

**MONTROSE AREA SCHOOL DISTRICT**  
**FINANCE COMMITTEE MEETING**  
**JUNIOR-SENIOR HIGH SCHOOL CAFETERIA**  
**MEETING DATE APRIL 28, 2008 7:00 P.M.**

Mr. Chris Caterson  
Chairperson

Mr. Michael F. Ognosky  
Superintendent of Schools

Finance Committee Meeting

I. April 28, 2008 Finance Committee meeting began at 7:00 PM in the Junior-Senior High School Cafeteria.

II. Board Members Present: George Gow, Chris Caterson, Kathy Mordovancey, Julie Humphrey, Doug Wilcox, Karl Wimmer, Mary Homan and Gloria Smith

Administrators Present: Mike Ognosky, Betsy O'Malley and Lew Plauny

III. There following Old Business items were discussed:

- A. **Current status of the 2008-2009 budget:** Mr. Plauny reviewed the current status of the budget and is continuing to recommend that there be no tax increase for the 2008-2009 school year. Mr. Plauny explained that based on our past spending history and other changes yet to occur in the revenue side of the budget that the decrease in the fund balance will be mild and recommends that the board continue on the path of no tax increase. Mr. Ognosky discussed the status of the governor's proposal and feels that any increase in our current projected state subsidy will be minor.
- B. **Mail Machine Proposal:** Mr. Plauny explained that there are currently 22 months left on the lease of the mail machine in the business office and that machine will remain in place until the lease expires. At that time we will move from the current machine to its replacement. Also, the mail machines for each of the buildings will be put in place in the second week of July.
- C. **Asset Appraisal:** Mr. Plauny has established the second week of July as the initiation of the Asset Appraisal by Industrial Appraisal. We have set a \$2,000 value limit on GASB 34 items – those large items that will be depreciated in value over time. Industrial Appraisal will identify all of those items with a minimum value of \$2,000. Also, they will identify all items that have a value of at least \$500.
- D. **Electronic Bids:** Currently, Mr. Plauny has prepared and released the bids for the General Supplies and the Janitorial Supply bid and Athletic Supply bid will be released this week. All have been prepared electronically. The bid for the Oil and Natural Gas lease will be released to 6 potential vendors this week and will be done manually. The bids will be due in the Business Office by May 7<sup>th</sup>. At that point, if any of the received bids are acceptable, we will retain an attorney to negotiate the actual contract. If none are acceptable, we will repeat the process. Mr. Ognosky will discuss this with our school solicitor as well.

IV. The following New Business items were discussed:

- A. **Review of Fuel Subsidy Proposal:** Mr. Ognosky reviewed the Fuel Subsidy proposal with the board (copy included with the minutes) and the board agreed to move forward as presented. Mr. Ognosky has conducted one meeting with the contractors to review the proposal and a follow up meeting is scheduled for this week. The proposal includes a one cent per mile increase for every 20 cent rise in the cost of on road diesel fuel, with a cap of 6 cents per year. The proposal includes both the regular runs and late runs. It does not include

the activity runs, which the board will maintain at the recently approved \$2.25/mile. Mr. Ognosky has scheduled a follow up meeting for later this week with the contractors.

- B. **School Lunch Prices.** Miss O'Malley (Food Service Director) presented a proposal to increase the price of school lunches from \$1.50 to \$1.75 for next year. She also proposed to increase the price of breakfast from \$0.75 to \$1.00 for next year. She provided the board with a review of the increased costs she has incurred this year across the board in all of the food areas that she orders. Those include milk (5 % increase), bread (12 % increase), apples (10 % increase), oranges (16 % increase), eggs (31 % increase), pizza shells (22 % increase), chicken (7 % increase) as well as an 18 % increase across the board from our main vendor U. S. Food Services in Allentown. She also explained that, as those increases occurred, the subsidy increase from the Federal Government for this year was 3 %. She also included a review of the current costs for breakfast and lunch in Blue Ridge, Tunkhannock, Mt. View, Elk Lake, Abington Heights, Wallenpaupack and Lackawanna Trail. After discussion, the board members present asked that a motion be placed on the May agenda to place the proposed increases in effect. There was also a discussion to revise the letter for the Free and Reduced Lunch Program in order to increase its appeal to our parents. Miss O'Malley will make changes in the letter, which is sent out in early August with the hope of increasing our number of qualifying families in the district.
- C. **Driver Education Car:** Mr. Ognosky requested that the board allow the administration to bid for a new driver education vehicle. Our current vehicle is currently more than five years old and has more than 50,000 miles. The board provided that permission to bid, which will be done immediately.

The Board adjourned to a CLEAR session on Personnel at 8:05 p.m.

Following the CLEAR session the meeting adjourned at 8:15 p.m.

*Mike Ognosky*

Mike Ognosky, Superintendent