



Board Meeting Minutes – For Approval

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 am

Roll Call: Lisa White, Kristina Smitten, Glen Mills, Jon Dettmann, Lisa Dochniak, Jackie Henschen

2.0 Approve Agenda:

3.0 Approve Minutes of April Board Meeting

Minutes unavailable at this meeting and will be moved to next meeting

4.0 Community Comment

None

5.0 Reports and Discussions

5.1 Administrator Report

Current enrollment is 158 students, and ADM is 162.3. (A family of three moved from the area May 1, so the funds will be prorated to account for this loss.) There are 194 signed enrollments for next year with 5 in process. Waiting lists are in grades 1, 2, and 3 and enrollment in K and 5 are near capacity with pending applications. Grades 4 and 6 have openings at this time. A marketing campaign has been started in the Messenger, Gazette and on Facebook. More than 50 people attended the recent Open House, many of which had already enrolled and some who are on the third grade waiting list (13 students). With that number, it is difficult to anticipate them getting in to that grade. There is an additional student in First grade due to an oversight in accepting timely enrollment applications.

Transportation: Dan Miller will provide information with his recap of the Transportation committee report
Lunch service: Health Inspector is coming Friday, May 25 for a second visit to talk through procedures to update our licensure as a next step.

Staffing: New Kindergarten teacher has been hired. Positions are still open for Special Education Teacher, Speech Pathologist and Janitor for next year. Current staff was surveyed to determine needs for the coming year. Various options were presented, with family and dependent health care contribution being the most desirable option followed by 401k, PTO carryover and contribution toward Short Term Disability. Although any increases are not currently reflected in the budget, the expense is considered reasonable based on the pull-out scenario conducted by TAG and Administrator Goodson.

Community: The last two Fridays, classes have taken trips to the nearby farm with glowing reviews. Increased partnership opportunities for next year are currently in the organizational process. Last week, all students took a trip to the Children's Theater to see a performance of The Lorax and the annual 6th grade play was put on at the Town Hall in Marine. The PTO organized the Color Run last night and had a great turnout. Coming up May 29th is the K through 4th grade concert at Christ Lutheran Church to showcase what they have learned with the Zephyr Theater group. May 30 there will be a band and orchestra concert at the school. The concert will be outdoors during our "Happy Trails Day" event.

Parent Feedback: A survey was conducted in February to gain information about satisfaction. Overall satisfaction score was 8.5 out of 10, which is good for a first year Charter school. The area with the lowest score was related to the mission and vision of the school. Overall assessment is that parents are giving up a lot of grace recognizing the monumental undertaking of starting a school. The next step they would like us to take is

to be deliberate in how we are sticking to our mission and vision moving forward. The length of the school day is 7 hours, and 86% of parents are okay with that whereas 14% think it's too long. The preferred start time is within the 8:30 to 9:00 window with 8:00 to 8:30 being the second option. There is a strong possibility that the 8:30 to 3:30 school day will be realized for next year. We will know for certain hopefully in the next month. 66% of parents feel that the added length of the school day allowing for extra recess and lunch time is a good trade off. About 2/3 of students either take part in school lunch program frequently or have ventured into the program on occasion and are interested in us pursuing our own lunch program. The reasons people have chosen River Grove are mainly because of the setting and the location. There is potential to do another round of the survey before the end of the year to capture any other feedback that would be helpful for the coming year.

5.2 Board Member Reports

Chair Smitten recognized all of the work that is going to achieve the positive results of the satisfaction survey. It is quite remarkable to have an overall satisfaction rating of 8.5, which can be attributed to the staff's willingness to roll up their sleeves with all of this hard work, being very good communicators with our parents, and working hard with all of our students. We wouldn't have expected the teaching team to jump in and have a complete success with the Place-based/Project-based vision; we need to continue to provide Professional Development opportunities. Parents are always concerned about communication and safety and that this is a good place for their kids, and the survey scores of 9.15 and 8.98 in these categories is phenomenal. An incredible number of responses (107 of 114 families) is representative of our parent community and the message that our school is our community school. Getting this feedback in February when things were a bit nerve-wracking is fantastic. Thank you to staff and everyone for making this successful and a true testament to all the hard work this year.

5.2.1 Minnesota Guild is in transition Molly and Brad Blue are moving on, and Cindy Murphy will be the new Executive Director. She comes from the MDE and was also part of The Nest working with the Charter Center.

