

minutes

Finance Committee/Citizen Budget Oversight Committee		
1.11.2021	4:00 PM	Conference Call
Committee Chair	Heath Kahrs	
Attendees	Bob Hill, Ed Capodanno, Ken Gatson, Anthony Pullella, Vickey Alexitch, and Heath Kahrs	

I. Financial Reports

- a. Discussed December financial reports.
- b. Currently at 50.0% of our budget year. We received 81.3% of our anticipated revenue versus 93.1% in the prior year. No concern as the DMA is awaiting final amount due under State funding where the final amount due in the prior year was received by December 31, 2019.
- c. Expenditures are at 51.1% for the six months ended versus 49.0% for the same period in the prior year.
- d. Personnel Costs (the largest budget item) is slightly in excess of budget due to the fact that both three-period pay months cycled through the fiscal year already. Committee anticipates personnel costs to be in line with budget by year-end.
- e. Committee discussed ongoing effects of COVID environment whereby uncertainties exist, however terms of the financial effects – management does not anticipate adverse financial implications at this point.
- f. There were no other concerns relating to variances and explanations contained in the April financial reports.

II. Audit

- a. The Committee discussed the organizations annual financial statement audit. In the prior year, the committee provided a recommendation to the Board for the committee to go through a formal RFP process and bid out the audit to several firms with appropriate Charter School audit experience.
- b. The committee decided to delay that process last year as the unexpected pandemic required the organizations attention to other matters and keeping continuity in auditor during that crisis was deemed important.
- c. Based upon the continued pandemic crisis, the committee feels it would be in the best interest of the organization to again delay the RFP process relating to the 6/30/21 audit. The committee will re-evaluate this discussion subsequent to the completion of the 6/30/21 audit after the pandemic subsides.

minutes

III. Capital Repair / Improvement Reserve

- a. Discussed the current annual reserve funding budget which is set at \$75,000.
- b. Management floated the consideration for increasing the budget to an amount up to \$125,000 annually since certain items like the boiler is beginning to fail and heat pumps (26 of them) will need to begin being replaced.
- c. Bob Hill recommended for any information prepared internally on building components and systems as it relates to replacement costs and remaining lives/condition be provided to the committee for evaluation and discussion. From there, the committee will make recommendations on next steps.