

## **Finance Committee Meeting**

March 20, 2017

Carlynton Junior-Senior High School Library - 7:00-7:30 pm

### **MINUTES**

The meeting was called to order at 7:07 pm by Superintendent Dr. Gary Peiffer. Board President Jim Schriver, Vice President Joe Appel, Treasurer Marissa Mendoza and Directors Monica Dugan, LeeAnne O'Brien and Kelly Zaletski were present for the meeting as well as Business Manager Kirby Christy and Solicitor Bill Andrews.

**State BEF Adjustment for 16-17 and PSERS Adjustment for 16-17** – Dr. Peiffer said he received a letter from AIU Director Linda Hippert regarding an adjustment to Basic Education Funding (BEF) although he, nor Mr. Christy, received any word from the Department of Education. Mr. Christy said when visiting the PDE website, he learned the district's new estimated BEF was lower than the original numbers provided in August. However, the lower BEF is still higher than budgeted. As of yet, no one has received any communication from PDE. Mr. Christy stated it is difficult to plan a budget with little direction from PDE.

**Exception Approval Letter** – Dr. Peiffer announced the District did receive approval in response to the board applying for an exception. Should the board decide to take advantage, the exception will increase the millage for a gain of \$170,652, to be used for Special Education and retirement. President Schriver said the increases to PSERS are much greater and the exception will barely cover the costs. Dr. Peiffer agreed and added that the Fair Funding Formula has yet to be of much assistance.

**President's Budget Proposal and HB250** – Dr. Peiffer provided a handout (Attachment A) to all board members providing data of proposed funding cuts and increases in other areas. Funding cuts of \$9 billion of the 2017 budget of \$69.4 billion, equates to a 13.5 percent reduction. Proposals include:

- \$1.4 billion increase for school choice
- \$1 billion increase for Title I funding (creating oversight issues)
- \$250 million increase for unspecified new private choice program
- \$168 million increase for charter schools
- \$3.9 billion decrease to PELL Grants (financial aid)
- \$2.25 billion decrease to Title II Part A—Class size reduction/professional development
- \$1.2 billion decrease to the 21st Century Community Learning Grant
- And the freezing of IDEA monies

HB250 proposes the increase of taxes for two credit programs.

**Medicaid and ACCESS** – Dr. Peiffer said the federal government has been kicking around the idea of using Medicaid to cover the former Affordable Health Care Act. This could affect ACCESS funding as the two are interrelated and will hurt funding to school districts.

Director Mendoza summarized the meeting by stating that a shift in funding may occur and the district may be under the threat of losing valuable programs. Dr. Peiffer said the shifting will affect at-risk students by limiting the number of interventions the district now provides. It will difficult to absorb the costs, he said, if the proposals are adopted. President Schriver noted that federal funding is \$1 million of the budget, a small portion of the overall budget, but great for districts who are strapped financially.

The meeting adjourned at 7:29 pm.