

BFCCPS Finance Committee
Meeting Minutes
4/2/15

Attendees: Jerry Cimmino, Crossan Barnes, Pat Fairbanks, Jason Fine, Joe Mullen, Beth O'Toole, Tom Pacheco, Jennifer Powell, Don Tappin, Heather Zolnowski (late)

8:05 a.m. meeting began

Administrative Matters

- Minutes from the February 5th, March 5th and March 20th meetings were approved

Discussion of Financial Statements

- Revenues & expenses through February 2015 were reviewed. No significant changes have occurred as compared to the January operating results.

Discussion of Preliminary FY 2016 Operating Budget

- Jerry lead a macro-level discussion of how the FY 2016 operating budget compares to the last three years, including forecasted operating results for FY 2015.
- After removal of non-recurring expenses, budgeted operating income before depreciation for FY 2016 has decreased by \$85K since 2013 and \$109,000 as compared to FY 2015 forecasted results.
- The operating income decline can be primarily attributed to increased personnel & related expenses, which have experience an average annual increase of 3.6% since 2013. Tuition revenue over this time frame has increased an average of 2.6% annually. About half of the personnel & related expense increase is attributable to new staff positions, with the balance representing wage and benefit increases. Over the long-term, cannot be certain tuition increases will fully fund the additional expenses. School expansion should address this issue.
- Determined that for FY 2016, operating plan would reflect 1.5% tuition increase and 2% salary increase. Savings opportunities were identified in other areas, principally health benefits and facility expenses, that will increase budgeted net income to about \$25,000 and 100% of the ELA textbook purchase (\$60K) can be funded through operating cash flow.

Other Matters

- Next meeting will be April 16th to finalize the FY2016 operating budget.

9:03 a.m. meeting adjourned