

**The SABIS International Charter School
160 Joan Street
Springfield, MA 01129
Board of Trustees**

Minutes of SABIS Board of Trustees Meeting – May 13, 2020
Finance/Facilities Committee

In Attendance: Wilfredo Lopez, Ellen McDonald, Luis Aponte, Sonja Shaw

Guests: Amy Wesley, Vanessa Pileggi, Ryan Meek, Steve Bissonnette, Tim Tynan, Maretta Thomsen

Not Present: n/a

I. Meeting called to order at 6:06 p.m. via conference call.

II. **Athletic Field Project Update**

Tim Tynan provided an update on the fields project and has the Weston & Sampson proposal for oversight and contracting; they believe it is good time to move on this project for timing and favorable pricing which includes design documents, contract documents, bid assistance, etc. Noted construction administration (“OPM”) is additional. They are ready to get the bid out, do engineering work and oversee the project. Preliminary engineering design and final bid designs and oversight of bidding portion is \$168K. To oversee the contract itself, the operation, is additional \$50K. Noted that the construction administration price was not built into the pricing. The \$2.2M project was already approved by the board, a pre-approval was done in November for next year’s budget.

They would like to break ground mid-July. Question of whether conservation commission will hold meetings. The specific document from Weston & Sampson needs to be approved. This committee will recommend that the full board approves on Wednesday.

III. **Solar Project Update**

Tim Tynan reported that in speaking with Solar Design Associates, they believe it is the wrong time to issue RFP due to less investors being available to take on the project. Have not received RFP from them. He will check in with them on status of RFP deliverable. The school does qualify for the SMART Program.

IV. **FY21 Budget Review & FY20 Budget v. Actual Review**

Steve Bissonnette reported. Freddy Lopez sent report to committee members. FY20 EOY forecast comparison with budget, columns 2 & 3 reviewed—projecting to end year with net income surplus of \$997K; operations will generate net cash surplus of about \$730K to put at year end of cash reserve position of roughly \$12M. Keep in mind athletic field project is a capital expenditure, funded internally by way of \$12M cash reserve position. Not looking to take on additional indebtedness or loans. Cash outflows occur next fiscal year. Favorable variance driven by increase in tuition revenue; staff cost savings; derived savings from shutdown because the school is not utilizing subs and working with the extended day program; also savings in insurance with switch to high deductible plan. Chromebooks purchase is embedded in these numbers using a three-year useful life period.

FY21 budget was put together throughout February and March; had built based on State projections for tuition revenue reflecting almost 7% year over year increase about \$1.6M positive jump—has changed dramatically since then – don't know with shutdown the impact and how will effect projection. The State is looking at possibly having revised projections toward end of June/early July for per-pupil funding. Team tried to put together strategy to meet debt service and also pursue objectives as established. For tuition revenue decided to level fund based on where think will end this year. As more final projections are released, will revisit and adjust. Major driver in revenue for FY21, governor tried to incorporate SOA initiative at almost \$1.6M bump. Increasing staff costs (merit about 3%); adding two new positions—a Spanish teacher and a marketing position. Ellen asked is grant revenue incorporated here? SOA is not guaranteed yet. Ryan Meek noted supplemental grant funding if it comes in, it will be greater than number that is showing. Not spending against it. Expenses are contingent upon revenues being there. Ellen McDonald asked why not keep it “flat” and board can't see it's contingent; Ryan Meek noted doesn't affect bottom line. Grant income and expenses are a wash. Also reviewed was ELL teachers line item and potential CARES Act grant funds to apply Chromebook purchases, tech for next year—will see new information this week but could be a positive contributor to the budget.

Proposed staff additions are new positions of Spanish teacher and marketing position; reflected in budget. Amy Wesley said the marketing position would be used to support and build waiting list, community outreach, social media. Ellen McDonald asked if this type of position would already be part of management fee? Amy Wesley said that the school is responsible for implementing frameworks in their individual markets. Page 5 shows K-5 Spanish teacher; page 6 shows marketing position (will confirm if full- or part-time and provide a job description for the committee). Spanish is increasing from one to two days per week.

IT budget 400 additional Chromebooks to be purchased. Noted that 2nd graders added, since not all families needed or wanted. Board had previously approved distribution for grades 3-12, but since no additional funds are to be used, will not retract offer to 2nd grade parents. Consider whether 2nd grade students will be able to use easily. Noted, at

the moment the focus is use for remote learning; future plans on integrating into learning depends on devices returned, etc. Freddy Lopez asked if Amy Wesley could present on what e-learning would look like as in their other schools, at a future meeting (maybe September). Noted Holyoke and Lowell schools are using them in specific grade levels this year. Consider the expenditure and also the 2nd grade distribution. Recommend for vote at upcoming board meeting.

Capital expenditures page 18, can some items be part of supplemental? Approve supplemental budget request for HVAC control system and RTU for \$103K combined. Consideration of floor vs. carpeting explained by Amy Wesley.

Management fee line item placed in budget but is subject to adjustment based on final contract.

Projecting net surplus and 1.22 debt service ratio, which meets requirements. When presenting to Board \$225K for computers, marketing, management fee, supplemental for HVAC, SOA grant money. FREDDY vote for \$103K HVAC expenditure. Board will have to approve the full budget. Recommend approval of budget pending a few items? Approve supplemental in May and budget in June.

V. **Employee Agreement**

SEM was to respond by March 31; response just returned with ten questions. Their attorney has been notified. Have attorney file complaint for return of the \$23K. Questions returned included a statement about utilizing the dispute resolution clause. Freddy Lopez will review the clause and defer to board attorney on responding. This response arrived 45 days after deadline. Some of the questions within it were answered in the original correspondence.

Ellen McDonald moved to adjourn the meeting. Seconded by Luis Aponte and approved; all in favor. The meeting adjourned at 7:57 p.m.

Respectfully submitted,

Anne-Marie Nicolai, Secretary
SICS Board of Trustees

Attachments

SEM response email