Abby Kelley Foster Charter Public School

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APPROVED

Board of Trustees Meeting Minutes - FINAL
Wednesday, May 1, 2024
8:00 a.m.

ZOOM MEETING
https://akfcs-org.zoom.us/j/96554507251?pwd=cEV5akxVL2NPeUpoRGE4ZU42UWYvZz09
Meeting ID: 965 5450 7251
Passcode: 222796

The meeting was called to order by Patrick Royce, Chair at 8:31 a.m. The attendance was recorded as follows:

Board Members: Adam Beaudry, Patrick Royce, Amy Vernon, Shelly Yarnie, Bibiche Zagabe-Ndiku.

Chair Royce read the Abby Kelley Mission Statement.

Attachment:
Budget Presentation
FY25 Proposed Budget

Chair Royce provided a brief overview of the meetings with the Finance Committee, Budget Advisory Council, and the work involved from Executive Director Heidi Paluk and consultant Jim George to present the proposed budget before the trustees to review, discuss, and vote for approval. Chair Royce turned the meeting over to Executive Director Paluk.

Executive Director Paluk began by briefly discussing the multiple meetings with the Budget Advisory Council and their expectations in terms of salaries offering the historical context and their proposed salaries for the FY25 budget. Executive Director Paluk explained working with the trustees on the Facilities and Finance Committee and Mr. George to tweak the budget to try to meet the expectations for faculty and staff salaries. Executive Director Paluk reported that while the work was involved the proposed budget before the board should satisfy salary expectations. In addition, adjustments were made up to the time of this morning's meeting and the proposed budget presented is the final version.

Executive Director Paluk referred trustees to the attachment of the budget presentation. Director Paluk provided context on the facts that informed the decisions for the adjusted budget. In terms of revenue, Director Paluk noted that COVID-19 (ESSR) funding ended. Tuition increase due Student Opportunity Act, the school is in year 5 of a 7-year state funding commitment. Tuition was based on quarter 2, April 26 received quarter 3 with a $60K reduction in tuition. Executive Director Paluk adjusted for the decrease rather than showing a variance for FY25. Overall revenue increased by $1 million or 3.3%.

Executive Director Paluk next referred trustees to the facts that informed the budget decisions in terms of expenses. Director Paluk explained that salaries were adjusted to teachers on the scale and noted teachers not on the scale serving over 15 years in order to be equitable. Overall $675K salary increase out of $1 million revenue. Creation of a Position & Control to

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better manage salaries and very tight on salary limits. Health insurance increased by 5% where there was no increase last year.

Executive Director Paluk referred trustees to the examples of reductions and increases in FY25. Director Paluk explained the rationale was to not have adjustments have an impact on student services. Director Paluk provided an example of the reduction in Instruction Software that will better manage the usage and feasibility of software subscriptions and distribution.

Executive Director Paluk presented to trustees the salary adjustments for FY24-25. She explained the main points of teaching staff on the scale will receive a 2% cost of living adjustment (COLA) in addition to a step scale increase. Teaching staff off the scale (more than 15 years at AKF) will receive a 2% COLA and a $1,000 longevity bonus. Instructional assistants will receive a 2% COLA increase in addition to a step scale increase. A longevity bonus of $500 will be given to instructional assistants not on the scale. Non-teaching staff not on a scale will receive a 3% increase. Director Paluk explained to recruit and be competitive in hiring new faculty Step 1 for FY25 was removed from the salary scale. New teachers with no experience will start at $51,324. Director Paluk concluded salaries increased by $675,386 over FY24 actuals.

Executive Director Paluk referred trustees to the FY2025 Budget Proposal. The Total Revenue is up $1 million. The variances in salaries were explained in the salary presentation, Director Paluk referred trustees to the Leadership & Administration, Instructional, and Student Services line item salaries.

Executive Director Paluk referred trustees to the $364K change in net position, which meets the covenance requirements. Director Paluk concluded her presentation and opened the discussion from trustees for any questions.

Trustee Vernon asked about the reduction in staff retention. Director Paluk explained that staff retention provided for appreciation gestures and promotion of goodwill for faculty such as lunch during professional development training, or holiday gifts. The reduction was more than half there is room for management in spending for staff retention going forward. Trustee Vernon asked about the reduction in facilities. Director Paluk explained the constraints involved in hiring contracted cleaning companies and the inability to hire a full-time night crew.

Trustee Yarnied questioned the Nutrition increase and what was involved with the increases. Director Paluk provided an overview that the revenue for nutrition is running higher thereby expenses in nutrition will be spent to offset the revenue. The expenses could include the cost of food and changes in regulators. Director Paluk working with the Nutrition department and Mr. George provides a high level of understanding for this line item expense increase.

Trustee Zagabe-Ndiku asked about the surplus the future of the surplus decreasing and will the school need to draw down from operational savings. Director Paluk indicated drawing from operational savings should not be the case. The FY25 will have more oversight and management. Director Paluk explained that if necessary there will be reductions. Trustee Royce commented that AKF is in a better position than other communities that are experiencing budget shortfalls. Director Paluk stated that AKF during COVID did not reduce the staffing census and this current budget provides for salary increases.

Chair Royce commented that the budget met the priorities and commended the work of Executive Director Paluk into adjusting the proposed FY25 budget. Chair Royce also noted that the decisions in the adjusted did not adversely impact salaries where other communities are facing significant budget shortfalls.

Chair Royce mentioned communicating in the future a financial budget that is in a final presentation for better understanding and clarity. Chair Royce recommended after the audit a budget review and presentation process to discuss budget advisory considerations with guidelines understanding that salaries will have expected increases of at least 2% and a priority for review.

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Trustee Beaudry commented on being apprised of the work amending the budget and communication was reviewed with anticipated adjustments from the Facilities and Finance Committee and the April board meeting. Trustee Beaudry commented he was satisfied with the reclassifications to match AFK financial statements.

With no other comments and questions from trustees, Chair Royce called for a motion to vote to approve the proposed FY25 budget. Trustee Zagabe-Ndiku made the motion, seconded by Trustee Yarnier. Chair Royce recorded the vote.

Shelly Yarnie - yes Amy Vernon - yes Adam Beaudry - yes Bibiche Zagabe-Ndiku - yes Patrick Royce - yes

Action: Trustees approved the FY2025 AFKCS Budget

Chair Royce called for a motion to adjourn the meeting. Trustee Zagabe-Ndiku made the motion, seconded by Trustee Yarnie. The meeting was adjourned at 8:35 a.m.[1]

[1] 8:29 a.m. a participant asked on the ZOOM chat to make a public comment, Executive Assistant Nardella Thomas, direct messaged the participant that a public comment could not be made at that time which was off the agenda and without prior notice given to the Board Chair.

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