

## **Duluth Public Schools Academy Finance Committee Meeting Minutes**

April 15, 2019 North Star Academy Conference Room

**Present:** Treasurer, Kristin Grill; Vice Treasurer, Lon Hanson; Andrew Richey, Amanda Bruggman; Val Peterson; Ex-Officio -- Hilary Hodgman

**Administration:** Bonnie Jorgenson, Tim Golden, Rachel Eastman, Karissa Wicklund

Public:

Excused Absent:

Called to order: 5:30 pm

**Food Service:** Bid process underway. Only current vendor will submit, State Okay. Will process with current vendor.

**Business Office Lease:** Recommend approval, Minor increase \$360 Motion for HOS to sign. Annual increase of \$360.00.

**DPSA Form 990:** Complete and reviewed. Seeking approval and Board Chair signature.

**Extension of Benefits for Staff who Resign:** Current practice is to allow leaving staff to maintain their benefits through August. Recommendation is to stop this practice, savings to school of tens of thousands of dollars. This will vary based on number of departures and amount of insurance. Reviewed Benefit Rate Table examples. Finance Committee reviewed and recommend this decision. Board Approval needed.

**HSA Benefit Payout Recommendation:** Maintain same amounts (\$1,000 for Family and EE+1, \$500 single) Split the payment into two equal payments September and March. Will save the School multiple thousands of dollars. Minor cash flow impact to staff. Board approval needed.

**Hourly Staff Pay Modification Request:** To only provide non-annualized pay to all hourly staff. Savings in time of labor to calculate and change pay for leave without pay. In order to simplify process, convert all hourly staff to hourly pay. Personal and sick days remain the same. Needs Board Approval.

**FY 19 Budget Review:** On track. Cash flow dip due to timing of bills and three pay periods in March, same as last year. Rachel reviewed.

**Cash Flow & Health Care Review:** On track. Rachel reviewed.

**New Salary Proposal:** Increase base wage of teachers and true up all teacher salaries based on years teaching experience. Still below market but much closer. Breakeven based on proposed changes to staff positions. Work will continue through May. Outlying factor yet TBD are MN legislative decisions related to education funding.

**Redpath Engagement Letter for 2018-19 Audit.** Partner rotation being utilized. Approval of Redpath as auditor for FY19 needs Board Approval.

**Health Insurance and Other Benefits Renewal:** Renewal info reviewed. Moving from current insurer to Gerber for Health (HealthEz remains as our Self-Insured provider) and to The Standard for all other benefits. Target for enrollment completion is May 15 and on track. Tim Reviewed. Motion will be prepared by Tim and brought to Board for approval. Needs Board Approval.

Adjourned: 6:54 p.m.

Respectfully submitted,  
Kristin Grill, Treasurer