DRAFT

Ethos Classical Charter School

Minutes

Monthly Finance Committee Meeting

Date and Time
Tuesday October 19, 2021 at 5:00 PM

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)

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