

APPROVED



Pioneer Valley Performing Arts Charter Public School

Minutes

Finance Committee Meeting

Date and Time

Tuesday October 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
Michael Davey	Aye
Keith Black	Absent

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

Keith Black	Absent
Michael Davey	Aye
Neil Hede	Aye

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