

FINANCE COMMITTEE MINUTES

This meeting was held remotely via Google Meet
May 18, 2026 at 7:30 a.m.

Members in Attendance: John Bellingham, Ashley Benhart, Jamie Bente, Lynda Boudreau, Rob Dehnert, Dick Dotterweich, Stacy Fox, Meghan Knutson, Brett Martindale, Barbie Roessler, and Chad Wolff

Others in Attendance: Ben Beaupre and Mike Berding

Members Absent: Jason Engbrecht

This meeting was called to order at 7:30 a.m.

I. Business Items

- a. Approval of the agenda: Motion to approve by Ms Boudreau and seconded by Mr Bente. Motion carried.
- b. Approval of the previous meeting minutes: Motion to approve by Mr Wolff and seconded by Mr Bellingham. Motion carried

II. Contracts, Agreements, Bids and Grants for Review

- a. Approval of the FY27 Extended Field Trip: Mr Beaupre presented a request for an extended field trip to NYC over spring break in FY27. There will be three staff attending plus any parents who would like to join. Some of the highlights of the itinerary are taking in a Broadway show as well as workshops, a show at the Radio City Music Hall, and a visit to Ellen's Stardust Diner. There will be no planned performances as it is hard to plan for something without knowing who will attend plus you might not have a full band. Some key instruments may not be attending which adds to the difficulties of planning a performance. The cost will be about \$2,400 dollars per student but hoping it will come down if the cost of fuel can come down between now and the actual trip. There are a couple of fundraisers, donations from Boosters, and Scholarships that can be awarded to help alleviate some of the costs for the students and their families. Mr Wolff asked what the average student is able to acquire through fundraising. Mr Beaupre replied that it is really based on each student. He has seen some students that are fine with selling a few candy bars to their grandparents and calling it good. To the other extreme, Mr Beaupre gave an example of a student that was fundraising hard for four years and covered the cost completely. Motion to approve by Ms Boudreau and seconded by Ms Fox. Ms Boudreau complimented Mr Beaupre and said it sounds like a great trip. Motion carried.
- b. Approval of the FY27 Third Party Billing Contract: Mr Dehnert said that each year we contract with Third Party Integrity. This year, as was the same in years past, the contract for this billing service and consulting will be \$22,000. This contract

ends up being paid for through third party billing revenue. This consulting service has brought in around \$700k each year, of the last three years, to reimburse the general fund for benefits for students providing third party billing services. Motion to approve by Mr Bellingham and seconded by Mr Bente. Motion carried.

- c. Approval of the Multi-Function Printer Request for Proposal: Mr Berding, Director of Education Technology and Innovation, said our contract with EO Johnson expires at the end of this school year and that he is recommending we move forward with Marco after reviewing all the bids. Ms Boudreau noted the significant savings and asked for elaboration. Ms Roessler stated that the savings is coming from the service. Service is based on clicks, whether it is a copy being made or a print job. EO Johnson charges a base price for clicks and then a set amount for every click over the base. Marco will not charge a base price and so we should be able to save money by only paying for the clicks that we actually use. Mike said that some of the savings is also coming from the reduction of printers needed. Mr Wolff asked what we spent last year or how is this going to compare to our expected costs. Mr Berding said that we paid \$79,000 in leases alone and those would be included in this service cost for Marco. Motion to approve by Mr Bente and seconded by Ms Boudreau. Motion carried.
- d. Approval of the Voice Over Internet Protocol Request for Proposal: Mr Berding, along with Tim Beedle, FPS' phone system technician, came up with what they would want in an RFP based on what was currently working well and what wasn't working so well. Mr Berding broke down the different categories and would recommend moving forward with Bevcomm. Ms Boudreau had a question as to which one is Bevcomm on the bid tabulation document. Ms Roessler stated that the one highlighted is Bevcomm. Motion to approve by Ms Boudreau and seconded by Mr Wolff. Mr Wolff had a couple questions: What does this cost compared to this year, are we up or down? Also what does survivability mean? Mr Berding said that we're going to be about break even after setup costs. Survivability means that if the internet goes down at the high school, we'll still be able to make calls internally between buildings. Currently, if the internet goes down, we lose all phone capabilities. Motion carried.
- e. Approval of the Food Service Management Request for Proposal: The RFP for Food Service has been a long process mainly due to the fact that MDE is heavily involved in the process. Four vendors bid on this including our current vendor. With the help from Ms Fox, Ms Hagen, and Ms Williams (school board student representative), Ms Roessler went through the process of scoring the proposals individually and then combined them into one. After tabulating everyone's evaluations, the recommendation is to go with Taher. The bid tabulation is mandated by MDE and we have to give the maximum point weight to the price. There are non-price points as well which, again, are mandated by MDE. The one non-price point unique to Faribault: will they provide food options representative to our population, do they mention local food services or vendors, and will they survey and respond to our student, staff, and community voices. The price points for each vendor came in the same, however, Taher scored the best in the

