

## **FINANCE COMMITTEE MINUTES**

This meeting was held remotely via Google Meet  
October 20, 2025 at 7:30 a.m.

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

Others in Attendance:

Members Absent: Chad Wolff

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

### **I. Business Items**

- a. Approval of the previous meeting minutes: Motion to approve by Mr Bellingham and Seconded by Ms Boudreau. Motion carried.
- b. Adding additional Item for approval in Section II - Contracts, Agreements, Bids and Grants for Review: Added IIc. Approval of the Bid Proposal for McKinley Remodel.

### **II. Contracts, Agreements, Bids and Grants for Review**

- a. Approval of the Nerstrand Extended Rental Agreement: This lease extension was requested by Nicole Musolf, Director of Nerstrand Charter School, and is for September through November. She needs to submit this to MDE so Nerstrand can receive lease aid. The only thing that has changed is the dates. Because we are extending our lease, we are also extending the Tech Services agreement. We're responsible for the dark fiber cable from high school to Nerstrand as well as I.T. for maintenance. Once the building is sold, our Tech Services agreement will change so that Nerstrand is responsible for the cable and any I.T. costs. Motion to approve by Mr Bente and seconded by Ms Fox. Motion carried.
- b. Approval of the purchase agreement. This purchase agreement for the sale of the Nerstrand building to Grace Lutheran Church was put together by our attorneys at Ratwik, Roszak and Maloney, PA.. Both seller and buyer use the same law firm and so we did put together a conflict of interest policy. Grace Lutheran Church has signed the purchase agreement and we are proposing this to the school board so we can proceed with the sale. Ms Boudreau asked if we knew the date of the closing to which Ms Roessler stated that, no, we won't know that until later, once we have a signed purchase agreement in place. Motion by Ms Boudreau and seconded by Mr Bente. Motion passed.
- c. Approval of Bid Proposal for McKinley Remodel: Mr Kain Smith has requested that we go out for a bid in order to remodel of McKinley so that it can be renovated to meet the needs of ALC students that will be attending that building in the fall of the FY26-27 school year. This would be to remodel the kitchen, with an approximate cost of \$450k and to renovate additional areas of the building;

Changing rooms, adding a science room which needs specific HVAC requirements, an art room, updating and relocating the office to its original location for approximately \$650-\$700k. The estimated cost of the total project is 1.15m. Motion by Ms Boudreau and seconded by Mr Bellingham. Motion carried.

III. Financial Performance

- a. September Student Count: Enrollment has gone down as compared to what we showed for August during the September Finance Committee meeting. Average daily membership is the number our funding is based on. As of September, We are projecting 3086 students. This will continue to fluctuate throughout the year. While we are down from what we were showing in September, we're still up 29 students from what we had originally presented in our adopted budget at the beginning of the year and we're projecting 3,139.3 for ADM.
- b. September Investment Financial Report: Increased by about \$800k from last month. We're planning on using some of these Investment dollars as a "Bridge" to pay for the McKinley remodel until we can sell the old ALC building. Once the sale of the old ALC building is complete, we'll replenish our investments with those proceeds. Mr Bente, "We're basically able to borrow from ourselves in order to pay for the remodel instead of trying to procure funding from some other source."
- c. September Comparative Financial Report: HVAC- Well within our budget range. Water increased slightly. Electric, we're seeing a bit of an uptick, however, September is accurate. This has a lot to do with the timing of when the bill was received. No snow. Insurance rates increased so we're seeing a natural increase in our revenues compared to last year. Medical claims are down compared to this time last year and because of that, revenues are exceeding expenditures at this point in time.
- d. September Analytics: Looking at all the funds, we adopted a deficit spending budget of 4.4 million for FY26 but the majority of this is in the construction and food service funds. In construction, the revenue was received in a prior year and our expenses are in the current year. The only additional revenue in the construction fund would be from interest. Food service is purposely spending a deficit because our fund balance is too high and we need to spend it down. There is nothing out of the ordinary from the multi-year comparison.

IV. Financial Strategies

- a. We're going to be presenting a revised FY26 budget as well as the audit findings at the November board meeting.

V. Next Meeting: November 17, 2025, at 7:30 am.

VI. Adjournment at 7:57 am: Motion to adjourn by Ms Fox and seconded by Ms Boudreau. Motion carried.

*Respectfully submitted by Brett Martindale*