

CENTRAL BUCKS SCHOOL DISTRICT

Finance Committee Meeting
August 15, 2018

Committee Members

Mrs. Beth Darcy, Chairperson
Mrs. Karen Smith, Member
Mrs. Tracy Suits, Member
Dr. John Kopicki, Superintendent

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
Mr. John Gamble, Board Member
Mrs. Sharon Collopy, Board Member

Dr. Nadine Garvin, Asst. Superintendent
Dr. Abram Lucabaugh, Asst. Superintendent
Mr. Robert Kleimenhagen, Jr., CFM, SFP
Director of Facilities & Energy Management Operations

The meeting was called to order by Mrs. Darcy at 6:03 p.m.

PUBLIC COMMENT

There was no public comment.

REVIEW OF MEETING NOTES

The June 20, 2018 Finance Committee Meeting minutes were reviewed.

Mr. Matyas introduced Mr. Brian Loftus, who will assume the Director of Finance position upon Mrs. Vincent's retirement. Mr. Loftus gave a brief overview of his background and is looking forward to working in the district.

INFORMATION/DISCUSSION/ACTION ITEMS

Review of Finance Information Items: Mrs. Vincent provided details on the 2017-2018 Budgeted Revenues and Expenditures vs Projected Actual Revenues and Expenditures. She noted the \$1,895,000 negative revenue variance was primarily due to a shortfall in transfer, EIT and delinquent real estate taxes. Currently there is a positive variance in expenditures of \$6,317,881, with a projected overall positive budget variance of \$4,422,881 for the 2017-2018 fiscal year. The Business Department is proposing the positive variance be transferred to Long Term Capital for a future school bus depot. General Fund disbursements, balances and receipts were reviewed. Final budget numbers for 2017-2018 will be presented at the October Finance Committee meeting. Mr. Kleimenhagen provided a brief update on Capital projects, including details on the Holicong final inspection Friday, August 17. Mr. Gamble expressed concern regarding the pooling water on the blacktop near the concession stand at CB West. Mr. Kleimenhagen will walk the area on Friday and will address areas that need attention at that time. Mrs. Darcy asked if monies were set for the Technology fund rollout needs, Mr. Matyas noted that the money was ready and available.

Follow Up from June Financial Questions: Mrs. Vincent discussed follow-up information regarding the 1100 Function Supply Budget and Expense Detail for 2017-2018. Additional detail was provided, reflecting end of the year spending and offsets. An example of a detailed expenditure register was examined. The process for budgeting for field trips was reviewed.

Proposed Zero Based Budgeting Changes: Mr. Matyas reviewed new Zero-Based budget practices for the 1100-600 Budget Category. All student fees and gift receipts will be recorded to a revenue account. On the expenditure side principals will be asked to budget for items reimbursed by student fees within their budgets to cover the expense of those purchases and not put the building budget in a negative

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position. Items purchased with gift receipts will be coded to a central account that will be budgeted under the Business Office. These steps will provide a more accurate accounting of expenditures and revenues throughout the budget year and will make it easier for principals and department heads to manage their budgets. Mrs. Darcy noted the practice will also be easier for Home and School organizations, it will allow them to stretch their money by utilizing the purchasing power of the district rather than purchasing items on their own. Mrs. Suits asked why “My Payments Plus” was not used more at the elementary level. Mrs. Vincent remarked that elementary schools were using “My Payments Plus”, but perhaps information could be brought to an elementary principals meeting to encourage broader use.

Contract for Student Placement-Governor Livingston High School: Dr. Kopicki presented a student placement contract with the Berkeley Heights Board of Education. Dr. Kopicki noted that the contract was one of many the district has in place to offer support to CB students that cannot be handled in-district. Dr. Frances Garner, Director of Special Education, has reviewed all placement contracts to get a stronger hold on the expenses in the Special Education Department. Dr. Kopicki stated those contracts should be presented to the board and approved. The contract reviewed this evening is to provide auditory support to a CB student that cannot receive the appropriate level of support in-district. The contract amount is to cover expenses and is not a for-profit charge. The Committee agrees to move the contract to the full board agenda for approval.

Heritage Creek Golf Club Assessment Appeal: Mr. Matyas provided details on an assessment appeal from Heritage Creek Golf Course, reviewing the market value of the property and the reasons that it needed to be adjusted downward. District Solicitor Garton has negotiated an offer of \$1,050,000 in market value. The tax refund the district will owe back to the golf course totals \$24,517.19 for a two-year period. The Committee agrees to settle the appeal at a market value of \$1,050,000 and place the item on the full board agenda for approval.

