

Finance Committee Agenda

January 11, 2022 6:30 p.m. District Office Conference Room

- 1. Call to order**
- 2. Public to be heard on agenda items only**
- 3. Review and acceptance of minutes – November 9, 2021**
- 4. Executive monthly reports through December 31, 2021**
 - a. Liquidity**
 - b. P&L Budget vs Actual**
 - c. Other reports**
 - d. COVID19 related expenditures & Grants**
- 5. Review 2022-2023 Budget Preparation Timeline**
- 6. Other Committee Business**
- 7. Board Comment**
- 8. Public Comment**
- 9. Adjournment**

Finance Committee Meeting Minutes

November 9, 2021

The Finance Committee met on Tuesday, November 9, 2021, at the District Office Conference Room. In attendance were committee members Wendy Earle, Clinton Jackson and Christina Melton; administrators Robert Rizzo, *Superintendent*, James Fink, CPA, *CFO*, Mary Davidheiser, *Controller*; Board Members Linda Fazzini and Dr. Margaret Wright (arriving at 6:38) and community member Will Cromley. Mr. Jackson called the meeting to order at 6:30 p.m.

- Public to be heard on agenda items only: None.
- Review and acceptance of minutes for October 12, 2021: Accepted.
- Executive Reports – 2021/2022 reports through October 31, 2021, reviewed by Mr. Fink
 - Liquidity:
 - Balance at \$135MM.
 - \$3MM higher than last year.
 - Revenues:
 - Real estate collections have leveled off to expectation and are on pace with the budget.
 - All revenues are pacing as planned overall.
 - Expenditures:
 - All generally on pace with expectations.
 - Salaries and Benefit lines about \$200k under budget YTD.
 - Property line \$494k over budget which includes \$455k of costs to be funded through ESSER as planned.
 - Ms. Melton asked about absorbing cyber costs in the future. Mr. Fink explained yes we eventually will but at this time unsure of what that continual spend will be to support that program over the long run.
 - R/E Transfer Taxes Revenue:
 - \$86k left to meet target.
 - July/Aug was mostly carryover from 20/21 FY, approximately \$700-800k.
 - Will look at this number for budget going forward, but will be using a 5-year trend analysis and discounting this year to flatten the bubble.
 - Earned Income Taxes:
 - On pace roughly with prior year and with budget expectations. Overall, up \$90k over last year at this time.
 - Self-Funded Health Insurance:
 - Back on par to breakeven point.
 - Keeping an eye on a few high dollar claims which exceeded the stop loss ceiling (\$275k) last year.
 - Food Service:
 - Year to date we have served 194k meals vs 95k meals in prior year due to students being back to in-person learning.
 - Ala carte sales are also up \$124k over prior year due to students and staff being back in the buildings.
 - Year/year sales are up \$692k in total revenue, and \$340k in expenditures due to full operations this year vs last year.
 - Net income of \$397k to date which is \$350k over last year at this time.

- Like many industries we are experiencing labor and supply issues due to the current economic conditions.
 - COVID Grant Activity
 - ESSER II is now fully approved.
 - Not much change since last month in expenditures or receipts.
 - ESSER “7% Set Aside” for \$339k is a new grant and the application process is underway.
 - Primarily for learning loss, summer enrichment and after school programs.
- 2022-2023 Preliminary Budget Review
 - Index 3.4%
 - The preliminary budget is a direct product of the long term forecast model, and is a starting point of the formal annual budget process.
 - Mr Jackson pointed out that this is essentially a checkbox ACT 1 calendar item that has to get done by law. Mr. Fink added that the heavy lifting for the annual budget begins in December/January until the final product is voted on in May/June.
 - Currently looking at a \$6.4MM gap to fill, which equates to a 5.47% tax rate impact.
 - Last year started with 6.32% and \$7.2MM gap.
 - Mr. Fink to give presentation at Board meeting this month, and to be adopted by the Board in January to remain on schedule.
- Other Committee Business:
 - Mr. Fink working on a few assessment appeals.
- Board Comment:
 - Ms. Melton questioned the impact on charter/cyber schools and if we saw students returning.
 - Mr. Fink replied numbers are coming down and are a little higher than pre COVID numbers.
 - Spring-Ford will continue to market our cyber program and mirror what is happening in our classrooms.
 - Quarterly enrollments allowed for students to move in and out.
 - Mrs. Melton thanked Mr. Fink and Mrs. Davidheiser for their service and professionalism while she served on the Board. Mrs. Fazzini also thanked Mr. Fink and Mrs. Davidheiser for making this work easy to understand. Mr. Jackson further thanks Mr. DiBello for his years of service on the finance committee and Board, specifically for his finance vision and for working hard to make it reality.
- Public Comment: Mr. Cromley inquired about the legal status of the Greenstein property located on Swamp Pike. Mr. Fink stated he will inquire with Mr. Fitzgerald at Fox Rothschild and report back.
- Meeting adjourned at 6:59 pm