

MINUTES
Committee of the Whole
April 17, 2000

The Penn Manor School Board met as a Committee of the Whole on the above date at 6:00 p.m. in the Board Room of the Manor Middle School. Present were Mr. Anderson, Mr. Fields, Dr. Frerichs, Ms. Herr, Mr. Herr, Mr. Kline, Mr. Kreider, Mrs. Wert, and Mrs. Withum. Present from the administrative staff were Dr. Campbell, Mr. Skrocki, and Mr. Stewart. Also in attendance were Mrs. Griffis and Dolores Warfel (arriving at 6:40 p.m.)

The meeting was called to order at 6:00 p.m. by Mr. Herr.

Mr. Skrocki then distributed information regarding adjustments made to the accounting system due to new Pennsylvania Department of Education reporting requirements.

Mr. Skrocki also provided a copy of a media request which was released at 8:00 a.m. on April 12 regarding the live web-video Town Meeting of the budget presentation to be held on May 11.

Budget information contained in the 2000-2001 Preliminary Budget booklet was then reviewed. Mr. Skrocki reviewed various category budget figures. He stated that the I.U. budget category shows a decrease of \$70,601 which is the first decrease from a budget standpoint in this area in several years. The decrease is a result of a decrease in the special education contract which is based on the number of students needing service at the time the budget is made. This estimate was provided by the I.U. in January and could increase if additional students require I.U. services. He stated that the I.U. will provide Penn Manor will one more estimate of costs in this area prior to final budget adoption. Ms. Herr asked if transfer of entities will continue with the I.U. thereby saving Penn Manor money. Dr. Campbell said the possible transfer of entities is constantly looked at. Ms. Herr stated that we may not want to be in the I.U. business but we may want to consider using available space in Penn Manor for a special education wing should enrollments decrease. Dr. Campbell said one argument against such an arrangement is the fact that it is felt it is good to have I.U. students

mainstreamed where possible. Mrs. Wert stated that it is not permissible to have a building in a school district designated for only special needs students. Dr. Campbell stated that Penn Manor will not be in a position to take on any more I.U. classes due to the fact that we will have Penn Manor classes to take care of during the upcoming renovations. Mr. Anderson questioned what will be done with the extra space after renovations are done. Ms. Herr asked if Penn Manor can provide the services we pay the I.U. for at Penn Manor for less money. Mr. Skrocki stated that we would not have to pay the Indirect Cost Rate if we had our own classes. Mrs. Withum asked if Penn Manor would be saving money by pulling out of the Technology Consortium. Mr. Skrocki said there will be a period of time when it will cost more money due to equipment purchases but over the long term money will be saved. Dr. Campbell informed board members that the I.U. wants Penn Manor to pay \$22,000 which they say was agreed upon verbally by Superintendent's when the Technology Consortium was formed. Mr. Skrocki said the other participating districts would have to pay approximately an additional \$700 if Penn Manor School District drops out of the consortium due to the fact that I.U. services are e-ratable. Dr. Frerichs reminded board members that if Millersville University makes any upgrades to their system Penn Manor will benefit from those upgrades. Dr. Campbell said pulling out of I.U. consortiums or partnerships doesn't happen often. Conestoga Valley and Solanco requested pulling out of a 3 year agreement with the Workers' Compensation Insurance Consortium which is governed by by-laws, etc. The other districts voted not to let them pull out. Dr. Campbell stated that it was a political issue in this case that caused the denial. He stated that pulling out of the Technology Consortium makes more sense due to the benefits Penn Manor could derive - Distance Learning, Virtual School, etc. - from working with Millersville University. He stated that this may be a "wake up call" for the I.U. to look at their costing. Mrs. Withum stated that Elizabethtown School District may want to consider a move like this due to their proximity to Elizabethtown College. Dr. Campbell informed board members that he, Mr. Skrocki and Mr. Reisinger met with the I.U. to inform them of Penn Manor's plans to drop out of the Technology Consortium. He stated that this meeting was scheduled to inform them of Penn Manor's plans in the hopes of maintaining a positive relationship with the I.U. Mr. Skrocki stated that he and Mr. Reisinger presented a formal proposal to Millersville University on April 7 which will go to the legal people in Harrisburg. Mr. Skrocki also reminded the board that Penn Manor will dig a trench between Millersville and Penn

Manor properties for installation of necessary equipment at no cost to the University.

Ms. Herr stated that she is concerned with enrollment figures dropping and the space that will be made available at the high school due to this drop in enrollment. She questioned whether the board should start thinking about possibly taking on programs such as some of those provided by the Career and Technology Center. She suggested that the board begin looking at possible options.

