

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

June 17, 2019 North Star Academy Conference Room

Present: Vice-Treasurer Lon Hanson, Andrew Richey, Val Peterson, Ex-Officio Hilary Hodgman

Administration: Bonnie Jorgenson, Tim Golden

Public:

Excused Absent: Treasurer Kristin Grill; Amanda Bruggman

Called to order: 6:04 pm

Budget Update FY 19: The budget and May 2019 Treasurer's Report are tracking the same from last months board approved revisions.

Amended and Restated Lease Raleigh Portables: The lease has been restructured to align with our fiscal year which will streamline the process for the business office. Request Board approval of revised lease.

Approval of 2019-20 contract with Indigo for Special Education Director Services:

Recommend approval for the FY20 contract with Indigo. In anticipation of the state continuing to look into SPED the contracted hours have increased from 69 to 100. The cost for the year has declined from about \$23,000 to \$21,500. Request Board approval for contract.

Budget Proposal FY 20

FY 20 Salary Recommendation: Recommend approval of the FY20 changes to employee salaries as proposed.

Policy Revision 400-2 Minimum and Maximum Salaries for General Education Teachers: Recommend approval of policy 400-2 to align with the salary recommendation

Waive Policy 400-8 Special Education Staff Salaries for one year: Recommend waiver for the 2019-20 school year of policy 400-8 to align with the salary recommendation

FY 20 Budget Assumptions Overview: Tim G and Bonnie reviewed the assumptions for FY 20. The numbers are based on the reduced enrollment numbers, teacher salary changes, staffing changes, and other changes. The state has increased the Compensatory Revenue by 15% which is estimated to increase our Compensatory Revenue by \$100,000. Additionally, Tim G was able to negotiate a lower contract with Taher for FY20 which should reduce our loss and in turn increase our DSCR and cash on hand.

FY 20 Budget: Recommend approval of the budget which aligns with the budget assumptions presented.

Hourly Employees Concerns about Payroll Change: It was brought to our attention that the change to hourly employees year-round payments to school year payments would negatively affect some employees access to outside benefits. In order to avoid that it is proposed that we allow hourly employees to continue year-round payments in hardship situations to be approved by HOS, HR, or business director. Administration will work on an updated policy to be presented to the board by September 2019

Buy Back Vacation Proposal for 12 month Employees: Finance Committee advised to implement. As an incentive it was proposed to buy back up to 40 hours of time from staff members that are nearing their vacation cap. This aligns with market rate data and adds a bonus for staff that have been with DECS for multiple years. Tim G. ran estimates for the employees that were at or close to their cap and estimated if all took advantage of the benefit it would total around \$15,000. No policy or vote are needed.

Adjourned: 7:00 p.m.

Respectfully submitted,

Lon Hanson, Vice-Treasurer