

FINANCE COMMITTEE MINUTES

The meeting was held remotely via Google Meet

May 16, 2022

7:30 a.m.

Members in Attendance:

Jamie Bente, Jason Engbrecht, Scott Gerdes, Todd Sesker, Chad Wolff, Christopher Nelson, Courtney Cavellier, John Bellingham, Rob Dehnert

Others in Attendance:

Cora Packard-Emery

Members Absent:

Michael Dietch, Joe Sage

Meeting was called to order at 7:30 am

1. Business Items

- a. Motion by Mr. Wolff to approve the minutes from the April 18, 2022 Finance Committee Meeting, second by Mr. Bente. Motion passed.

2. Contracts, Agreements, Bids and Grants for Review

- a. Mr. Sesker explained that cuts at the ALC removed their workforce coordinator, and Ms. Packard-Emery requested an additional .5 FTE to fulfill that role. Mr. Gerdes pointed out that the position would be funded by ESSER III funds (FIN code 160). Ms. Packard-Emery added that having this role allows students who must work full time due to economic necessity to continue to earn credits while working. Mr. Wolff asked about possible revenue, and Mr. Gerdes explained that up to .2 ADM can be earned for each student at the ALC from additional programming. Motion by Mr. Bellingham to approve the additional FTE, seconded by Mr. Sesker. Motion passed.
- b. Mr. Gerdes explained that the third-party billing contract renews every year and is a standard contract. Mr. Dehnert pointed out that it is being billed at the same rate as was charged last year. Motion by Ms. Cavellier to approve the contract seconded by Mr. Engbrecht. Motion passed.
- c. Mr. Gerdes presented the proposed nutrition program joint agreement with CVSEC, explaining it's the same contract we have currently. Mr. Wolff inquired whether Mr. Gerdes thought there was an audit risk, taking into consideration problems other similar agreements have faced, and Mr. Gerdes responded that everything was in order and that audit risk was minimal. Motion by Mr. Wolff to approve the proposed agreement, seconded by Ms. Cavellier. Motion passed.
- d. Mr. Gerdes presented the proposed nutrition program joint agreement with Discovery Public School, explaining that it was very similar to the previous item. Motion by Mr. Bente to approve the agreement, seconded by Ms. Cavellier. Motion passed.
- e. Mr. Gerdes explained that every five years MDE requires districts to go through and RFP process, and while districts can opt to do it more frequently, it must be done at least every five years. He further

explained that we'd written and submitted our RFP to MDE for approval, then once approved sent to a list of food service vendors MDE maintains, answered questions from vendors, and eventually received completed proposals from four vendors. The proposals were then graded by a panel of employees according to a rubric, and the team used the scores to make a recommendation and submitted it to MDE. Mr. Gerdes explained that while we haven't received the approval from MDE to go forward and accept the winning proposal, we expect it will be coming within a matter of days. Mr. Gerdes pointed out that the winning and current vendor, Sodexo, plans to continue the work started by the No Kids Hungry grant which attempted to reach children within the community as well as their families. The individual tasked with continuing that work will be a Sodexo employee. Mr. Gerdes went on to explain that while Sodexo didn't have the lowest price, their scoring on other criteria more than compensated for being third in price. The contract will be structured as a one-year contract with options to extend it by a single year for up to four additional years. Motion by Ms. Cavellier to award the contract to Sodexo, seconded by Mr. Bellingham. Motion passed.

3. Financial Performance

- a. Mr. Gerdes shared that the April ADM was 3269. This is a positive 38 ADM compared to the budget of 3231. The number will continue to change, but we have gotten better PSEO data and so are better able to estimate year end numbers.
- b. Mr. Gerdes presented the April comparative financial reports, pointing out that Xcel expenses have increased due to pricing increases. We are currently at 134% of budget for fuel and are planning on budgeting more money for utilities in FY23. We currently expect to budget roughly \$100,000 more for the increased expenses. April once again saw greater insurance revenues than expenses, so the insurance fund balance is on track to increase by \$400,000 for the year. Mr. Wolff inquired about the negative stop loss amount, and Mr. Gerdes explained that it represents funds being provided by BC/BS to cover claims over the stop loss amount, and that account helps to monitor whether we're setting an appropriate stop loss amount each year.
- c. Mr. Gerdes presented the April investment report and shared that the balance has continued to increase as more funds have come in and pointed out that we're continuing to invest funds on a month-to-month basis to take advantage of increasing interest rates.
- d. Mr. Gerdes presented the April Year to Date analytics, explaining that we're roughly where we expect to be at this point in the year based on projections. While we have a negative revenue in the OPEB account due to unrealized losses, we haven't closed out any positions, so the losses will be replaced by gains as the market recovers.

4. The next meeting date is **June 20, 2022**.

5. Motion by Ms. Cavellier to adjourn the meeting, seconded by Mr. Engbrecht. Meeting adjourned at 8:18 am.

Respectfully submitted by Christopher Nelson