The retirement category was discussed with Mr. Skrocki informing board members that PSERS is the fund into which the district pays the employer's share of retirement costs. He stated that the employer's share of retirement costs have decreased from 4.1% to 1.94% because of good investing on the part of PSERS saving the district \$538,390 next year. Mr. Skrocki stated that in another year it is anticipated the fund will be will cost the employer nothing. Ms. Herr asked if there was any way PSERS could invest for us. Mr. Skrocki said that was not possible. Mr. Kline questioned how the retirement figure is derived. Mr. Skrocki said the salaries of employees eligible for retirement is taken times the employers retirement rate (1.94%). Mr. Skrocki stated that he is projecting coming in under expenditures and expects to bring in \$1,000,000 more than budgeted on the revenue side as a result of real estate taxes for the 1999/2000 school year. He stated that 98.5% of taxes levied have been collected. He attributes the high collection rate to the fact that the business office has done an outstanding job in trying to collect from individuals via letters sent and phone calls. Mr. Skrocki said he would rather collect the taxes via the business office but the district is required to turn delinquent taxes over to the Lancaster County Tax Claim Bureau for collection the first Monday in April. The administration category was discussed with Mr. Skrocki stating that the \$400,000 capital reserve transfer for the anticipated renovations at Eshleman is included in that figure as well as money for the appraisal work being done for utilities and legal fees. This category also reflects the elimination of per capita and occupation taxes. Dr. Campbell suggested that these moneys be designated another category heading so there is no perception by taxpayers that this money is going to administration. Mr. Skrocki indicated a new category or categories could be set up for the various allocations of this money with money remaining in the administration category being used for things like new computers in the business office,

etc. It was suggested that category titles could be Budget Transfer and Administrative Supplies. The budgetary reserve category (a line item listed in the budget as an expense) is for unanticipated expenses which occur. For instance, last year the board authorized moving a music teacher from 50% to 100% with the extra amount paid for the teachers salary and benefits coming from the budgetary reserve. The budgetary reserve is less than half of one percent of the total budget. Mr. Skrocki discussed the fund balance stating that at the end of next year the fund balance is projected to be \$5,500,000. He recommended that if estimates of the fund balance prove correct, money be moved from the fund balance to Capital Reserve Fund. He stated that Letort renovations will come out of the Capital Reserve Fund and indicated that Eshleman renovations could also come from the Capital Reserve Fund if money from the general fund continues to be transferred. The salaries category was discussed with Dr. Campbell reviewing the requests and stating that the secondary special education teacher and psychologist intern request is being made due to the fact that we are out of compliance. He also reviewed sabbatical requests. Mr. Skrocki stated that the new contract has helped control the amount of money spent on sabbaticals by limiting the number of sabbatical leaves to be approved. Dr. Campbell indicated that there is one more sabbatical requested than the number permitted. Dr. Campbell informed board members that a request was received for a Professional Development Leave from a teacher who wishes to write a book dealing with teaching social studies. He stated that Penn Manor policy talks about granting a Professional Development Leave for "further preparation and improvement in the employee's area of certification." Dr. Campbell said his recommendation would be to turn down this request and deal with any consequences that may result from the denial. He stated that he does not feel we are in the business of granting sabbaticals for personal gain. He also stated that this request would bump out a legitimate request for a Professional Development Leave. Mr. Skrocki informed board members that the recent negotiations have limited the number of fully paid leaves for a half year to four which has resulted in a decrease in the budget category covering leaves. Mr. Kline asked exactly what was negotiated. Mr. Skrocki stated that the Pennsylvania School Code dictates most requirements for Sabbatical Leaves. The Negotiated Agreement limits the number of leaves to be approved to 10% of those eligible for a leave and states a leave may be taken for one semester at full pay in lieu of one year compensated leave at one-half pay for specific purposes and that the number of such leaves is

limited to four per semester. He reviewed the fact that the teacher taking a leave must return to work for one year after their leave or pay back any money (salary and benefits) received during their leave.

The budget item dealing with substitute teachers was discussed with Dr. Campbell stating that he and Mr. Skrocki are concerned with the 55% increase in substitute costs over a four year period from 1997/98 to those projected for 2000/01. He stated that there will be a 14% increase in this category over the cost for substitutes in the 1999/00 budget. Mr. Herr questioned the status of hiring permanent substitute teachers. Dr. Campbell said it was cost prohibitive to do so due to the fact that we could only hire five individuals which in fact would not be enough to handle our substitute needs. He indicated that the situation is not going to get any better. Dr. Frerichs reaffirmed that there is in fact a teacher shortage and that good teachers coming out of the universities find permanent jobs or go into industry thus adding to the shortage of substitutes. Ms. Herr questioned whether retired teachers could return to work as a substitute teacher. Mr. Skrocki said they may work as a substitute but if they are in the retirement system there is a limitation to the number of hours they may work (95 days if they are a daily substitute). He also informed board members that before using a retired teacher you are to be able to demonstrate that you have exhausted the search for a substitute and there is a need to use this person.

