



Pioneer Valley Performing Arts Charter Public School

Finance Committee Meeting

Published on November 3, 2022 at 12:58 PM EDT

Date and Time

Tuesday November 8, 2022 at 5:00 PM EST

Location

15 Mulligan Drive
South Hadley, MA 01075

Google Meeting ID

meet.google.com/zkg-vctu-ikb

Phone Numbers

(US) [+1 240-532-3788](tel:+12405323788)

PIN: 783 984 031#

Agenda

	Purpose	Presenter	Time
I. Opening Items			5:00 PM
A. Record Attendance		Marcy Conner	2 m
B. Call the Meeting to Order		Neil Hede	1 m
C. Approve Minutes	Approve Minutes	Neil Hede	5 m
Approve minutes for Finance Committee Meeting on October 4, 2022			
II. Finance			5:08 PM
A. Timeline Review	Discuss	Marcy Conner	5 m
B. FY22 1st Quarter Budget vs Actual	Discuss	Marcy Conner	30 m

	Purpose	Presenter	Time
C. Annual Tuition Timeline & FY22 Projected Tuition (initial)	Discuss	Marcy Conner	20 m

III. Other Business

IV. Closing Items

6:03 PM

A. Adjourn Meeting	Vote	Neil Hede	2 m
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Coversheet

Approve Minutes

Section:	I. Opening Items
Item:	C. Approve Minutes
Purpose:	Approve Minutes
Submitted by:	
Related Material:	Minutes for Finance Committee Meeting on October 4, 2022

APPROVED



Pioneer Valley Performing Arts Charter Public School

Minutes

Finance Committee Meeting

Date and Time

Tue Oct 4, 2022 at 5:00 PM

Location

PVPA Charter Public School
Room 304
15 Mulligan Drive
South Hadley, MA 01075

Google Meeting ID

meet.google.com/zkg-vctu-ikb

Phone Numbers

(US) [+1 240-532-3788](tel:+12405323788)

PIN: 783 984 031#

Committee Members Present

Michael Davey (remote), Neil Hede (remote)

Committee Members Absent

Keith Black

Guests Present

Brent Nielsen, David Potter (remote), Marcy Conner

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

Neil Hede called a meeting of the Finance Committee of Pioneer Valley Performing Arts Charter Public School to order on Tuesday Oct 4, 2022 at 5:05 PM.

C. Approve Minutes

Neil Hede made a motion to approve the minutes from Finance Committee on 06-09-22.

Michael Davey seconded the motion.

Motion was to approve minutes with the following changes: (section IIB 3rd paragraph)

To strike the first sentence and replace it with: "The Infrastructure Committee will continue it's work and inform the Finance Committee about capital budget needs."

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

Roll Call

Neil Hede Aye

Keith Black Absent

Michael Davey Aye

II. Finance

A. Membership

David Potter, President of the Board of Trustees, has appointed Michael Davey from Florence Savings Bank to the Finance Committee.

B. FY22 Audit Review by Powers & Sullivan

Ben Adsit and Frank Seretti from Powers & Sullivan were present remotely to review the FY 22 audit report for the year ending June 30, 2022. Mr. Seretti described the process and complemented the PVPA finance team on their quick turn around of records - with only one day for on-site field work (September 6th) the draft audit report was ready on September 26th.

The review started with a disclosure of required communications:

- Significant Accounting Policies - there were no new policies or changes
- Use of Estimates - not many estimates and all found to be reasonable
- Difficulties - there were none - PVPA staff was curious and information was received timely
- Audit Adjustments - there were no audit adjustments
- Disagreement with Management - there were no disagreements

The audit was issued with an unmodified opinion with no identified deficiencies.

Further highlights from the year end audit procedures included:

- No issues found with cash reconciliation, payroll, accounts receivable, credit card transactions, adjusting entries or accounts payable - all selections were documented, complete, accurate, timely and approved. Funds in the bank are fully insured under FDIC.
- Analysis of the balance sheet and the revenue and expenses proved accurate with no changes to disclose
- Approximately \$3.5 million in available cash
- Due from Friends of PVPA of approx \$192,000 - this represents accumulated expenditures paid by PVPA on behalf of the Friends of PVPA since 2014. It was recommended that arrangements for repayment should be made to remove from balance sheet.
- Capital Assets - total \$6.1 million with an addition of approximately \$157,000 for FY22
- Accrued Payroll - noted that balance is less than FY21

- Debt Covenant - bond requires a combined minimum debt service ratio of 1.25:1.0. This includes both PVPA and the Friends of PVPA as blended activity
- Overall combined net position of \$6 million. Change in combined net position of approximately \$530,000; increase for PVPA \$554,000 with a decrease of \$24,000 from the Friends of PVPA. Friend's decrease was attributed to depreciation. Increase to PVPA was attributed to tuition being over budget and expenses under budget by \$204,000.
- Tuition is 80% of revenue
- MTRS Pension - recorded as both income and expense. Information is obtained from the annual audit of the Commonwealth's pension system as required under GASB Statement No. 68.
- The overall financial position remains healthy and strong.

