

RISING TIDE CHARTER PUBLIC SCHOOL

Minutes

Board of Trustees Meeting

October 17, 2022

Virtual Meeting

Narrative Mission Statement:

What is the purpose of the school?

“...The Rising Tide Charter School provides students with community-based education each day, using the Town of Plymouth as a local yet dynamic textbook which will provide fertile ground for the development of higher-order thinking skills.”

Leadership and Governance:

“In accordance with MA Charter School Law, the Board of Trustees is ultimately accountable for the school’s educational mission, performance and adherence to its Charter.”

CALL TO ORDER

Chairman, Chris Schelleng, called the meeting to order at 7:00 PM. In attendance were Chris Schelleng, Norm DeCoste, Sean Kelly, Sandy Kozlowsky, and Amy Norris. Also in attendance were Michael O’Keefe, Head of School; Eric Mello, Business Manager; and Maureen Herrmann, Assistant to Head of School.

GUESTS

Colleen D’Alfonso and Val Marcal, Daniel Dennis & Company
Mary Schiess, former RTCPS Board Member

MEETING MINUTES

Attachments/Handouts: September 19, 2022, Board Meeting Minutes

Maureen shared the September Board Meeting Minutes onscreen.

Sean made a motion to approve the September Board Meeting Minutes. Norm seconded the motion. All voted in favor to approve.

NEW BUSINESS

Chris and Michael expressed their thanks to Mary Schiess for her time on the Board. Mary submitted a letter of resignation prior to the last Board meeting. Mary left the meeting at 7:08.

Auditors' Report

Attachments/Handouts:

Rising Tide Board Presentation 10.17.22

FY 22 Audit Draft Rising Tide Charter Public School

Colleen D'Alfonso reviewed the annual draft auditors' report for the year ending June 30, 2022, including required communications and reports issued that are in the Audit Draft package. She noted that during 2022 there was one new accounting policy adopted, Governmental Accounting Standards (GASB Statement) No. 87, *Leases*. This did not have an effect on this financial statement since we do not have any significant leases.

In the summary, we received an unmodified opinion on financial statements, no findings in governmental standards, and no findings on internal controls – the best results on an audit that you can get.

Val Marcal went over the financial key ratios that DESE uses to review charter schools. We fell in the Low Risk category for all key ratios. She also reviewed historical results for the school, including Assets, Liabilities, Net Position, Revenues, Expenses, and Change in Net Position.

Maureen asked what we should be paying attention to this year with increasing costs. Colleen suggested continuing to monitor the monthly budget to actual expenses to see if expenses are increasing more than we anticipated and figure out ways to offset them. We could look at grants or our significant cash reserves to fund operations. We could also strive to increase enrollment, since that is the biggest driver of revenue.

Eric reviewed our current loan information with Webster Bank and the USDA, including loan amounts, approximate interest rates, and when we would renegotiate rates.

Colleen reviewed items to monitor in the current FY including the implementation of GASB 87, *Leases* (she'll review new copier lease with Eric), as well as due dates for filing reports.

Amy made a motion to approve the Auditors' Report as presented. Sandy seconded the motion. All voted in favor to approve.

Colleen and Val left the meeting at 7:32.

OLD BUSINESS

DESE Charter Renewal Visit

Attachments/Handouts: Charter Renewal Site Visit Overview_Oct-17-2022 mtg

Sean and Chris will be participating in the Board Focus Group on 10/24/22 at 9 AM via Zoom. Michael began by stating that we are in the fifth year of our fifth charter term. DESE will be looking at 3 core areas: Faithfulness to the Charter, Academic Program Success, and Organizational Viability. When visiting classrooms or talking with teachers, leadership team and Board, they will focus on the mission and key elements of our charter, academic instruction, structures to support all learners, and governance of the school. Michael reviewed the details of these areas of focus.