Mr. Fields stated that if 50% of the budget is spent on salaries, teacher salaries need to be looked at. Mr. Skrocki said Penn Manor teacher salaries are in the middle of the pack in Lancaster County and on the low side when compared to some districts in the state. Dr. Campbell stated that if the stress issues are not reduced for teachers, a major crisis will be faced in the teaching industry. Dr. Frerichs stated that students at Millersville can still earn more in industry then they can by working in a school district.

Fixed costs were then discussed. Mr. Skrocki stated that this category accounts for approximately 92% of the budget with the remaining 8% going toward books, supplies, equipment, etc. He informed board members that administration tries to save money by bidding items and using consortiums.

Mrs. Withum questioned the athletic category and reviewed various items not included in this category. She asked to have numbers provided that would show how many individual students are impacted by the total athletic budget so she will be prepared to make budget decisions. Mr. Kline asked why someone playing two or three sports should be counted only one time as he feels it should be the total number of participants in sports programs that is looked at and not the number of individuals. Mrs. Withum reiterated she wants to know how many individual students are impacted. Dr. Campbell said he would provide Mrs. Withum with the figure she requested. Mr. Skrocki stated that over \$400,000 (1%) of the budget would be spent for athletics. Mr. Kline questioned whether there would be any revenue from athletics. Mr. Skrocki said no athletic revenue goes into the general fund, but rather the athletic fund..

Mr. Skrocki stated that the preliminary budget will be presented for adoption at the May 8 School Board Meeting with final adoption set for the June 12 School Board Meeting.

Dr. Campbell informed the board that Dr. Hoepfel is going to run an in-service with administrators this summer regarding 504 students so that administrators will be aware of requirements, etc. in this area. He stated that Dr. Hoepfel will become the coordinator for 504 cases.

Mr. Stewart informed board members that kindergarten enrollments for next year would put us at a 15 year low. He anticipates 40 less kindergarten students to be enrolled.

Dr. Campbell provided a flow chart showing planned responsibilities for the proposed administrative staff, reviewed duties to be assigned various administrators, and decisions that need to be made regarding possible assignments.

Dr. Campbell informed board members that Jeff Roth will be coming to the next meeting to present his views on the proposed middle school track program. Ms. Herr asked for numbers showing how many students are interested in the track program. Dr. Campbell said he would provide them. Mr. Kline indicated he would like to look at the track program again. Ms. Herr and Mrs. Withum stated their concerns with adding another sports program and the possible costs of doing same. Various board members indicated there may be a need for a policy on adding sports teams. Mrs.

Withum said she would be willing to look into “pay to play” sports and get back to fellow board members. Mrs. Wert questioned the possibility of having non-district teams pay to play on Penn Manor fields. Mr. Fields indicated that it appears that some board members do not consider athletics a part of the educational programs and therefore a policy may be helpful. Mr. Stewart said PSBA provided three policies regarding adding teams which he will share with board members. He stated that a policy in this area may be beneficial to Penn Manor. Dr. Campbell said an update will be sent out with sample policies and numbers. Ms. Herr stated that she is supportive of sports in Penn Manor but feels it may be time to say “” and not bite off more expenses. Dr. Campbell informed board members that Mr. Altdoerffer and Mr. Dantine want to meet with him regarding Lacrosse.

Dr. Campbell stated that administrators had been summoned to court for four different Judicial Review issues with Judicial Review Committee decisions being upheld.

Dr. Campbell informed board members that Millersville Police have proposed having a police officer at Manor and Marticville Middle Schools. He stated that if Penn Manor commits to this proposal at the end of three years the cost for these officers would be split with someone other than Millersville Borough. Dr. Campbell stated that he is reluctant to agree to this proposal at this point because he is not sure where Penn Manor will be two years from now. He stated he could check with Mr. Goodhart, Manor Township, to see if he will commit to the Manor Middle School officer. Dr. Campbell stated that the cost of a police officer at Marticville would have to be borne by the State Police or Pequea Township and he is not sure either would be willing to pick up the cost. Ms. Herr suggested that local Republican leaders may be able to get help for this request from local municipalities. Dr. Frerichs questioned if there is a possibility that three years down the road Penn Manor could be paying for full-time police officers and their benefits. Mr. Skrocki said this is a possibility. Dr. Frerichs requested figures showing what the potential costs would be to Penn Manor three years from now should that occur. Mr. Skrocki indicated he would check into this matter. Board members asked if there were any grants that could be applied for to assist in the cost of such a venture and gave permission for a grant or grants to be looked into.

The Volunteer Luncheon gift was discussed with Dr. Campbell proposing giving a pass to each volunteer attending the luncheon entitling the volunteer and a guest free admittance to one athletic event or musical program during the 2000/01 school year. The board approved this proposal.

Dr. Frerichs asked that Mr. Skrocki make the attachment provided the board entitled Penn Manor School District - Your Schools, Your Money Project part of the budget booklet next year. Mr. Skrocki said he would do so.

The Committee of the Whole Meeting adjourned at 9:38 p.m. on a motion by Mr. Anderson and a second by Mrs. Withum.