



# Ethos Classical Charter School

## Minutes

### Monthly Finance Committee Meeting

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#### **Date and Time**

Tuesday October 19, 2021 at 5:00 PM

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#### **Committee Members Present**

B. Hines (remote), K. Graney (remote)

#### **Committee Members Absent**

E. Raines

#### **Guests Present**

Cameron Quick (remote), D. Cembrola (remote), D. Mack (remote), M. Moore (remote)

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### **I. Opening Items**

#### **A. Record Attendance and Guests**

#### **B. Call the Meeting to Order**

B. Hines called a meeting of the Finance Committee of Ethos Classical Charter School to order on Tuesday Oct 19, 2021 at 5:05 PM.

#### **C. Approve Minutes**

K. Graney made a motion to approve the minutes from Monthly Finance Committee Meeting on 09-21-21.

B. Hines seconded the motion.

The committee **VOTED** to approve the motion.

## **II. Finance**

### **A. Monthly Credit Card Review (September)**

Committee reviewed the credit card expenses and asked questions of Staff; all seem in order.

### **B. Financial Update**

- D. Cembrola reviewed the monthly financials highlights with the Committee. E Castillo-Leon and K. Graney noted an error; corrected typo of salaries and benefits report on page one should read \$228k, not \$445k.
- D. Cembrola reviewed the budget to forecast with the Committee.
- B. Hines asked if auditor had any corrections for us; D. Cembrola confirmed no corrections.
- E. Castillo-Leon previewed that we received more in grants than previously anticipated; this will be reported in next month's report.
- D. Cembrola reviewed our financial dashboard; noted next month that we should see improvement to the ESSER total reimbursement to date.
- E. Castillo Leon asked impact of purchase of the property from CSDC - current forecast shows rent. D. Cembrola confirmed that the faster we close, the more savings we see on escalated rent.
- B. Hines asked a question on balance sheet recording of a prepaid asset expense \$328,875, what balancing entry. D. Cembrola confirmed to show B. Hines recording methodology, K. Graney to also review.
- Meetings coming up with RedefinEd and Charter School Growth Fund (SEED portfolio) for funding and partnership opportunities.
- B. Hines requests a monthly property summary; will work with D. Cembrola and C. Quick on the schedule to create. Meet on Monday 11/1 (Dan, Emily, Cameron, Bernard)
- B. Hines had a question about future cash flow in 2023; do not have formal budget for that yet. D. Cembrola agrees that we are projecting because of interest payments on loan, and depreciation on totalling -247k. E. Castillo-Leon noted that she and Dan had not yet built out a draft budget beyond some staffing changes, and this will evolve over time.

## **III. Other Business.**

### **A. Property & Building Update**

- C. Quick reports

- Phase 1: Parking Lot project, appraisal came in strongly in favor (estimated project of \$6.4m, appraisal at \$6.35). Positive impact on lending situation. Also indicative that there may be more cost savings within the \$6.4m estimate as much as \$200k.
- Phase 2: Discussed current construction cost of \$10m, so overall project could be as high as \$17m. Discussed potential options including bonds and new market tax credits.
- Overall: because shifted property ownership to school, we are subject to state procurement guidelines. This will have a net positive impact as contractors must rebid for Phase 2 project. While JE Dunn has been a great partner, sharpening pencils could yield strong savings on the project as a whole.
- B. Hines: requests a simplified schedule/report for this. C. Quick agreed to provide.

## **B. Other Matters**

- M. Moore noted that we will be convening a new committee of the board for Fundraising, and Eleina Raines may be changing from this committee to that.
- B.Hines noted a trend of rising salaries exceeding 2%; Committee and Staff discussed trends we have seen and how that may impact budget for 2023.

## **IV. Closing Items**

### **A. Adjourn Meeting**

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 5:56 PM.

Respectfully Submitted,  
M. Moore