

Finance Committee Report

Meeting Date: 4/7/14

In Attendance: Andy Beggins, Patrick Wolf, Ryan Patterson, Kent Barwind, Roger Nagel, Brenda Sepan, Jason Sunahara

Financial Statement Review

The financial statements appear to be in line with expectations and the committee recommends the approval of those financials. One particular item that spawned additional discussion was the shift in the district's handling of delinquent bus fees and that those liabilities are being shifted to the school prior to further collection. The committee discussed whether there may be any potential issues (regulatory, legal, etc) with BFA attempting to collect a debt that is technically owed to another party (the district). Further research may be necessary.

Review of 2014-2015 Budget

The Finance Committee reviewed the latest version of the 2014/15 budget. Among other items, the conversation focused on some of the key assumptions in the budget, namely student head count and expected increases in district PPR. In general the budget numbers seem reasonable relative to the 13/14 budget, 13/14 actuals and individual line items given key assumptions discussed. The Committee recommends approval of the budget.

Discussion of Audit Firm to be Used Prospectively

The committee discussed whether it believes it is appropriate to continue to use Swanhorst & Co. for BFA's annual audit. The consensus is that this firm's services are acceptable for our current needs and therefore the committee recommends to the Board that we continue with this relationship.

Discussion of Facility Buyout Options

The committee discussed the status of Highmark's recent proposal for alternative buyout/financing as well as other potentially available options. We are attempting to bring in both Highmark and some selected Bond Finance expert(s) to present alternatives at the May 2014 Board meeting. We feel it will be helpful to have varying positions laid out for discussion (current and prospective bond interest rates, expansion questions, flexibility, etc) in order to effectively evaluate the most favorable alternative for BFA.

Asset Management Policy & Procedure

As a best practice measure it has been requested that this policy be periodically reviewed. A copy of the document has been distributed to the committee however, the

members did not fully review/comment prior to the meeting. Absent that full review, the expectation is that no material change should be needed for this document other than wording changes and certain clarifications which have been proposed by Paige. The Board is free to accept those changes as is provided there are no specific issues that the Board wishes for the committee to further explore. Please advise.

Finance Committee Open Seat

The committee will prepare a short solicitation notice to be placed in the newsletter in order to provide proper notification of a vacancy in this committee.

Meeting Calendar

The committee will be providing a proposed meeting schedule for the following year which will allow adequate time for the closing of the monthly books as well as completion prior to the scheduled Board meetings.