

Business and Finance Committee

Monday, June 22, 2020

11:30 a.m., Board Room

Meeting Minutes

Attendance: Dave Hazekamp, Elroy Buckner, Kris Cole, Bob Szymoniak, and Mark Mesbergen

1. Budget

Mark presented the 2020 final budget amendments for the General Fund and the Special Revenue Funds. The General Fund is projected to finish with a \$2,6,73,701 fund balance (8.65% of expenses). The Special Revenue Funds are all seeing big changes to their bottom line due to COVID-19. Mark presented the proposed 2021 original budget for the General Fund and the Special Revenue Funds. The General Fund is projected to have a \$1,117,302 deficit and end with a \$1,556,399 fund balance (5.15% of expenses).

2. Cashflow Resolution

Mark gave an update on Fruitport's cash flow. Mark recommends the board take action on a resolution giving Bob and Mark the authority to borrow money for cash flow. Mark is not sure if the district would need to borrow due to the State budget situation but Mark felt this is something that could be done ahead of time to save time if there was a need to borrow.

3. Chartwells' Renewal

Based on our contract with Chartwells, management fees are adjusted annually in accordance with the cpi. Management fees are adjusted to increase by 1% for the 2020-21 school year. Pre the State of Michigan, Fruitport needs to approve the contract renewal agreement which will be attached with the resolution. An addendum was included due to MDE guidance regarding summer food service programs.

4. 2020-21 Food Service Prices

Every year, our food service director has to complete a report for MDE to determine if Fruitport Community Schools has to increase our food service prices. The USDA has guidance that if a district has a positive fund balance, the district could freeze meal prices for the 2020-21 school year. The recommendation is to freeze meal prices.

5. Operating Millage Resolution

Fruitport's Operating Millage is expiring this year. Mark recommended that we renew our millage of 18.5 mills (max to levy is 18 mills) for 4 years. If the district experiences a couple of rollbacks in that timeframe, the district could go back to the public. The election will be this November.

6. COVID -19 Update

Bob gave an update regarding COVID-19.

7. High School Gym Audio Bid

Over the past year, the current sound system in the main gym has been having some issues. During events, the system has been going in and out and sometimes the system has to be shut off and turned back on to work. The system is roughly 20 years old. Our technology consultant created an RFP to get a price to update the system. Daktronics was the lowest qualified bidder when the mandatory alternative was added to the bid amount.

8. Other – L-4029

The L-4029 is the report that Fruitport submits to the local townships to tell the township when and how much mills to levy the public. Every year, the board of education has to approve the report. The report states that summer taxes will be levied for Fruitport and Spring Lake Townships.

Meeting adjourned at 12:56 p.m.

Respectfully submitted by Mark Mesbergen