Finance Committee Meeting  
Tuesday, October 27, 2020

Committee Purpose
The Finance Committee provides the board with the opportunity to more closely review various aspects of financial administration. This committee provides input to the budget process, meets with auditors, does long-term debt planning with financial consultants and oversees the ongoing business processes of our district.

Committee Leadership
Jim Maurer, School Board Committee Chair  
Sheryl Pursel, Director of Finance

Start Time:  4:30 p.m.

Location: Performing Arts Center, Hempfield High School

Attended:

Board Members:  Adam Aloisi, Mike Donato, Linda Johnston, Grant Keener, Jim Maurer, Charles Merris

Administration:  Mike Bromirski, Mark Brooks, Tab Musser, Sheryl Pursel

Other:  Tyler Kollinok

Time for Public Comment:  None

Discussion Items:

1. Update on Rec Center Agreement - Scoreboard Costs, Installation and Maintenance/Repair Costs

As discussed in previous meetings, the scoreboard that is located in the Hempfield Rec Center should be replaced. However, the District cannot pay for equipment to be placed in a building that is not owned by the District. The Rec Center is proposing a contract with Hempfield School District for use of the swimming pool. The cost to the District would be $6,700 per year for rental fees for next three years to help cover the cost of the scoreboard. After the initial three-year term, the District will pay $1,500 thereafter. Motion will be voted on at the first Board meeting in November (11/3/20). Administration is also recommending the District donate the existing controller to the Rec Center.

2. Disposal of District Property

The Maintenance Department has identified various Siemens automation inventory parts that are no longer being used by the District. This was competitively bid with three bidders participating. The best bid was approximately $6,000. In accordance with Board policy, this will be an item on the November Board agenda (11/10/20) for approval of the sale.
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3. Review Donations Received by District

Walmart donated folders and binders with a value of approximately $500, and Village Grande donated gift cards in the amount of $1,325. Items were donated to Help Thy Neighbor Program. Board Policy 702 allows for acceptance during a public meeting.

Mr. Donato made a motion, seconded by Mr. Keener to approve the donation.

Vote: “Aye” 6, “Nay” 0; Motion passed.

4. Update on PCCD COVID-19 Grant

The District received $381,075 under the COVID-19 Grant, spending to be complete by October 30, 2020. The grant report will be completed by November 10, 2020. Grant expenditures were primarily for PPE items to reopen schools.

COVID grant monies will also be used to fund the expense of the tent rental at the high school. The rental will be extended through the winter. Heat will be run on a low setting on snow days to keep snow off the roof. Some mats are already down to alleviate any potential problems with mud. Initial cost of the tent rental was $20,000 through November, the cost for the entire school year will be approximately $40,000.

5. Financial Impact of Increasing Cyber School Enrollment

While enrollment in cyber schools has been increasing slightly in recent years, the pandemic and concerns about COVID have caused a much larger increase in cyber enrollment in the 2020-2021 school year. Enrollment in 2019-2020 was 169 students, 2020-2021 is at 210. This does not represent Average Daily Memberships (ADMs) but total number of students enrolled for any length of time in a cyber program. If all students were to attend for a full year, the maximum increase in expense could be $474,000.

The amount paid to cyber schools is based on a calculation using PDE Form 363 which is based on the prior year’s expense budget. Restructuring the tuition calculation for what districts are required to pay cyber charters continues to be a contentious topic in Harrisburg state legislature.

Mr. Donato inquired about the balances in a few of the District’s student activity funds. Varsity Club, Epilogue, and past graduating classes are showing large balances. A lot of the funds have been in these accounts for many years. The monies raised by the activities must be used to benefit the students that raised it. Administration will research and will present a plan to lower some of the current balances during the 2020-2021 school year.

Adjourn: 5:58 p.m.
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Future Meeting Dates
Unless otherwise noted, meetings are scheduled at 4:30 p.m. in the Performing Arts Center of the Hempfield High School.

November 17, 2020 (Joint with Buildings and Grounds Committee)
Trout Ebersole will present draft of audit

December 15, 2020 (Joint with Buildings and Grounds Committee)
January 26, 2021 - Public Board Room
February 23, 2021 - Public Board Room
March 30, 2021 - Public Board Room
April 27, 2021 - Public Board Room
May 25, 2021 - Public Board Room