

ABQ Charter Academy

Minutes of the

GOVERNING COUNCIL MEETING

Tuesday, March 17, 2015

5:00 pm

ABQ Charter Academy

405 Dr. Martin Luther King Jr. Blvd NE

Albuquerque, NM 87102

Council Members Present: Rhonda Seidenwurm, Evalynne Hunemuller, Emily Salazar, Jacob Kennedy, John Rodarte (via telephone)

Council Members Not Present:

Guests: Erik Bose, ABQCA Executive Director; Curt Szarek, ABQCA Business Manager; Amy Roble, ABQCA Principal

Minutes: recorded by Amy Roble and transcribed by Donna Vanlandingham, ABQCA Administrative Assistant

CALL MEETING TO ORDER

Mr. Szarek stated the meeting was being recorded to assist in processing of the minutes. The meeting was called to order at 5:00 pm by President Emily Salazar.

ACTION ITEMS

1. Approval of March 17, 2015 Agenda

Rhonda Seidenwurm made a motion approve the agenda. Jacob Kennedy seconded the motion. There was no further discussion. The motion carried unanimously.

2. Approval of February 17, 2015 Meeting Minutes

John Rodarte made a motion to approve the minutes. Evalynne Hunemuller seconded the motion. There was no further discussion. The motion carried unanimously.

3. Unit Value Increase BAR

Mr. Szarek requested all BARS be approved in one motion as has been done in the past.

Mr. Szarek explained BAR 1415-0018-I had been presented to the council for approval at the February meeting which reflected only the Unit Value increase. However, the day after the February meeting, the PED finalized the revised current year 910B-5 reflecting additional growth units. The BAR was distributed along with the correspondence from PED explaining the Unit Value increase and adjusted Equalization. A detailed Operational Revenue and Expenditures statement was also distributed showing how the additional funds will be allocated. Mr. Szarek explained the projected enrollment prepared last year for the estimates were very conservative due to the uncertainty of enrollment with the transition to the new facility this year. The BAR reflects an increase in Equalization of \$535,105 which will be distributed by June 30, 2015.

4. SB-9 FY15 Allocation BAR

BAR 1415-0020-I for \$59,029 was distributed to the council along with the detail Revenue and Expenditures statement for this Fund which reflects available budget will be allocated to Construction Services. Mr. Szarek explained the SB-9 allocation never made it into the initial budget for the 2015 school year as PED Program Managers never approved it by the June 30, 2014 deadline even though it had been submitted.

5. Title II Maintenance BAR

BAR 1415-0021-M reflecting a reallocation of \$250 was distributed to the council along with the Revenue and Expenditure statement showing what accounts will be affected.

Rhonda Seidenwurm made a motion to approve the BARs as presented. John Rodarte seconded the motion. There was no further discussion. The motion carried unanimously.

DISCUSSION ITEM

1. Finance Committee Report/Business Manager Report - Jacob Kennedy/Curt Szarek

The February 2015 check register was sent out electronically to the council prior to the meeting. The February 2015 financial statements were distributed to the council for review and discussion.

- Mr. Szarek reports there is nothing out of the ordinary as far as types of disbursements reflected in the check register.
- Mr. Szarek distributed an analysis of inflow and outflow expenses for the Operational Fund as requested by Dr. Hunemuller at a previous meeting. He reviewed the spreadsheet with the council explaining what each column represents and how he arrived at the amounts. He pointed out the analysis focuses on those costs that are fixed, such as Payroll and corresponding Benefits and those that are variable, such as Legal fees, Ancillary Services, Supplies, and Utilities, that occur monthly. In addition, there are costs that only happen periodically, such as annual GC training, annual audit, the NMPSIA Risk premium, and software licenses. Finally, there are one-time costs that happened in this fiscal year that will never occur again, such as the moving costs and the property taxes for the building.
- He explained the funds previously used for the SIATech Curriculum License Fees are now being spent on other costs such as additional staff members and facilities. He estimates that salaries and corresponding benefits make up approximately 77% of the budget.
- Mr. Szarek distributed an analysis of the projected Operational Fund Cash Balance Carryover for the current fiscal year compared to the two previous fiscal years. He pointed out that the analysis includes staff FTE's, final enrolled MEM, and number of program units that determined the Equalization reflected each year for comparison. He commented that due to the increase in Equalization discussed in BAR 0018-I above, the school will end up very solvent at the end of this fiscal year. He also submitted a historical summary of the school's Cash Balance Carryforward by year since inception to show the council what the school ended up utilizing in each subsequent year.
- The council inquired as to what are the chances the large cash carryover for this fiscal year will be more typical of carryovers in future fiscal years. It was explained because this is the initial year of the facility acquisition, we have yet to build a full year or

