

*Gettysburg Montessori Charter School Finance Committee Meeting*

*November 13, 2019 at 3:30pm*

**3:05pm Meeting called to order**

**3:06pm Introduce Members and guests**

Faye Pleso, CEO and Principal

Becky Uppercue, Treasurer

Diana Williams, Board member at large

Jesse Bean, Charter Choices (by phone)

**3:07 Review of October Financial Statements**

- GMCS currently shows a Net Income of \$218,675 due to conservative revenue assumptions and the negative expense variances mentioned previously- in the past week, per Jesse, we received \$100K check from GASD and a few smaller checks from other districts since Charter Choices that will be reflected in Nov financials
- 254k in checking, approx 403 in savings + 548, 500 district receivables =  
Approx 1.1 million assets
- 10:3 assets vs. liabilities- in great position, even better than last month (11:9)
- Local School District revenues are below (\$55,187) YTD budgeted figures due to discrepancies between billed (216) versus budgeted (237) enrollment. These must be resolved to ensure that the school receives all of its revenue in a timely fashion.
- Total Personnel Costs are lower (\$76,732) than budgeted due to several budgeted positions that have not yet been hired. Total Expenses are similarly lower (\$132,531) than budgeted due to the seasonality of costs.
- GMCS currently shows a Net Income of \$218,675 due to conservative revenue assumptions and the negative expense variances mentioned previously.
- Currently running about \$65,000 ahead of budget
- Still have \$500k in committed fund balance for building project, but starting to utilize those funds this month to pay Digsau (see updates below)
- Faye has been working on a “Plan B” in the event of an emergency need for funding: Charter School Capital- organization that provides cash advance at a high interest rate/premium- we do not want to utilize this, but if we were short, this could be a bridge to completing the Member’s 1st loan (our 20% down)- we are currently capable of the 20%, just lining up an alternative plan to also show Member’s 1st
- Faye questioned Jesse about the possibility of us having to draw from Peasor’s Funds if Charter School reform impacts us negatively as something we should discuss periodically- Jesse indicates it is very unlikely for us to be hit and the federal government

would be involved at this point because states have different pension laws

- Jesse also indicated the cyberschools are at the most risk of being hit, which was the same sense Becky got when she attended recent PA Dept of Ed Committee hearing on 10/22/19, so he doesn't anticipate any major conflicts for us in the near future

**3:55pm      Discuss Digsau's Remaining Phases Fees & Anticipated Billing**

**Schedule/Impact on budget**

- Refer to attached document from Digsau
- We will pay out \$213,700 for 19/20 to Digsau this fiscal year and we budgeted \$176,160 (off \$37,500); however, we also budgeted another \$259,840 that was not assigned to anything in particular, so we are good. We will need to have a line for the architect in the 20/21 year for \$66,300 to cover remaining Digsau balance.
- We'll need \$213,000 this fiscal year instead of the \$176k we estimates

**4:14pm      Approve minutes from prior finance committee meetings**

- It was recently acknowledged by Faye that we have not been approving Financial Committee meeting minutes, as prior to Becky joining the meetings in 11/2018, there was only 1 board member present (Diana Williams), thus no formal minutes were taken and we fell out of good practices for maintaining minutes
- Faye, Diance and Becky reviewed the minutes from prior meetings and Becky made a motion to approve the minutes from prior meetings on the following dates:  
10/13/19, 9/18/19, 8/21/19, 5/15/19, 4/18/19, 3/20/19, 2/20/19, 11/28/18
- If minutes have not been provided since 11/18, it may be assumed that no meeting was held that month or only 1 board member was present, thus no minutes were required

**4:30pm      Discuss SEK Audit updates**

- Bill Oyster called Becky last week and the most prominent issue he noted within our audit was our high write-off costs for the cafeteria in the 18/19 school year- Faye recognized that our food director, Rita Engloff, was not aware of the need to send monthly statements last school year until 2nd part of the year; once she was aware, she began sending monthly statements, so some of this should be remedied this school year (but it automatically is reflected as bad debt for us after a certain time of non-payment from parents)
- Per Faye, Rita continues to send them out monthly, but we still have some parents who routinely send their kids to school without lunch and GMCS has to feed them by law, but the parents don't pay even though they aren't on reduced lunch program or demonstrated inability to pay- we will need to continue to address this issue for fiscal responsibility

**4:37pm      No New Business/for the good of the order**

**4:38pm      No Public Comment**

**4:38pm      Adjourn**