

Finance Committee Meeting Notes

May 14, 2019

Meeting Minutes

The Finance Committee met on Tuesday, May 14, 2019 in the District Office Conference Room. In attendance were: Chairperson Thomas DiBello and committee member Christina Melton. Administrators present were Dr. David Goodin – Superintendent, James Fink – CFO, and Mary Davidheiser – Controller. Also present were board member Mark Dehnert, and residents Will Cromley, Denis Rees and Rhiannon Zimmerman. Mr. DiBello called the meeting to order at 6:30 p.m.

- Review and acceptance of minutes – April 9, 2019. Accepted
- Tax Collectors Update
 - Mr. Fink noted that per Mr. Fitzgerald, the District can redraft the tax collector compensation resolution only provided all tax collectors are in agreement and the only change would be the timing of the payments.
- Executive Monthly Reports – 2018/2019 results through April 30, 2019
 - Reviewed by Mr. Fink
 - Liquidity: AP is up to date, cash looks good and is where it is expected to be (\$90MM).
 - Revenue detail: 97-98% of real estate taxes have been collected. \$17MM in total revenue remains collectible for the fiscal year from all local, state and federal sources as expected.
 - Expenditures: levels are in line with budget and don't expect any surprises.
 - Assessments Update: Assessments up \$6MM from prior month. Need \$5MM to hit target assessment of \$4.038 billion.
 - Other reports: Mr. Fink reiterated that real estate transfer tax budget amount for 19/20 will remain at \$1.7MM. Earned Income Taxes are looking good and the District should hit last year's numbers. Mr. Fink has increased the budget amount for next year by \$300,000. Self-Funded Health Insurance is currently performing well.
 - Food Service: Mr. Fink stated the program is still struggling as lunch sales are now down by 2,300 lunches compared to prior year. More discussion on this later.
 - HS Project: No change orders since last month, and the project remains on budget.
- 2019/2020 Budget Update
 - Mr. Fink stated no changes since last month, the ad was done and PDE 2028 was made public as is required by law. May 28th is scheduled for Board adoption of the final budget.
- Food Services Update
 - Mr. Fink reviewed the overall RFP process, and the evaluation process. 5 bids were submitted containing 3 requested proposals each.
 - Similarities and Differences were identified.
 - Similarities: menus, account reporting, student/staff involvement, wellness policies.
 - Differences: cost, fee structure, transparency
 - 2 companies had a 100% flat fees and 1 wanted payment in advance – out
 - 1 company's fee structure was higher, and financial statements displayed increased financial risks.
 - 2 left both had good food and service programs (Chartwells and Aramark). Aramark's proposal scored superior in cost/fee structure, transition/training plan, program growth, marketing plan and budget, profit guarantee with fewer restrictions, and overall transparency in their proposal.

- Mr. Denhart stated the ultimate goal is to make the food better also asked about the equipment aspect. Mr. Fink stated each company pledged \$100k interest free financing for equipment at the FSMC's cost utilizing their buying power.
- Mr. DiBello is looking forward to a new look and understands configuration changes may not occur right away, and is looking forward to a potential breakfast offering.
- The District is recommending to go with Aramark's attrition model and would like to get it on the May agenda. Committee agreed and requested this to be an action item for the Work Session as PDE is required to review and approve the contract prior to execution (could take up to 2 weeks).
- Other Committee Business
 - Mr. Fink discussed briefly May agenda items for the transfer of fund to the Capital Reserve Fund for budgeted IT purchasing and Facilities 20 year maintenance plan totaling \$2.5MM as was budgeted for 2018/19.
 - Mr. Fink briefly discussed May agenda item for settlement on an assessment appeal where the district successfully negotiated an assessment value greater than the tax payer's appraisal.
- Board Comment
 - None
- Public Comment
 - Public discussion occurred during the discussion around food services outsourcing. Mr. Rees inquired about the FSMC following the NSLP program. Mr. Fink replied they would be required follow the program.
 - Mrs. Zimmerman asked if the food service workers duties would be altered materially, hours, etc. Mr Fink responded that workers schedules were shared with the FSMC and their response was the hours were generally in line with their operational templates. Also their tasks may change to some degree as they will be doing more scratch cooking and following recipes than heat and serve preparation for the students.
- Meeting adjourned 7:33 pm.