



MEMORANDUM

TO: BOARD OF SCHOOL DIRECTORS

FROM: STACY M. GOBER, BOARD SECRETARY

SUBJECT: SPECIAL BOARD MEETING

A Special Meeting of the Board of School Directors of the Bethlehem Area School District will be held on *Monday, February 9, 2015*, at *6:00 p.m.*, in the *Edgeboro Room of the Education Center*. The agenda is attached.

SMG:bac
Attachment
pc: Dr. Roy
Dr. Silva

BETHLEHEM AREA SCHOOL DISTRICT
Bethlehem, Pennsylvania

MISSION STATEMENT

The Bethlehem Area School District, in partnership with the home and community, is committed to providing a safe and supportive environment in which each student will attain the knowledge, skills, and attitudes necessary to become a productive citizen and lifelong learner in our technologically demanding and culturally diverse society.

A G E N D A
SPECIAL BOARD MEETING – February 9, 2015

1. Roll Call
2. Pledge of Allegiance
3. Silent Meditation
4. Courtesy of the Floor to Visitors (30 minutes allowed)
5. Approval of Minutes/Committee Minutes
6. President's Communication/Special Meetings
7. Superintendent's Report/Federal Program Update
8. Unfinished Business
9. Recommendations of the Administration
10. New and Miscellaneous Business
11. Courtesy of the Floor to Visitors (30 minutes allowed)
12. Open Forum
13. Adjournment

BETHLEHEM AREA SCHOOL DISTRICT
BOARD OF SCHOOL DIRECTORS
SPECIAL BOARD MEETING

The Special Meeting of the Board of School Directors of the Bethlehem Area School District (BASD) was held on Monday, February 9, 2015, at 6:02 p.m. in the Edgeboro Room at the Education Center, 1516 Sycamore Street, Bethlehem, PA 18017.

President Faccinetto asked for the Roll Call by the Board Secretary:

ROLL CALL

Members present: Director Basilio Bonilla, Director Michele Cann, Director Eugene McKeon, Director Craig Neiman, Director Rogelio Ortiz, Director Shannon Patrick, Director Angela Sinkler and President Michael Faccinetto – 8

Member(s) absent: Director Sudantha Vidanage - 1

Others present: Dr. Joseph Roy, Superintendent of Schools; Stacy Gober, Board Secretary; Attorney Donald Spry, Solicitor; Administrators, members of the press and other interested citizens and staff members.

The Pledge of Allegiance was recited by all those present.

PLEDGE OF ALLEGIANCE

President Faccinetto requested a moment of Silent Meditation.

MOMENT OF SILENT MEDITATION

President Faccinetto offered Courtesy of the Floor to visitors. Speakers are asked to come to the podium, stating their name and address. The first Courtesy of the Floor will pertain to matters on the Board agenda. The second Courtesy of the Floor will deal with matters pertaining to school district business. Speakers are limited to five (5) minutes each unless extended at the discretion of the Board President. As per school board policy, generally, speakers are limited to taxpayers, residents, or employees of this school district. It is asked that speakers observe proper decorum, without personal attacks towards a specific individual or individuals. It is not the custom for the Board to enter into a dialogue at these meetings about concerns. However, the Board does listen with care to issues raised. Speakers will receive responses, in some form, by the Administration.

COURTESY OF THE FLOOR TO VISITORS

None

President Faccinetto stated that there were no minutes to approve.

APPROVAL OF MINUTES/COMMITTEE MINUTE

President Faccinetto stated that he had nothing to report.

PRESIDENT'S COMMUNICATIONS

Dr. Roy stated that he had nothing to report.

SUPERINTENDENT'S REPORT

President Faccinetto asked if anyone had Unfinished Business.

UNFINISHED BUSINESS

None

FEBRUARY 9, 2015

President Faccinnetto asked for a motion to approve Agenda Item 1, 2015-2016 Bethlehem Area School District Preliminary Budget Adoption.

RECOMMENDATIONS
OF THE
ADMINISTRATION

Director Cann made a motion seconded by Director McKeon to approve Agenda Item 1.

MOTION TO APPROVE
ITEM 1

President Faccinnetto asked if there was any discussion regarding these items.

Director Bonilla stated that he will be voting in favor of the budget this evening in order to give the District the flexibility it needs to apply for Exceptions. However, when it comes down to the final budget, he hopes that the final budget is no more than the Index.

Director McKeon stated that he will not be voting in favor of the budget this evening because there will be a 9.5% increase in Northampton County and approximately a 5.6% increase in the City. He does not feel the District can go above the Index.

President Faccinnetto called for a roll call vote of Agenda Item 1.

Director Cann – Yes; Director McKeon – No; Director Neiman – Yes; Director Ortiz – Yes; Director Patrick – Yes; Director Sinkler – Yes; Director Bonilla – Yes; and President Faccinnetto - Yes

ROLL CALL VOTE
ITEM 1

Motion passes 7-1 for Agenda Item 1

President Faccinnetto asked if there was any New or Miscellaneous Business.

None

NEW OR
MISCELLANEOUS
BUSINESS

President Faccinnetto asked if there was anyone who would like to speak at Courtesy of the Floor.