historical model with regard to types of expenditures to project. Therefore, the spending in the current fiscal year has been very conservative and limited to only what is necessary, which makes it hard to anticipate any carryover beyond the next budget year.

- The council asked since there are now additional funds available as a result of the growth units how administration would like to utilize these resources. Mr. Bose and Ms. Roble commented they would like to see additional Nursing services because the school currently contracts for 2 hours per week. In addition, they would also like to allocate available resources towards additional social work services. As it is now, the one social worker on staff is utilized to the fullest.
- The council asked for an update on the ESL support for the students. The current goal is to have school wide training on new ELL instructional strategies. The ELL student is currently in one classroom where they receive the needed support and these new skills will give other instructors the ability to serve the students as well.
- A discussion ensued as to the status of the New Mexico State Budget which was passed by the Legislature. The question was asked if there was going to be pay raises for teachers. Mr. Bose responded that to the best of his knowledge the budget allows for a pay increase for first year Level I teachers only.
- Mr. Szarek reports notices to solicit public input during the budget process have been sent to the ABQ Journal for posting. The meetings will be held on Monday, April 13th and Monday, April 20th to be in compliance with statutory requirements. He and Mr. Bose will be attending the Spring Budget Workshop April 8 - 10 where they expect to receive the necessary information to complete the school's FY16 budget. He commented that he ran a preliminary 910B-5 for FY16 since all of the knowns are in place except the Unit Value and the projections reflect the school will receive approximately \$2.6M in Equalization, which is approximately \$180K more than the approved FY15 amount before the growth units were applied.
- The budget is due to PED on April 22nd and to APS on April 24th, so the budget approval will be placed on the April 21 agenda. There will be ample time to review the presentation and ask questions.

2. Executive Director Report

The Executive Director's report was included in the council member packets. Mr. Bose reviewed the report with the council.

- There are 55 graduates so far.
- There are 200 students on the waiting list.
- Graduation will be held on June 18. There will be one ceremony in the morning and one in the afternoon to accommodate all of the graduates' guests.
- Mr. Bose was part of a NCA Accreditation team in Taos. It was a good learning experience for him and he feels it will help when it is time for ABQCA to go through the process.
- He is currently attending the required Procurement Officer training.
- March 24 is the scheduled APS Site visit.
- Mr. Bose commented most of the bills being presented at the Legislative session have been tabled.
- Mr. Bose is still dealing with the HVAC issues. The original agreement with Rachel Matthew Development included the HVAC system being installed up to E-occupancy standards. The debate is the difference between E occupancy standards and regular

standards.

- The property next door put up barriers to prevent traffic from cutting through their property. The Job Corps bus is no longer able to make the turn out of the parking lot, therefore, the students are being dropped off and picked up on MLK. This also means a fire engine would not be able to turn in our parking lot. The City of Albuquerque Zoning Department will determine if the gate on the north end of the easement that is directly east of us needs to be taken down. If so, this may remedy the bus and fire engine issue.
- The Executive Director Evaluation will added to the April meeting agenda. Mr. Bose will email the evaluation template to the council.

PUBLIC COMMENT

ANNOUNCEMENTS

The next regular meeting will be held on April 21, 2015 at 5:00 pm at ABQ Charter Academy.

MEETING ADJOURNED

John Rodarte made a motion to adjourn the meeting. Jacob Kennedy seconded the motion. The motion carried unanimously. Emily Salazar adjourned the meeting at 5:45 pm.