**Gate City Charter School for the Arts**

**Finance Committee**

**Minutes**

**Date:** June 14, 2018

**Time:** 9:00 am

**Location:** 7 Henry Clay Drive, Merrimack NH

**Committee Members in Attendance**:

Bill Spinelli – Finance Committee Chair

Mike Mulrennan – Finance Manager

Rich Boardman – School Director

Jack Balcom – BOT Chair

**Non-Committee Members in Attendance :**

Sandi Smith – Title I Director

Jenny Hitzeman - Vice-Chair BOT

Adam Fredrickson – BOT member

1. **Opening Comments**
   * 1. Open to Public. No public attendees.
2. **OLD Business**
   * 1. **Health Care Update** . Still being researched. Spearheaded by BOT member Danielle Charest.
     2. **Approved 2018-2019 Budget**. 2018-2019 Budget approved at last BOT meeting – May 22, 2018. Foundation : 170 students with Loss Projection at < $5,243>.

**iii Charter School Renewal**. Due to change in management personnel at the State level - an extension has been officially granted for our Charter renewal. ( BOT Chair / School Director ).

1. **Financials – May 2018 Discussion :**
   * 1. **Enrollment / Projections**: School Director says current enrollment is 155 ( last day of school year ) and Looking at 175 + for 2018-2019 School year projected.

* + 1. **Bank Reconciliation – May 31, 2018**.
       1. The Checking Register Balance of $ $234,954 tied-out to the Balance Sheet
       2. NHSSA - $400.00 - annual membership fee. New Hamp0shire School Administration Association. Ability to utilize to advertise, seek opinions / facts (?) and market.
       3. Discussion on certain bills relative to timeliness of billing by Vendor and payment by GCCSA. ( i.e - Like You Want It LLC ) .
       4. Noted three ( 3 ) payroll periods during May 2018.
    2. **Balance Sheet – May 31, 2018**
       1. Nashua Bank Checking ( $234,954 ) ties out to Bank Reconciliation
       2. Accounts Receivable Aging. Noted that $8,841 in the 90 to 120 day collection range. This payment range is beyond normal school payment standards and needs “more urgency” attention. Longer-term focus on establishing solid relationships by Finance Manager within all these school departments with “paper handling” people.
    3. **Budget vs Actual - Income Statement – May 1 – 31, 2018**
       1. Noted impact of three pay periods in month when comparing Actual to Budgeted wage line-items.
       2. Acct #7036. Office Supplies. Extreme variance in Actual vs Budgeted here. Discussion of breakdown accuracy. Discussion of ordering and sign-off procedures. Standardization of ( minimum) two person involvement needed here. SD / Finance Manager / Office Manager to communicate more with each other.
    4. **Budget vs Actual – Income Statement – July 1, 2017 to May 31, 2018**
       1. Discussion on profitablitity of PTAC Ytd .
       2. Discussion of Student Lunch /Snack/ Milk Program YTD
       3. Discussion of #7008 – Services – Instructional /Programs/ Workshops.
       4. Discussion of #5009 / #5010 – Bldg & Grounds Maint / Supplies Bldg & Ground. Decision to seek competitive bids for Building Cleaning Services. To be spearheaded by Finance Chair.
       5. Discussion of Profitabily YTD. - $100,235 .

vi **Cash Flow Overview** – Mike Mulrennan – Finance Manager

**1**  Finance Manager gives estimate of cashflow projections through August 31, 2018. Based on Cash Balance on May 31, 2018, NHDOE Billing for Last day of School Revenue ( 4th draw ), Payroll, Rent and Utility services through August 31, 2018. Projected positive Cash Balance : $96,000.

1. **NEW BUSINESS**
   1. **Teacher Salary Payments – FY 2018-2019.** School Director has standardized all Teacher payments for the 2018-2019 School Year. There will be 22 Pay periods - Starting in August 2018 and ending in June 2019.
   2. **Administrative Structure – Proposed Changes** . Vice-Chair BOT and School Director gave outline of Three-Tier Administrative Structure to replace the Two-Tier Leadership model outlined in the 2018-2019 Budget. Operations Management , Curriculum Management and Student Services Management. Jenny Hitzeman provided a one page line-item breakdown of individual responsibilities . **Going forward** : Full Job Descriptions to be written.

Rich Boardman gave a total sum and breakdown of where monies to fund would come from to keep within the limitations of the Budget approved by the BOT on May 22, 2018. Total monies allocated : $171,000.00. Breakdown : #6001 (Salaries Director ), #6003 ( Deputy Director ), #6008 (Admissions/Mktg Liason - $10,000 ) , #6014 ( Admin Benefits - $5,000 ), #71xx ( Grantwriting - $10,000) , $8,000 from # 40050 Title 1-A Revenue funds ( not currently in budget ) and $12,500 from thirteen (13) line-items in the approved 2018-2019 approved Budget. **Going forward** : School Director and Finance Manager to provide revised 2018-2019 Budget with changes to reflect Personnel Categories and individual Line-item expenses to match BOT approved 2018-2019 Budget.

* 1. **Landlord / Square Footage Demands** . Landlord is requesting review of square footage useage under terms of lease. Board reviewed floor plan provided by Landlord and impact on current operations ( Adam Fredrickson – BOT member ). Inquiries will be made to Town of Merrimack relative to safety requirements for access/exit points. School Director and Finance Chair to spearhead meeting(s) with Landlord after next BOT meeting ( June 19, 2018) to discuss impact to School.

**Adjournment – 10:40 AM.   
  
The next regularly scheduled Finance Committee meeting is July 12, 2018 at 9:00 a.m. at 7 Henry Clay Drive – Merrimack, NH .**