Shawna Weekly applied for an \$18,000 grant and we just found out we were approved. We will be part of a cohort with DESE to do a proactive social/emotional screener, which should give us additional information to see what other things we can do to support students.

FINANCIALS

September 2022 Financial Report

Attachments/Handouts: RTCPS Financial Reports for the period ending September 30, 2022

Eric presented the September financial report, which is for the first 3 months of the Fiscal Year. On the Income side, we initially budgeted for 663 students and \$17,348/student. We currently have 635 students (636 as of today), therefore revenue year-to-date is down (\$144,825).

Expenses are over budget by \$11,831, for a year-to-date negative Net Income of (\$156,656).

Cash balances are at \$2,420,474 – still very healthy.

Amy made a motion to accept the September financials. Sandy seconded the motion. All voted in favor.

Updated FY23 Budget

Attachments/Handouts:

Final Budget FY 2023 Updated 10.17.2022

Eric expects the State Transportation reimbursement to be 90% of FY22 expenses, which is the percentage they paid this year. State Tuition is now budgeted at 640 students, which we hope to get up to with new available open seats. We will have a better idea of our actual per pupil tuition rate in December when DESE recalculates the numbers. The tuition budget is based on an increase of 6% from last year. We were planning to spread out our ESSER III funds between

FY23 and FY24 but have pulled all that money into this year to help meet costs. The lunch program will be a wash since we take in that revenue but then we spend it. We've included \$3,000 for donations. Lastly, Other Revenue includes fees collected throughout the year, Medicaid funding we get, etc. Total Revenue budgeted is \$12,387,585, which is (\$216,942) less than the original budget.

On the Expense side, we decided we would include a 6% cost of living salary increase to try to make staff salaries more competitive. The expenses are \$61,000 more than the original budget.

The original Board approved budget deficit was (\$137,101). There is an additional deficit of (\$278,936) proposed here. The Net Revenue for the year would be (\$416,037). This report has been reviewed in detail in the Finance and Audit Subcommittee. Sean commented that we are committed to adding to staff resources, knowing we are running a deficit this year. We have cash reserves to cover it.

Sandy made a motion to accept the revised budget. Norm seconded the motion. All voted in favor.

10 Year Budget Projection

Attachments/Handouts:

Final 10 Year Budget Projection 10.17.2022

Eric reviewed the revised budget we just voted on compared to the final budget for last year and projected budgets for the next 10 years. Even though we decided to tap into our cash reserves and have a deficit plan this year, we should still be within the 60 days of operating Cash Flow threshold that DESE considers low risk for FY23. We are anticipating break even years or small surpluses over time (which will help fund facility repairs and maintenance).

Eric discussed increases in enrollment, salaries, and benefits in the projected budgets for the next 10 years. Looking out, it would put us back into positive Net Incomes. Sean stated he has a pretty good level of confidence going forward.

BOARD SUBCOMMITTEE REPORTS

Strategic Planning

Attachments/Handouts: Board Strategic Plan Goals & Tactics

Chris reviewed the Key Strategic Initiatives (KSIs) in the 5-Year Strategic Plan. We brainstormed what goals and tactics the Board could engage in to support these KSIs. He reviewed the specific tasks the Board would undertake in relation to each KSI.

Sandy made a motion to accept the Board Goals and Tactics of the Strategic Plan. Amy seconded the motion. All voted in favor.

Nominating and Governance – Chris detailed the 11 elements used in the Head of School annual evaluation. A lot of them were heavily impacted by the pandemic. Based on these, the overall assessment averaged a 79% score. This percentage will be used to determine the bonus for the Head of School based on last year’s performance.

Sandy made a motion to accept the Head of School performance metric. Norm seconded the motion. All voted in favor.

Finance and Audit – Nothing to add.

Communications and Advocacy – Did not meet.

PUBLIC COMMENT

None

OTHER BUSINESS

None

ADJOURN

Sean made a motion to Adjourn. Sandy seconded the motion. All voted in favor to Adjourn.