

Finance Committee Meeting Minutes – December 15th, 2023

Committee Member	Position	Attendance
Joe Thomas	School Board Treasurer	Present
Bridget Merrill-Myhre	BerganKDV, Outsourced Controller	Present
Dan DeBruyn	Executive Director	Present
Mary Chaffin	Business Accounts Specialist	Present
Ben Slater	Parent Representative	Present
Daniel Parke	Parent Representative	Present
Jennifer Linn	Executive Administrative Assistant	Present

I. Call to order

The meeting was called to order at 8:00 a.m.

II. Old Business

A. Reimbursement for Required Unemployment Payment Program

The law changed last spring and took effect in the summer of 2023. The school is now required to provide unemployment benefits for school year employees (non-teachers) during the summer to be reimbursed by the State. The state reimbursement amount received so far is \$18,119.00.

III. On-Going Business

A. Update on School Meal Program

Mary Chaffin presented the Food Service Program spreadsheet to the committee which lays out the revenue and expenses for each month. She discussed numbers for the month of November.

1. Lunches Ordered (from caterer): 7,593 Lunches Served: 7,612.
2. Breakfasts Ordered (from caterer): 2,905 Breakfasts Served: 3,585,680 meals were served than ordered. *Note: Much of the breakfast food is prepackaged and can be served a number of days after ordered.*
3. Revenue generated beyond meal and supply costs was \$8,009.
4. Overall costs (including salaries and benefits) for November exceeded revenue by \$4,795.48.

B. Update on Bonding and Construction Plans and Timeline

Mr. DeBruyn discussed the city's requirement to replat the new donated property in conjunction with the existing high school property simultaneous with the request for a Planned Unit Development (PUD). Surveyors were here this week. This will delay the process by a month. Review will go to Planning and Zoning in January and then to City Council in February.



IV. New Business

A. Financial Reports – Bridget Merrill-Myhre provided data for the month of November. The committee reviewed the reports and is recommending acceptance.

1. **November Financials** – Summary of Key Financial Indicators

- a. Average Daily Membership (ADM) Overview – Budgeted 895: Actual 894.
- b. The school’s budgeted surplus for the year is \$0 with a projected cumulative fund balance of \$2,993,760 or 25% expenditures at fiscal year-end.
- c. Projected Days Cash on Hand for the projected fiscal year-end is 71 days. Above 30 days meets minimum bond covenants.
- d. Projected Debt Service Coverage Ratio at fiscal year-end is 1.27. Above 1.10x meets minimum bond covenants.

2. **November Management/Supplemental Report**

- a. As of month-end, 41.7% of the year was complete.
- b. Cash Balance as of the reporting period is \$3,004,561, which is slightly down from the previous month of \$3,040,953.
- c. Current year holdback balance is estimated at \$420,778 as of the reporting period. The holdback amount is approximately 10% of total state aids. The remaining holdback amount will be paid back to the school in fiscal year 2025.

3. **November Food Services Report**

The Committee reviewed the Food Services Report. November showed revenue at \$67,842.51 and total expenditures of \$49,422.22. Note: Finance reporting regarding the food service account doesn’t necessarily align with the specific monthly food service numbers. Revenue and expenses for budgeting purposes sometimes overlap months.

4. **November Contracted Services Report**

No concerns noted.

B. 2023 Audit

1. Audited Financial Statements
2. Report to the Members of Governance

The Committee reviewed both reports from Schlenner-Wenner (the School Board’s contracted auditor) regarding the 2023 Audit. No concerns noted.

C. Updated Financial Policy

The Committee reviewed the revised version of the Financial Policy.

No concerns noted. The updates were made regarding language clarity and in an effort to address new auditing requirements.

D. (Revised) Leave Payout and Sick and Safety Leave Carryover Policy

The Committee reviewed the revised version of the Leave Payout and Sick and Safety Leave Carryover Policy. This policy was modified to account for the change in MN law from the spring of 2023 that is set to take effect on January 1, 2024.

The policy allows employees to accrue 1 hour for every 30 hours worked. This applies to any employee that works 80 hours per year. Employees are allowed to carry over up to 48 hours of Sick and Safety Time, up to a maximum of 80 hours.

V. Next Meeting Agenda – The next scheduled meeting is on Friday January 19th, 2024 @ 8:00 a.m.

VI. Adjournment

The meeting was adjourned at 9:00 a.m.

Respectfully submitted,

Jennifer Linn – Executive Administrative Assistant