

Finance Committee Meeting

November 13, 2018

Meeting Notes

The Finance Committee met on Tuesday, November 13, 2018 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 was Board Member Linda Fazzini and Mark Dehnert (arrival at 6:50) and residents Will Cromley and Denis Rees. Mr. DiBello called the meeting to order at 6:42 p.m.

- Review and acceptance of minutes – October 9, 2018.
- Executive Monthly Reports – 2018/2019 results through October 31, 2018
 - Reviewed by Mr. Fink
 - Cash balances are good. Revenue is coming in at a good pace with the budgeted numbers and are in good shape compared to last year.
 - Expenditures are also on par.
 - Assessments are up by \$7MM (\$35MM YTD) from prior month, which means about \$190K in potential revenue at face. End of the fiscal year target is currently \$4,039,000,000.
 - Real estate transfer taxes are up (\$200K) and Mr. DiBello stated we have a potential to hit \$1.9MM by the end of the year.
 - Earned income tax is doing well, is ahead of budget and is on pace with prior year.
 - Self-funded health insurance is looking good and doing better than budget. Ms. Melton asked if we offer a flu shot incentive and discussion continued. Mr. Fink stated we are hardest hit with the insurance claims in the winter and will review in the spring with Reschini.
 - Food Service is currently struggling. Meals are down by 600 and costs are up. Discussion on replacement for Ms. Germinario. Ms. Melton questioned the food and supply line could be an issue. Mr. Fink is looking into it.
 - Continued Food Service Discussion: Mr. DiBello would like this added to the agenda going forward and its time to get creative. Dr. Goodin explained that the elementary schools are pretty standard and the secondary is where you would see the changes. Looking to decrease costs and increase meal counts. Dr. Goodin and Mr. Fink have visited Souderton SD who runs their own program in-house. Ms. Melton asked about engaging the student reps. Mr. Fink explained that in the past focus groups of students were formed for the same purpose but it was hard to find participation and to get serious answers. Food service will be re-evaluated from top to bottom. Costs to opt out of lunch program are too high and Mr. DiBello stressed again about making this an agenda item at next meeting and he would like to start implementing some changes by next school year. All ideas are welcome for changes. Mr. DiBello and Mr. Dehnert mentioned outsourcing the concept of core competency and looking into outside assistance in this area.
- Review 2019/2020 Proposed Preliminary Budget Model
 - Mr. Fink reviewed the budget model and calendar. The School District is coming into a step freeze year for the professional staff. This year down about 60 students but special education costs and needs continue to increase (up about 18%). Mr. Dehnert questioned the amount attributable to Modernizing Learning and Mr. Fink stated minimal as was discussed and presented in meeting focused on that topic. Next meeting, Mr. DiBello would like to see communicated the average cost per student for regular education, the cost for special education and charter schools. He would also like communicated the cost associated with the Western Center per student. In budget model PSERS will be up \$1.4MM without any personnel changes, and a total gap of about \$4MM. The index for the year is 2.3%. Monday's presentation starts out with a preliminary budget at 4.19% increase.

- Other Committee Business
 - Mr. Fink informed that if finalized, he will be placing on the agenda the replacement for the production copiers in the copy center.
- Board Comment
 - None
- Public Comment
 - None
- Meeting adjourned 7:28 pm.