



Board of School Directors Committee Meeting Minutes Wednesday, February 10, 2021

Generated by Renai Cardillo on Tuesday, February 16, 2021

Members present: Courtney Barbieri, Nick Braccio, Matt Holliday, Janet Flisak, Ken Keith, Tom Kwiatkowski, Stephen Nelson, and Donna Scheuren,

Members absent: Bill Brong

Others present: Lisa Ball, Henry Franz, Frank Gallagher, Christopher Hey, Katie Kennedy-Reilly, Brian Pawling, and Megan Zweiback

1. Finance Committee

1.1 2021-22 Budget Update

Mrs. Scheuren called the meeting to order at 7:00 P.M.

Director of Business Affairs, Mr. Pawling shared a presentation which began with a 2021-2022 Budget Overview. The current preliminary budget shows a deficit of \$6.6M. Mr. Pawling clearly stated this number is indeed preliminary as no internal adjustments have been made and the anticipation is that this number will be much lower at the March Finance Committee Meeting.

Mr. Pawling indicated that the proposed Pennsylvania Budget will impact our budget preparation along with several other issues which he defined in several slides. The first slide was depicted Personnel and the prioritized positions for the 2021-2022 school year including professional, assistant and security positions. Mr. Pawling also indicated that staffing recommendations are pending for the Technology Department.

Director of Human Resources, Dr. Hey noted that several of the personnel priorities were roll-over or existing needs from the previous school year. Dr. Hey indicated that while demographic reports show an overall decrease in student enrollment, the pandemic has demanded smaller class sizes, resulting in the need for additional instructional staff for in-person instruction and virtual instruction.

Mr. Pawling stated that other personnel related items that would impact the budget include retirement and attrition savings, expiring compensation agreements, staffing of the SAOA (on-line academy) and the achievement of the district goal of diversity recruitment. Dr. Hey commented that the offerings of the Souderton Area On-line Academy remain unknown at this time.

Mr. Pawling shared a slide highlighting the Governor's Proposed Budget. It has priorities on education, workforce development and economic development. It proposes a \$1.3B increase to Basic Education Funding and a \$200M increase to Special Education Funding. Mr. Pawling noted that while this proposal has significant increases, the realities will not become evident until approximately May of this year.

Proposed increases to the Transportation budget are formula driven and mostly inflationary, resulting in no increase to the school district. There are no new increases to PlanCon reimbursements, and the Ready To Learn grant is flat funded this year. He also noted that it is anticipated that there will be level funding of State Property Tax Reduction.

Mr. Pawling also discussed the specifics of the proposed Basic and Special Education funding, indicating that while a new funding formula may be utilized, until the state budget is approved, none of the proposal could be realized in the school district budget preparation.

Mr. Pawling reviewed a slide on Charter School Reform showing a comparison of existing charter school costs versus costs under the Governor's proposed charter school funding changes. Mr. Pawling asked Dr. Gallagher to comment on this specific issue and Dr. Gallagher stated that reform of the charter school funding formula is gaining momentum in the Commonwealth. Dr. Gallagher mentioned the legislative activity of the LEARN (Leaders Educators Accountability Reform Network) group which consists of over 100 school superintendents advocating for this reform. Dr. Gallagher indicated that the recent demand for on-line and virtual learning resources to be provided by traditional public schools, has proven that per pupil costs may be achieved at a lower rate, than what is currently being charged by cyber charter schools.

Dr. Gallagher stated that communication to our local legislators has been very positive, resulting in the charter school reform issue to be kept in the forefront of discussion and the creation of possible legislation in Harrisburg.

Mr. Pawling shared a slide reflecting the current COVID 19 relief packages being discussed at the federal level. Mr. Pawling noted that final details are waiting and should the SASD be the recipient of this relief, those funds would be a one-time add to the budget.

The last slide that Mr. Pawling shared was a detailed overview of IFO (Independent Fiscal Office) Projections. This office was created in 2010 to provide analysis of fiscal, economic and budgetary issues for the Commonwealth. This slide depicted a budget deficit in the state budget for future years as well as forecasting for years 2022 through 2026 statewide average weekly wages, employment cost index and an overall average of both which sets the annual Act 1 index limit.

Mrs. Scheuren thanked Mr. Pawling for the presentation and reinforced the amount of work ahead in creating a budget that is both fair for programs and taxpayers. Mrs. Scheuren also noted that March 22nd is the P.S.B.A. (Pennsylvania School Board Association) Advocacy Day in Harrisburg and although it will be held virtually this year, the opportunity to advocate for fair funding is extremely important this year.

Mrs. Scheuren also noted that Superintendent Gallagher recently had an article published in The Inquirer newspaper with a subject of Charter School Reform. Mrs. Scheuren encouraged the sharing of this article and its relevant topic.

Mr. Holliday asked about the potential of additional revenue to the school district and if there are specific areas where those funds might be utilized. Mr. Pawling responded that any potential revenue would be some of the last adjustments made to the budget, indicating that it could be too volatile to count on it for actual budget creation.

Mr. Nelson and Mrs. Flisak each inquired about the specifics of staffing needs, in each area. Mr. Kwiatkowski asked about the staffing costs and associated benefits. Dr. Hey responded that he would follow-up with that information.

1.2 Approve Montgomery County Intermediate Unit Budget

Mr. Pawling reminded the Board, as required by PA School Code, they must vote on the annual membership services budget for the Montgomery County Intermediate Unit.

Dr. Gallagher commented that he had voted in favor of the current budget along with other Superintendents in Montgomery County. He noted that the M.C.I.U. has been serving the school district well; especially during the COVID-19 pandemic, becoming a conduit of communication to the Montgomery County Department of Health. In addition, they have been very supportive of the LEARN efforts.

The Board agreed to move this agenda item forward for Board Action on February 25, 2021.

1.3 Approve 2020-2021 Budget Transfers

Mr. Pawling noted this is a standard request to transfer funds from one budget account to another to correspond with actual spending.

The Board agreed to move this agenda item forward for Board Action on February 25, 2021.

Mr. Pawling also added that the school district auditors recently reported a clean audit of the school district records. Mr. Pawling praised Assistant Business Manager Lisa Ball and her staff for their diligence and accuracy in this achievement.

Mrs. Scheuren adjourned the Finance Committee Meeting at 8:03 P.M.

Respectfully Submitted,



Brian R. Pawling
Board Secretary / Director of Business Affairs