FINANCE COMMITTEE MINUTES
October 9, 2025

Committee Members: (*indicates attendance)
*S. Penhollow, Chairperson
*A. Lloyd, Buffalo Representative
*K. Burnett, CCAA Representative
*B. Hickson, ECIC Representative
*J. Contento, NFL Representative
*E. Valley, NO Representative
*M. DiFilippo, Executive Director
*B. Fadeley, Treasurer

Guests:
*Justin Reid, The Bonadio Group
*Hayley Dimon, The Bonadio Group

1.0 2024-2025 Audit (Appendix A)

Bonadio Group representatives presented the 2024-2025 audit. Highlights of the presentation include no uncorrected misstatements and no adjustments proposed by Bonadio and recorded by management. The Bonadio Group plans to issue an unmodified opinion, wherein it was concluded that Section VI's financial statements were presented fairly and are free from material misstatement, in all material respects. The financial statements comply with the applicable financial reporting framework (GAAP) and are accurate, which is the highest level of approval.

Moreover, J. Reid, provided insight to the Section's current reserve funds status. He stated the Section is at 5-6 months of solvency, meaning there is enough liquid assets to cover operating expenses for half a year. It is a standard benchmark used to gauge financial stability, ensuring that an organization can withstand revenue shortfalls or unexpected costs for an extended period. J. Reid personally recommends 6 months as static practice.

2.0 Treasurer's Report

2.1 ***Motion to approve the treasurer's report*** (Appendix B)
CARRIED
Contento/Dell'Oso
The fund balance is in good standing. It was noted that funds were transferred to ArbiterPay in preparation for fall 2025 post season payments and monies were moved to the petty cash account for Boys Ice Hockey gate start-up. Additionally, dedicated funds (Boys Ice Hockey, Girls Ice Hockey, and Indoor Track) and budgeted monies for state championships were deducted from net assets to reflect a most accurate fund balance.

3.0 New Business

3.1 2026-2027 Proposed Budget (Appendix C)
M. DiFilippo and B. Fadeley reviewed the 26-27 proposed budget with the Finance Committee highlighting an estimated, significant net deficit. The proposed budget is slated for presentation and discussion at the November 19, 2025 athletic council meeting.

3.2 2026-2027 Coordination Fees

Resulting from the estimated 26-27 net deficit, the Finance Committee recommends a $500 increase across all class amounts and a $10 increase to the federated sport fee, both within the coordination formula. In addition, the committee recommends 50% of the proposed raise to sports chair people be implemented beginning with the 26-27 school year and the other 50% applied, beginning with the 27-28 school year.

M. DiFilippo will supply B. Fadeley with the 26-27 BEDS numbers after the October 2025 NYSPHSAA Executive Committee meeting. At that time, B. Fadeley will update member schools to their 26-27 classification and apply the recommended formula changes to the coordination fee chart. B. Fadeley will also adjust the sport chairs fees within the proposed 26-27 budget. The revised 26-27 proposed budget and coordination fee chart will be provided to the Finance Committee for review in advance of the November 19, 2025 Athletic Council meeting.

*It was noted that member schools' number of varsity sport programs will not be confirmed until August of 26-27. Therefore, there will be variation in the amount coordination fee assessed for schools who drop or add varsity programs. Also, Travel Pay and Officials Recruitment and Retention Fees are assessed through the Section VI Coordination Fee participation service via Erie 1 BOCES. Member schools who pay through the coser (all schools except BPS and charter schools) should be aware that the overall fee assessed through the Section VI coordination coser comprises coordination, travel pay and officials recruitment and retention fees.

3.3 Sports Chairs Fee Proposal (Appendix D)

See agenda item 3.2.

3.4 New Certificate of Deposit

To best utilize the fund balance, B. Fadeley proposed taking $100,000 in the Bank of America checking account and opening a second certificate of deposit with Bank of America. With rising costs and decreasing interest rates, building a CD ladder is a revenue strategy, where money is invested across multiple CDs with different maturity dates providing regular access to funds and liquidity.

The Finance Committee agreed to move forward with opening the additional CD.

3.5 Bank of America Corporate Card Credit Limit Increase

Informational. B. Fadeley secured a credit increase of $40,000 on the Bank of America Corporate Credit Line, thus changing Section VI's credit limit from $70,000 to $110,000. This will be especially helpful in maximizing rewards during times of significant expenses for state travel and lodging.

3.6 Football (Quarter, Semi) & Boys Basketball (Quarter) Host School Staff Admin Fees Paid by Section VI

M. DiFilippo presented the current financial process specific to host school staff reimbursement for Football (quarters & semis) and Boys Basketball (quarters). The committee agreed that the host school should schedule ONLY the <u>necessary</u> game personnel needed at their respective site. The Section will pay UP TO 7 game personnel including the site chairperson and 2 ticket takers.

4.0 Old Business

Nothing to report

5.0 Good of the Order

5.1 Next Scheduled Meeting – Thursday, January 8, 2026, via zoom