5.2.2 Future expansion of the school would need to be requested this Fall for the 2020 school year. We can increase by section but would need approval to add grade levels. The timing is the same for CSP expansion funding. Expansion request to our authorizer and then MDE would have to be in place by next year at this time.

5.2.3 Director Evaluation does not require a closed Board session as we originally thought. It is recommended that we evaluate Administrator Goodson based on Staff feedback and Parent feedback. Members Smitten and White will meet with Drew this week to walk through the evaluation and set goals, which will then be shared with the parent community.

5.3 Financial Report

We are six weeks away from the end of our first fiscal year. April financials cash is up from \$72K to \$81K. Short term debt (line of credit) is still at \$97.5K. We want to maintain cash on hand for cash flow at the end of the year. The goal is to pay \$25K towards the balance in June. Accounts payable is up due to the delay in CSP. There is a current surplus of \$51K with some downward adjustments expected keeping us at about \$50K Fund Balance at the end of the year, which highlights the importance of everybody's fundraising efforts this year. Food Service is behind as we wait for reimbursement, and expenses are on track. TAG noted that CSP funds usually are distributed on the 15th of the month, except for June, when they are distributed on the 20th. There are also lags in SpEd funding. The cash flow of the line of credit helps us with expenses while we wait for grant funds to appear. Emergency Funding request by Gov Dayton would provide an additional 2% to the General Ed, which could amount to about \$26K in the coming year. We need to keep in mind it could create a funding "cliff" if schools don't adjust accordingly for 2020 when the funding potentially runs out.

5.3.1 Budget Should adopt today -- Our goal is to increase capital to 5% for next year with 20-25% in coming years. Enrollment drives revenue and will be set at 192 ADM. Any increase in enrollment amounts to approximately \$6000 per child. The State increase of 2% has been built into the budget. There is \$175K in CSP grant funding in the coming school year. (These funds are to be used to impact the learning environment directly and would include materials and Professional Development but

would not be available for purchasing buses.) Donations and gifts will be decreased from the current value of \$150K to \$12K realizing that we cannot create a budget based on “hopes and dreams.” Revenue budget is increasing from 1.6 to 2.1 million partly because of increased enrollment in both GenEd and SpEd, which receives 95% reimbursement. We anticipate an increase in SpEd funding due to increase in this population to our school. Federal start-up funds (CSP) are \$175K. Expenses include Salaries and Benefits, which is determined by number of members enrolled and ages thereof, making it difficult to pinpoint an exact amount. We are leaning toward 25% coverage for family members and are mindful of the importance of making the salary and benefits work for maintaining the current staff and attracting new hires. It is important to begin to shift the CSP funding allocation budget items to a lesser percent of the budget to avoid a funding cliff in the future when the funds are no longer there. For example, an expenditure (supplies perhaps) that was 50% of funds may need to be decreased to 25% for the coming year. CPS grant funds can be used for very specific PD as opposed to compensation for additional days in the Summer. CSP Funds need to be spent by September and the last round by February. We can buy what we need for the following year as needed to set up for the number of students who will be entering K and 1st moving forward. We currently have allocated \$141K of CSP funds and have \$34K remaining to work with. Contractors can be paid out of this. SpEd staff and contracted services have increased and are IEP dependent. A 95% reimbursement allows us to provide the best services for students who require these services. Facility contractors will impact the budget depending on how we decide to utilize these services and the costs that result. (Example: Janitorial increased to daily vs. alternate days at present. Creative ways to provide this service more regularly has been a topic with the PTO.) There is room in the budget to support space changes and wiring needs for the increased number of classrooms for 2018-19. The change in bus service should account for some additional revenue. Actual costs for salaries have been adjusted and a shift in scenario would allow for revision as needed. A salary increase of 3% is projected for the coming years with a potential 2% next year until the unknowns sort themselves out. With this budget, our Fund Balance (net assets) = \$90K or 4% and is built on very conservative numbers. Our goal is 20% over time. Should we have a policy related to Fund Balance and is there an obligation in our contract with the Guild regarding what our Fund Balance needs to be so they are aligned? (Finance committee will look into this.) What are the ways we can increase this FB? Increase enrollment? Cut expenses? Increased donations? We are currently staffed for 200 and should get to that number based on trends. PTO has pledged \$20K, part of which could pay for Zephyr theater alleviating current \$45K costs for specialists. Additional student fees for Band & Orchestra could increase funds as well. Motion to adopt the 2019 budget as presented in the May 19, 2018 draft. (Dettman) Second (White). Motion carries.

