APPROVED

Seaside School, Inc

Minutes

Finance Committee Monthly

Date and Time
Tuesday April 16, 2024 at 8:30 AM

Founded in 1996
Serving Students in Grades 5 - 12

We seek to sustain an educational community where an emphasis on academic excellence is complemented by our concern for each learner's personal growth and intellectual, aesthetic, and psychological development. The curriculum is developmentally responsive – actively engaging students in learning skills in context, integrative – directing students to connect learning to daily lives, and exploratory – enabling students to discover their abilities, interests, learning styles, and ways that they can make contributions to society.

Information on procedures for public comment can be found at https://www.seasideschools.net/domain/35.

If anyone needs special assistance to participate in the public input session, every effort will be made to provide an appropriate accommodation. When requesting accommodations for public input, please allow no less than 1 business day notice prior to the scheduled meeting.

Specific issues about a particular student should only be addressed to the school's Director of Student Services, rather than the Board of Directors.

All public comments will be taken under advisement by the Board, but will not elicit a written or spoken response. The names of persons providing public comment and a brief summary of

topics or input will be included in the meeting minutes published. A response will be provided to the stakeholder within seven (7) days.

Committee Members Present
A. Jordan (remote), F. Brown (remote), K. Tucker (remote), L. Meadows (remote), T. Brooks, T. Miller, T. Peterson (remote)

Committee Members Absent
D. Lilienthal

Guests Present
Lee Mixson (remote)

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

F. Brown called a meeting of the Finance Committee Committee of Seaside School, Inc to order on Tuesday Apr 16, 2024 at 8:34 AM.

C. Approve Minutes

F. Brown made a motion to approve the minutes from Finance Committee Monthly on 03-08-24.
K. Tucker seconded the motion.
The committee **VOTED** to approve the motion.

II. Finance

A. SFS Update

Current year Revenue and Expense statements shows a $132k surplus.

Foundation provision
o $130,000 of the $260,000 budgeted Transfer
o $525,000 temporary loan to assist in the cash flow for payment of the Construction expenses while the district processes for reimbursement.
o The Lease YTD has not been repaid from the Foundation to the School.

What this means is that the Foundation Owes the School the remainder of the transfer ($130K) as well as the Lease Donation YTD ($126K) if the plan is to follow the budget, but the School is holding $525K of the Foundation’s cash to

assist with the Construction expenses. L Meadows recommends we exchange the $525K loan for the budgeted lease donation (above) $126K. This would leave a balance owed to the Foundation for the loan of $399K which depending on the school's final year end outcome we can adjust back to the Foundation or maintain it as.

Internal Use
o All of this can be adjusted as we approach year end depending on the desired outcome for both parties.

Desi and L Meadows met with Tricia, Tom, and Chip late March 27th to discuss current year
activity in detail while looking forward at the remaining months to come to ensure we have a
good estimate on where the year may end.

o Part of that conversation was regarding adjustments to ESSER to that we may use the remaining balance before this fiscal year ends. With that conversation L Meadows contacted the District to make some adjustments to the categories in which we plan to reimburse. That activity will start coming in quickly so that it can fully expensed by Jun 30.

o Previously L Meadows had mentioned working towards a budget amendment in May, however with the General Appropriation activity being so unpredictable L Meadows would like to recall that recommendation and revert back to what has been done in the past – adopting the June statements as the final at the August board meeting. L Meadows discussed this with everyone at the Mar 27th meeting, the goal of an amendment is partly to avoid any large variances, if we amend in May but have a large expense come in June related to Construction/Gen Appropriation then we will not have accomplished what our goal was.

o Another part of this meeting was looking forward into next year's budget preparation. While finalizing the projections for current year we can use that as a base to start next year's budget. Is the intent to schedule workshops as in the past to discuss the budget details.

L Meadows suggested a 5-year budget feasibility review with adoption of new budget by August.
K. Tucker made a motion to Approve Financials.
A. Jordan seconded the motion.
The committee **VOTED** to approve the motion.

III. Other Business

A.

Debt Covenants

K Tucker stated he would prefer an emphasis placed on an aggressive paydown model for
debt occurred with the financing of the SeaCoast Collegiate High School. Suggested debt covenants are as follows:

For any drawn amount over $10M:
o a minimum of $1.5M must be allocated to the foundation endowment account.
o 90% of LCIR Revenue must be allocated to debt reduction, 75% otherwise.
o 50% of all grant proceeds, federal or state appropriations, and capital campaign; 25% otherwise

B. Expansion/financing Update

Expansion update
Appraisal has been ordered.

C. Audit firm engagement letter

K Tucker made a motion to approve the engagement letter to be performed on Seaside School, Inc, and the Seaside School Foundation by King & Walker. The total charge for services performed is $13,000.

T Brooks seconded the motion.
The Finance Committee approved the motion.
K. Tucker made a motion to Approve the engagement letter to be performed on Seaside School, Inc, and the Seaside School Foundation by King & Walker. The total charge for services performed is $13,000.
T. Brooks seconded the motion.
The committee **VOTED** to approve the motion.

IV. Closing Items

A. Adjourn Meeting

F. Brown made a motion to Close meeting.
The committee **VOTED** to approve the motion.
There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 9:30 AM.

Respectfully Submitted,
A. Jordan

Documents used during the meeting

- SNS Mar 2024 Seaside Board Pack.pdf