

12-2-16 Finance Committee Meeting Minutes

Present: Peter, William, Tyler, John, Pete, Jenny

Good month - \$13k over budget net income MTD

\$212+ above cash reserves

Financing Options for new campus: (down to these two options)

Bond Financing with BB&T: \$8m cash for expenses \$2m capitalized over time; 6.25%

1<sup>st</sup> year pay \$11k

2<sup>nd</sup> year pay \$322k

3<sup>rd</sup> year full amt \$740k and on for duration

Turner Agassi Fund:

Own full amount; manage construction; finance completely, we pay rent along the way

Be in for 3-5 years then look at something like bond financing after that

More expensive than bond – 9.5% rate

What all is included in the costs that are projected?

Projections/Budget/QBE Funding – look at history to see FTE funding per student over time

Funding formula is set to change

Variables in projecting QBE funding: funding formula, APS fund balance

Per student ratios based on grade level, QBE – decrease in grade 6-8 students; look at historical data more closely to clean up 10 yr projections