



Members Present: N. Donnay, J. Gottschalk, D. Keyes, R. Hajlo, S. Mueller, K. Pleticha

Members Absent: K. Denzer, J. Markoe, A. Schumacher

Board Advisors Present: J. Gutierrez, K. Gutierrez, W. Renner

Guests Present: Monica Davis, Joann Neau, Chad Olson

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### **Call to Order**

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

### **Open Forum**

There were no requests to speak at the Open Forum.

### **Consent Agenda**

J. Gutierrez reviewed the consent agenda. This included the January board minutes and the board minutes from the Special Board meeting held in early February, the Executive Director Report, and governance policy readings. The policy readings included Employee Right to Know – Exposure to Hazardous Substances and the first reading of Student Internet Acceptable Use.

Motion to approve the Consent Agenda: B. Hajlo

Second: N. Donnay

Approved: All

### **St. Croix Prep Foundation Overview – M. Davis and J. Neau**

Monica Davis and Joann Neau, co-chairs of the St. Croix Prep Foundation, gave an update on the status of the foundation work and progress. There are five board members who have agreed to serve: Brandon Lerch, Kristen Sheehan, Cullen Sheehan, William Harris and Kelly Gutierrez. They are still in the process of looking for additional members in addition to seeking ex-officio (nonvoting) board members and foundation advisors. The foundation has identified three phases of development. First phase (winter 2018-fall 2019) is establishing and setting direction; phase two (fall 2019-early 2020) is executing on strategic priorities; and phase three (2020 and beyond) is building programs and the donor base. Paperwork has been filed for the 501(c)(3) and Form 1023 – Application for Recommendation of Exemption -- will be submitted to the IRS. The foundation is seeking a school board member to serve in an ex-officio capacity to provide support and guidance.

### **New Website Overview and Presentation – C. Olson**

St. Croix Prep is developing its fourth website – Chad gave an overview of the previous versions, analysis of the current website, feedback/common complaints, etc. The main issues users have mentioned are: technology issues, content and navigation issues. Chad is currently working on adding the following: search section, improved user experience, increased performance, ADA compliance and streamlined content. Launch date is set for summer 2019.

### **Quarterly Financial Statement Review – K. Gutierrez**

Current enrollment is 1157 (without PSEO and shared time students) vs. budget of 1154, however will continue to budget conservatively because we will not enroll students in grades that are in excess of budget until the grade level falls below budgeted numbers. FY18 waitlist at this time was 612 compared to FY19



waitlist of 692 which is mainly due to increase in 7<sup>th</sup> and 8<sup>th</sup> grades. FY20 waitlist is 618. Of note is the kindergarten waitlist of 174, after kindergarten has been fully enrolled for FY20.

Financial highlights in all funds 50% YTD. Net income budgeted at \$136K is projected at -\$116K. The difference of \$252K is primarily attributed to the spending on the stadium lights (expenditure approved at Dec 2018 board meeting). State revenue is forecasted at \$147K in excess of budget which is due to increase in State Special Education revenue. Additionally, local revenues are projected to exceed budget by \$146K, largely made up of \$20K increase in marathon fundraising, \$13K increase in Parent Group fundraising, \$49K increase in food service (10% increase from last year's food service revenue), \$20K in summer camp revenue, \$25K increase to educational travel fundraising and \$20K due to reclassification of Fruit Sale fundraising activity. Expenditures are on track except for the less than 50% expended salaries/wages and benefits in part due to a reduction in J. Gutierrez's salary after approval of FY19 budget as well as a few other 'actual' open salaried positions secured at less than budgeted amounts. Kelly will complete a detailed review of benefit enrollment for the March YTD financial report and recommend any necessary FY19 adjustments at that point. Supplies & materials expenses are higher than 50% primarily due to timing. Equipment and other expense variance due to the expense of the stadium lights, SPED expenses offset by the SPED revenue and \$89K expended for the remainder of the back of the PAC build out. PAC buildout expenditure was funded thru prior year fundraising efforts. These funds were assigned in FY18 unexpended funds to be allocated and expended for FY19.

Key ratios remain within our bond covenants and acceptable rates. Project debt service coverage to be 1.84 vs. 1.10 minimum, fund balance reserve at 28% vs. SCPA policy of greater than 20% and # of days cash on hand at 82 days vs. target of greater than 60.

Kelly will bring a proposed amended FY19 budget to the board for approval at the March meeting.

**Prep Gala – K. Gutierrez**

Discussed the ongoing plans for the Prep Gala on April 6 and invited board members to attend. Discussion of having name tags to identify board members along with staff at the Gala.

Motion to adjourn at 7:50 pm: J. Gottschalk  
Second: D. Keyes  
Approved: All

Submitted by S. Peterson, Board Clerk, St. Croix Preparatory Academy