

FINANCE COMMITTEE REPORT

Chairperson: Loren Ratajczak

May 2009

ACTION ITEMS FOR THE ATHLETIC COUNCIL

Recommended by the Finance Committee

- 3.0 Approve maintaining current admission prices for sectional contests in 2009-10:
http://www.section6.e1b.org/1139104911730900/lib/1139104911730900/Admissions-Venues_09-10.pdf
APPROVED Athletic Council 5/20/09
- 5.1.2 Consider an open tournament if review of a new format with a “qualifying round” indicates potential for restoring quality competition. Participating districts would be responsible for costs associated with the “qualifying round”.
Referred back to Finance and Sectional/ Intersectional for further review.
- 5.3 Approve the elimination of solicitation of program ads for the football, basketball and wrestling program booklets and the elimination of the Program Chairperson position.
APPROVED Athletic Council 5/20/09

INFORMATION ITEMS

- 1.1 A Finance Sub-Committee was established to
- Study the concept of Fund Balance appropriations.
 - Review past minutes to gather established policies for a reference.
- 6.4 Finance Committee will review current Sportchair Stipends and recommend distribution of the increase approved in the Budget 2009-10.

MINUTES FINANCE COMMITTEE MEETING

April 21, 2009

Attendance (* indicates present)

Committee: Chairman/Treasurer Loren Ratajczak*
Section reps: Bob Dinse*, Mark Ward, Chuck Amo
League Reps: Catt: Art Mohagen ECIC: Jim Graczyk* Buff: D.Thomas
Chaut: Dan Cassidy NO: Ken Stoldt* NFL: G. Witman*
Erie 1 BOCES rep: John Montesanti*, Coordinator of Finance and Legislation
Business Official: Deborah Coder*, Lockport City Schools
Superintendents: Chautauqua: Steve Vanstrom*, Frewsburg; Jane Fosberg*, Falconer,
ECIC: Jeff Rabey, Lake Shore
Guests: Jim Walker, Boys Basketball Chairperson

Items highlighted in yellow are reminders to the responsible parties. Green when completed.

1.0 Fund Balance:

1.1 **Fund Balance:** Current policy for management of the Fund Balance (attached below**), approved by the Athletic Council in 11/20/02, was reviewed. Now that the budget is stabilized, consideration should be given to the use of excess funds in the fund balance. It was suggested that the fund balance be divided into 3 separate accounts: a general fund balance account, a reserve account for office expenditures (capped) and a reserve account for state travel reimbursement or sports programs. The reserves would not be depleted. A **Finance Sub-committee** was established to study this concept and develop the appropriate percentages of the overall fund balance that would be placed into each account. **B.Dinse, L.Ratajczak and J.Montesanti** will serve on this subcommittee and **will report back to the Finance Committee at the next meeting.**

1.2 **Policy/Procedure:** Self-monitoring is needed regarding policy/procedures. It was noted that established policies/ procedures/ guidelines may not be followed because they exist in the archives of meeting minutes. It was agreed that the Finance Subcommittee (item 1.0) will review past Finance minutes to collect pertinent information for the Policy Handbook Committee to organize and publish as a reference. This will assist new as well as current, committee reps and personnel.

2.0 Sports Budgets –Post-season review:

Sports revenues/expenditures from the past 5 years were presented. The sports budgets for 2009-10 are needed in order to be pro-active in maintaining a balanced budget. **They will be forwarded to committee members by L.Ratajczak. These budgets will be reviewed with the sportchairs at their pre-season meetings** (see item 7.2). The fall meeting is June 17.

3.0 Annual review of admission prices for 2009-2010:

RECOMMENDATION: Maintain current admission prices for 2009-10:
http://www.section6.e1b.org/1139104911730900/lib/1139104911730900/Admissions-Venues_09-10.pdf
APPROVED Athletic Council 5/20/09

4.0 Review of venues:

4.1 **Sportchairs will be reminded** of the following:

- The Section Venue Policy (attached below*) - AC approved 9/22/04
- Venue Selection Guidelines established by the Finance Committee. See minutes 7/15/08 items 3.2,3.3:
<http://www.section6.e1b.org/1139104911730900/lib/1139104911730900/Finance08-7.pdf>

4.1 **Winter sports:** The venues listed below were appropriate with **exceptions noted:**

B.Basketball: Buffalo State, **Hilbert**, JCC. Use of Hilbert, a less costly site for the B2 finals, resulted in no savings. Gate receipts were much less than Buff State. Parking was difficult. Entry/exits at the facility created confusion with 2 games. It was agreed that Buff State should be used instead.

G.Basketball: **ECC City**, Lockport, Wms. East, Depew, Jamestown, Chaut. Lake. The Athletic Council approved ECC for 2009 only (9/17/08). **L.Kaminsky will need to review alternate sites and present a recommendation for 2010.**

Indoor T&F: Fredonia State, Buff State, Lancaster

Boys Swim: ECC City

Wrestling: NCCC & Clarence or Wms. North, Starpoint, Fredonia, Frewsburg

Bowling: Thruway Lanes

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Review of venues continued:

- 4.2 Spring sports The venues listed below are appropriate.
- | | |
|--------------|---|
| Baseball: | Dunn Tire, Diethrick Park |
| Softball: | Dunkirk Wright Park, Amherst Pepsi Center |
| B.Lacrosse: | Canisius College (approved AC 3/25/09) |
| G. Lacrosse: | Orchard Park HS |
| Track: | Pioneer HS |
| B.Golf: | Lancaster Country Club |
| G.Golf: | Brookfield Country Club |

5.0 Sectional issues:

5.1 Open tournaments:

5.1.1 J.Walker submitted the Boys Basketball report with a recommendation to continue the open tournament in boys basketball. He noted:

- 2009 net profit was approximately \$40,000
- Open tournament Section net for pre-Q was \$4159/yr (00-06) and **-\$620/yr** (07-09).
- The only district cost is travel (for visiting teams only), approx. \$150 per school if traveling 50 miles to Buff State. Recommendation: Return the cost of travel to those schools if net profit exceeds \$25,000.
- It is vitally important to keep sectional games with the loss of 2 games from the regular season.
- The Boys Basketball committee will meet 4/27/09 to develop a proposal for a change in format. The top 4 teams draw a bye in first round. Remaining teams participate in a "qualifying round". Concept would eliminate unbalanced competition in pre-Q.
- Districts not wishing to participate may opt-out.

