

CENTRAL BUCKS SCHOOL DISTRICT

Finance Committee Meeting
October 22, 2018

Committee Members

Mrs. Beth Darcy, Chairperson
Mrs. Jodi Schwartz, Member
Mrs. Karen Smith, Member
Mrs. Tracy Suits, Member

Mr. Dave Matyas, Business Administrator
Mrs. Susan Vincent, Director of Finance
Mr. Brian Loftus, Director of Finance

Others in Attendance

Mr. Glenn Schloeffel, Board President
Dr. Nadine Garvin, Asst. Superintendent

Mrs. Sharon Collopy, Board Member
Dr. Abram Lucabaugh, Asst. Superintendent

The meeting was called to order at 6:05 p.m.

PUBLIC COMMENT

There was no public comment.

REVIEW OF PRIOR COMMITTEE MEETING MINUTES

The September 17, 2018 Committee Meeting minutes were reviewed.

INFORMATION/DISCUSSION/ACTION ITEMS

Review of Finance Information Items: Mrs. Vincent reviewed details of General Fund disbursements and receipts, and the Capital Fund Checking and Food Service Account activity. Mr. Matyas highlighted some information on ACT 2017 scores. Mrs. Collopy inquired about the details of exactly what the numbers represented, Mr. Matyas will check and report to the Committee. Mrs. Vincent reviewed General Fund, Capital Fund, Debt Service Fund and Food Service Fund bank balances. Details of the Investment Portfolio were presented. An overview of projected Tax Collections was summarized.

Debt Defeasance Update: Mr. Matyas presented an analysis of Construction Debt Prepayment. He reviewed details of the current construction debt and summarized two options for debt defeasance. Figures were presented for scenarios contributing \$30 million or \$35 million towards a cash defeasance in June of 2019. An extra down payment of \$5M only yields an additional \$721,473 in interest savings. Mr. Matyas noted the district has \$30M available to defease debt and believes the \$30M scenario would provide the most value and allows the district to hold on to \$5M for near-term capital expenses. Mrs. Darcy asked where the additional \$5M would come from if it was decided to adopt the \$35M defeasance scenario. Mr. Matyas noted it would most likely come from the General Fund balance. Mr. Matyas will provide additional scenarios at a \$15M and \$20M defeasance for review. Discussion will continue at Committee meetings over the next several months to decide if any scenario should be adopted.

New Auditor – Update and Proposed Adjustments: Mr. Loftus noted that the 2017-2018 audit is almost complete and will be presented to the Committee at a future meeting. He detailed recommended adjustments in accounting practices made by the new auditing company, and the impact those changes would make to the budget.

Initial Budget Review for the 2019-2020 School Year: Mr. Matyas presented details of the Initial Budget Review for the 2019-2020 school year. He covered a financial summary of the 2017-2018 fiscal year, the use of the 2017-2018 Positive Budget Variance, the use of 2017-2018 Auditor Adjustments, and assumptions for future budget growth in the General Fund and Capital Funds.

HR/Finance Software Update on Demonstrations: Mr. Loftus updated the Committee on the status of the HR/Finance software search. HR and the Business Department selected three software vendors to conduct demonstrations of their respective software over the past several weeks. PowerSchool, Tyler

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Technologies, and Serenic Software each lead live 4-hour presentations, demonstrating the functionalities and capabilities of their software applications. Members of the HR and Finance Departments recently traveled to Council Rock School District to discuss their experience with Tyler Munis. Council Rock has been a Tyler Munis client for the last ten years, and they provided valuable insight into the functionality, benefits, and issues they have experience with the software.

Representatives from HR and Finance are scheduling a visit to a district currently using PowerSchool, which will occur over the next 1-2 weeks. The top two vendors will then be brought on-site for a deeper look over several days.

Food Service RFP Preparations: Mr. Matyas provided details regarding a PDE webinar summarizing changes in the RFP process for Food Service. The current school year is the final year in our Food Service contract, which is a series of five one-year contracts. An RFP will be prepared, and a pre-bid meeting held. Mr. Matyas reiterated that the district is in good financial shape for the Food Service program, revenue more than covers expenses. He requested feedback from the Committee regarding any specific direction that should be included in the new RFP. Discussion was held about the quality of options at the elementary level, costs for meals, length of time spent in line for food, use of local produce or locally-sourced items, removal of coffee options at the high school, pre-ordering food in order to reduce waste (students could use “app” on phone to pre-order meal), the availability of gluten-free options, the previous removal of the high schools from the National School Lunch program and whether that should continue, and involvement of the district Wellness Committee for their feedback.

Warrington Water Invoice: Mr. Loftus presented details regarding an error in water/sewer billing for CB South High School. Warrington Township contacted the Business Office and asked to discuss the under billed sewer charges that have occurred since 2012. The Business Department reviewed past invoices and agreed that the district had been under-billed by approximately \$88,000. An internal review of invoices for all buildings showed that Mill Creek had been over-billed by \$5,058.69. With credit from the over-billing, and further negotiation for a 5% discount, the amount due to Warrington Township Water/Sewer is \$79,325. Details will be presented at the full board meeting for approval of the payment.

Budget to Adjusted Budget Review and Budget Transfers: Mrs. Vincent presented a final listing of Budgetary Transfers and an Expenditure Summary for the 2017-2018 school year. Mr. Schloeffel asked if information could be prepared showing actual expenditures vs. original budget amounts. Mrs. Vincent will prepare that information and email it to Board members.

My Payments Plus Update: Mr. Loftus provided details on a My Payments Plus training session held October 18th for new and existing users. The training provided an opportunity to re-iterate the benefits of My Payments Plus. Dr. Garvin and Dr. Lucabaugh also reinforced the importance of using the system at their recent Principal meetings. The Business Department will continue to monitor the usage of the system and provide support in conjunction with the IT Department. Mrs. Schwartz asked if all elementary schools were utilizing the program, Dr. Garvin noted that Barclay was a little behind but would be fully on board very soon.

Additional Information: Mrs. Darcy remarked that she and Mr. Matyas, as well as representatives from Transportation, attended a school start times “Start School Later” conference. She gave a brief overview of the presentations provided at the conference and noted that it was important to identify later start times as a public health issue. Discussion was held regarding issues surrounding the logistics of later start times.

ADJOURNMENT:

The meeting was adjourned at 8:23 p.m.

NEXT MEETING:

The next meeting of the Finance Committee is November 20, 2018.