Neil Hede made a motion to Approve the FY22 audit as presented and recommend approval by the PVPA Board of Trustees.

Michael Davey seconded the motion.

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

Roll Call

Michael Davey Aye

Neil Hede Aye

Keith Black Absent

III. Other Business

A. Accoustical Curtain fro Theater:

The FY20 capital budget approved funds to install an acoustical curtain in the theater. PVPA has spent the last year completing capital projects that were previously approved but unfinished due to COVID; the acoustical curtain is the final remaining project. The Finance Committee will pass this item back to the Infrastructure Committee to analyze the need and decide the direction to be taken which should include an acoustical study of the space.

B. Annual Fund

There was discussion of how goals are developed for fundraising and who is responsible - at the current time neither PVPA nor the Friends of PVPA have anyone dedicated to this activity. The Finance Committee is responsible for including a reasonable number in the budget but not for the activity itself. The Finance Committee will be provided with a breakdown of the FY22 fundraising revenues at the November meeting. There is an immediate need of approximately \$1.5 million dollars to replace the roof and the HVAC units.

IV. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 5:56 PM.

Respectfully Submitted,
Marcy Conner

Documents used during the meeting

- DRAFT - PVPACPS FY2022 Financial Statements 9-27-22.pdf

Coversheet

Timeline Review

Section:	II. Finance
Item:	A. Timeline Review
Purpose:	Discuss
Submitted by:	
Related Material:	PVPA Finance Committee Annual Timeline 10-24-22.pdf



15 Mulligan Drive
South Hadley, MA 01075
413-552-1580
www.pvpa.org

FINANCE COMMITTEE ANNUAL TIMELINE

(October 24, 2022)

Committee meets the first Tuesday of every month during the school year at 5:00pm.

October	Presentation by Auditors of audit for previous Fiscal Year
November	Timeline of Annual Work Current FY 1 st Quarter Budget vs Actual Annual Tuition Timeline DESE Tuition (FY Projected + Oct 1 if avail)
December	DESE Tuition (Oct 1) Charter School End of Year Financial Report Review (for previous fiscal year)
January	Current FY 2 nd Quarter Budget vs Actual Budget Process Overview for next FY Salary discussion for FY24 Budget
February	Capital Budget for Next FY DESE FY 2 nd Quarter Tuition Projection
March	Governor's State Budget Tuition Review Expenditure Budget
April	Current FY 3 rd Quarter Budget vs Actual w/EOY Projections House & Senate State Budget Tuition Review Expense Budget (next FY) Tuition Budget (next FY)
May	Final State Budget Tuition Review Finalize Next FY Budget – presentation to Board of Trustees
June	Reserved for additional Budget needs and extension of deadline as approved by Board of Trustees

Coversheet

FY22 1st Quarter Budget vs Actual

Section:	II. Finance
Item:	B. FY22 1st Quarter Budget vs Actual
Purpose:	Discuss
Submitted by:	
Related Material:	PVPA P&L Budget Overview - FY23 1st QTE 9-30-22.pdf

