



Pioneer Valley Performing Arts Charter Public School

Finance Committee

Published on May 4, 2019 at 12:48 PM EDT

Date and Time

Tuesday May 7, 2019 at 8:30 AM EDT

Location

Room 304, 15 Mulligan Dr., South Hadley, MA 01705

Agenda

	Purpose	Presenter	Time
I. Opening Items			8:30 AM
Opening Items			
A. Record Attendance and Guests		Marcy Conner	3 m
B. Call the Meeting to Order		Marcy Conner	2 m
C. Approve Minutes	Approve Minutes	Marcy Conner	3 m
Approve minutes for Finance Committee Meeting on April 23, 2019			
II. Finance			8:38 AM
Finance			
A. FY20 Capital Budget	Vote	Marcy Conner	20 m
B. FY20 Budget	Vote	Marcy Conner	30 m
III. Other Business			

	Purpose	Presenter	Time
IV. Closing Items			9:28 AM
A. Adjourn Meeting	Vote	Marcy Conner	2 m

Coversheet

Approve Minutes

Section:	I. Opening Items
Item:	C. Approve Minutes
Purpose:	Approve Minutes
Submitted by:	
Related Material:	Minutes for Finance Committee Meeting on April 23, 2019

APPROVED



Pioneer Valley Performing Arts Charter Public School

Minutes

Finance Committee Meeting

Date and Time

Tuesday April 23, 2019 at 8:30 AM

Location

Room 302, 15 Mulligan Drive, South Hadley, MA 010175

Committee Members Present

Bob Hann, Deborah Jacobson, Elmo Wright, Keith Black, Marc Kenen, Marcy Conner, Owen Sordillo, Stephanie Burbine

Committee Members Absent

None

Committee Members who arrived after the meeting opened

Bob Hann

Guests Present

Andrea Nathanson

I. Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

Marcy Conner called a meeting of the Finance Committee of Pioneer Valley Performing Arts Charter Public School to order on Tuesday Apr 23, 2019 at 8:36 AM.

C. Approve Minutes

Stephanie Burbine made a motion to approve minutes from the Finance Committee on 04-02-19 as amended to change time meeting adjourned to 9:35 a.m. Finance Committee on 04-02-19.

Deborah Jacobson seconded the motion.

The committee **VOTED** to approve the motion.

Roll Call

Keith Black	Abstain
Deborah Jacobson	Aye
Andrea Nathanson	Abstain
Stephanie Burbine	Aye
Bob Hann	Absent

II. Finance

A. Audit Services RFP Review

Bob Hann arrived.

As requested by the Committee, Marcy reached out to Powers & Sullivan to confirm the details of the bid submitted and contact charter school references. Francis Serreti of Powers & Sullivan stated that the quote for services was based upon a review of our current financial statements and their experience with similar charter schools the size of PVPA. He also stated that Powers & Sullivan will honor the quote given. The Committee talked briefly about the merits of the experience some of the other firms have but also remained conscious of the budgetary issues facing PVPA.

Deborah Jacobson made a motion to to recommend to the Board of Trustees that PVPA engage Powers & Sullivan for auditing services for FY19 - FY21. Such contract for services to include a termination clause.

Stephanie Burbine seconded the motion.

The committee **VOTED** to approve the motion.

Roll Call

Bob Hann	Abstain
Andrea Nathanson	Aye
Keith Black	Aye
Stephanie Burbine	Aye
Deborah Jacobson	Aye

B. FY 20 Capital Budget

A total Capital budget of \$137,200 for FY20 was presented. Historically the Capital budget has been in the neighborhood of \$100,000. Several of the items were discussed and could be removed as they do not reach the \$5,000 threshold for capitalization. There were also concerns over what responsibility the Friends may have in regards to the parking lot lights and the facility plans. This item was tabled until the next meeting.

C. Information Requests from April 2, 2019

Several items of information were requested by the Finance Committee for discussion:

2019 Administrator Positions and Salaries/Job Descriptions- the purpose for this information was to give clarity to the cost of the Administrative salaries vs the total budget.

The current evaluation of the administrative structure being conducted by the Board of Trustees should have this information to determine how the Administration functions and if there are areas for reduction. It was pointed out that in FY18 there was an Assistant Director of Academics position that was left vacant, reducing the administrative costs. This position was eliminated for FY19 under the current Executive Director model.

Change in Health Insurance Premium Percentages - this was for information purposes only - no one was recommending any changes to the current cost sharing percentages. This data showed that for each 5% change the cost or savings to PVPA (based on current staffing and a projected 10% increase over FY19 rates) would be estimated to be \$50,000. The cost or savings to the employee was dependent upon the plan the employee had and was approximately 17%.

