



Finance Committee Meeting

January 12, 2016

Meeting Minutes

The Finance Committee met on Tuesday, January 12, 2016 in the District Office front conference room. In attendance were: Chairperson Thomas DiBello and Committee Members Joseph Ciresi, Mark Dehnert and Kelly Spletzer. Board Member Todd Wolf was also present. Administrators present were Dr. David Goodin - Superintendent, James Fink - CFO, Mary Davidheiser – Controller and Paula Germinario – Supervisor of Food Services. Residents Mr. Will Cromley, Ms. Christina Melton, and Mr. Dennis Rees were also in attendance.

Mr. DiBello called the Meeting to order at approximately 8 pm.

- Prior meeting's minutes were approved.
- Executive Monthly Reports – as of December 2015 / Year-to-Date 2015/2016
 - Reviewed by Mr. Fink
 - Revenue Detail – Cash Basis report should now read “Payments in Addition of Taxes” instead of “Payments in Lieu of Taxes”
 - Changes in Assessment Values – Mr. Ciresi would like us to check into the PA American Water (PURTA) assessment appeal in further detail.
 - Food Service Profit/Loss – noted that current year is still reflecting 6 less in-session days than prior year.
- Presentation/Discussion – Ms. Paula Germinario, Supervisor of Food Services
 - Discussed the issues with food services and the federal regulation impact, decline in participation and decrease in gross margins.
 - Ms. Germinario discussed the actions and recommendations she has taken to help increase knowledge, participation, survey/focus groups started, analysis of production/volume vs staffing and impact of abandoning the federal program at the senior high school.
 - Ms. Spletzer would like to see a breakdown of the subsidies between federal and state funds.
 - Impact of abandoning the National Lunch Program:
 - Ms. Spletzer inquired about pulling out certain schools from the federal plan, Ms. Germinario stated it was permitted.
 - Mr. Fink stated a new business plan would need to be created if the Committee decided this was an avenue with reviewing in more detail.
 - Mr. Dehnert noted that Free and reduced still needs to be honored:
 - Mr. DiBello confirmed the anonymity of the free and reduced lunch program.
 - Mr. Ciresi inquired on funding for non-participation? Ms. Germinario stated no.
 - Ms. Germinario is researching why students are not participating and confirmed no student is identified when on the program. She will be putting out a “blast” to promote free and reduced applications. Mr. Ciresi wanted to confirm that it would go out to the entire population, and it should also be on a dedicated food service flyer.
 - Ms. Spletzer questioned the goal of the focus group to which Ms. Germinario explained about the surveys, likes, dislikes, etc. Mr. Ciresi asked how many answered the survey at the high school (32),



- with the low participation, how was it promoted. Mr. DiBello explained how hard it is to get kids to participate and maybe we could find a different way, and that maybe the focus groups will help.
- Any type of resizing would require further discussion
 - Mr. Ciresi and the committee members would rather not reduce the staff at this time. Mr. Ciresi stated would like to see help from the staff, empower them for comments and ideas that focus on staff efficiencies.
 - Participation/Revenues
 - Layout
 - Mr. Ciresi recommends Crabtree to help with layout of the cafeteria.
 - Ms. Spletzer inquired about self-check out to help with lines
 - Mr. DiBello asked about possibly “supersizing” meals to generate revenues.
 - Committee would like to see a high level analysis of impacts if the high school were to separate from the federal program.
 - Mr. DiBello asked for rough ideas for now
 - Next meeting would like to see areas of impact (high level, bullet point analysis)
 - Mr. Fink state that, all other thing remaining equal, a rise of \$.05 per lunch would increase revenue by approximate \$19k per year. Mr. DiBello would like to explore other options before raising prices.
 - Mr. Ciresi mentioned options to reutilize the entire cafeteria space to make the atmosphere more appealing like stations with a modern food court set up.
 - Mr. Dehnert believes that if costs are higher a small price increase of \$.05 per lunch would not be so noticeable and could cover some of the costs.
 - Dr. Goodin questioned lunch prices which is now \$3.15 at the high school. The pricing has been in effect for 3 years since the last increase.
 - Mr. DiBello also stated that some students are not getting enough food, and Dr. Goodin asked what the average calories per meal is currently under the federal rules. Ms. Germinario stated she would need to look into that and get back to him with the exact answer.
 - Curriculum 7th grade Reading and English purchase discussion as requested by Curriculum Committee:
 - Cost \$86,000
 - Mr. DiBello explained back story from the Curriculum and Technology Committee meeting the prior week.
 - Mr. DiBello recommends the district to buy the materials this year and would like to see it put on the Board agenda this month.
 - Mr. Fink confirmed the related finances, and proposed to move forward with the purchase.
 - All committee members were in agreement.
 - Audit Update:
 - Independent audit has been finalized. Unqualified opinion expressed.
 - Should be placed on Board agenda for this month w/ an electronic copy for the Board members.
 - Mr. DiBello would like Mr. Fink to do a 2-3 minute quick review of the audit at the Board Work Session on Tuesday January 19, 2016.
 - Ambler Savings Bank depository proposal discussion:
 - Mr. Fink discussed that Ambler Savings Bank has offered for the district to deposit up to \$5MM with the institution. For each \$1MM (average balance) deposited, the bank will donate \$3k to the



Education Foundation under the EITC program. The bank does follow the requirements under Act 72.

- The interest rates at Ambler Savings Bank are competitive with National Penn Bank (the district's current major depository), and the donations to the Education Foundation make the deal favorable.
- Mr. Ciresi like that Ambler Savings Bank is locally owned and operated.
- Mr. Fink would like to ask for approval at Board meeting.
- The Committee agreed to place this item on Board agenda for January.
- 2016/2017 Budget status:
 - Preliminary budget available for public inspection on the Website and in person. Notice in the local paper is scheduled to run on 1/14/2016.
 - Budget books for individual departments/schools underway.
 - Build of zero-based budget underway.

Respectfully Submitted,

Thomas J. DiBello, *Chairperson*