4:57 PM

10/25/22

Accrual Basis

Pioneer Valley Performing Arts Charter Public School

Profit & Loss Budget Overview

July through September 2022

	Jul - Sep 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000410 • Comm of Mass Sources				
4000411 • Per Pupil Income	1,789,254.00	6,715,990.32	-4,926,736.32	26.6%
4000412 • Grants	3,806.38	550,354.00	-546,547.62	0.7%
4000413 • MassHealth Reimbursement	30.00			
Total 4000410 • Comm of Mass Sources	1,793,090.38	7,266,344.32	-5,473,253.94	24.7%
4000420 • Production Revenue	0.00	28,500.00	-28,500.00	0.0%
4000430 • Student Activities Revenue	947.00	70,000.00	-69,053.00	1.4%
4000440 • Auxilliary Revenue	68,829.79	32,950.00	35,879.79	208.9%
4000450 • Interest	931.87	6,000.00	-5,068.13	15.5%
4000460 • Fundraising				
4000463 • Contributions-Unrestricted	2,500.00	30,000.00	-27,500.00	8.3%
Total 4000460 • Fundraising	2,500.00	30,000.00	-27,500.00	8.3%
4000470 • Miscellaneous Revenue	0.00	2,500.00	-2,500.00	0.0%
4000490 • Rental Income	0.00	4,000.00	-4,000.00	0.0%
Total Income	1,866,299.04	7,440,294.32	-5,573,995.28	25.1%
Gross Profit	1,866,299.04	7,440,294.32	-5,573,995.28	25.1%
Expense				
5200000 • Education Expense				
5200001 • Salaries and Benefits				
5200500 • Salaries	343,156.54	3,098,700.86	-2,755,544.32	11.1%
5200560 • Taxes and Benefits	157,628.66	706,636.14	-549,007.48	22.3%
Total 5200001 • Salaries and Benefits	500,785.20	3,805,337.00	-3,304,551.80	13.2%
5210600 • General Educational Expense	17,126.49	39,200.00	-22,073.51	43.7%
5220000 • Departmental Expense	5,760.87	34,520.00	-28,759.13	16.7%
5229500 • Grants	49,076.44	550,354.00	-501,277.56	8.9%
5290000 • Education-Other	13,845.20	136,000.00	-122,154.80	10.2%
Total 5200000 • Education Expense	586,594.20	4,565,411.00	-3,978,816.80	12.8%
5245000 • Production				
5245500 • Salaries				
5245520 • Production	4,338.51	50,000.00	-45,661.49	8.7%
Total 5245500 • Salaries	4,338.51	50,000.00	-45,661.49	8.7%
5245560 • Taxes and Benefits	0.00	5,359.67	-5,359.67	0.0%
5245600 • Production-Other	4,056.19	91,620.00	-87,563.81	4.4%
Total 5245000 • Production	8,394.70	146,979.67	-138,584.97	5.7%
5250600 • Technology	14,398.69	79,380.00	-64,981.31	18.1%
5300600 • Administrative				
5300500 • Salaries	206,080.12	1,017,943.61	-811,863.49	20.2%
5300560 • Taxes and Benefits	66,795.92	227,322.97	-160,527.05	29.4%
5300580 • Workers' Compensation Insurance	13,032.00	37,718.49	-24,686.49	34.6%
5300601 • General Administrative Expenses	30,415.99	69,000.00	-38,584.01	44.1%
5310600 • Recruitment-Students	1,217.18	8,200.00	-6,982.82	14.8%
5311600 • Recruitment-Employees	1,718.46	11,000.00	-9,281.54	15.6%
5315600 • Business Office Expense	4,868.37	29,100.00	-24,231.63	16.7%
5320600 • Board of Trustees Expense	32,883.75	42,250.00	-9,366.25	77.8%
Total 5300600 • Administrative	357,011.79	1,442,535.07	-1,085,523.28	24.7%
5330600 • Development	115.00	4,000.00	-3,885.00	2.9%
5400000 • Facilities Expense				

4:57 PM

10/25/22

Accrual Basis

Pioneer Valley Performing Arts Charter Public School
Profit & Loss Budget Overview
 July through September 2022

	Jul - Sep 22	Budget	\$ Over Budget	% of Budget
5400500 • Salaries	21,856.03	88,402.00	-66,545.97	24.7%
5400560 • Taxes and Benefits-Facilities	7,519.59	29,694.22	-22,174.63	25.3%
5400600 • Facilities Expense-Other	235,478.25	719,125.00	-483,646.75	32.7%
Total 5400000 • Facilities Expense	264,853.87	837,221.22	-572,367.35	31.6%
5500700 • Depreciation Expense	0.00	114,000.00	-114,000.00	0.0%
5600600 • Auxiliary Expense	11,976.10	244,111.44	-232,135.34	4.9%
5700900 • Other Expense	0.00	6,500.00	-6,500.00	0.0%
Total Expense	1,243,344.35	7,440,138.40	-6,196,794.05	16.7%
Net Ordinary Income	622,954.69	155.92	622,798.77	399,534.8%
Net Income	622,954.69	155.92	622,798.77	399,534.8%

Coversheet

Annual Tuition Timeline & FY22 Projected Tuition (initial)

Section:	II. Finance
Item:	C. Annual Tuition Timeline & FY22 Projected Tuition (initial)
Purpose:	Discuss
Submitted by:	
Related Material:	DESE Tuition Projection - 1st Qtr.pdf MCPSA Annual Tuion Timeline.pdf

