget and would add one year to the debt schedule. Rhonda then discussed the Senate Bill 76 language as it applies to debt service. The language referred to debt that is incurred, will be grandfathered as debt for the District. It was discussed that the District pass a resolution to incur debt, especially in light of SB 76. The resolution incurs debt with the State, but the District does not necessarily need to actually pull down the debt, in real dollars, at the current time. The District can then wait until interest rates are good or when the immediate need occurs to pull down the debt. The District previously did this with the 2014 debt restructuring.

The committee then discussed new and replacement network controllers. There is need to replace aging controllers and add additional access points throughout the District to cover area that coverage is not strong. This project would be eRate eligible under category 2 funding. Category 2 funding provides up to a 60% of \$150 per student that can be put to use for infrastructure projects. The projected total cost of the project would be \$216,418, but the net cost after the eRate reimbursement would \$43,078 to the District.

The committee then discussed charging for reprinting W2's. Other Districts in the county do charge for reprinting W2's. Reprints occur close to tax submission deadlines or usually when employees are refinancing homes. The request is to charge \$5 per copy.

The committee discussed a request to establish a student activity fund for orchestra. Orchestra has requested to establish a Student Activity Fund that will be separate from the Band Student Activity Fund. This will be moved forward for vote by the Board.

The committee was then presented with an invoice for payment for a Special Education settlement in the amount of \$6,200 from our insurance company.

The committee discussed going out to bid for electricity rates. Our contract is up in May. We hope to achieve a lower rate. The Direct Energy for demand response was also

reviewed and discussed. We will go forward with renewing the contract with Direct Energy.

Announcements: None

Adjournment: 9:57 am

Next Meeting Date: Wednesday, April 5, 2017

Respectfully submitted by Mark Boyer, Business Administrator