

**Manitowoc Public School District**  
**Minutes of the Finance & Budget Committee Meeting**  
**Wednesday, January 5th, 2022, 4:00 p.m.**

Finance and Budget Committee Chairperson Kathy Willis called the meeting to order at 4:02 p.m. Committee Members present were Kathy Willis, Lisa Johnston, and Collin Braunel. Superintendent Mark Holzman and Director of Business Services, Angela Erdmann were also in attendance.

The meeting covered the following agenda items:

**I. CALL MEETING TO ORDER - 4:02 pm**

**II. KUPPER & RATSCH REQUESTS/APPROVALS FOR 2021-22 - (Information)**

Director Angela Erdmann provided an overview of the Kupper Ratsch Requests for the 2021-22 School Year. \$15,000 is the amount available this year per the guidelines outlined in the trust. Of the total amount, \$3,750 (25%) is set-aside specifically for Washington Middle School. As outlined in the trust, the intent is to purchase longer-lasting items. Superintendent Holzman and Director Erdmann evaluate the proposals with the scope of full district needs each year and approve projects up to the amount allowed for disbursement for approval.

**III. DEBT SERVICE PRE-PAYMENT UPDATE - (Information)**

Erdmann shared an update on the prepayment of debt. During an evaluation of our fund structure and holdings of the sinking funds in the district's assets, it was realized that the money set aside strictly for the use of paying callable debt was received into Fund 10. Because of how fund accounting works, the district will have to expend the amount from the Sinking Fund out of Fund 10 and receipt it into fund 38 to record the payment/expense. A budget amendment will be filed in the coming months to capture the additional \$1,140,000 that will be expended out of Fund 10 for the 2021-22 Fiscal Year. While this will look like a sizable impact on the Fund 10 Fund Balance, it is important to keep in mind that this is a logistical movement of funds as required by DPI since the funds are being moved to Fund 38 for the payment of Debt and it has no impact on available funds to pay for general operating expenses. In the future, all funds related to debt payments will be receipted directly into Fund 38.

The payment of callable debt took place on Tuesday, January 4, 2022. This was a delay of one day due to an unrealized issue in scheduling the wire with the bank on the part of the school district. A process will be implemented to avoid this issue in the future.

**IV. FOOD SERVICE - USDA ADULT MEAL CHARGE CHANGE (Information/Discussion/Action)**

The USDA required school districts to increase adult meal charges by \$1 as of December 1st. Because of the increased reimbursement rate from the USDA, the district has decided to absorb the additional cost and not pass that additional cost to staff, especially since they are not receiving anything in addition to the meal portions before the rate increase. Annually, the MPSD serves approximately 1,000 meals, so in light of a healthy fund balance in Fund 50, absorbing this cost is very minimal.

Superintendent Holzman expanded to add that our Food Service fund balance is larger and healthier than it has been over the course of the food service program. At times during his tenure, Fund 10, as required by DPI has needed to cover a shortfall in funds as Fund 50 is not able to hold a negative fund balance. The district wanted to share this news with the committee in advance of sharing it with staff.

**V. CARES/GEERS/ESSER II & III UPDATE - (Information) A. All Funding Update B. Application Process/Survey Feedback for ESSER III**

The district has surveyed stakeholders regarding the use of COVID Relief funding. Community involvement, development of a plan, and charging that plan with the public is required by DPI before we can receive reimbursement for expenditures. MPSD will release its plan to the public by the deadline of March 11.

Erdmann also shared that she continues to work with the local parochial schools to spend their funds. Most of the parochial schools have utilized their CARES funds and have GEERS funding available.

#### VI. WEBSITE FINANCIAL PAGE UPDATE - (Information)

Erdmann shared with the committee that the district website will include a "Financial Information" page that will include budget booklets, audited financial statements and other useful financial information. Updates to the page should be complete by next week's board meeting.

#### VII. AUDIT COMPLETION UPDATE - (Information)

Erdmann shared that the full board will receive a report on the audit at the second January Board Meeting. Erdmann shared that she met with a member of the audit team from Hawkins Ash to review the financial statements in preparation for making the report to the board of education. Areas of growth in organizing information for the auditors and keeping up to date with cash reconciliation are areas of growth for the district and there is a plan in place to make the necessary progress before the next audit.

#### VIII. WISE FINANCE PORTAL - (Information)

DPI has been working towards a new public financial portal that directly links information from the financial system to DPI on a monthly basis. The hope and intent is to provide more updated information and work to resolve issues with financial records on a more proactive basis. Manitowoc has successfully completed the steps of connecting our information to the portal. More information regarding links for public access will be provided to the public on the district website as they become available.

#### IX. PAYMENT OF VOUCHERS REPORT - (Information/Discussion)

Erdmann led a discussion with the committee regarding the placement of voided checks on the monthly Payment of Vouchers report. Voided checks are often necessary to backout transactions in the ledger due to clerical mistakes, or more often the case in our district is for the change and cancellation of referees for sporting events. The committee was okay with moving the listing of voided checks to the end of the report as long as they remained available for viewing.

#### X. PURCHASING POLICY UPDATE - (Information/Discussion)

A question was brought forward by Braunel to check on the status of the Board Room upgrade delays. Delays are due to supply chain issues realized nationwide. Holzmann will check back with the vendor. While we are not under a formal contract, we have committed to the purchase and changing vendors would likely not result in a quicker solution as supply chain issues would exist with any company we would work with and there is a limited market of companies that do this type of work.

Erdmann noted that unless a purchase was over \$100,000 that we are not required to formally go out to bid and that we regularly collect quotes for purchases over \$3,000. Purchases in the MPSD have been in compliance with our purchasing policy.

#### XI. ADJOURN

Collin Braunel made a motion to adjourn, second by Lisa Johnston, motion carried 3-0. The meeting adjourned at 4:33 p.m.

Respectfully submitted,  
Angela M. Erdmann  
Acting Secretary  
January 7, 2022