

*Board Committee Meeting*  
of the  
KUTZTOWN AREA SCHOOL DISTRICT BOARD OF DIRECTORS  
Budget and Finance Committee Meeting  
Monday, February 14, 2011, 7:00 p.m.

The Board of Directors of Kutztown Area School District met for a Budget and Finance Committee meeting on Monday, February 14, 2011, 7:00 p.m., at the Kutztown Area High School Library pursuant to due notice to board members and the public.

**Present** Patricia Bealer, Amy Faust, Jasper Ho (7:39 p.m. arrival), Craig Schroeder, Leon Smith, Jo Stevens, Carl Ziegler (8:34 p.m. departure)

**Absent** Al Darion

**Others Present** Nick Lazo, Karl Olschesky, Rikki Clark, Matt Link, Jim Brown, Barb Richard, David Miller, Fay Rothenberger, Pam Ashman, Melissa Blatt, Rebecca Ziegler, Terry Guers, Randy Burch, Donna Keglovits, Kevin Stump, Claire Kempes, Josh Austin, Brenda Loeb, Jim Schrawder, Kerri Schegan, Justin Tuerk, Karl Nolte, Derek Mace, Kurt Frieauf

**Call to Order** The meeting was called to order at 7:03 p.m.

**Discussion Items** **Review of estimated available exceptions to the Act 1 index of 1.4%.**  
KASD currently qualifies for two exceptions: Retirement Contributions (approximately \$424,244) and Special Education Expenditures (approximately \$460,353). Act 1 index outlook for 2012-2013, based on the first six months is 0.88%.

**Board Policy 620 regarding Fund Balance and procedure for committing fund balance in the future.**

This will be further discussed at the next Policy and Curriculum Committee meeting.

**Review of the proposed spending reductions that have been identified.**

Motion made by Amy Faust, seconded by Craig Schroeder, to appeal to the Pennsylvania Department of Education to furlough teachers based on low and decreasing student enrollment.

**Motion withdrawn.**

Motion made by Amy Faust, seconded by Craig Schroeder, to direct administration to look into student to teacher ratio and develop a plan to possibly furlough teachers based on low and decreasing student enrollment and student to teacher ratio.

**Roll call vote: Yes: 7                      No: 0                      Absent: 1 (Darion)**

**Motion carried.**

**Purchase of electricity from a supplier other than MetEd.**

The administration will get additional information and have a recommendation for approval at the February 22, 2011 Monthly Board meeting.

***Preliminary Budget***

Motion made by Jo Stevens, seconded by Craig Schroeder, to adopt the preliminary budget with revenues of \$28,031,645 and expenditures of \$28,496,552 supported by Real Estate Tax (29.277 mils); Per Capita Tax, Sec. 679 (\$5.00); Per Capita Tax, Act 511 (\$5.00); Local Services Tax (\$5.00); Earned Income Tax (0.5%); Real Estate Transfer Tax (0.5%); and Amusement Tax (5%).

**Roll call vote: Yes: 4  
Motion failed.**

**No: 2 (Faust, Ho)**

**Absent: 2 (Darion, Ziegler)**

Motion made by Craig Schroeder, seconded by Leon Smith, to adopt the preliminary budget with revenues of \$27,650,458 and expenditures of \$28,496,552 supported by Real Estate Tax (28.6728 mils); Per Capita Tax, Sec. 679 (\$5.00); Per Capita Tax, Act 511 (\$5.00); Local Services Tax (\$5.00); Earned Income Tax (0.5%); Real Estate Transfer Tax (0.5%); and Amusement Tax (5%).

**Roll call vote: Yes: 5  
Motion carried.**

**No: 1 (Stevens)**

**Absent: 2 (Darion, Ziegler)**

***Public Comment***

Jim Schrawder expressed his concern that KASD's per student cost is higher and student to teacher ratio is lower than the average in Pennsylvania. He suggested making adjustments to staff due to decreasing student population.

Randy Overly questioned what programs and expenditures the District is looking to cut to help decrease the deficit. He expressed his concern of the large amount spent on coaching salaries.

Kevin Stump expressed his concern that a lot of discussion and decisions are being made solely on PSSA scores.

Randy Burch expressed his concern that student to teacher ratio is inadequate in itself to base furloughing teachers on. He questioned what the penalty to the District is if a preliminary budget is not submitted to the State by the deadline. He commented he cannot understand how the Board is having a problem with approving a preliminary budget by the deadline.

Claire Kempes inquired who the applicants are for the vacant Board seat.

***Adjournment***

Motion made by Jo Stevens, seconded by Jasper Ho, to adjourn the meeting at 8:59 p.m.  
**Motion carried unanimously.**

Respectfully submitted by,

Rikki L. Clark  
School Board Secretary