non-price points and so we're recommending Taher moving forward. Ms Boudreau asked if we're spending more or if what we will spend will go up. Ms Roessler mentioned that if we stay with our current vendor, Sodexo, we'd pay more based on the bids. Taher is the more valuable bid. Mr Wolff asked if we did reference checks and if so, how did those turn out. Ms Roessler stated that she did do reference checks. Sodexo only provides school lunches for one school in Minnesota. That school is Faribault. Taher serves roughly 50 school districts. The results came through with flying colors as far as customer service, on price, on quality and on variety. Mr Wolff also asked about the length of the contract. Ms Roessler mentioned that it's year to year up to 5 years. If either party would like to break the contract, they can as long as they give a 60 day notice. Mr Wolff asked if current employees of Sodexo could apply to work for the new vendor and the answer was yes. Lastly Mr Wolff asked about negotiations or questions with Freddy's Lockerroom Store being able to serve non-competing during the lunch hour where today they can't. Ms Roessler said we can have that conversation. Some of that is part of MDE, our wellness program, all of those different pieces, we'll need to discuss. MDE will need to approve our bid tabulation so our motion we'd want to make is that we'd approve moving along with Taher as long as MDE approves as well. They are not likely to not approve it. Motion to approve by Mr Bente and seconded by Ms Boudreau. Motion carried.

III. Financial Performance

- a. April Student Counts: The over/under from last month, we're down 2 students from March. Overall we're down 31 students as compared to what we had budgeted. Mr Wolff asked if the ADM, the 31 students, is the one that really matters and yes, that is true. The revenue per student is \$10k so we're down about \$310,000 as compared to what we budgeted for. Mr Wolff also asked if we've heard any more clarity on the 15 day drop. Nothing has been heard of from legislators at this time. Mr Bente mentioned that nothing was passed in any of the bills recently. Mr Bente said that he doesn't think we had too many drops though because we were keeping in contact with families.
- b. April Investment Financial Report: Our investments continue to do well. 27% of our investments are very liquid. We made some flips to the max money market from our liquid money market in order to earn more interest.
- c. April Comparative Financial Report: HVAC for April is zero, we are sitting on a credit for a meter reading error back a couple months ago and so we are holding bills until we can get enough of them in order to apply the credit against them. Water is holding steady and is about 87% of the budget. Electricity is down this month compared to this time last year but overall sitting at a good spot this time of year. We did see some snow removal costs in April but if we don't have anymore snow, we'll be right where we budgeted for snow. Self insurance is sitting well, revenues were exceeding expenditures, \$430k to date and has really helped our fund balance.

- d. April Analytics: We had expected to spend \$4.8 million over revenues. We're about 73% of total expenditures in all funds and 65% in revenues in all years, so we're sitting good. Year over year, in FY24 we'd spent 71% of our budget, 73% in FY25 and in our current year, we're at 71% so we're right on track with where we have been in past years.

IV. Financial Strategies

- a. Approval of the FY26 Final Revised Budget: Our revenues, with the drop in students, we're down \$781,000 because it drives other categoricals as well. We updated our Title 1 through 4 data and are up by \$342,000 and in Special Education, we usually do an accounting adjustment and we're able to increase our Special Education revenues by \$2,000,000. The expenditures, we had increases in salaries and benefits due to contract settlements. We ended up increasing that by \$146,000. Capital and LTFM had a couple projects go over by a little more than anticipated and so those were increased by \$366,000 and supplies and purchased services increased by \$579,000, including transportation, tuition billing we pay out, instructional supplies, maintenance supplies. Other areas of consideration, food service was minimal. Community Ed had some modifications due to different grants and braiding we do. Construction has been zeroed out now and had to move \$197,000 to the general fund. There was no change to the debt service fund nor in the irrevocable trust fund. Our internal service fund is seeing revenues increase and our expenses decrease. For enrollment, we had projected 3,057 students in our adopted budget and for the final budget, we've lost roughly 30 students and so we're projecting 3,027 students. The trend is to continue to see decreases in enrollment. We started the year with a 14% fund balance and we'll end the year with 12.5% fund balance or \$8,679,765. Expenditures are exceeding revenues by \$1,210,115 in the general fund. In food service we're purposefully spending more than we're receiving in revenue because our fund balance is too high compared to what MDE says it should be. We have over 6 months carryover when we should only have 3 months and so we need to spend it down. We have some construction projects at McKinley which will be the new ALC in FY27 and we'll likely see some more food service expenses there. Community Ed has a strong fund balance and is a testament to Cassie and her team. Construction has been intentionally zeroed out so we are done with our bonds from our HVAC construction projects. Our debt service fund is looking good at \$793,000 and is up a little from where we started. Our internal self-insurance fund has increased by almost \$200,000 and we're pleased with that. The irrevocable trust revenue exceeded expenditures by \$10,000 so we're expecting to see an increase in the irrevocable trust fund balance. Our balances in all funds are projected to decrease to \$17.5 million down from \$21.7 million. Over all funds, we do have a \$4.31 million dollar deficit but the key to remember is the construction fund. Motion to approve by Ms Bourdeau and seconded by Mr Bellingham. Ms Boudreau asked if we will lay out the plans for the upcoming years and where we're going. Ms Roessler stated

that we're planning on making cuts for next year and was planning on presenting the adopted FY27 in June. Motion carried.

V. Next Meeting: June 8, 2026, at 7:30 am.

VI. Adjournment at 8:38 am: Motion to adjourn by Ms Fox and seconded by Mr Bente.
Motion carried.

Respectfully submitted by Brett Martindale