

# Finance Committee Meeting Notes

September 10, 2019

Meeting Notes - MD

The Finance Committee met on Tuesday, September 10, 2019 in the District Office Conference Room. In attendance were: Chairperson Thomas DiBello and committee members Christina Melton, Kelly Spletzer and Clinton Jackson. Administrators present were Dr. David Goodin – Superintendent, James Fink – CFO, and Mary Davidheiser - Controller. Also present was board member Mark Dehnert, and residents Will Cromley, Wendy Earle, Denis Rees, Tom McMonigle, and Rhiannon Zimmerman. Mr. DiBello called the meeting to order at 6:30 p.m.

- Review and acceptance of minutes – August 13, 2019. Accepted.
- Executive Reports – 2019/2020 reports through August 31, 2019
  - Reviewed by Mr. Fink
    - Mr. Fink noted that the data in the reports were only two months into the fiscal year not a lot of activity yet.
    - Liquidity: Cash balances are keeping pace with last year at \$112MM.
    - Revenue detail: Tax revenue coming in nicely, subsidies are flowing in from the state along with grant funding (Safe Schools Grant). Real estate taxes are coming in stronger than expected. This is all timing of receipts generally, and not greater than expected revenues.
    - Expenditures: Are on par for the first two months as expected.
    - Assessments Update: Assessments began the year at 4.032B, and current actual is 4.046 billion. The forecasted target number for the 19/20 school year is \$4.099B and Mr. DiBello would like to add the target number to the slide. The assessment appeals represent approximately \$90K face value in tax revenue.
    - Other reports:
      - Real estate transfer tax and EIT are both on par with early expectations. Mr. DiBello commented that people want to get into Spring-Ford, and these numbers should continue to increase.
      - Self-funded insurance costs are a little higher than expected. Mr. Fink explained that the stop loss bumper has been hit by a few (\$225K).
      - Food Services reported \$3k greater revenues than prior year for the first 4 days of operations. Reimbursable meal sales were up 500 from last year for week one, and week two's meals sales were up 600. Mr. Jackson commented that he is interested in seeing how the trend goes.
    - HS Project: The project is about 85% paid out. In return 15% of the overall cost is unpaid to this point and there are no changes in the change orders.
  - Update on FY 2018/2019 close (ongoing)
    - The team is working on audit prep. Auditors will be here the week of October 14 and will come back to finalize the week of November 4<sup>th</sup>.
  - Food Services Update
    - Mr. Fink commented that participate and feedback have been positive since school has started. Mr. DiBello confirmed the food is so much better. Also stating that the amount of food thrown away last year was high and in watching this year he didn't see as much waste as before. Ms. Melton commented that the only issue she heard about was some menu items at the elementary level – this was prior to school starting. Mr. DiBello stated that we are now actually cooking and the food is fresh rather than reheating and serving. Mr. Melton also questioned how staff is responding to the changes? She knows change is hard and inquiring on the morale. Mr. Fink responded that things were okay and progressing well. He has been at each of the schools observing and speaking with staff members, and while change can be difficult the staff members have stepped up tremendously. We

expect improvement each week as training continues and new processes become routine. Current timing to get through the line at the high school is about the same as last year at about 10 minutes.

- Breakfast: Will be starting next Monday at Spring City and Royersford elementary. It will be a “grab & go” type (bagel & fruit, muffin & fruit, etc). Breakfast will then go out to other elementary schools in the next couple of weeks, and then onto the secondary schools in stages.
- Meal choices will remain cold for the elementary schools for now and Mr. DiBello is hoping for hot items at the secondary schools.
- Mr. Dehnert requested that the breakfast and lunch revenues remain separate for review and Mr. Fink stated that they would be reported separately.
- Other Committee Business
  - Ms. Spletzer wanted to start discussion from the last work session meeting pertaining to the projected 2018/19 surplus, and to the number of teachers in each school who are purchasing supplies with their own funds. Stating the teachers are putting a lot of dollars out of their own pockets for supplies and she would like to suggest that \$100 per teacher can be given due to aforementioned the surplus. Mr. DiBello stated that other Districts had used Educational Foundation money for this, and agrees that a teacher count allocation method per building to purchase supplies would help offset out of pocket expenses.
  - Mr. DiBello stated the funds could not be used parties or school trips, but for classroom supplies. Mr. Jackson agreed with the teacher-count method. After being asked by Mr. Jackson to comment, Ms. Zimmerman who is a teacher at the district stated that this could be an overwhelming task for the Administrators in the building due to the different demands of the teachers.
  - Mr. Fink commented on our internal processes do not include reimburse staff for expenses for internal control purposes. All purchases are done through the districts purchasing system in Skyward. He further stated that during the budget development process administrators are asked what there supply budgeting needs are, and the budget is done accordingly to include supplies needed. Mr. DiBello stated that this was in response to seeing a teacher supply list which he saw on Facebook. Mr. DiBello suggested a \$65K amount be voted on to enhance the supplies (approx. 650 teachers x \$100). Mr. Jackson was in agreement of the idea, and Mr. Fink reiterated that this was not a budgeted item so the board would need to vote on it. The committee members agreed.
  - Ms. Spletzer and Mr. DiBello would like to see a motion on the agenda this month. Ms. Spletzer stated that this is an act of gratitude and they recognize and appreciate what the teachers do. Mr. Dehnert questioned what is the responsibility of the District and if this is really a need? What problem is this actually solving? Mr. Jackson said it was a nice jester and to put the motion on and move on. Mr. DiBello confirmed \$100 per teacher and the comment came up from Ms. Zimmerman is that just classroom teachers or all teachers. Mr. DiBello commented that the total amount would be calculated using all employees included under the professional contract, and would be allocated to each building based on this criteria.
- Board Comment
  - Mr. DiBello questioned if Mr. Fink had time to do the analysis as discussed at the last Finance meeting on the internal time spent to prepare the necessary information/data for tax billing (annual real estate and monthly interim real estate taxes). Mr. Fink stated has not been completed yet.
- Public Comment
  - Mr. Rees questioned on the process for agenda items and public comment. He would prefer to ask the questions at the time the discussion is going on. Mr. DiBello explained the process and that the meetings are set up just like the Board meetings. Mr. Rees also commented on the possible motion for the teacher supplies, and if it is a teacher then need why isn't it budgeted. He thanked the Board members for hearing him out.
- Meeting adjourned 7:29 pm.