



Marine Area Community School • MN District #4254
Board of Directors Workshop
Marine Village Hall, Marine on St Croix 55047
February 18, 2017, 8:30AM

Board Workshop Minutes – Approved

Mission

Marine Area Community School will utilize the natural resources, history, arts, and civic stewardship of the community as a foundation for the study of language arts, mathematics, science, social studies, physical education, art, and other curriculum subjects. The place-based learning environment will be student-centered, designed by teachers, and reinforced and supported by the local community.

1.0 Call to Order 8:30 a.m.

1.1 Roll Call: Lisa White, Kristina Smitten, Glen Mills, Jon Dettmann

2.0 Approve Agenda

2.1 The agenda was approved unanimously.

3.0 Discussion of 2017 operating budget with The Anton Group: Chair Smitten invited the Anton Group to join a workshop as the MACS Board is looking for general guidance on operating budget items as well as the capital (facilities) budget.

3.1 General Operation Budget: Mike Pocrnich, Managing Director of The Anton Group, introduced budget discussion starting with an overview.

* The MACS board will need to approve the budget by June 2017 (by state statute), even though exact enrollment will not be known and changes can happen in July and August.

* Although the current number of applications might support a projection of opening at full enrollment of 175 K-6, the MACS board is expecting quite a lot of movement on the application list when formal enrollment is opened in April. The enrollment number in the CSP grant is about 140. Mr. Pocrnich noted that opening at full enrollment can present a challenge in that often schools can manage growth organically, as enrollment grows. But because MACS may open with full enrollment, that standard growth model may not be there.

* Class size projection remains 25 K-6. Staffing in classes (number of teachers, paraprofessionals, etc.) will affect budget.

* If initial approved budget estimates 140-150 students, and in August or September the actual number is 175, the budget can be revised once or twice a year to reflect needed staffing and adjustments. This is standard procedure as student populations shift. Multiple scenarios can be used to project costs and revenue.

* Facilities committee member Mark Krusinski noted that the facilities will comprise a large chunk of the budget, and suggested that it may be stabilizing to the budget process to try to capture as many students as possible now (with current high level of interest in charters in general and Grove in particular). Mr.

Pocrnich responded that once we have facility, we can set up an open house with a sample classroom.

- 3.2 Transportation:** Can be very expensive. Per pupil funding is \$283 from state as a component of general ed revenue. Average cost per bus in Metro area \$35-40K for contracted bus. Average is 40 students per bus. Mr. Pocrnich mentioned that another school he works with asked their families to help the school save money by transporting their own kids.

Mr. Pocrnich suggested that MACS ask the District what their strategy might be for transportation.

Chair Smitten asked for any information on and names of other charter schools who are partnering on transportation or other services.

- 3.3 Lease Aid:** Mr. Pocrnich noted that conversations about long-term facility goals (leasing vs. owning) should start soon. There are nonprofit entities called Affiliated Building Companies that can bridge the time until a charter is statutorily able to own property.

* Revenues from the state are based on "pupil unit" which is essentially enrollment (average daily enrollment, or ADM). Kids in K-6 are weighted at 1.0 on the formula. The basic formula is \$1,314 (amount per pupil) x 175 (enrollment) = potential Lease Aid revenue total OR 90% of lease cost. Chair Smitten asked what facility expenses can be included in Lease Aid reimbursements: utilities, maintenance, janitorial services? Mr. Pocrnich responded that it depends on what is written into lease, making clear that Lease aid is not subsidizing unauthorized operational costs. If the base lease cost takes up all Lease Aid funds, and there's no gap, then all operational costs are the responsibility of MACS. Each October, lease costs need to be certified by MDE.

- 3.4 Staffing** *Due to the Board Meeting starting at 9:30, the Workshop was adjourned prior to discussing staffing.*

- 3.5 CSP grant** *The meeting was adjourned prior to discussing the CSP grant.*

4.0 Adjourn