

Susquehanna Waldorf School Board meeting

12/16/2020 at 5:30 p.m.

Present: Rochelle Dietz, Kathryn Pearce, Michelle Wann, Deborah Duke, Marian Dickson, Anya Mullen, Nina Radanovik, Alene Reich, CJ Potter, Jen, Ernie, Wendy Dougherty. *Melissa Mcintyre joined at the end of the meeting.*

Presiding: CJ Potter; **Note Taking:** Kathryn Pearce

Documents shared ahead of time:

- *Fiscal 21 reporting 11/30/2020*
- *Fiscal 22 Proforma Draft*

BB&T loan, New

- Original plan: \$100,000. Asked for \$200,000 (as we didn't qualify for Lancaster recovery) they agreed to add \$200,000 to our present balance
- \$50,000 is in a reserve account, is only to be used to pay principal
 - Do we really want to be paying interest on this \$50,000 line that we can't really use?
 - This amount could pay out mortgage for 19 months
 - What are the terms to be able to use this \$50,000? We have to be able to use it for it to make sense to borrow
- Stats
 - 3.41% (very good rate for a commercial loan)
 - Early payoff penalty for the first three years
 - The first 5 payments are interest only payments, then 3.41% for seven years (usually five years, but we got this deal). After that it's prime + 125
 - Building is collateral
 - \$11,000 loan origination fee
 - We must have title insurance (\$3,115 paid at settlement) Standard practice
- Total loan information
 - Market value of our property \$100,200,000 as of October
 - 443,000 – new loan amount (\$200,000 plus the old loan we still have)
- Other assets
 - We have \$39,000 in money market account with BB&T
 - We keep \$100,000 credit line intact
- **Decision by Consensus:**
 - We are okay with the plan, with the one caveat that we would like more information on how the \$50,000 held in reserve can be used
 - We all agree that the finance committee can look into this and make the decision they feel is best with the full backing of the Board. We expect them to bring back a decision. If they need to bring any major information back to the full board they can, but we have confidence in their ability to make the decision in committee
 - Committee members: CJ, Jen, Maria, Deborah, Ernie

Budget Overview

- Referencing handout *Fiscal 22 Proforma Draft*
- Projected year end: negative \$83,000
 - An improved from the projection that Deborah sent out ahead of the meeting
 - A couple of grades students will be coming back in January
 - Kindergarten shifting results in a few more kinder students (3)
- Financial background:
 - This uses the \$83,000 from refinance,
 - Cash reserves from refinance \$66,186;
 - Will end the year with \$100,000 unrestricted in the bank

- Projected vs actual: Why is it different than expected?
 - Fewer students increased our deficit from the deficit we projected
 - Extraordinary give was higher,
 - EITC was lower,
 - Increased faculty pay number (see below)
- Faculty cost increase (Maria)
 - Extra give netted \$10,000 more than planned
 - Want to give this directly back to the teachers in the form of a bonus \$400 for every staff member. To show up by extra check next week.
 - Put to a vote: all voted positively or abstained.
- Action Items:
 - CJ wants to revisit the minutes from the board retreat in January.
 - Deborah to create a reference of what the education REALLY costs, if we are paying our teachers what they should be paid