FY20 Budget - Health/Dental Insurance Premium Cost Projection w/ Current Staffing - the current version of the FY20 budget is projecting a 10% increase in premiums. This document shows the cost savings for every 1% change in the increase. At the on-set of school vacation, Marcy had received information that the increase for FY20 proposed by Blue Cross Blue Shield was actually 13%. This would have resulted in an additional increase to the budget of approximately \$36,000. Marcy was able to negotiate with Blue Cross Blue Shield and the result was an increase of 8% - coming in lower than the projected 10%. This will reduce expenditures to the FY20 budget by approximately \$25,000.

D. FY20 Budget Review

The report sent out with the agenda reflected a deficit of -\$41,xxx. Some changes were made and an updated version was dispersed reflecting a net income of \$8,569.68 - a balanced budget! The biggest change was the difference between the projected 10% increase in health insurance and the actual increase of 8%. There were also some adjustments made to several categories in the facilities budget lines:

Telephone Equipment - reduced from \$6,100 to \$3,000 due to new provider maintenance contract

Building Supplies - should have been a total of \$10,000 divided between maintenance and the theater

Grounds - increased \$2,000 for new landscaping contract

Security - reduced \$1,800 by scaling back CCTV replacement schedule

Permits & Inspections - increased \$1,000 - FY20 will bring an air quality test and asbestos evaluation

Repairs & Maintenance - HVAC - this item was questioned at the last Board of Trustees meeting because the FY19 budget was \$15,000 and is doubling for FY20 to \$30,000.

During FY19 we had one of the roof top unit need repair that took several months to get the part and have the work done - this points to the urgency of having the HVAC units replaced. At this time the Friends do not have a plan for replacing the units this summer. For this reason the FY20 budget remains higher than normal. There was discussion of asking the Friends to cover the costs of any repairs in lieu of replacement so that the budget line could be reduced. Any further increased expense for the Friends could also result in an increase in rental expenses.

An additional change that enabled the budget to balance was a change to the percentage increase in tuition. It was proposed that the percentage be increased from 1.5% to 1.75% resulting in an estimated increase of \$17,000. This will require a vote from the Finance Committee.

An alternative may be to reduce the Repair & Maintenance-HVAC to \$15,000 and leave the tuition increase at 1.5%. This would result in an approximate net income of \$6,000.

The legislature continues to make plans that will effect PVPA tuition dollars for FY20. DESE will be releasing new projections the first week of May based on the proposal making its way through the House.

III. Closing Items

A. Adjourn Meeting

Deborah Jacobson made a motion to adjourn the meeting.

Keith Black seconded the motion.

The committee **VOTED** to approve the motion.

Roll Call

Bob Hann Aye

Andrea Nathanson Abstain

Keith Black Aye

Deborah Jacobson Aye

Stephanie Burbine Aye

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 9:47 AM.

Respectfully Submitted,
Marcy Conner

Coversheet

FY20 Capital Budget

Section:	II. Finance
Item:	A. FY20 Capital Budget
Purpose:	Vote
Submitted by:	
Related Material:	FY20 Capital Budget - Proposed.pdf

Capital Budget - Proposed for FY20

<u>Location</u>	<u>Item</u>	<u>Cost</u>	<u>Comments</u>
Theater			
	2 or 3 Set of Stage Legs (side curtains)	2,200	Needed to complete curtain configuration
	Accoustical Theater Curtains for Side Wall	22,000	Part of original configuration - increased sound quality & sound proofing
	Thatrical Lights	25,000	Lighting included in original specs for theater
	Sub total	49,200	
Technology			
	Chromebook 1:1 Program for 7th Grade	2,000	FY19 started the 1:1 chromebook for 7th grade - Eco Dis students
	Sub total	2,000	
Construction/Renovation			
	Parking Lot Lights	36,000	Re-wiring of pole lights in parkiig lot - project started fall 2018 as an emergency
	Facilites Project Design & Plans	50,000	Long-range Planning Commtitee recommendation
	Sub total	86,000	
	Grand total	137,200	

Coversheet

FY20 Budget

Section:	II. Finance
Item:	B. FY20 Budget
Purpose:	Vote
Submitted by:	
Related Material:	FY20 Budget Proposal 5-7-19.pdf

