



Spectrum High School Finance Committee Minutes

Date: December 13, 2019
Scheduled Time: 9:00 a.m.

Position	Committee Member	Attendance
Kathy Reed	Board Treasurer	Present
Annalise Marberg	Parent Committee Member	Present
Nick Taintor	BerganKDV/Financial Advisor	Present
Tyler Dehne	BerganKDV	Present
Dan DeBruyn	Executive Director	Present
Dawn Sorenson	Exec. Administrative Asst.	Present

I. Call to Order

The meeting was called to order at 9:00 a.m.

II. Old Business

None

III. On-Going Business.

A. 2019-2020 Finance Committee Goals

- **Work with administration to monitor the transition of fundraising efforts and oversight to FoS, Inc.**

Mr. DeBruyn reported that progress is being made in setting up the accounts necessary for Friends of Spectrum, Inc. (FoSI) through US Bank as was approved by the FoSI Board of Directors. He stated that he sent an update to the FoSI Board to keep them apprised of the progress being made. The FoSI Board will meet again on Tuesday, January 14, 2020, at 6:30 p.m. Amy White, in the Spectrum Business Office, has been working diligently to get QuickBooks set up, and in doing so, has been working with Bergan KDV to make sure it is set up correctly from the start to ensure ease of future audits and reporting. He went on to state that while Spectrum will not be transferring any funds from the fundraising accounts until everything is in place to ensure a smooth transition, the Sting Swing Golf Tournament will be the test run and all funds for that fundraiser will be paid directly to FoSI for this purpose. Advertising and donations for Sting Swing will begin shortly as soon as the PayPal account is set up for FoSI on the Spectrum website. Lastly, FoSI will need to file an annual 990 and other tax documents for 2019 even though there has not been any financial activity. Again, Bergan KDV is assisting the FoSI organization with the filing of the necessary documentation as they are very familiar with nonprofits and can easily take care of the filing at a minimal cost.

- **Work with administration to explore options to contain or lower the deficit in the school lunch program.**
No report at this time.
- **Work with administration and Bergan KDV to create, input (into Skyward), and implement a detailed internal budget plan.**
No report at this time.

IV. New Business

A. November Financials

Mr. Taintor presented the Executive Summary of the November financials. He stated that the school is currently budgeting 775 Average Daily Membership (ADM), and actual membership as of December 2nd is 782, with a current ADM of 786, which includes full time PSEO students attending other institutions for which the school does not receive reimbursement from the State.

The 2019-2020 working budget projects an annual deficit (expenditures to exceed revenues) in all funds in the amount of (\$3,976), with a projected cumulative fund balance of \$2,128,745, or 22% of total budgeted expenditures. Mr. Taintor went on to share that he is anticipating having a revised FY20 budget for consideration of approval at the January meetings. He shared that by this time there will be 6 month's worth of data with which to work in revising and refining the working budget. Overall, the school is right on track with 35% of expenditures spent year to date as compared to 42% of the fiscal year completed. Projected Days Cash on Hand is 85 days, (the minimum requirement is 30 days) with a Projected Debt Service Coverage of 1.10x (the minimum is 1.10x).

Mr. Taintor then went on to report on the Balance Sheet noting that the beginning balances shown are based on the audited ending information as of June 30, 2019. Due from the Building Company, in the amount of \$189,754, represents funds that have been paid for by the school on behalf of the Building Company. A portion of this will be paid back to the school this same fiscal year.

The State holdback for 2019-2020 fiscal year is estimated to be a receivable of \$328,095 and is approximately 10% of total state aids. The remaining holdback amount will be paid back to the school in fiscal year 2021. Mr. DeBruyn shared that the local school district, #728, just passed a large referendum for which Spectrum should see a portion of that funding. Mr. Taintor and Mr. Dehne will reach out to the Minnesota Department of Education for additional information as to estimated revenue for Spectrum from the local referendum.

Following discussion, the Committee recommended approval of the November financials as presented.

B. November Management Report

The Committee reviewed the November Management Report. A permanent notation has been added to the report to clarify sequencing skips, if any.

Following discussion, the Committee recommended approval of the November Management Report by the Board as presented.

C. November Contracted Services Report

The Committee reviewed the November Contracted Services Report. The Committee inquired about the line item IT Consultant and General IT as the amount currently stands at 153.1% of budget. Mr. DeBruyn surmised that this is a result of a coding issue related to the safety/security work done. The IT contractor also bid on and completed those projects. Mr. Taintor and Mr. Dehne will look into the coding of these items and will adjust as needed. In addition, it was noted that the fall Anoka-Ramsey Community College invoice was received and was less than what had been budgeted, namely due to the reduced number of full-time PSEO students, and therefore there may be some cost savings realized in this area and will be addressed in the amended FY20 budget, which, again, will be submitted for consideration of approval at the meetings in January.

D. November Food Service Report

The Committee reviewed the November Food Services Report.



17796 Industrial Circle NW ■ Elk River, MN 55330
Phone: 763-241-8703 ■ Fax: 763-633-1380
www.spectrumhighschool.org

V. Old Business
None

VI. Previously Tabled Items
None

VII. Miscellaneous
None

VIII. New Meeting Agenda Input – Friday, January 17, 2020 at 9:00 a.m.

IX. Adjournment
The meeting was adjourned at 9:55 a.m.

Respectfully submitted,
Dawn Sorenson