

FINANCE MEETING

02/26/2024 [05:00 PM-06:00 PM] @ Board of Directors Room

FINANCE STANDING COMMITTEE MEETING

1. Call to Order

Minutes

Mr. Rizzo called the meeting to order at 5:00 p.m. and announced the meeting was live streamed and audio recorded.

2. Roll Call

Minutes

Members in Attendance: Lindsay Drew, Stewart McCarver, Jennifer Renz, and Michael Rizzo

Citizen Advisors: Michael Bunn, Brian Ostella, and Joshua Smith

Citizen Advisors absent: David Katz

Non-Voting Members in Attendance: Michele Agee, Sheryl Pursel, and Stacy Winslow

Attendees: Joshua Cysyk, Jared Nicholson, Honesta Romberger, and Tracey Royo

3. Approval of Summary Minutes

Minutes

Following a motion by Ms. Drew, and a second by Mrs. Renz, the minutes were approved.

4. Unfinished Business

5. New Business

5.a. 2022-2023 Audit Update

Minutes

Mrs. Purcell shared the following on the 2022-2023 Audit Update:

- the auditors here on sight the first week of January
- received a trial balance from Boyer and Ritter this afternoon, my numbers are close
- there's a couple Gatsby adjustments, reclassification entries
- a couple of months ago I had projected we'd be at about a 1.6 million

- we're actually ending up with just over 4 million dollars bottom line
 - revenues were extremely strong
 - 1 million dollars extra from the State
 - expenses came in a little lower than expected
- key factors in what's driving the revenue budget
 - real estate tax collection rate was pretty strong

5.b. 2024-2025 Budget Update

Minutes

Mrs. Purcell shared the following on the 2024-2025 Budget Update:

- earned income tax came in at 6.3 million; expected approximately 5.6 million
 - a million dollars of revenue that came in between July and August that was recorded back to June 30, 2023
 - historically, that's the highest we've ever seen
 - that is telling us that the economy in Hershey is very strong amongst the residents that live here
 - 1% of wages that we get 50% of and the township gets 50% of
- looking to ask Keystone Collections for annual projections for earned income tax
- amusement tax –
 - our biggest contributor to that 1.6 million is HE and R
 - the amusement tax agreement with HE and R is 85 cents per ticket split evenly between the school district and the township; both get 42.5 cents on each ticket sold
- interest income –
 - up very significantly
 - budgeted for 2023-24, \$550,000
 - as of the end of January, we're at \$560,000 of revenue so we will be over in 2023-24
 - the expectation was, starting early this year in 2024, that we would start seeing decreases to the interest rate - that's not happening
 - as we have opportunities and look to do things with bond financing
 - when there is opportunity to let money sit in another institution at 5%, we do and pull it back when needed
- state is supposed to be finalized by June 30th, but they weren't the last 2 years
 - 2 years ago this number came out in July
 - the current year 23-24 wasn't finalized until August
 - nobody thought that we were going to get that money, we knew right away that we were we were sitting on a million dollars in State revenue
 - the state share of retirement contributions
 - our budgeted salaries came in under budget
 - we're required to pay 35%, it is recognized as an expense
 - we get 50% of that money back from the State, and it comes in as revenue
 - in 2024-25, 2.2 million dollars of COVID money goes away
- other – fund transfer from Trust will be looked at as we build the next budget
 - advisors return in April
 - looking to stay at the 4% draw
- expenses –

- utilities expenses are up
- student transportation is down due to switching our specialized transportation from the IU to Swager
- salaries is down due to unfilled or temp filled positions
- will look at medical due to numbers sitting under recommended budgeted amount
- fund balances
 - our June 30, 2023, financial statement cannot have an unassigned balance in excess of 5.7 million
- PA State Subsidy Funding –
 - plan on Governor Shapiro's proposed budget \$200 million dollars in extra funding for basic ed across the board, it means 6.7% over last year

5.c. Contracts

6. Public Comment

Minutes

There was no public comment for the committee.

7. Adjournment

Minutes

Mr. Rizzo adjourned the meeting at 6:00 p.m. following a motion by Ms. Drew and a second by Dr. McCarver.