



### Spectrum High School Finance Committee Minutes

Date: 4.22.16

Scheduled Time: 9:00 a.m.

Position	Committee Member	Attendance
Paula Bernard	Board Treasurer – elect	Present
Nick Taintor	BKDA/Financial Advisor	Present
Vanessta Spark	Executive Director	Present
Josh Anderson	Principal	Present
Dan DeBruyn	Administrator of Development	Present
Robin Schelske	Parent Member	Ppresent
Dawn Sorenson	Exec. Asst.	Present

#### 1. February and March Financials

The Finance Committee reviewed the February financials at length. Mr. Taintor took the Committee through the Executive Summary, noting that the working budget projects revenues exceeding expenditures in all funds by \$242,914, which is based on the recently revised budget. The budgeted state revenues are based on an ADM of 635 students not on 625 as mentioned in the report. Following discussion, the Committee recommends approval of the February financials to the Board.

The Committee then went on to review the March financials in detail. Mr. Taintor reviewed the Executive Summary noting that there wasn't anything of significance to report. Mr. Taintor stated that Ms. Spark inquired about the possibility of carrying over \$40,000 of the FY16 budget marked for the purpose of purchasing new busses to the FY17 budget for this same purpose. Ms. Spark stated that there are some busses that another school district is looking to sell; however, they aren't ready to sell them until July. She mentioned that purchasing the busses in July vs. now would result in a cost savings to the school as the school would be able to negotiate better pricing. Mr. Taintor shared that there are basically two ways of carrying this out, either the Board could approve another revised budget or that the monies could be carried over to the FY17 budget. The revised budget would reduce the budget by \$45,000, or if the school chose not to do a revised budget, just notify the Board that there would be a budget surplus of \$45,000 in the FY16 budget, which would then be moved to the FY17. Mr. Taintor stated that either way would work and that perhaps it would be best to wait to see where the school is at budget-wise in May to make the final decision on whether or not to make a revision to the FY16 budget.

#### 2. FY17 Employee Benefits

The Committee discussed at length the various benefits offered to Spectrum's employees in terms of health, dental, life, and long term disability coverage. Mr. Taintor reported that he is budgeting for increases in benefit costs to the School for the next several years as costs to both employers and employees continue to rise. The Committee went on to discuss current benefit offerings and various other possibilities. The Committee eventually settled on offering FY17 health coverage at the \$425/employee, which is an increase of \$50 to the School per employee, or a total cost to budget of \$28,000. In addition, the Committee reviewed long term disability coverage currently provided by the School for employees. It was felt that it would be more advantageous to employees to provide them with short term disability coverage rather than long term and give employees the option to purchase long term disability, should they choose. The cost

increase to the School would be an additional \$8,000, for an overall total of \$36,000 increase to budget, which Mr. Taintor stated is available within the budget. The Committee discussed that it may be helpful for employees to understand their total compensation – salary plus benefits. Mr. Taintor stated that he would draft this information and present it to the Committee.

Finally, the Committee recommends the Board approve the \$425/employee health insurance, drop long term disability coverage and replace it with short term disability coverage, at the 7/7 elimination period for all employees.

3. Cash Management

Mr. Taintor reported that he and Administration met with First National Bank of Elk River to discuss investment vehicle options for the school. He reported that the School has an excellent relationship with the bank and that they are very willing to work with the School. He stated that FNBER is currently paying .50% interest on money market accounts, and that they are willing to offer an additional .25% on top of the .50%.

Based on this information, the Finance Committee recommends the following: That the School open up a Money Market Savings Account with FNBER and transfer \$900,000 from the School's general checking account. Certificates of Deposits can be opened for a portion of the \$900,000, not to exceed \$750,000, and will be put into a 3 year certificate to maximize interest. The earliest the CD's can be opened is July 1, 2016.

4. Draft Procurement Policy

Mr. DeBruyn stated that in order to be in compliance with the Federal Grant regulations the School must have a Procurement Policy in place. He presented a draft of a policy for the Committee's consideration, noting that the proposed Procurement Policy is written to work in concert with the School's Finance Policy. Following discussion, the Committee recommends the Board consider approval of the proposed Procurement Policy as presented.

The meeting adjourned at 10:30 a.m.

Respectfully submitted,

Dawn Sorenson