

# ECLC Finance Committee

July 9, 2019

## Members Present

<input type="checkbox"/> Stacie Schmidt-Board	<input checked="" type="checkbox"/> Katie Kempke-Board
<input type="checkbox"/> Josh Homolka-Member	<input type="checkbox"/> Emily Lindsley-Member
<input checked="" type="checkbox"/> Lindsey Hlad, Director	<input type="checkbox"/> Roger Pearson, Consultant
<input checked="" type="checkbox"/> Jerry Soukup-Member	<input checked="" type="checkbox"/> Michaela Preusv-Hansen, Intern

## Reports

1. Lindsey reviewed the Accounts Receivable report with the Finance committee, and will bring updated reports to future finance committee meetings. Ten accounts were listed, ranging from \$5 - \$925. It is unclear if Bonnie (prior finance committee member) turned some of these over collections in the past; Lindsey will check on it. Some accounts await state payment. One large account fighting with St. Francis over who will pay – Lindsey will request weekly payments (\$50 or \$100) be made until the decision is settled.
2. No additions to the proposed committee calendar were identified.
3. No new information on the copier lease agreement was presented. The goal is to have a finalized proposal to present to the board by their August board meeting.
4. Finance committee reviewed the updated cash flow reports. CACFP payments began in June, catching up two months. Payroll was close to budget; professional fees for substitute teachers were \$855 during the month. Educational activities was higher with school age fieldtrips. Katie is going to look into Office Expense and Insurance to ensure all monthly bills were paid.

## Discussion

1. The finance committee entertained discussion regarding re-financing the loan with SHDC. Current principal balance is \$9,506.31 (per Katie's calculations). The committee settled on the recommendation to request monthly payments in the amount of \$284.91 to SHDC for 3 years at 5.00%.
2. The Committee reviewed estimated costs for the purchase v. lease of an under counter, commercial, dishwasher. With information provided from the lessor, it has been determined that the \$100/month product purchase requirement would exceed the center's need for products for the dishwasher by an estimated \$75/month. The cost of the lease and included maintenance is \$121/month. The estimated cost to purchase and finance the dishwasher is estimated at \$152/month. While Katie waits to hear from Sysco regarding any leeway on the purchase requirement in the contract, the lease was reviewed with the purchase commitment. Even if no leeway is provided on the \$100/month purchase commitment, the Finance committee is comfortable approving the lease for one year because it covers maintenance in addition to the use of the dishwasher.
3. Types of easy access to pay immediate and phone bills was discussed. Debit cards were considered the most risky form of payment, as the full balance in the checking account is at risk should the card be lost, stolen, or used for misappropriation. Using a credit

## Recommendations for next Board meeting

1. Recommend the board approves the request to refinance the remaining SHDC loan with principal balance of approx. \$9,506.31 for 3 years at 5.00% for a monthly payment of \$284.91.

2. Awaiting final information from Sysco representative, however, the Finance committee recommends the Board agree to the lease regardless of Sysco's response.
3. Consider removing the debit card on the checking account and open a credit card for the center with a \$2,000 limit.

Back Burner Issues – no discussion

- Develop a quarterly dashboard report to the board
- Analyze all revenue stream product lines for profitability
- Analyze additional revenue growth opportunities
  - Increase enrollment
  - Increase "at risk" enrollment
  - Tuition increases
  - Other

**Next Meeting: July 23, 2019 12:00 Noon, Chamber Office**