

BUDGET/PERSONNEL COMMITTEE REPORT

OVERVIEW

The 2011/2012 school year was an active one for MSEA's Budget and Personnel Committee (BPC).

Highlights of the year's activities included the following:

- * Completion of required audits.
- * Approval to transfer funds from US Bank to a Platinum Business Money Market Account.
- * Approved purchase of a new staff automobile. A 2012 Taurus will replace the 2002 Saturn.
- * Reviewed hotel cost comparisons for MSEA board members and agreed to stay at the Embassy Suites.
- * Reviewed, edited and confirmed changes to the Executive Director evaluation form.
- * Requested that staff meet to explore investment opportunities for asset accounts.
- * Office telephone and website upgrade options were reviewed. The current phone system is over a decade old.
- * Authorized a transfer of \$20,000.00 from the MSEA savings account to a brokerage account to maximize returns.
- * Terminated the 403b plan that has been inactive since 2004. This will allow staff with funds still in the plan to access the funds.
- * Hired Shane Orthmann as the new Organizer/Special Projects staff person as of March 2012.
- * All monthly reports included membership data. MSEA began the school year (9/23/11 data) with 3,591 full share members, 1,792 fair share members and 265 to be determined for a total of 5,618. The latest information (3/4/12 data) indicates 3695 full share members, 2061 fair share and 78 to be determined for a total of 5834. Full share membership increased 104 while fair share numbers increased 269. Overall membership increased 216.

MONTHLY REPORT SYNOPSIS

September

The Budget and Personnel Committee (BPC) moved to change account 1094 from severance to automobile and monies from the previous fiscal year to the automobile account. The BPC sought approval from the Board to transfer funds from US Bank checking to a Platinum Business Money Market Account. The BPC moved to accept the revised budget proposal for 2011/2012. Unrestricted fund balance was \$472,618.10 as of 8/31/12.

October

The BPC learned that account 1094 could not be changed from severance to automobile and so will continue to be on the financial reports for the rest of this year. The new automobile account was established as account 1092. St. Paul hotel cost comparisons were studied and reviewed with the committee recommending staying at the Embassy Suites. Simplifications to the expense policy were given. Unrestricted fund balance was at \$473,102.37.

November

The BPC asked that Executive Director Christina Clark and Assistant Director of Accounts and Benefits Lynn Jansen research other investment opportunities for asset accounts and determine which would be most advantageous for MSEA. Executive Director evaluation performance tools were reviewed. On Nov. 28th Clark, Jansen and Treasurer Nona Bauer met with the auditor (annual meeting). Unrestricted fund balance was \$473,587.81.

December

There was no meeting in December.

January

The BPC, after reviewing statement of financial position and variance reports with Lynn Jansen, determined that MSEA was on target with projections. Suggestions were solicited from the committee on potential budgetary changes. It was decided that an automobile would be purchased for staff use to replace the 2002 Saturn. More discussions on upgrading the office phone system was held. The BPC proposed a resolution to terminate the current 403b plan. Unrestricted fund balance was \$446,558.91.

March

The BPC heard Lynn Jansen's information on a potential brokerage account to stimulate earnings from monies currently in savings. The committee learned that Christina Clark is soliciting informal bids on possible website upgrades. The organizer position interviews were concluded and a recommendation to hire Shane Orthmann was made to the Board. Executive Director evaluation edits were made. The committee also recommended to the Board that they authorize a \$20,000.00 transfer of monies from savings to a brokerage account in an effort to increase profitability. Voted to terminate the 403b plan. Unrestricted fund balance was \$447,543.53.

Respectfully Submitted,

MSEA Budget/Personnel Committee

Nona Bauer, Austin, Chair
Sue Ames, LaCrescent
Deanne Glynn, Shakopee
Mark Spangler, Mankato
Evan Mapes, Thief River Falls (ex-officio)