Mass Department of Elementary & Secondary Education

Projected FY23 Foundation Rates

Updated 10-25-22

Sending District	FTE	Foundation Rate	1st Quarter 8-10-22*		Total Rate	Total Tuition
			Above Foundation Rate	Facilities Rate		
AGAWAM	5	12,765	5,962	1,088	19,815	99,075
BELCHERTOWN	20	11,236	2,965	1,088	15,289	305,780
CHICOPEE	31	15,046	933	1,088	17,067	529,077
EASTHAMPTON	22	11,659	1,696	1,088	14,443	317,746
EAST LONGMEADOW	5	13,143	5,685	1,088	19,916	99,580
ERVING	2	11,611	15,040	1,088	27,739	55,478
GRANBY	12	12,811	2,981	1,088	16,880	202,560
GREENFIELD	2	10,683	2,071	1,088	13,842	27,684
HADLEY	11	12,675	6,156	1,088	19,919	219,109
HATFIELD	10	13,070	6,686	1,088	20,844	208,440
HOLYOKE	36	13,220	0	1,088	14,308	515,088
LONGMEADOW	1	11,611	5,662	1,088	18,361	18,361
LUDLOW	5	12,987	5,475	1,088	19,550	97,750
MONSON	4	11,310	3,869	1,088	16,267	65,068
NORTHAMPTON	26	12,075	4,954	1,088	18,117	471,042
PALMER	2	12,940	3,728	1,088	17,756	35,512
SOUTH HADLEY	54	13,022	2,977	1,088	17,087	922,698
SPRINGFIELD	51	16,203	0	1,088	17,291	881,841
WARE	5	12,144	1,142	1,088	14,374	71,870
WESTFIELD	14	13,473	1,884	1,088	16,445	230,230
WEST SPRINGFIELD	7	12,594	954	1,088	14,636	102,452
AMHERST PELHAM	33	13,417	9,689	1,088	24,194	798,402
CENTRAL BERKSHIRE	1	11,611	4,694	1,088	17,393	17,393
FRONTIER	5	11,732	8,917	1,088	21,737	108,685
GATEWAY	3	12,853	5,176	1,088	19,117	57,351
GILL MONTAGUE	8	13,796	7,469	1,088	22,353	178,824
HAMPDEN WILBRAHAM	8	12,076	4,553	1,088	17,717	141,736
HAMPSHIRE	9	12,377	10,062	1,088	23,527	211,743
MOHAWK TRAIL	1	10,683	4,418	1,088	16,189	16,189
PIONEER	1	9,754	831	1,088	11,673	11,673
QUABBIN	1	16,668	6,768	1,088	24,524	24,524
RALPH C MAHAR	4	14,069	6,573	1,088	21,730	86,920
SOUTHWICK TOLLAND GRANVILLE	1	14,140	4,990	1,088	20,218	20,218
	400					\$7,157,019

*Rates, Enrollment & Demographics based on FY22 final statistics

Statistical Review:			
1st Quarter Projection			
FY22 Actual Tuition	\$6,512,379	6,512,379	
FY22 3rd QTR Projection (DESE)	\$6,614,483	6,457,683	PVPA Projection 4/2022
Diff(Projected vs Actual)**	-\$102,104	54,696	
FY23 DESE Projection 8-10-22	\$7,157,019		
FY23 Budgeted Tuition***	\$6,715,990		
Diff (Projected vs Budgeted)	\$441,029		
CBA Salary Scenario:			
FY22 Actual Tuition	\$6,512,379		
2% Increase	\$130,248		
Required for Salary Increases	\$6,642,627		
** Due to partial year enrollments accounted for with February reporting and final above foundation rate changes.			
*** FY23 tuition budget based on 4% increase of FY22 3rd Qtr (\$6,457,683) with 392 students.			

Changes to Tuition During the School Year



	Projection	Projection	Projection	Preliminary	Preliminary	Final
	January tuition	April tuition	July tuition	December tuition	March tuition	June tuition
			Q1	Q2	Q3	Q4
			first monthly payment of FY			
Foundation rates	Based on H1/Governor's budget	Based on HWM budget	Based on final approved budget	Based on final approved budget	Based on final approved budget	Based on final approved budget
School enrollment	Prior Oct 1 SIMS / trended expansion	Pre Enrollment Collection	Pre Enrollment Collection	Oct 1 SIMS	Oct 1 SIMS	February Claim Form
Above Foundation rates: always tied to the most updated district reports that DESE has access to	prior year budgeted NSS (FY20)	prior year budgeted NSS (FY20)	prior year budgeted NSS (FY20)	Current year budgeted NSS (FY21)	Current year/amended budgeted NSS (FY21)	Current year/amended budgeted NSS (FY21)