5.1.2 Financial impact of the open tournament was reviewed:

To the Section: Minimal for basketball (see 5.1.1). Zero for the other sports.

To the Districts: For basketball -> If Visiting- cost of travel only, If Home- None

Other sports -> If Visiting- cost for travel only

If Home- cost for Supervision, officials, coach salary

The main concern expressed was the loss of quality of competition in the first round. Also discussed was the financial impact to districts for participation in pre-Q and quarters (5.1.2).

RECOMMENDATION: Consider an open tournament if review of a new format with a "qualifying round" indicates potential for restoring quality competition. Participating districts would be responsible for costs associated with the "qualifying round".

Referred back to Finance and Sectional/Intersectional for further review

5.2 Ice Hockey Financial procedures: As per AC 3/25/09, *The Finance Committee will work with the Federation to begin the transition of all finances going through the Section office in 2009-10. L.Ratajczak will lead this effort. A meeting will be scheduled with M.DiFilippo and N.Riccio to discuss the details* of anticipated expenses for 09-10 and billing Federation members for dues. He will notify AD's and business officials regarding any changes.

5.3 Programs: Production is costly and the sale of ads is increasingly difficult because of the economy. A large profit was realized at sectional swim meets from the sale of 4-page heat-sheets.

RECOMMENDATION: Approve the elimination of solicitation of program ads for the football, basketball and wrestling program booklets and the elimination of the Program Chairperson position. **APPROVED Athletic Council 5/20/09** Sports that wish to produce a program booklet will be responsible for the collection of data and production of the program.

NOTE: The Athletic Council approved "sportchairs to hire an individual for this task, if necessary, with the expense taken from their current sport budget" 9/17/08

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6.0 Old Business

- 6.1 Equipment purchases:
- Timing system– May be too costly. J.Graczyk will forward to L.Ratajczak recent quotes Pioneer received.
 - Walkie talkies- Quotes will be pursued by L.Ratajczak.
- 6.2 Sales at sectional events – Review of Policy in the By-Laws postponed.
- 6.3 Centralized Management of Officials: Annual cost to the Section is \$25 per assigner (\$1025) and \$3 per official (\$4800).
- Should any cost be passed on to the officials organizations? This issue was referred to T.Cowan. Negotiations for the next contract begin May 5.
 - Should Monsignor Martin be charged for their participation?
- 6.4 Sportchair Stipends: This line item in the budget was increased from \$7,500 to \$13,500. Committee members are asked to review the current fees on-line http://www.section6.e1b.org/11391049112849960/lib/11391049112849960/Fees_Spchair.pdf and return with recommendations for increasing each stipend.

7.0 The following dates were established for meetings in 2009-10:

- 7.1 Finance committee meetings (2nd Tuesday of the month)
- Aug.11, 2009: Annual review of the Section budget and each sport budget.
address philosophical issues
- Oct.13, 2009: Post-season review of spring sports budgets and venues, develop budget
Budget 09-10.
- Feb.9, 2010: Post-season review of fall sports budgets and venues
- Apr.13, 2010: Post-season review of winter sports budgets and venues
Annual review of sectional admission prices for approval at the May meeting.
- 7.2 Pre-season meetings with sportchairs to review their budgets:
- Fall: June 17, 2009
- Winter: September 30, 2009
- Spring: January 27, 2010

SECTION POLICIES

* Section VI Venue Policy (approved by AC 9/22/04): *a three-year history of attendance at sectionals be used to determine the type of venue (member school vs. outside venue) selected for sectional competition.*

** Policy for stabilizing the budget as per Finance Committee minutes 11/12/02 (approved by AC 11/20/02):

- 2.1 The development of a three-year plan to be reviewed annually that will include:
- Adjustment to Section VI dues when necessary as follows:
The Per-sport fee, currently \$32, will be increased when the Fund Balance goes below the established minimum, or decreased when the Fund Balance goes above the established maximum. Member schools will receive a detailed accounting of their dues as established by the approved budget, prior to each school year.
 - Controlled usage of the Fund Balance when necessary (see item, 2.2) This plan will be designed with input from the Athletic Council, Executive Committee, Sectional/ Intersectional Committee and Sportchairs, and will be used to develop the actual budget.
- 2.2 Approve an amendment to the Section VI bylaws regarding the Fund Balance:
- Amount: 50% of the average operating cost for the previous three years
 - Limits: Maximum to be 60% of the average; Minimum to be 40% of the average
 - Usage: To be used when a budget has been exceeded due to unforeseen expenses, decreased sectional income or increased expenses for state participation.
 - Adjustments to be made to bring the Fund Balance back within the limits if exceeded:
Below the minimum: Per-sport fee increased appropriately to raise necessary funds.
Above the maximum: Per-sport fee decreased appropriately to reduce funds collected.