



Spectrum High School Finance Committee Minutes

Date: May 14, 2018

Scheduled Time: 9:00 a.m.

Position	Committee Member	Attendance
Kathy Reed	Board Treasurer	Present
Nick Taintor	BerganKDV/Financial Advisor	Present
Dan DeBruyn	Executive Director	Present
Dawn Sorenson	Exec. Asst.	Present

I. Call to Order

The meeting was called to order at 10:30 a.m.

II. Old Business

None

III. On-Going Business.

A. 2017-2018 Finance Committee Goals

- Develop a Federal Funds Procurement Policy and either amend the current Procurement Policy or Develop a new General Funds Procurement Policy *Completed 11.1.17*
- Develop an all-encompassing Fundraising Policy *In process – has been slated for June, 2018.*
- Revise the Financial Policy as needed in response to implementation of more timely internal budgeting procedures. *Completed 11.13.17*

IV. New Business

A. April Financials

The Committee reviewed the April financials in detail. Mr. Taintor reported that the working budget projects an annual surplus (revenues to exceed expenditures) in all funds in the amount of \$196,076. The School is currently budgeting 680 Average Daily Membership (ADM), whereas actual is at 682.93 ADM, which includes a few students who choose to attend a PSEO program at an institution that counts the student as their member and therefore Spectrum does not receive any funding for those students from MDE. Overall, the School is right on track with 73.5% of expenditures spent year to date as compared to 83.3% of the fiscal year completed. Of note, the CSP Expansion grant has not yet been expended; however, Mr. DeBruyn shared that he submitted a revised CSP budget to MDE and it has been approved so now these monies will be spent on significant expenditures for the 7/8 building prior to June 30.

The beginning balances are from the audited ending information as of June 30, 2017. Due from the Building Company, in the amount of \$24,188, represents funds that have been paid for by the School on behalf of the Building Company. The State holdback for 2017-2018 fiscal year is estimated to be a receivable of \$601,244. The holdback amount is approximately 10% of total state aids, and will be paid back to the School in fiscal 2019.

Following review, the Committee recommended approval of the April financials as presented.

B. April Management Report

The Committee reviewed the April management report.

Following review, the Committee recommended approval of the report as presented.

C. April Contracted Services Report

The Committee reviewed the Contracted Services Report. They focused in on concurrent enrollment. Mr. DeBruyn shared that this item is difficult to budget as it varies widely year to year depending on where students choose to attend PSEO classes and what number of students choose PSEO. Currently, it appears that the Concurrent Enrollment category will be approximately \$40,000 short. Mr. DeBruyn went on to share that administration has recently learned that the number of PSEO students will increase quite a bit next year. Although students may certainly choose whether or not to be a part of the PSEO program, administration is planning to meet with these students to talk about all of the positive benefits Spectrum has to offer in terms of the planned college and career center, additional assistance for students, convenience, etc., as it is felt that students will be better served if they remain on their high school campus taking college-level courses.

D. April Food Services Report

The Committee reviewed the Food Services Report. Mr. Taintor shared that the commodities check that is to be received by the School for its food services will help to offset costs. The commodities check will be a receivable of \$11,600, which will certainly aid in offsetting cost. The Committee noted that in the months of February and November there was approximately \$2,000 less in revenue vs. expenditures. Overall, Mr. Taintor shared that it is hoped that it will be close to a balanced budget by year's end; however, the School is anticipating a small shortfall in this category.

E. FY19-21 BerganKDV Financial Services Proposal

The Committee reviewed in detail the proposed FY19-21 BerganKDV Financial Services Proposal. Mr. DeBruyn shared that there is a 5.5% increase in cost from FY18 and 3% the following two years. Mr. DeBruyn inquired about whether or not this was attributable to the inclusion of completing the 990's for the School and the Building Company. Mr. Taintor stated that the costs reflected in the contract does indeed include the completion of the 990 forms. There are two contracts – one for Spectrum High School and the other for the Spectrum Building Company. Mr. DeBruyn inquired about an exit from the contract should there be a need to do so. Mr. Taintor pointed out that in the Conclusion section of the contract, it reads, "Either party may cancel this agreement with a 120-day notice."

Following discussion, Mr. DeBruyn thanked Mr. Taintor for his work and the work of BerganKDV, and stated that he looks forward to continuing the partnership. Ms. Reed also complimented Mr. Taintor and BerganKDV for their work.

The Committee recommended approval of the FY19-21 BerganKDV Financial Services Proposals for Spectrum High School and Spectrum Building Company as presented.

V. Previously Tabled Items

None

VI. Miscellaneous

None

VII. New Meeting Agenda Input



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None

VIII. Adjournment

The meeting was adjourned at 11:00 am

Respectfully submitted,
Dawn Sorenson