



**Spectrum Finance Committee Minutes**

Date: Friday February 17, 2023  
 Scheduled Time: 8:00 a.m.

*NOTE: The Spectrum Finance Committee meeting was conducted via electronic means (using Zoom) as is allowed under the auspices of Minnesota State Statute, 13D.021, Subdivision 1(4).*

Position	Committee Member	Attendance
Joe Thomas	Board Treasurer	Present
Bridget Merrill-Myhre	BerganKDV	Present
Dan DeBruyn	Executive Director	Present
Mary Chaffin	Business Accounts Specialist	Present
Annalise Marberg	Parent	Present
Jennifer Linn	Exec. Adm. Assistant	Present

**I. Call to Order**

The meeting was called to order at 8:10 am.

**II. On-Going Business.**

**A. 2022-2023 Finance Committee Goals**

- The Finance Committee will work with the Business Account Specialist to research, apply for, and track the food commodities application with Premier Kitchen to ensure it is completed by the required timeline and the refund obtained by June 2023.

Update: The school has received approximately \$20,000 from the Supply Chain Assistance fund that is being utilized to cover costs associated with milk, fruits and vegetables. In addition, the school will be receiving approximately \$10,000 in commodities reimbursement. These amounts will help to offset the deficit projected in the Food Services fund for FY23. There will be a 3<sup>rd</sup> allotment of Supply Chain Assistance Fund in the amount of \$12,697.88.

- The Finance Committee will work with administration and BerganKDV to ensure the detailed budget for FY24 is keyed into Skyward by July 2023 leading to more current internal reports for improved and timely decision-making.

Update: Ms. Merrill-Myhre will work with Mr. DeBruyn to ensure that the FY24 budget is keyed into Skyward by July 2023.

**III. New Business**

**A. FY23 January Financials**

Ms. Merrill-Myhre provided an overview of the Executive Summary of the FY23 January Financials. She reported that the FY23 budget is based on an original 840 Average Daily Membership (ADM), revised ADM is 855 and actual ADM is currently at 861. Ms. Merrill-Myhre then went on to note that currently the school’s budgeting a surplus for the year at \$0 (balanced budget) and a projected cumulative fund balance of \$2,695,387 or 24% of expenditures at fiscal year-end. In addition, the Projected Days Cash on Hand for the fiscal year-end is 93 days. 30 days meets minimum bond covenants. The projected debt service coverage ratio fiscal year-end is 1.17. Above 1.10x meets minimum bond covenants.

As of month-end, 58.3% of the year is complete. The cash balance as of the reporting period is \$2,639,671, which is up from the previous month of \$2,587,455. State aids receivable shows a negative (\$7,771). This amount will be adjusted as MDE finalizes their year-end reviews. MDE most likely is paying more than

expected based on last year's amounts. We will continue to monitor over the next several months. Current year holdback balance is \$413,873 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 2024. Revenues received at end of the reporting period were 57.5%. Expenditures disbursed are at 53.2%. Ms. Merrill-Myhre stated that the revenues are higher due to the \$250,000 loan received by the school to help pay for the parking lot project.

The Committee then went on to review the Balance Sheet and Statement of Revenues and Expenditures. As requested at the last meeting, an updated budget column showing the previous year's monthly amounts (for comparison) is now presented on the statement of revenues and expenditures.

**B. January Management/Supplemental Report**

Following discussion, the Committee recommends the Board consider approval of the January Management/Supplemental Report as presented.

**C. January Contracted Services Report**

The Committee reviewed the January Contracted Services Report. Contracted services increased \$64k from the original working budget based on anticipated legal expenses. Coding or timing of invoices/expenditures will be reviewed.

**D. January Food Service Report**

The Committee reviewed the January report. We are now budgeting a smaller deficit of \$8k mainly due in part to the increased Federal Revenues of the \$32k in Supply Chain Assistance and the commodities income. Adjustments are made to sale of lunches and other local revenues to result in more accurate pacing in FY23.

**E. Leave Carryover Proposal**

This will be reviewed in March.

**IV. Old Business**

**V. Previously Tabled Items**

None

**VI. Miscellaneous**

None

**VII. Next Meeting Agenda Input – Tuesday, March 21, 2023 – 8:00 a.m.**

**VIII. Adjournment**

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

Respectfully submitted,  
Jennifer Linn