5.4 PTO report

Color Run led by Kris and Mike Capra was well attended and successfully raised money for the school.

5.5 Transportation Committee Report:

Dan Miller recapped the options for transportation for the coming year including coordinating with Stillwater Schools or going it alone using MN Central at a greater expense. Based on survey results and information gathered, the task force is recommending that we move forward and purchase our own fleet. There are advantages financially, and operational risk-wise we can have a solid plan by August with the support of Kris & Mike Capra and Ron Gubrud, who currently drives the “Green” bus route and has experience owning operating a bus company, who will provide a strong resource for us with the numbers and hiring. The Capra’s experience owning a small business will provide a model for how we can set up a bus company with our own LLC without putting the liability on the school. The biggest piece is the safety blanket we will need to have is within the contract with the bus company to have a 30 day “out” to buy ourselves some time to solidify our arrangements for the organization of our own bus fleet; this is a critical piece to us moving forward. The goal is to have the plan in place by the July Board meeting including the creation of the LLC, capital access for purchasing buses and continued research on bus fleet. Two to four buses would be a cost savings for the school and would alleviate the concern for start and end times tied we are currently tied to. We don’t anticipate the situation getting better since the district has told MN Central bus company that they don’t want us using the same buses as them going into next school year indicating that this is a move we will need to make at some point. Initially it was determined that we should acquire one bus, but as the situation unfolded it has become clear that purchasing four buses at the same time creates less work in the long term. Ron Gumbud would be the fleet manager and one of the drivers and will also be able to recruit others to

drive as well. It was noted that there is a bus driver shortage nationwide but that there is interest within the community to support this endeavor. Ideally there would be four routes without the need for “hub stops” rather than three buses and hub stops, which the PTO has discouraged. Current allocation in the budget is \$211k and the projected operational cost under the four bus scenario is estimated at \$170k, which includes all vehicle costs and compensation to drivers, which we may decide to increase to attract qualified drivers who are comfortable with part time. There is anticipation that MN Central’s cost could increase to \$250k by Fall. Cost to finance our own buses is estimated at \$60k/year. Long term, this move would increase our 4% cushion for our budget. There are no limits on what we can finance and State reimbursement for transportation costs would remain in place.

- 5.6 Community:** The City Council of Marine voted to get a lobbyist to ensure that children in MOSC would be first in line to the school. The chances are about 50/50, and it is hopeful that this would get through this session. There are other schools in the state with similar situations. This legislation would allow for families within the areas of the school to have access to the school and not have to be on a waitlist and avoid the challenge of a lottery.
- 5.7 Personnel Committee:** The committee has met with each member of the teaching team and all but one of the TAs. Each person has been asked to create one SMART goal related to personal growth and the growth of River Grove based on the Mission and Vision of the school.
- 5.8 Curriculum:** Met with Vanessa Johnson (Teacher Created Materials) to talk about what River Grove may need for Professional Development. Administrator Goodson has been working on the plan for Summer PD.
- 5.9 Election Committee:** Ballots were distributed and collected and will be verified at 11:00 this morning. The two new members will start at our July meeting.

6.0 Old Business

None

7.0 New Business

Parent and Community Advisory: As part of our ORG chart, this committee is viewed as a large part of the success of our school. The PACA provides feedback to the Board regarding satisfaction of the educational program and its implementation. It also informs the Board, teaching team and administrator of community assets that could become part of the learning program. We would want to make sure there aren’t redundancies between this group and the PTO and that there are clear roles and responsibilities defined in this group. The Board will put together more context to adv committee and develop a process to get recruit those who are interested in being involved in this group. Finalize by July meeting. Lisa Dochniak and Lisa White will help move this forward.

Summer meeting dates: Potential to move meetings to different day to accommodate Summer schedules.

8.0 Authorizer Comments

Not in attendance

9.0 Next Board of Directors Meeting: TBD and announced on website

10.0 Adjournment: Motion to adjourn 10:03am (Smitten) Second (White)

