

Gettysburg Montessori Charter School Finance Committee Meeting

March 16, 2022 at 3:30pm

Zoom ID: 82173688553 Passcode: pG3YM0

3:30pm Meeting called to order

3:30pm Introduction of Members and guests

- Dr. Faye Pleso, CEO
- Jesse Bean, Charter Choices business manager
- Becky Uppercue, Board Treasurer
- Rose Thornberry, Board Vice Chair

3:31pm Review of February Financial Statements

- Cash (in Checking/Savings Accounts) has decreased since June 30th to \$1,113,201 due to construction-related invoices, modular removal and one-time purchases of furniture, supplies and technology for the newly built spaces
- Principal payments on the construction loan have commenced (first payment was made in February 2022) and the Members 1st debt service is reflected as a Long-Term Liability on the Balance Sheet
- Accounts Payable balance is currently at \$46,778 and all invoices received have been settled, while Accrued Payroll for 10-month employees has grown to \$79,023 at 02/28)
- The school has submitted and received its ESSER II grant funds (\$108,805); these were applied to prior year (FY21) Personnel Costs (i.e., maintain staffing levels despite COVID-related enrollment decline in Fall 2020). ARP (“ESSER III”) funds (\$203,755) was applied for in February and will be utilized to offset allocable expenses in the current year (FY22)
- The school’s financial health indicators decreased over the summer but remain strong (Current Ratio = 6.8; Days COH = 100.0. Enrollment holds steady at roughly 263 students and these metrics are expected to gradually improve as enrollment grows

Budget vs. Actual

- After the first eight (8) months of activity for FY22, Local Revenues are over budgeted figures (by \$227,302) as enrollment has grown above anticipated levels. We also anticipate receipt of \$259,111 in Federal Revenues (ARP ESSER and IDEA) in the final quarter of FY22
- Total YTD Expenses are tracking over budget (by \$175K) due to variances in Cleaning (\$47K), Speech/Language (\$41K), Repairs/Maintenance (\$17K),

Utilities (\$26K), Furniture (\$29K), Technology (\$31K) and Food Service (\$29K) costs; these are partially offset by negative variances (“savings”) on Personnel Costs (-\$84K), Psych Services (-\$23K) and Operational Supplies (-\$29K). This is due in part to the return to full-time, in-person learning and in order to accommodate the school’s new spaces/increased enrollment.

- GMCS shows a modest surplus of \$67,707 at 02/28; Budget performance is expected to improve as Federal Revenues are received in 4Q of FY22

3:46 pm Preliminary 2022-23 Fiscal Year Budget Discussion

- Jesse and Dr Pleso have been meeting and discussing preliminary budget for next year over past 2 months
- Jesse provided finance committee with Draft GMCS FY23 Budget – includes updated tuition rate, payroll and expense assumptions, and achieves a modest surplus (~\$150K)
- Jesse also provided Draft GMCS 5-Year Expansion Model/Sensitivity Analysis – this document considers the feasibility of adding a 7th and 8th grade. In short, provided the tuition rates rebound in FY24 and that an affordable facility (\$1-2M including capital improvements) can be identified, the school will be able to afford the incremental costs (added staff, furniture, technology, services, etc.) associated with adding 60+ students
- We will plan to have a clean copy of the FY23 budget for the board to review and comment on at its April meeting, I will be happy to walk folks through the expansion model if/when you decide the time is right

3:54 pm New Business/for the good of the order

- Governor Wolf is seeking to circumvent the legislative process to impose parts of his anti-charter agenda before leaving office. If the Independent Regulatory Review Commission (IRRC) votes to approve these regulations (#6-349: Charter Schools and Cyber Charter Schools) on Monday, March 21st, it will become more difficult for charter schools to serve their students and will reduce parent choice. The regulations are as follows:
 1. Make it harder for public charter schools to be approved for renewal even when they meet all of the academic standards.
 2. Give more power to the school districts that oversee charter schools, even though these same districts have been failing students for years.
 3. Make it almost impossible to open a new public charter school.
 4. Force charter schools to use more costly health benefit options to mirror local district collective bargaining agreements with unions, leaving fewer dollars

available for teacher pay and less resources to serve students.

- In addition to these proposed regulations, Governor Wolf continues to push for funding cuts to charter schools, which can only be enacted through the Legislature. While the Governor's lame-duck status and current balance of power in the Legislature make these cuts less likely to be 2 of 26 enacted than in previous years, it is still important to make charter school families, educators and stakeholders aware and to have them make their voices heard. As always, the PA Coalition of Public Charter Schools is providing tools to reach lawmakers, including a simple petition on this topic that can be found here: [Take Action! Contact Your Legislators to Protect PA Charter Schools - 143krising.com](#)
- Article: Pandemic expansion of free school lunch program appears to be nearing its end. Coronavirus pandemic-era federal programs intended to feed schoolchildren are likely to expire in the coming weeks, after top Republicans objected to their inclusion as part of a still-evolving package to fund the federal government. The looming end to these efforts, including the loss of child nutrition waivers, could mean millions of students as soon as June 30 could lose access to the free and reduced-price meals that they have been able to access since the earlier days of the public health crisis.

4:32 pm **No Public Comment**

4:32 pm **Meeting Adjourned**