None

COURTESY OF THE
FLOOR

President Faccinnetto asked if there were any items for Open Forum.

None

OPEN FORUM

President Faccinnetto asked for a motion to Adjourn. Director Sinkler made a motion and seconded by Director Patrick. The meeting adjourned at 6:05 p.m.

ADJOURNMENT

Attest,

Stacy M. Gober
Board Secretary

SMG:dln

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1. 2015-2016 Bethlehem Area School District Preliminary Budget Adoption

RECOMMENDATION:

The Administration recommends the adoption of the Preliminary General Fund Budget for the 2015-2016 fiscal year of the Bethlehem Area School District and authorizes filing of referendum exceptions in accordance with Act 1 of 2006, be granted and, that the Board of School Directors:

- A. Approves the 2015-2016 Preliminary General Fund Budget in the amount of \$247,293,335;
- B. Authorizes the advertising and regulatory filing of Act 1 Referendum exceptions included in the Preliminary Budget;
- C. Authorizes the posting and advertising of the General Fund Budget with final adoption scheduled for June 15, 2015; and
- D. Authorizes the Superintendent, Chief Financial Officer, and Solicitor to take any and all actions necessary to ensure legal compliance with preliminary budget approval and filing of referendum exceptions.

President Faccinnetto asked for a motion to approve Agenda Item 1, 2015-2016 Bethlehem Area School District Preliminary Budget Adoption.

Director Cann made a motion seconded by Director McKeon to approve Agenda Item 1.

President Faccinnetto asked if there was any discussion regarding these items.

Director Bonilla stated that he will be voting in favor of the budget this evening in order to give the District the flexibility it needs to apply for Exceptions. However, when it comes down to the final budget, he hopes that the final budget is no more than the Index.

Director McKeon stated that he will not be voting in favor of the budget this evening because there will be a 9.5% increase in Northampton County and approximately a 5.6% increase in the City. He does not feel the District can go above the Index.

President Faccinnetto called for a roll call vote of Agenda Item 1.

Director Cann – Yes; Director McKeon – No; Director Neiman – Yes; Director Ortiz – Yes; Director Patrick – Yes; Director Sinkler – Yes; Director Bonilla – Yes; and President Faccinnetto - Yes

Motion passes 7-1 for Agenda Item 1

**Bethlehem Area School District
2015-16 Budget
At A Glance**

January 20, 2015

	<u>2013-14 Actual</u>	<u>2014-15 Budget</u>	<u>2015-16 Budget</u>	<u>Dollar Change</u>	<u>Percentage Change</u>
<u>Revenues:</u>					
Local	\$156,344,169	\$166,209,297	\$166,202,371	(\$6,926)	0.00%
State	\$57,697,683	\$62,167,337	\$62,187,725	\$20,388	0.03%
Federal	\$1,009,802	\$2,547,671	\$2,020,000	(\$527,671)	-20.71%
Other	\$5,189,071	\$5,590,868	\$5,221,742	(\$369,126)	-6.60%
Total Revenue	\$220,240,725	\$236,515,173	\$235,631,838	(\$883,335)	-0.37%
<u>Expenditures:</u>					
Instruction	\$110,215,047	\$112,874,048	\$116,256,197	\$3,382,149	3.00%
Support Services	\$53,110,872	\$53,189,483	\$55,290,283	\$2,100,800	3.95%
Non-Instr Svcs	\$2,426,493	\$2,705,562	\$2,526,904	(\$178,658)	-6.60%
Facilities	\$8,998	\$0	\$0	\$0	**
Debt Svc/Transfers	\$24,357,650	\$26,848,799	\$26,923,382	\$74,583	0.28%
BASD	\$190,119,059	\$195,617,892	\$200,996,766	\$5,378,874	2.75%
PSERS	\$16,112,773	\$20,546,435	\$25,224,505	\$4,678,070	22.77%
CHARTER SCHOOLS	\$15,854,784	\$20,350,846	\$21,072,064	\$721,218	3.54%
Total Expenditures	\$222,086,616	\$236,515,173	\$247,293,335	\$10,778,162	4.56%
Revenue/Expenditure GAP (R/E-GAP)			\$11,661,497		4.93%
Less PSERS			\$4,678,070		1.98%
Less Charter Schools			\$721,218		0.30%
Net Operational Gap			\$6,262,209		2.65%

DOLLAR DOLLAR DOLLAR

However, BASD cannot raise tax millage above the Act 1 Index plus approved exceptions.

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The primary cost drivers impacting the deficit above include several high dollar mandated costs or programs that often overshadow our success and the outstanding commitment of the entire BASD community including the board, administration, staff, parents and students in the achievements of our school district. The impact of these few areas presents a very difficult challenge in maintaining a fiscally conservative operational approach while still providing exciting, creative and inspiring educational opportunities for our students.

2015-16 Budget Cost Drivers

PSERS	\$4,678,070	40.12%
Salaries	\$4,116,716	35.30%
Charter Schools	\$721,218	6.18%
Student Tuition	\$566,758	4.86%
Healthcare	\$258,174	2.21%
General Operations	\$1,320,561	11.32%
Net Deficit Remaining	\$11,661,497	