



Finance School Meeting – April 21, 2023

Note: The Spectrum Finance Committee meeting was conducted via electronic means (using Zoom) per Minnesota Statutes, section 13D.021, Subdivision 1(4).

Position	Committee Member	Attendance
Joe Thomas	Board Treasurer	Present
Bridget Merrill-Myhre	BerganKDV	Present
Dan DeBruyn	Executive Director	Present
Annilise Marberg	Parent	Present
Jennifer Linn	Exec. Adm. Assistant	Present

I. Call to Order

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

II. Old Business

A. Leave Carryover Policy

Mr. DeBruyn informed the Committee that the policy was approved by the Board in March and he will be working with Patty Jorris to implement it during the month of June. All employees have been informed as well.

B. 3% increase for staff

Mr. DeBruyn informed the Committee the Board approve the increase as recommended and staff have been informed.

III. On-Going Business.

A. 2022-2023 Finance Committee Goals

1. 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: Mary and Dan will work with Bridget to ensure the FY24 budget is inputted to Skyward in June.

2. 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: Mary Chaffin has worked closely with Jennifer Russell and Premier Kitchen to apply for and receive commodities refunds for the 2022-2023 school year. Currently The lunch fund is in the positive for the year.

IV. New Business

A. Financial Reports

1. March Financials – Summary of Key Financial Indicators

- a. Average Daily Membership (ADM) Overview –
- b. Original Budget: 840 ADM; Revised Budget: 855 ADM; Actual: 860
- c. The School’s budgeted surplus for the year is projected to be \$0. There is a projected cumulative fund balance of \$2,695,387 or 24% of expenditures at fiscal year-end.
- d. Projected Days Cash on Hand for the projected fiscal year-end is 92 days. Above 30 days meets minimum bond covenants.
- e. Projected Debt Service Coverage Ratio at fiscal year-end is 1.17. Above 1.10x meets minimum bond covenants.
- f. As of month-end, 75% of the year was complete.

- g. Cash Balance as of the reporting period is \$2,599,954, which is up from the previous month of \$2,574,375.
 - h. State aids receivable shows a negative (\$77,926). This amount will be adjusted as MDE finalizes their year-end reviews. MDE most likely paying more than expected based on last year's amounts. We will continue to monitor over the next several months.
 - i. Current year holdback balance is estimated at \$458,568 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.
 - j. Revenues received at end of the reporting period were 74.2%.
 - k. Expenditures disbursed at end of the reporting period were 71.2%.
2. March Management/Supplemental Report
The Committee reviewed the Management/Supplemental Reports. The following items were noted: cash receipts #CR-22-50193 and #CR-22-50194 are Fund 50/ABC Cash Receipts. No other concerns noted.
 3. March Contracted Services Report
The Committee reviewed the March Contracted Services Report. Concurrent Enrollment /PSEO invoices will be completed in June. Attorney fees are starting to come in now and are expected to fall within the amount allocated.
 4. March Food Service Report
The Committee reviewed the March report. We are +\$40,000 year to date, which is a big improvement from FY22. Purchasing forks and spoons for FY24 in bulk will result in a savings of approximately \$5,000.

B. Potential future bonding/Discussion with Piper Jaffray
Dan and Rick spoke with Piper Jaffray last week about potential bonding in fall 2023. Dan and Nick Taintor provided the numbers for Nick Hagan to complete the projected bond revenue calculations. The numbers appear to be in the range of \$4,000,000 to \$7,400,000. The Committee discussed a potential timeline – design, bonding, construction, to occupancy, as well as the number of students that would be needed to meet the bond obligations. The amount may determine whether there is a need to go back to the current bondholders for approval.

C. Free School Meals implications and decisions
The Committee discussed the logistics of moving forward with the Free School Meals program as approved by the State. They also reviewed the FAQ doc provided by MDE. There would need to be more staffing, building and storage capacity, catering capacity, and facilities expansion. The school is currently talking with Premier about their capacity and plan to increase number of meals.

D. Northstar FY24 Contract Proposal – 33% increase
Northstar has provided a contract proposal for FY24, which included a 33% increase. Spectrum was told that the increase is mostly due to increased costs – especially personnel. Administration is reviewing options and speaking with other bus companies in order to determine the best route available for Spectrum.

V. Previously Tabled Items
None

VI. Next Meeting Agenda Input – Monday May 15th, 2023 @ 8:00 a.m.

VII. Adjournment
The meeting was adjourned at 8:45 a.m.

Respectfully submitted,
Jennifer Linn, Executive Administrative Assistant