

BENJAMIN FRANKLIN CLASSICAL CHARTER PUBLIC SCHOOL
Finance Committee January Report
Thursday, April 27, 2006
HOS Office

Present: K. Geraci, M. Kripp, L. Pfizenmaier, J. Neas, V LaGanke, R. Frongillo, R. Coyne, P. Fairbanks

Review 2007 Budget and Finalize proposal for May 11 Board Vote

- Adjusted facility revenue to latest legislative update \$776/student.
- Removed Assistant HOS position (80K) from Payroll estimate as there is no structure decision
- All other expenses & revenue projection are unchanged from the April Board discussion.
- Final 2007 Proposal & Summary presentation are attached to these minutes

Budget Projections 2007 - 2010:

- Attached is the Finance Committee Out years budget projections and assumptions.
- Goal to ensure that there is an adequate cushion for debt service in future years given current lease situation.

Revenue Assumptions

- Tuition increases @ 3%/year
- Due to perpetual CD ladder portfolio investment authorized in March interest income will @ 2X 2006 level – to be conservative used \$40K
- Grants in 2008 – 2010 @ 40,000 which is equivalent to the Development position 2007 salary assumption; assume position will be eliminated if grants/donations are not at or above this level

Expense Assumptions

- Salary & Benefits increases @ 2.5%/year
- Other expenses increase @ 3% /year
- 2007 has \$60,000 of one time costs

Conclusion

- Debt service for 4-5 million can be supported

Discussion:

HR Committee

- Faculty Staff appointment letters will be issued May 1st contingent upon Board passing Budget at the May-11 board meeting with responses due by May 15th. Business Manager will advise all May-12 AM of Board vote via email.
- Current Webmaster has been a volunteer and is no longer interested in supporting. HR wanted to know if a \$1500 stipend could be supported within the 2007 budget. Finance agreed that this could be supported if the HR/Technology Committee chooses to recommend this direction.

Facilities Committee

- Several structure options are under evaluation – modular, prefab, design/build. In parallel need Finance support to begin to meet with lenders regarding finance option.
- Mark will set-up meetings with some lenders in Boston) for he and John and prepare the necessary support documentation packets (audits, proforma statements Etc.)

Outstanding Action Items:

- Final draft of revised financial polices to incorporate Whistle Blower policy & requirements of latest DOE guidelines
- Request HR Support to develop proposal/incentive for good attendance to aid predictability on Substitute budget and reward staff

Next Meeting May 4, 2006 – 8:00am HOS office

Adjourned 8:55am
Respectfully submitted,
Laureen Pfizenmaier