

APPROVED



Pioneer Valley Performing Arts Charter Public School

Minutes

Finance Committee

Date and Time

Thursday October 3, 2024 at 5:00 PM

Location

Google Meeting ID

meet.google.com/zkg-vctu-ikb

Phone Numbers

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

PIN: 783 984 031#

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Committee Members Present

James Montemayor (remote), Mindi Winter, Sasha Viands (remote)

Committee Members Absent

Keith Black

Guests Present

Brent Nielsen, Marcy Conner (remote)

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

Sasha Viands called a meeting of the Finance Committee of Pioneer Valley Performing Arts Charter Public School to order on Thursday Oct 3, 2024 at 5:10 PM.

C. Approve Minutes

James Montemayor made a motion to approve the minutes from Finance Committee Meeting on 05-07-24.

Mindi Winter seconded the motion.

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

Roll Call

Mindi Winter Aye

Sasha Viands Aye

Keith Black Absent

James Montemayor Aye

II. Finance

A. FY24 Audit Presentation

Frank Serreti with Marcum LLP presented the FY25 Audit:

Required communications:

1. Are the financial statements fairly stated? Yes
2. Combining Statements of Net Position
3. Understanding of entity and internal controls - no material misstatements
4. Review and assess for significant risk

Financial Highlights:

1. Unmodified opinion - best you can get, means there were no findings
2. No weaknesses in internal controls
3. Note 12 - Component Unit consolidation
4. Cash - \$4.3 million combined - records complete with accurate reconciliations.
Fully insured through banking institutions.
5. Due to/due from - ongoing liability from 2014 - recommend that is settled and closed out by end of next fiscal year
6. Assets increased \$435,000
7. Accrued payroll increased \$550,000 up from previous year due to changes in compensation through the collectively bargained agreement and summer accruals

8. Bond - interest rates every 10 years - June 2024 increased from 3.49% to 5.25%
9. Debt covenant required 1.25:1 ratio - well above with a 4.25:1 ratio for FY24
10. Net position of \$7 million up \$500,000 since last year - \$3.9 million unrestricted
11. Results of operation - increase in net position of \$478,000 which is attributable to revenues coming in over budget by \$761,000 combined with a budgeted surplus of \$166,000 and grant revenue of \$271,000.

Results: PVPA is financially strong due to the structurally sound budgeting practices of the past few years.

James Montemayor made a motion to accept the Fy25 audit report as presented by Frank Serreti and recommend that the Board of Trustees approve.

Sasha Viands seconded the motion.

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

Roll Call

| | |
|------------------|--------|
| Keith Black | Absent |
| James Montemayor | Aye |
| Mindi Winter | Aye |
| Sasha Viands | Aye |

B. FY24 Reserves

James Montemayor made a motion to approve increasing the operating expense reserve to \$2.2 million.

Sasha Viands seconded the motion.

The past several years have had a static \$1.5 million to cover three months of expenses.

With the increase in prices and salaries a two year review of expenses shows that an increase is required to ensure PVPA can cover expenses is needed.

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

Roll Call

| | |
|------------------|--------|
| Keith Black | Absent |
| James Montemayor | Aye |
| Mindi Winter | Aye |
| Sasha Viands | Aye |

C. FOPVPA Lease Porposal

James Montemayor made a motion to present the lease agreement proposal to the Friends of PVPA for consideration.

Mindi Winter seconded the motion.

The Friends had stated that they were open to a discussion on how we might solve the due to/due from accounts of PVPA and the Friends which totals \$191,742.69. With the June increase in the bond payment PVPA's lease payment would also increase as the school is obligated to pay 130% of the bond payment to the Friends as the lease. This proposal would give PVPA five years to budget in the full 130% lease based on the new

bond payment while also allowing the Friends to decrease the amount owed to PVPA.

This would also take approval of the Friends board.

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

Roll Call

Keith Black Absent

James Montemayor Aye

Sasha Viands Aye

Mindi Winter Aye

III. 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 5:37 PM.

Respectfully Submitted,

Marcy Conner

Documents used during the meeting

- FY24 Cash Reserves 9-25-24.pdf
- FOPVPA Lease Calculation 9-18-24.pdf