

FINANCE COMMITTEE REPORT
Thursday, August 16, 2012

Update

The last two meetings were held on **Wednesday, June 27 and July 25, 2012** at 6:00 p.m.

Informational Items Discussed:

- Cash Flow Analysis – Irene Dickinson reported that the Athletic Fund has been combined with the General Fund. The District is estimating a positive Fund Balance for June 30, 2012.
- General Fund Financial Reports – Irene Dickinson reviewed the financials and reported that the revenues are equal to last year at this time as well as instructional and non-instructional costs.
- EIT / Transfer Tax – Irene Dickinson informed the Committee that, with only three days to go, we still need \$500,000 to meet the budgeted revenue for Earned Income Taxes. Transfer Taxes have met the budgeted revenue for the first time in four years.
Ms. Dickinson informed the Committee in July that we did not meet the budgeted revenue for Earned Income Taxes; we were short by \$78,000
- Salary Schedule – In June Irene Dickinson reported that, at first estimates, it appeared that the payroll expenses would be under budget by almost a million dollars.
In July, after June payrolls have been finalized, Irene Dickinson reported that payroll expenses will be under budget for 2011-2012 by almost two million dollars from the 2010-2011 fiscal year.
- Investment Report – Irene Dickinson informed the Committee that rates from First Niagara have dropped 25 basis points in the 2011-2012 year.
- Enterprise Fund Statements – Irene Dickinson explained to the Committee that the reports being shared were not final as closing entries for the year end had not been completed. School Nutrition Services had a loss due to absorbing \$300,000 of Cafeteria Assistant salaries which had previously been paid for from the General Fund.
- Construction Projects – The Committee requested to see the details on the fees being charged for the Inglewood project by Towamencin Township.

Discussion Topics

- Future Borrowing – Scott Shearer of PFM presented various options. All options would have no payments in 2012-2013. The borrowing would be \$8.5 million, \$15 million, and/or \$20 million for either 10 or 15 years. Scott will also run 25 & 30 year options and send those figures to Bob. Scott discussed resolution for paying from the general fund at the next Board Meeting. Bound counsel will prepare documents and send to North Penn. Scott needs the figures for the maximum buy and use of proceeds.
Bob Schoch discussed that the Bond Issue option was received from Scott (PFM). The information will be forwarded by Bob to the Committee.
- Mr. Schoch also discussed a PlanCon moratorium that becomes effective October 1st. Two projects may be moved forward (Hatfield & Montgomery) in order to get them in the pipeline and enable North Penn to have the work be classified as a reimbursable project.

Actions Being Requested for Board Approval

- Monthly Budget Transfers were moved forward for the full Board to review for May and June.
- Resolution to borrow from the General Fund.

Next Meeting Information

The next Finance Committee meeting **will be Wednesday, August 22nd, 2012 at 6:00 p.m.**