



Spectrum High School Finance Committee Minutes

Date: December 16, 2016
Scheduled Time: 8:30 a.m.

Position	Committee Member	Attendance
Paula Bernard	Board Treasurer	Present
Nick Taintor	BKDA/Financial Advisor	Present
Vanessta Spark	Executive Director	Present
Josh Anderson	Principal	Present
Dan DeBruyn	Interim Executive Director	Present
Robin Schelske	Parent Member	Present
Dawn Sorenson	Exec. Asst.	Absent

I. Call to Order

The meeting was called to order at 8: 39 am

II. Old Business

None

III. On-Going Business

A. October, 2016 Financials

B. November, 2016 Financials

C. Expansion Update (budget impact)

EDA meeting & Council meeting are next week. We will have a better idea at that time what the timeline looks like. Talking with the council about options and creative solutions. The committee discussed the likely delay in the expansion project until fall of FY19. Dan will be checking with MDE regarding the potential impact to the CSP grant in light of the delayed expansion.

1. We will be getting a no cost extension of the CSP grant from February to the end of June 2017 (which covers mostly FF&E and technology). Storage is included in the grant.
2. Industry trends: S&P is pushing back on some schools and sometimes choosing to downgrade their bond rating due to lower cash on hand (fund balance). They are looking for 120 days cash on hand. Spectrum currently has 60 days or 90 days including state holdbacks.
3. Not rating the bonds may be an option, but it impacts future growth plans. Interest rates may be impacted if you don't use a rating on the bonds. Every point in interest affects available project funds by around \$1,000,000, which is significant.

D. 2016-2017 Finance Committee Goals

1. Analyze the SCRIP program in detail – participation rate and financial implications
Discussion: Which are selling the most? How can we maximize our profits and minimize our expense & effort? What's the strategy?
 - a. Majority of the profits go to extra-curricular. Some goes toward service learning. Split is 46% (school), 46% (family), and 8 (admin fees).
 - b. Excessive inventory, which has been a concern, has decrease from around \$6,000 to around \$3,000.

- c. The cost for Amy's time to run the program is likely offset by the profit to the school (around \$4,000).
 - d. Given the lack of real profit to the school, the committee talked about whether we should consider making this a seasonal fundraiser. However, this is not a feasible option.
 - e. The committee also talked about other potential fundraising options that may be more efficient and less time intensive throughout the school year. They determined it would be helpful to discuss strategy at the next meeting.
2. Analyze all bond documents for the purpose of determining rental opportunities, if any. The committee felt that this item had been addressed with administration in their conversation with our attorney and bond council. This cannot be a money maker for the school as it would jeopardize the tax-free status of our bonds. If the school chooses to rent/lease facilities, it should only be for the actual cost of doing business (maintenance, utilities, oversight, etc.)
 3. Analyze all on-line fees for the purpose of determining the financial impact to the budget. The committee determined that this matter has been sufficiently addressed. Online payment charges assessed to the school have been added to all payments (e.g., fieldtrips, etc.) charged to families with the exception of hot lunch. The committee feels the minimal expense to the school far offset the cost of employees' time to collect, count, track, and deposit cash and checks. Online payments has resulted in a better experience overall of parents and staff.

IV. New Business

- A. **Coding analysis:** More detailed view of the accounting codes were reviewed. Admin met with BKDA to better align purchases under specific categories for future budgeting. Example: technology under each bucket. A more detailed report will now be available to admin on a monthly basis breaking each of the budget subcategories down.

V. Previously Tabled Items

None

VI. Miscellaneous

- A. Dan & Nick will work on revised budget proposal after the New Year before the next Finance meeting.
- B. REAP Grant review (can carry over for a 2 year period)
- C. Lunch account updates - Parents will now be receiving emails after their lunch accounts indicate lower than a \$10 balance. We're anticipating a balanced lunch budget with the adjustment in lunch prices this school year. This option believed to be a strong value proposition for parents.

VII. New Meeting Agenda Input

- A. FY17 revised budget
- B. General fundraising discussion and recommendations regarding SCRIP

VIII. Adjournment

The meeting was adjourned at 9:55 am

Respectfully submitted,
Paula Bernard