

FINANCE LONG RANGE BUDGET AND PLANNING
COMMITTEE MINUTES

November 24, 2014

IN ATTENDANCE: Committee Chair Michael Hartline, members Steven Adams, David Shafter, alternate Charles Kleinschmidt

BOARD MEMBERS: None

STAFF: Dr. Joyce Mundy, John Schank, Katie Braun, Raymond Kase

PUBLIC: None

CALL TO ORDER

Mr. Hartline called the Finance Committee meeting to order at 7:00 p.m.

MINUTES

2.1 Approval of Minutes from October 20, 2014

Motion by Steven Adams, second by David Shafter.

Final Resolution: Motion Carries 3-0-0

Yes: Steven Adams, Michael Hartline, David Shafter

FINANCE

3.1 Review of Internal Controls (Information)

Ms. Mary Martin, Consultant presented a power point on Internal Controls in Centennial School District highlighting:

- **General Concepts**
 - Internal controls - what are they
 - Segregation of duties
 - Challenge of internal controls
- **CSD Evaluation**
 - **A/P/Purchasing**
Recommendations:
Business Office currently to standardize signing of packing slips.
Reduce from three (3) users to one (1) ability to add new vendors.
 - **Payroll**
Recommendations:
Business Manager should document review of payroll runs prior to finalizing each payroll.
 - **Fixed Assets**
Recommendations:

Revise current policy to make accounting more practical, meaningful and according to best practices.

- **Cash**

Recommendations:

Implement system of controlling receipts to evidence transfer of custody.

Pre-numbered receipt books/carbon copy.

Review of existing Board policy vs Practices

Mr. Hartline inquired whether 6.1 Policy was under review. Dr. Mundy stated that with this recommendation the Policy will be fast tracked to the Committee.

Mr. Hartline also requested that the Business Office verify the insurance coverage provided by the School District's Insurance Carrier in regards to Booster Group, Home and Schools, etc.

Mr. Adams inquired whether there were procedures in place in the event of vacations or long term absence for an extended period of time with the staff. Ms. Braun replied that staff members were being or are cross trained for such circumstances.

Mr. Hartline thanked Ms. Martin on her power point presentation.

3.2 Financial Highlights as of 10/31/14 (Information)

Mr. Schank, Interim Business Manager, reviewed the Financial Highlights as of October 31, 2014.

- Real Estate Tax Collections ahead of last year 3.4%, as are Earned Income Tax Collections. Delinquent Tax Collections up significantly 65%. Investment earnings remain at very low levels.
- State Revenues received are lower than last year. The District will be making principal and interest payments in December for Debt Service, but the moratorium on State reimbursements continues.
- Federal Revenues are higher due to receipt of our School Reform Grant and earlier receipts of our IDEA Grant.

Mr. Schank explained that expenditures were due to there being 3 (three) pays in October, PSERS payments, tuition contracts, and equipment transfer to Capital Reserve.

3.3 Update on Preparation of Preliminary 2015-16 Budget

Mr. Schank explained that he was building the first draft of the Proposed Preliminary Budget on the worse case scenario of taking the Special Education and the Retirement Cost exceptions, plus the Act 1 Index for real estate tax increases for 2015-16 of 1.9%.

The first look for health care insurance will be in January, 2015. DVHIT provided estimate of

what the projections are:

Medical 9.5 – 11%
Prescription – 12-16%
Dental – 5 – 7%
Vision – 2 - 5%

The 2015-16 Assessment Values for Ivyland, Southampton and Warminster are being budgeted based on a 96% collection rate.

ADJOURNMENT

7.1 Adjournment – Next meeting is Monday, December 15, 2014, at 7:00 p.m.

Mr. Adams made a motion to adjourn the Finance Committee meeting at 7:00 p.m.

Motion by Steven Adams, second by David Shafter.

Final Resolution: Motion Carries 3-0-0

Yes: Steven Adams, Michael Hartline, David Shafter

Respectfully submitted,

John Schank
Interim Business Administrator