



Finance Committee Minutes

March 15, 2018

Board Chair— Mr. Mark Cowell

Administrative Liaison—Mr. Andrew Lechman

Attendance—Please see the accompanying committee attendance sheet.

Mr. Cowell called the meeting to order at 6:05 pm.

The minutes of the February 15, 2018 meeting were approved. Motion made by Mr. Marcus and seconded by Mrs. Stiefl. The committee unanimously approved.

Old Business

- Dr. Yanni provided an update on the naming rights policy that he reviewed with the committee in February. The policy is currently with our legal department for review and once it's complete we can start to explore opportunities.

New Business

- Bucks County Intermediate Unit
 - Programs and Services Budget for 2018-2019
 - Mr. Lechman provided a brief summary of the Bucks County Intermediate Unit 2018-2019 Programs & Services and Instructional Materials & Research Services Budget. This budget has been approved by the Superintendents Advisory Council and the Intermediate Unit Board of School Directors in the amount of \$1,766,333 which is a 2.93% increase. Each school district in Bucks County must take action on this budget as presented and votes are tabulated on a proportional basis. The NHSD proposed contribution for 2018-2019 is \$21,236 which represents a \$446 increase from the current year.
 - Special Education Services Agreement and Estimated costs for 2018-2019
 - This is an annual agreement that must be signed by all school districts that receive special education services from the Intermediate Unit. We have transitioned all of our related services to Austill's, but there are still a number of services that will remain with the Intermediate Unit. This includes multiple disabilities support classroom, vision and

hearing support as the need is small and is difficult to find a sub-contractor to provide these services. We only have a small number of students attending these classes and it would be too costly to hire our own staff to provide the support as it would be a 1:1 ratio of student to teacher. There are also no other providers for the transition services that will be provided by the Intermediate Unit. During the 17-18 year we also transitional behavior analyst services back to the IU.

- Audit RFP – Our current agreement with our auditors has ended and the district has completed an RFP process to identify a new auditor. The RFP was sent out to 5 firms that are in the business of completing audits for school districts and other governmental entities. 4 firms responded with proposals and 3 met the requirements of the RFP. All 3 responses met all the requirements of the RFP and were very competitive on costs as compared to our prior 3 year audit costs. The most recent audit costs were \$48,000 and the lowest cost proposal was \$19,500 per year. Mr. Lechman made the recommendation to move forward with Barbacane, Thornton & Company LLP for a 3 year engagement which with the goal of formally approving at the next board meeting. The committee requested that Mr. Lechman confirm costs submitted as compared to prior audit costs to assure that all services are being captured properly.
- 2017-2018 Budget
 - Mr. Lechman provided a brief overview of the current status of the 2017-2018 budget as compared to the same period in the prior year. Currently all revenues and expenses are trending normally. Current year 84% of budgeted revenues have been received and prior year 84% was received. It was noted that EIT continues to lag the prior year by \$200,000. February receipts were approximately \$140k higher than the same period in the prior year. On the expenditure side 53% of budgeted expenditures have been accounted for as compared to 58% prior year.
 - Budget Transfers were reviewed at this meeting and it was confirmed that none of these transfers have an impact to the overall 17-18 budget. Mr. Lechman discussed the \$50,000 transfer request. This money was approved for potential capital project needs for the year. Part of the districts goals for this budget year were to put a long range capital plan in place. The recommendation is to use these budgeted funds to complete a facility condition assessment with the final deliverable being a multi-year listing of all campus capital project and deferred maintenance needs. This list will be the framework for starting the process to fully fund our capital project fund balance.
 - Mr. Lechman also provided an update on the campus revitalization project financials.
- 2018-2019 Budget

- March Budget Update – Mr. Lechman provided an update on the status of the 18-19 budget. Mr. Lechman reminded the committee that it is the goal of the administration to progress toward a final budget that is structurally balanced with a maximum tax increase recommendation of the approved Act 1 index which is 2.4%. As we progress toward a final budget in June many of the unknowns will come into focus. The March version of this budget reflects all changes that we are able to accurately update at this point in time. This version reflects a structurally balanced budget with a 2.48% tax increase. The preliminary budget had a deficit of \$117,000 with a 3.1% tax increase. Mr. Lechman reviewed the details of the changes with the committee.
- Strategic Initiatives
 - Dr. Yanni reviewed that county Superintendents are scheduling meetings with legislators regarding school funding. All 13 Superintendents will be meeting quarterly with local/state representatives along with the Secretary of Education. The goal is to host two meetings each year located at bucks county district sites. The goal is to have targeted conversations with local reps to fight for public education.
- A motion was made by Mr. Marcus and seconded by Mr. Kearney to move the following items forward to the board for approval:
 - Programs and Services Budget for 2018-2019
 - Special Education Services Agreement and Estimated costs for 2018-2019
 - 2017-2018 March Budget Transfers

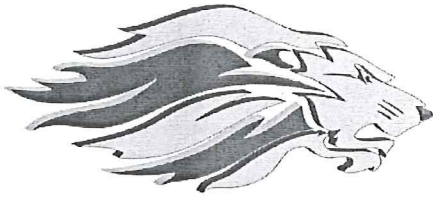
Public Comment

- Public comments were made throughout the meeting and are captured in the meeting minutes as appropriate.
- The following comments were made about non-agenda items:
 - None.

Mrs. Povacz made a motion which was seconded by Mr. Kearney to adjourn the meeting at 7:15pm.

Respectfully submitted,

Andrew Lechman
Business Administrator



NEW HOPE-SOLEBURY SCHOOL DISTRICT
*Engaging, Enriching, and Empowering All Students
through a World-Class Education*

Finance Committee Meeting Sign-In and Attendance
March 15, 2018

| Name (Please Print) | Committee (C) or Public (P) |
|------------------------|-----------------------------|
| Andy Lechman | (C) P |
| Mike McKenna | (C) P |
| John O'Hara | (C) P |
| Marcus Peckman | (C) P |
| Jeff Kearney | (C) P |
| Ellen Stiefel | (C) P |
| Deirdre Alderfer | (C) P |
| Steve Yarni | (C) P |
| STAN MARCUS | (C) P |
| MARK COWELL | (C) P |
| Maria Poracz | (C) P |
| C. D. Duff | C P |
| Rich Hoff | (C) P |
| KA Ely | C (P) |
| Charles Malone (Admin) | C (P) |
| | C P |
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Please note: This sign-in sheet will be included in the meeting minutes and posted to the District's website.