Pioneer Valley Performing Arts Charter Public School

FY20 Budget Proposal Options

May 7, 2019

	FY 20 Proposed Budget	FY20 W/Tuition & Raises	Difference
Ordinary Income/Expense			
Income			
Comm of Mass Sources			
4000411 · Per Pupil Income	5,985,927	6,133,053	147,126
4000412 · Grants	155,861.00	155,861.00	0.00
4000413 · MassHealth Reimbursement	0.00	0.00	0.00
Total Comm of Mass Sources	6,141,787.98	6,288,914.00	147,126.03
Total 4000420 · Production Revenue	28,500.00	28,500.00	0.00
Total 4000430 · Student Activities Revenue	75,500.00	75,500.00	0.00
Total 4000440 · Auxiliary Revenue	74,950.00	74,950.00	0.00
4000450 · Interest	8,500.00	8,500.00	0.00
4000460 · Fundraising			
4000461 · Friends of PVPA-Restricted	75,000.00	75,000.00	0.00
4000462 · Friends-Annual Fund for PVPA	0.00	0.00	0.00
4000463 · Contributions-Unrestricted	30,000.00	30,000.00	0.00
4000464 · Contributions-Restricted	0.00	0.00	0.00
Total 4000460 · Fundraising	105,000.00	105,000.00	0.00
4000470 · Miscellaneous Revenue	2,500.00	2,500.00	0.00
4000490 Rental Income	4,000.00	4,000.00	0.00
Total Income	6,440,737.98	6,587,864.00	147,126.03
Gross Profit	6,440,737.98	6,587,864.00	147,126.03
Expense			
5200000 · Education Expense			
5200001 · Salaries and Benefits			
Total 5200500 · Salaries	2,809,660.27	2,910,721.54	101,061.27
Total 5200560 · Taxes and Benefits	679,918.55	682,863.43	2,944.88
Total 5200001 · Salaries and Benefits	3,489,578.82	3,593,584.97	104,006.15
Total 5210600 · General Educational Expense	41,200.00	41,200.00	0.00
Total 5220000 · Departmental Expense	34,520.00	34,520.00	0.00
Total 5229500 · Grant Expenses	155,240.00	155,240.00	0.00
Total 5290000 · Education-Other	152,200.00	152,200.00	0.00
5200000 · Education Expense - Other	0.00	0.00	0.00
Total 5200000 · Education Expense	3,872,738.82	3,976,744.97	104,006.15
5245000 · Production			
Total 5245500 · Salaries	51,884.30	53,440.52	1,556.22
Total 5245560 · Taxes and Benefits	11,614.83	11,749.94	135.11
Total 5245600 · Production-Other	70,100.00	70,100.00	0.00
Total 5245000 · Production	133,599.13	135,290.46	1,691.33
Total 5246000 · Summer Program	0.00	0.00	0.00
Total 5250600 · Technology	32,530.00	32,530.00	0.00
5300600 · Administrative			
Total 5300500 · Salaries	964,419.73	986,470.27	22,050.53
Total 5300560 · Taxes and Benefits	190,917.30	192,012.28	1,094.97
5300580 · Workers' Compensation Insurance	38,835.31	40,017.72	1,182.41
Total 5300601 · General Administrative Expenses	62,500.00	62,500.00	0.00
Total 5310600 · Recruitment-Students	8,200.00	8,200.00	0.00
Total 5311600 · Recruitment-Employees	2,500.00	2,500.00	0.00
Total 5315600 · Business Office Expense	28,650.00	28,650.00	0.00
Total 5320600 · Board of Trustees Expense	69,250.00	69,250.00	0.00
Total 5300600 · Administrative	1,365,272.35	1,389,600.26	24,327.91
Total 5330600 · Development	6,000.00	6,000.00	0.00
5400000 · Facilities Expense			
Total 5400500 · Salaries	78,900.00	79,368.00	468.00
Total 5400560 · Taxes and Benefits-Facilities	24,418.54	24,472.89	54.36
Total 5400600 · Facilities Expense-Other	652,625.00	652,625.00	0.00
Total 5400000 · Facilities Expense	755,943.54	756,465.89	522.36
Total 5500700 · Depreciation Expense	95,000.00	95,000.00	0.00
Total 5600600 · Auxiliary Expense	168,644.03	168,819.25	175.22
Total 5700900 · Other Expense	6,500.00	6,500.00	0.00
66900 - Reconciliation Discrepancies	0.00	0.00	0.00
Total Expense	6,436,227.86	6,566,950.83	130,722.97
Net Ordinary Income	4,510.11	20,913.17	16,403.06
Net Income	4,510.11	20,913.17	16,403.06
Transfer to Balance Sheet:		-20,000.00	
Actual Net Income		913.17	
Balance Sheet			
Equity			
Restricted - Capital Reserve		20,000.00	
Total Restricted		20,000.00	