

**Finance Committee Minutes**  
**November 6, 2013**  
**Main Office Large Conference Room**  
**6:00pm**

Present: Dr. Bill Foster, Ms. Katherine Driban (via phone), Mr. Robert Vining, and Mrs. Kathryn Strouse

An agenda was distributed in advance of the meeting.

Audit Reports: The Business Manager presented the Middle Bucks AVTS Authority financial statements and audit report for the year ended June 30, 2013 as prepared by Dreslin and Company, the local auditors. Dreslin and Company's audit opinion was unqualified.

The Business Manager presented the draft MBIT financial statements and audit report for fiscal year ended June 30, 2013. A walk through of the financial statements was commenced with explanation and highlights of the M D & A, Entity wide, Governmental and Budget Comparison made. The Business Manager reviewed footnote 6 Due to Members Districts which reconciles the budgeted amounts to actual. Dreslin and Company has advised the Business Manager that there are no findings in their audit. The final report will be a mirror of the draft and their audit opinion is unqualified.

2014-15 General Fund Budget Discussion: The Business Manager presented the first look at the General Fund budget. The first look includes General Fund expenditures of \$8,770,201 vs. \$8,470,459 for 2013/2014, an increase of \$299,742 or 3.54%. The employer contribution (21.75%) to PSERS accounts for \$224,749 or 2.65% of the increase. Salaries and wages increase \$61,566 or 0.73% of which \$62,953 are contract increases. Healthcare insurance has been budgeted with a 10% increase on the actual 2013/2014 rates. Preliminary efforts to reduce cost include reducing program budget requests to 2012/2013 actual level, reducing non-contracted salary and wage increase from 4% to 3% and many other services are projected even or slightly lower than 2013/2014 budget.

Revenues from state, federal and local sources were discussed. State subsidies for Vocational Education, Social Security and PSERS are increased to \$1,035,000 vs. \$898,000 for 2013/2014. Federal revenue is from the Perkins Grant and are projected to equal actual allocation for 2013/2014 of \$277,085 compared to the budgeted amount of \$286,440. Local revenue is predominantly the Receipts from Member Districts which is projected to be \$7,369,816 compared to \$7,190,719 for 2013/2014. The increase is \$179,097 or 2.49% line-to-line. The member school districts will receive credit for the Due to Member Districts from 2012/2013 in 2014/2015 reducing amount actually paid to \$6,966,648.

The major unknowns – PSERS certified rate and healthcare insurance will be resolved by presentation in February.

Updates: The Business Manager reviewed results of operation of Li'l Bucks and Adult Ed with those present. Cost allocations for cleaning and utilities are being made as well as the unexpected need to replace the dishwasher/toy sanitizer were discussed Adult Ed is cycle year for emissions recertification and is seeing higher revenue and costs correspondingly.

The meeting adjourned at 6:55 PM.