

The Budget Planning Meeting of the Mohawk Area Board of Directors was called to order at 7:00 P.M. by the President, Mark Hiler with the following members present: Eugene A. Butch, Jr., James Capalbo, Stephen Cardella, James McKim, Scott Singer, and Mark Solley. Lori Griffin and Jonathan Laughner were absent. Superintendent, Mr. Michael Leitera, Assistant to the Superintendent, Lorree Houk, and Board Secretary, Kimberly Eaton, also attended.

There were no public comments.

Discussion Items:

1. Ms. Eaton presented a line chart of the Employer Retirement Costs showing the employer costs in the 2010-2011 school year as \$577,198 through the 2019-2020 school year as \$4,061,431. The Contribution rate was 5.65% of payroll in the 2010-2011 school year while the rate is expected to be 34.20% of payroll in the 2019-2020 school year. She also stated that the District receives 50% reimbursement from the Commonwealth one quarter in the rears.

Mr. Leitera stated he recently attended a meeting where Glen Grell the Executive Director of the Public School Employees' Retirement System (PSERS) spoke about the pension reform act. Mr. Leitera handed out the power point presentation. Mr. Leitera also stated there has been

2. Ms. Eaton presented the 2016-2017 Proposed Final General Fund Budget as of April 14, 2016.

Ms. Eaton stated the Commonwealth had adopted a budget on March 27 however the Fiscal Code was not approved. At this point the Fiscal Code still not been approved. Ms. Eaton projected revenues figures based on historical data.

Total expenditures exceed total revenues by \$1,766,660. Revenue projection for the 2016-2017 fiscal year is \$376,251 or 1.6% from the 2015-2016 budget. It is recommended a tax increase of 0.46 mil which is the maximum allowed under the index of 3.4%. There is a slight increase in basic education funding for the 2016-2017 school year based on the PA Department of Education figures. Salaries and wages increased \$110,800. The budget reflects not replacing two retiring teachers and cut in contracted services. Retirement costs increased \$500,000 over prior year. Purchase of chromebooks for one grade is included in this budget. Other capital projects are not included.

It was announced that an executive session for personnel and legal matters would immediately follow the meeting

At 9:36 P.M., Mr. McKim motioned approval of adjournment and Mr. Capalbo seconded the motion.

Kimberly J. Eaton
Board Secretary