Proposal to Add Food Service Director to the Job Description of Renee Ziccardi, Staff Account and Adjust Salary for Federal Audit Compliance: To be in compliance with the state requirement to have oversight of the food service program, and due to the increased workload generated by taking over the free/reduced lunch program, the Business Office is proposing to add Food Service Director to the job description of staff accountant Renee Ziccardi. Mr. Matyas presented the list of duties and responsibilities that the Food Service Director position would entail. Mr. Matyas noted the most expeditious action would be to add the items to Mrs. Ziccardi’s current job description, with a stipend of \$1,000 a quarter for the additional responsibilities. Mrs. Darcy asked if the job description as presented meets the Food Service audit requirements, Mr. Matyas stated that it did.

Proposed Lease Extension with First Student for Parking Buses: A small CB-owned bus depot in New Britain borough is leased to First Student to house approximately 30 buses. The district recently extended the contract with First Student for another three years, the Business Office is presenting an extension of the bus depot lease for an additional three years. Mrs. Suits asked if the lease of the depot space presented any hardship to the district for housing our own buses, Mr. Matyas noted it did not at this time. The Committee agrees to place the lease extension on the full board agenda for approval.

HR/Finance Software Update: Mr. Matyas presented a quick review of the status of the search for a new Financial and Human Resources Information System. All departments that will work with the new system, including I.T., Business, Payroll, Purchasing and HR, completed the initial review of all companies that submitted proposals. The plan is to ask three of the top companies to give an in-depth presentation, then narrow the field to two. Mr. Matyas noted that pricing seemed to indicate cloud storage would be cheaper than on-site servers, a scenario our I.T. Department would prefer for its security features. Mrs. Darcy asked if there would be a point that all on site storage would be done away with. Mr. Matyas reported on the One Drive service that comes with the district’s Microsoft contract. As

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the district moves forward, users will be given a Microsoft One Drive rather than a virtual district drive. Our internal hard drive will be utilized much less, and the district will eventually be able to phase it out. Mr. Gamble expressed concern that One Drive cannot be accessed by the district. Currently anything on the district server can be accessed by the district because we have administrative rights. Incidents of plagiarism worries over an individual downloading a virus, and district access in case of a legal situation would require Microsoft to grant access to an individual's computer history rather than the district having the ability to check. Mrs. Darcy noted that she did not want the district to be checking into the history of a student's computer use and was pleased with the idea that cloud storage would save the district money. She remarked how expensive it was to constantly upgrade storage, and that it seems counter-intuitive to spend that money when cloud storage would perfectly suit the district's needs and would free up those monies to be spent in classrooms. Mr. Gamble would like to review the pricing for One Drive, stating that cloud storage is not usually cheaper than on site storage. Dr. Kopicki asked Mr. Matyas to keep these concerns in mind as we move forward in choosing a new software system. He asked for an update on the search/selection at each upcoming Finance Committee meeting. Mrs. Suits asked if there were any concerns with some of the scores on the ranking sheet, noting all questions would not be weighted the same. Mr. Matyas indicated there had been a discussion about that, but there were two very strong candidates to choose from and he believes their scores support their suitability.

Ash Mill Property Lease Extension: The tenant for the Ash Mill Property has received notice that the district would like him to vacate the property by the end of December. The tenant has requested an extension until May of next spring. The Committee agrees to extend the lease until May 2019 but will not consider an extension past that date.

Transportation Interoffice Mail Delivery Truck: Mr. Schloeffel requested the Business Office check in to an alternative delivery system for interoffice mail and print shop deliveries. Since 2008 the district has utilized an older school bus that passes inspection for road use but not for student use. Discussion was held regarding the cost/savings of using the school bus versus purchasing a used transit cargo van. The Business Office will present a cost comparison at a future Committee meeting.

Proposal for Support Staff Training from Benjamin Training and Consulting: Mr. Loftus presented a proposal for training for support staff. This training would be primarily offered to district secretaries and office aides, providing communication skills and good customer service relationships. Mrs. Collopy asked if there had been an increase in complaints that prompted the need for training. Dr. Kopicki noted in his experience there is an inconsistency across the district when it comes to communication. The training would provide a standardization of professionalism and set an expectation that everyone should meet. The training could be done in late August or early September. Mrs. Suits asked if this was a one-time training or one that would be ongoing. Dr. Kopicki noted this would be a starting point and additional training would be given based on feedback and need. Discussion was held regarding logistics, pricing and training content. The Committee agrees to move the proposal to the full board agenda for approval.

ADJOURNMENT:

The meeting was adjourned at 7:40 p.m.

An executive session of the Finance Committee was then held to address real estate and security items.

NEXT MEETING:

The next meeting of the Finance Committee will be September 20, 2018.