



Members Present: C. Brown, K. Denzer, N. Donnay, J. Gottschalk, R. Hajlo, D. Keyes, D. Melendres, S. Mueller

Board Advisors Present: J. Gutierrez, K. Gutierrez

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### **Call to Order**

S. Mueller called the board meeting to order at 6:02 pm.

### **Open Forum**

There was one request to speak at the Open Forum: Glenn Fager (parent).

### **Board Calendar**

The board will move the approval of the board calendar for next year to May's agenda and will move the succession planning update to June's agenda.

### **Consent Agenda - J. Gutierrez**

The Consent Agenda has the minutes from the March 10 and March 24 board meetings and the Executive Director's report which includes continuing planning for graduation, monitoring enrollment numbers and enrollment planning for next year. We currently have almost 700 students on next year's waitlist.

Motion to approve the Consent Agenda: J. Gottschalk

Second: R. Hajlo

Approved: All

### **Board Election Update - N. Donnay**

Nomination forms were due on April 8. We have four parent candidates: Kristen Denzer, Jason Langfield, Barb Siefken and David Truchot and one teacher candidate: Jake Gottschalk. These names will be published in the Parent Update on April 16, 2021. The candidates all received the Voter's Guide questions which are due back to Susan Peterson on April 22. These responses will be published in the April 30 Parent Update. We will be using Simply Voting again this year, an online election platform. Candidates will be meeting with the board Executive Committee this week to answer any questions regarding their interest in a board of director position.

### **Four vs Five Day In-Person Learning in MS/US - J. Gutierrez**

The April board meeting was moved up a week earlier to discuss the possibility of moving the MS/US to five days/week in-person learning, however, since MCAs are required to be administered this year, the administration recommends using Fridays as testing days for our distance learners. 85% of our DL students are signed up to test and they will need to come into school when in-person students are not in the building. Testing dates are set for April 16, 23 and 30 and May 7 with additional Fridays available in case backup test days are needed. There will be no change to the number of in-person learning days. There was discussion.



### 2021-2022 Virtual Learning – J. Gutierrez

Prior to Covid-19, schools who desire to provide a virtual learning environment were required to submit an application and receive approval from the Minnesota Department of Education. Some schools are submitting this application in preparation for the 2021-2022 school year. Administration is not recommending St. Croix Prep complete an application. Unless we are required to provide a distance learning option for students in the fall, we intend to move forward with keeping students in the building and back to our pre-Covid learning environment.

### 2021-2022 Preliminary Budget – K. Gutierrez

All budget numbers presented are preliminary; final budget will be presented at the May 2021 board meeting.

#### FY22 Assumptions:

- 1% increase per pupil funding.
- Enrollment projected at 1180 full time students, 29 PSEO students, 7 shared time students.
- Compensation is assuming step adjustments, 2% cost of living for non-instructional staff.

#### School Wide Summary:

- Total Revenues \$15,114,000 with a variance of -\$712K from FY21 (variance due to recording the PPP loan in FY21).
- Total Expenditures \$15,050,000 with an increase of \$382K from FY21.
- Projected Annual Surplus of \$64K with a variance of \$1,094,000.
- Projected Fund Balance of \$5,742,000 with a 39% Fund Balance as % of Annual Expenditures (target is above 20%), debt service coverage of 1.22 (target is greater than 1.10) and 126 days cash on hand (target is greater than 60).

#### General Fund (Fund 1):

- Total Revenues \$14,493,000 with a variance of -\$1,004,000 from FY21.
- Total Expenditures \$14,445,000 with an increase of \$171K from FY21.
- Projected surplus of \$48K with a fund balance of \$5,440,000.
- FY22 Projected Enrollment to increase by 12 over FY21 re-forecasted enrollment and a decrease of 9 over FY21 original budget.
- Removing the PPP loan, CARES funding and Covid Related expenses, the increase in revenue calculates to 1.3% which is in alignment with the 1% per pupil funding increase.
- Other revenue variances over FY21: extra-curricular fees will increase by \$79K, fundraising development by \$375K and fundraising parent group by \$55K. FY22 budget projections based on programming and activity returning to pre-Covid levels.

#### Food Service Fund (Fund 2):

- Projected Annual Surplus of \$4K with a variance of \$68K from prior year.
- Projected Fund Balance of \$264K. Fund 2 is projected to return to pre-FY21 revenue and expense levels.

## Community Service Fund (Fund 4)

- Projected Annual Surplus of \$11K with a variance of \$13K.
- Fun 4 is projected to return to pre-FY21 revenue and expense levels.
- Projected Fund Balance of \$93K. Approximately \$50K could be used for a community purpose; the remaining fund balance is assigned for designated purposes.

## PPP Loan – Preliminary Plans – K. Gutierrez

Kelly outlined the net financial impact of Covid which totals \$1,074,892.

- FY20 expenses were \$84K (childcare \$17K, technology \$17K, food service \$50K).
- FY21 net expenses were \$190K (\$450K in expenses for ionization unit, enrollment shortfall, food service loss, loss of extra-curricular gate revenue, parking permit revenue, and elimination of Fund 4 programming offset by \$260K in postponement of bleachers/press box purchase, operational efficiencies, and furloughed staff).
- Lost revenue total of \$800K (deferred projects due to absence of fundraising and Booster/Parent Group/Field rental/etc. from FY21).
- PPP proceeds will cover a portion of FY21 payroll costs, which will free up funds to be allocated to projects postponed due to the impact of Covid-19 on school operations.
- The School Board will discuss possible use of freed up funds at an upcoming board meeting. No funds will be expended until the PPP loan is forgiven.

## Adjourn Meeting

Motion to adjourn the meeting at 7:18 pm: D. Melendres

Second: K. Denzer

Approved: All

Submitted by S. Peterson, St. Croix Preparatory Academy