

## Finance Committee Meeting Minutes – September 22<sup>nd</sup>, 2023

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

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 - NEW	Present
Daniel Parke	Parent Representative – NEW	Present
Jennifer Linn	Executive Administrative Assistant	Present

### I. Call to Order

The meeting was called to order at 8:10 a.m.

### II. Old Business

None

### III. On-Going Business

#### A. Update on School Meals Program

Mary Chaffin provided an update on the school meals program. We are serving around 450 lunches a day vs. 200 last year. Breakfast numbers continue to rise. Logistically, breakfast is going smoothly at all buildings. We continue to balance the numbers ordered vs. number served to minimize losses due to meals ordered but not taken. Dan DeBruyn, Mary Chaffin, and Jennifer Russell will be meeting next week to review the final numbers from the month of September. Mary will report back to the committee in October.

#### B. Update on construction costs and timeline

1. \$12,000,000-\$20,000,000 bids – Bids far exceeded potential bonds of \$7.4-\$7.8 million. As a result, the project is being paired down to absolute needs and future building projects.
2. City process – Since the City removed education building from the ordinance after Spectrum built the 7/8 building, the process to build will require a more lengthy process with the City.
3. Bonding timeline – The initial timeline will likely be extended into the spring after the City process has been completed.

### IV. New Business

#### A. Committee Membership

1. Committee members greeted and welcomed our 2 new candidates, Ben Slater and Daniel Parke to the Finance Committee.
2. Mr. DeBruyn reviewed a few of the purposes of the committee. Jennifer will send the committee description to the committee for review at the October meeting.

**B. Financial Reports** – Bridget Merrill-Myhre provided training to all Finance Committee members on reading and interpreting financial reports. This was a review for current members

and new information for new members. Members were asked to send any additional questions to Jen for any additional financial training needed at the October meeting.

1. August Financials - Summary of Key Financial Indicators
  - a. Average Daily Membership (ADM) Overview – Budgeted 895: ADM, Actual: TBD. The School’s budgeted surplus for the year is \$0.
  - b. The projected cumulative fund balance is \$2,695,387 or 23% of expenditures at fiscal year-end.
  - c. Projected Days Cash on Hand for the projected fiscal year-end is 75 days. Above 30 days meets minimum bond covenant.
  - d. Projected Debt Service Coverage Ratio at fiscal year-end is 1.27. Above 1.10x meets minimum bond covenants.
2. August - Financial Statement Key Points
  - a. As of month-end, 16.7% of the year was complete.
  - b. Cash Balance as of the reporting period is \$2,839,687 up from previous month of \$2,345,975.
  - c. The current year holdback balance is approximately 10% of total state aids. The remaining holdback amount will be paid back to the school in fiscal year 2025.
  - d. Revenues received at end of the reporting period -16.3%
  - e. Expenditures disbursed at the end of the reporting period -8.3%
3. Other Items
  - a. The Cash Flow will be looked at in more detail this fall, and an update will be forthcoming as enrollment, and spending gets more consistent.
  - b. FY23 Audit is underway with Schlenner Wenner.
4. August Management Report
  - a. The Committee reviewed the Management Report.
  - b. Check# 5327 – there are gaps in the payment register sequence due to a Skyward system flaw. If anything changed with pending voucher (removed, payment type updated from wire to check/manual/single, etc.) it will not register that a prior number was unused and goes on to the next number. It is a known issue and is something Skyward has no urgency around fixing. Any number that is used even if it is a void will show up on reporting.
  - c. 202300023 was a July wire.
5. August Food Services Report

The committee reviewed the Food Services Report. Services are at 18.8% of the revised budget with YTD activity of \$ 238,662 in revenue and \$206,365 in expenditures.

### **C. Next Meeting Agenda**

- A. The next scheduled meeting is on Friday October 13<sup>th</sup>, 2023 @ 8:00 a.m.
  1. Training on committee description
  2. 2023-2024 Committee Goals

### **D. Adjournment**

The meeting was adjourned at 9:05 a.m.

Respectfully submitted,  
Jennifer Linn, Executive Administrative Assistant

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