

Shakopee Public Schools

Citizens' Financial Advisory Committee

Meeting Minutes



January 9, 2018 – 6:00PM
District Office Board Room, 1200 Town Square, Shakopee

The Citizens' Financial Advisory Committee convened at 6 p.m. on January 9, 2018.

Members present included: Jackie Haremza, Adam Johnson, Allen Larson, Steven Jones, Jennifer Smith, Angela Tucker, Reggie Bowerman, Jon McBroom, Suzanne Johnson and Tyler Dehne.

Ad hoc attendees included Ed Cox.

Meeting Minutes:

Johnson presented the 2017-18 preliminary revised budget to the committee. Johnson reviewed budget assumptions for revenue, noting the resources utilized to calculate revenue for all sources (state, federal, property taxes, and local/other). Many categories are derived directly from external state and federal reporting systems. Johnson highlighted that special education aid has been difficult to estimate. As a result, she did not budget for the full amount of special education aid as shown on the state reports.

Johnson explained the process of budgeting for salaries, wages and benefits was a very extensive process. Meetings were held with all administrators (at the DO and buildings) to validate the data from Infinite Campus. After adjustments were made, actual staffing, including benefits by employee were input into the budget model. The committee discussed the process for budgeting for leaves and estimates, such as overtime and substitutes. Johnson noted the budget contains a contingency in this area for unknowns (teacher settlement, etc).

Johnson identified purchased services budget line items were reviewed with building and DO administrators as adjustments were made to the revised budget for known items and activity that has occurred year to date. Transportation costs have been on the rise. The revised budget was increased by \$500k, but actual expenditures through December are not trending upward as it currently sits in the revised budget as presented. There are bus instances which can drive costs up, so at this time, the district plans to leave the increase in the revised budget.

Within supplies and equipment categories past activity was reviewed with department managers to ensure estimates were reasonable.

The committee reviewed the projected 2017-18 general fund balance. Bowerman noted that special education revenue, salary and benefit contingency, and transportation costs are all budgeted with a cushion which could help alleviate the general fund balance at the end of the year. Committee members asked what items were of concern within the current budget. Johnson stated that student enrollment numbers and legal fees are the most unknown factors.

Jones expressed concern that YTD revised budget for salaries and wages appears to be overstated because actual expenditures are coming in lower than the revised budget. Johnson noted that there are several groups that have not settled and retroactive payments that have not yet been paid need to be taken into consideration. In addition, the contingency in salaries is also driving the variance between budget and actual. Johnson and Todd Netzke have pulled salary data through December and will continue to analyze salaries and benefits.

Open items:

Present preliminary revised budget to the board at the January learning session and finalize at first business session in February. The next steps would be to start building the 2018-19 adopted budget and the 5 year projection model.

The committee discussed closing Pearson 6th Grade Center for the 2018-19 school year.

Membership:

Community Member – Jackie Haremza
Community Member – Adam Johnson
Community Member – Steven Jones
Community Member – Allen Larson
Community Member – Jennifer Smith
Board Treasurer – Angela Tucker
Board Representative – Reggie Bowerman
Temporary Acting Interim Superintendent – Jon McBroom
Director of Finance and Operations – Suzanne Johnson
District Accountant – Tyler Dehne
Ad Hoc attendees – Ed Cox

Save the Dates – Please mark your calendars for the following:

Citizens' Financial Advisory Committee Meetings

- Tuesday February 13, 2018
- Tuesday March 6, 2018