

MINUTES

Council Rock School District Finance Committee Thursday, May 22, 2014, at 7:30 p.m.

The Chancellor Center, Historic Classroom 1

I. Recommendation For The Selection of Our Food Services Contractor

Mr. Reinhart reviewed the food service management company selection process for the 2014-2015 year. The District provides a student lunch program in each of our 15 schools. This program has been provided by Chartwells, an independent contractor that specializes in dining services, for over twenty years. This program is operated under the National School Lunch Program (NSLP) in all of our ten elementary and three middle schools. Our high schools have not participated in the NSLP for many years. The NSLP provides Federal and State reimbursements to the school district for lunches served that meet Federal requirements and higher reimbursement for these meals served to our economically disadvantaged students.

This program and all the accompanying restrictions are administered and monitored in Pennsylvania by the Department of Education. One of the requirements is that the district must issue a Request for Proposal for these services every five years in a manner prescribed by the Department of Education.

Request for Proposal Process

The Request for Proposal process began in March with the issuance of the RFP document and the required newspaper advertisement. We received interest from the following vendors with a request to receive our RFP document: Aramark, Chartwells, Metz Culinary, The Nutrition Group, and Whitsons.

On April 4th we publicly opened three detailed proposals submitted by the following vendors:

- Aramark
- Chartwells
- Metz Culinary

Proposal Evaluation Process

The following staff members agreed to serve on a Food Service Vendor Selection Committee:

- Mr. Andy Sanko, Principal, Holland Elementary School
- Mrs. Rebecca Grim, Principal, Richboro Elementary School
- Ms. Terry Stoertz, Assistant Principal Newtown Middle School
- Mr. Al Gamble, Assistant Principal, North High School
- Mrs. Gail Klohe/Mr. Bob Reinhart, Business Office

The Department of Education also provides the criterion to be used to evaluate the proposals. The District was able to determine the assigned value to each criterion. The following is a list of the criteria and the assigned values for each:

Cost	30
Service Capability	15
Financial Conditions/Stability, Business Practices	10
Accounting and Reporting Systems	5
Personnel Management	15
Experience and References	10
Promotion of Food service Program	5
Involvement of Students, Staff and Patrons	10
Maximum Points Available	100

Chartwells received the highest total points in the evaluation process and is recommended to continue as the Food Service Management Company. There was considerable discussion regarding the financial aspects of the proposal in comparison with the other proposals. After this discussion Mr. Reinhart was asked to negotiate better financial arrangements relating to the administrative and management fees and one-time capital costs.

II. Discussion Regarding the Elimination of the Per Capita Taxes

Mr. Reinhart introduced the issue of the elimination of the Per Capita Tax by displaying the following statistics:

Per Capita Revenue		Projected Revenue	
Section 679, School Code	\$ 5.00	\$	231,000
Act 511	\$ 5.00		231,000
Total Per Capita Revenue		\$	462,000
Related Reduction In Expenditures (Printing and Postage)		\$	(11,000)
Net Reduction in Resources		\$	451,000
Total Per Capita Bills (Some Combined with Occupation Tax)			53,035
Per Capita Only Bills			20,857

There was considerable discussion regarding the individual views of eliminating the Per Capita Tax. The Committee agreed to include a motion on the June 5, 2014 Board Meeting Agenda to vote on the elimination of the Per Capita Tax.

III. Discussion Regarding the Final 2014-2015 Budget Adoption

Mr. Reinhart displayed the following Summary of the 2014-2015 Preliminary Budget:

REVENUES	\$ 209,620,329
EXPENDITURES	214,631,037
(Shortfall) Surplus	(5,010,708)
Use of Fund Balance	3,707,307
Needed from Taxation	\$ 1,303,401
Value of a Mill	\$ 1,221,869
Millage Increase	1.07
Current Millage Rate	114.02
New Millage Rate	115.09
Percentage Increase	0.94%

The Committee had extensive discussions regarding the current tax increase of 1.07 mils. Members discussed numerous options ranging from reductions in the appropriations, to achieving a zero percent tax increase, to maintaining the tax increase at the current levels. After these extensive discussions it was agreed that three budget alternatives should be prepared to be voted on during the June 5th Board Meeting.

- Maintaining the tax increase at 0.94% or 1.07 mils, as it is displayed in the 2014-2015 Preliminary Budget.
- Maintaining the tax increase at 0.94% or 1.07 mils and eliminate the Per Capita Tax by utilizing an additional \$451,000 of fund balance.
- Reduce the tax increase to 0.61% or 0.70 mils and utilize an additional \$451,000 of fund balance.