Finance Committee Meeting

Report

1/19/2022 @ 3:15 pm

Virtual Meeting Held via Zoom

Eric Gave an Enrollment Update: 540 students

Kelly provided a summary of the February Financials and a Review of Budget Line Items:

Average Daily Membership (ADM) Overview –

Original Budget: 497 ADM

Working Budget: 497 ADM

Actual: 520.34 ADM

The School’s working budgeted surplus for the year is $336,650 which would result in a projected cumulative fund balance of $1,664,596 or 21.5% of expenditures at fiscal year‐end.

Projected Days Cash on Hand for the fiscal year‐end is 49 days.  Above 60 days meets minimum bond covenants.

Projected Debt Service Coverage Ratio at fiscal year‐end is 1.52.  Above 1.2x meets minimum bond covenants.

Financial Statement Key Points

As of month‐end, 66.7% of the year was complete.

Cash Balance as of the reporting period is $907,913 which is down a little from the previous month of $1,033,874.

Prior year holdback balance is $47,071 as of the reporting period.

Amounts will be paid back during the Spring as MDE finalizes their review of annual entitlements.

Revenues received at end of the reporting period – 61.5%

Expenditures disbursed at end of the reporting period – 58.2%

Other Items

The working budget was updated this month to reflect the latest federal revenue allocations as well as the removal of SPED transportation expense which is being provided by the district this year.

The School received an ESSER III allocation of $1,071,995, has ESSER II funds of $364,905, Learning Recovery funds of $38,210, and COVID testing funds of $40,000.

Eric gave the committee an update on the Land Acquisition.

The school has reached out to several banks and is looking for $1,469,736 in financing from a combination of subordinated debt from Propel Nonprofits and senior bank debt to purchase five acres of adjacent land for outdoor play space and possible future expansion.

A preliminary purchase agreement has been drafted by Craig Kepler. Ten Square has two banks that are interested in the loan; Highland Bank and American National Bank.