

**Hornell City School District  
Board of Education-Audit Committee**

Minutes of the October 10, 2008 meeting.

The meeting was attended by Dr. David Weyand, Dr. Pasquale Picco, Rich Dunning, Mrs. Carole Berry, Superintendent George Kiley, Mr. Jeff Ahearn, and Mr. Wayne Drescher of Drescher and Malecki LLP.

The meeting was called to order at 5:00.

Motion by Dr. Weyand and seconded by Mrs. Berry to approve the minutes of the previous meeting. With no further discussion the motion was brought to a vote. Motion Carried ayes all.

Jeff Ahearn then introduced Mr. Wayne Drescher of Drescher and Malecki. Mr. Drescher then presented the findings of his company's audit of the Hornell City School District's finances for the 2007-2008 school year. Mr. Drescher discussed the problems of fixed assets estimates and compensated absences. Fixed assets were underestimated by \$877,349 while compensated absences were underestimated by \$959,048. This resulted in an adjustment of the total net assets figure from \$423,343 to \$340,644. Mr. Drescher also noted that the cafeteria lunch program reduced its deficit \$113,000 in 07-08. The district will continue to try and reduce the remaining \$76,515 deficit. Mr. Drescher also highlighted problems with the extra classroom activities accounts.

Mr. Drescher concluded his remarks by saying that the school district had a good year financially and a good audit. He also talked about the current fiscal crisis on Wall Street and the impact this may have for district finances next year.

At this point Dr. Weyand made a motion that the audit committee recommend the external audit to the full board of Education for acceptance. The motion was seconded by Dr. Picco. With no further discussion the motion was brought to a vote and the motion carried . Ayes all.

The committee reviewed the 2009-2010 Budget calendar.

A motion to adjourn was made by Dr. Weyand; seconded by Dr. Picco. With no further discussion the motion carried, ayes all.

Meeting adjourned at 5:25.

Respectfully Submitted,

Rich Dunning  
Audit Committee Chairman