

APPROVED



Pioneer Valley Performing Arts Charter Public School

Minutes

Finance Committee

Date and Time

Tuesday May 7, 2019 at 8:30 AM

Location

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

Committee Members Present

Andrea Nathanson, Bob Hann, Deborah Jacobson, Elmo Wright, Keith Black, Marc Kenen, Marcy Conner, Owen Sordillo

Committee Members Absent

Stephanie Burbine

Committee Members who arrived after the meeting opened

Owen Sordillo

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 May 7, 2019 at 8:35 AM.

C. Approve Minutes

Keith Black made a motion to approve minutes from the Finance Committee Meeting on 04-23-19 Finance Committee Meeting on 04-23-19.

Bob Hann seconded the motion.

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

Roll Call

Owen Sordillo Absent
Bob Hann Aye
Deborah Jacobson Aye
Keith Black Aye
Stephanie Burbine Absent
Andrea Nathanson Abstain
Owen Sordillo arrived.

II. Finance

A. FY20 Capital Budget

The Committee reviewed the Proposed FY20 Capital Budget and made some adjustments:

\$2,200 Set of Stage Legs to be moved to Facilities Expense line in regular budget
\$2,000 Chromebook 1:1 7th grade program moved to Technology Expense line in regular budget

Some discussion was had over the cost of the Facilities Project Design & Plans item of \$50,000. Several on the Committee felt that this was premature and questioned why this was being proposed given the financial situation of the Friends and the changing landscape of the future of PVPA. Last year the Board of Trustees organized the Long-range Planning Committee to evaluate the needs of the school and make recommendations on the best use of available space. This Committee is at the point where they have several possible plans that need to be further explored by an engineer/project designer to see if any of the proposals are viable and give cost estimates. This work requires that the bidding process is followed and any construction can only be done over the summer months - which means that this is a starting point to a process that could not even begin construction until possibly the summer of 2020 or 2021, if at all. The budget number was reduced from \$50,000 to \$25,000.

All other items remained as presented.

Keith Black made a motion to approve the FY20 Capital Budget as presented with the reductions discussed for a total of \$108,000.

Bob Hann seconded the motion.

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

Roll Call

Andrea Nathanson Aye
Bob Hann Aye
Keith Black Aye
Stephanie Burbine Absent
Deborah Jacobson No

B. FY20 Budget

FY20 Budget Proposal Options dated May 7, 2019 was reviewed:

FY20 Proposed Budget:

Has tuition budgeted at the 1.5% increase over FY19 as voted by the Finance Committee. This contains all of the reductions that have been previously discussed and approved. It does not have any salary increases other than those that PVPA was contractually obligated to give. The Net Income is \$4,510.11, which meets the Board mandate to submit a balanced budget.

The Administration recognizes that valuing our staff includes awarding staff increases - it is the right thing to do. Currently the Administrative Bargaining Team and the Union Bargaining Team have a difference of opinion over the status quo mandate for compensation. It is possible that if no salary increases are made available that PVPA could be facing possible litigation for an unfair labor practice. It must also be stated that any recommendation from the Finance Committee and the Board of Trustees must still be bargained. It was also pointed out that any contract agreement would supersede FY20 and start immediately if completed by June 30, 2019 and that the Union could ask for more than approved.

FY20 W/Tuition & Raises:

This version includes one step increase for employees on the salary matrix, a 3% cost of living (COLA) increase for non-matrix employees and for the Administrators a pool of 2% of gross salaries to be divided among six people. This would require a fundamental change in the way that tuition is budgeted. Rather than budgeting an increase based on the current year, the \$6.1 million dollar tuition figure is the May 1st DESE projected tuition for FY20. This approach is budgeting to actual based on numbers provided by DESE and can be replicated each year as the information is released each spring. It also allows for PVPA to build a restricted capital reserve account through the budgeting process rather than a wait and see approach that was previously followed. After \$4,200 of expenses were moved over from the FY20 Capital Budget, the amount budgeted for the Restricted-Capital Reserve account is \$15,800. And it is a balanced budget with a net income of \$913.17.

Th only drawback to budgeting with the DESE projection is that it is based on 400 students. At the current time the enrollment is 388. The Administration is fairly confident that enrollment numbers will be at 400 for the 2019-2020 school year.

Future conversations and policies will need to be adopted to address the current \$2.1 million dollar reserves and the Committee will review this in the fall of 2019.

Deborah Jacobson made a motion to recommend the Board of Trustees approve the FY20 version of the budget that includes salary increases and a Restricted-Capital Reserve of \$15,000.

Keith Black seconded the motion.

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

III. Closing Items

A. Adjourn Meeting

Keith Black made a motion to adjourn the meeting.

Deborah Jacobson seconded the motion.

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

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 9:46 AM.

Respectfully Submitted,
Marcy Conner