

Coastal Montessori Charter School

Board of Directors Meeting

Monday, October 24th, 2016 ~ 6:00 PM

BOARD MEMBER ROLL CALL

The following members of the Board were present:

Jason Hendrix, Rob Horvath, Cathy Scott, Scott Steffen, and Rachel Tomovski

The following Board members were absent:

Gene Mannella and Stella Mercado

Note:

The Board received a resignation letter from founding board member, Kristin Bohan, following September's meeting.

OTHER ATTENDEES

Nathalie Hunt, CMCS Principal

CALL TO ORDER

Chair, Mr. Rob Horvath, called the meeting to order at 6:00 PM.

COMPLIANCE WITH FREEDOM OF INFORMATION ACT (FOIA)

Chair, Mr. Horvath read aloud the FOIA statement.

READING OF THE MISSION STATEMENT

Board Secretary, Ms. Rachel Tomovski, read aloud the CMCS mission statement.

PUBLIC COMMENT

There were no comments.

APPROVAL OF THE AGENDA AND THE SEPTEMBER MINUTES

Chair Rob Horvath informed the Board that Barb Royal, scheduled to present the opportunity for a partnership between Kids Can Give Too and CMCS, could not attend the meeting and would reappear on next month's agenda. Instead, Chair Horvath arranged to have Ms. Michelle Jones of Elliott Davis join the Board via telephone to present the FY-15 Audit.

Mr. Steffen requested that any voting items be moved to the top of the agenda, as he may need to excuse himself before the meeting is adjourned, due to another commitment.

Mr. Jason Hendrix made a motion to accept both October's agenda with the changes, and the September Minutes (previously circulated.) Mr. Scott Steffen seconded the motion. The Board VOTED unanimously to approve both agenda and minutes, and the motion passed.

VOTING ON TERMS OF USDA PERMANENT FINANCING

Chair Horvath reported that the Finance Committee recommends a thirty-eight year amortization with the first year principal deferred. With this option, there will be one payment of interest only due at the end of the year in the amount of \$22,467. The loan amount is \$6,627,200 and the interest rate is 2.375%.

There is some excess money in the loan amount which will be used to pay the closing costs.

Dr. Cathy Scott made a motion to accept the recommendation of the Finance Committee as presented. Mr. Jason Hendrix seconded the motion and the Board VOTED unanimously to approve the terms of the USDA loan.

FY-15 AUDIT REPORT

Via telephone, Ms. Michelle Jones from Elliott Davis reviewed with the Board, their Report on CMCS Financial Statements for the year ended June 30th, 2016. Ms. Jones reported that the Audit Opinion is unmodified/clean. Assets exceed liabilities and CMCS has a healthy cash position with \$814,000 cash on hand. There was a positive change in net position of \$219,000 and a positive change in net balance of \$40,000.

Ms. Jones did identify three deficiencies requiring audit adjustments. All of which are related to the construction of the new facility.

- \$415,000 in construction expenses had to be adjusted - check for this invoice was cut on July 6th and not accrued for as of June 30th
\$80,000 check from Conway National Bank to Vendor was recorded as accounts receivable and should have been listed as an expense
- A deposit for the playground was listed as a security deposit, but in actuality it is a down payment and needs to be recorded as an asset
- An allowance adjustment was made for \$37,000 pledge money that has been deemed uncollectable

Ms. Jones reviewed the Report to the Board of Directors and stated that nothing really new had appeared this year. She directed the Board's attention to the appendix which shows the adjustments they had to book.

DIRECTOR REPORT

Dr. Nathalie Hunt reported the current enrollment:

32 – 1st grade

33 – 2nd grade

35 – 3rd grade

34 – 4th grade

37 – 5th grade
28 – 6th grade
19 – 7th grade

She told the board that they have placed the furniture order, totaling \$101,000 (less than was originally budgeted) and furniture is scheduled to arrive November 21st.
Upper Elementary and Middle School students are making use of the new Chromebooks.

Regarding SLO goals, Dr. Hunt shared the following:

Upper Elementary has math SLO goals related to math fluency, pre-algebra and data analysis.

Lower Elementary has literacy SLO goals related to fluency comprehension and text dependent analysis.

Middle School has SLO goals unique to each course: science is focused on data analysis and interpretation; math is focused on fact fluency and pre-algebra; and ELA is focused on text dependent analysis.

Dr. Hunt was happy to report that the District is requesting a paper and pencil writing test this year, due to the challenges the online version presented for most students last year.

In the new facility, lunch will be divided into two seatings:

11 – 11:30 for Lower Elementary students

11:30 – 12 for Upper Elementary and Middle School students

The lunches will come from Waccamaw High School. Dr. Hunt and Tia will enroll in the Serve Safe online training this week.

Dr. Hunt reported that she would post the following positions this week: Custodian and Food Service Operator.

The board was informed that the Department of Justice would be visiting all the schools in the district and CMCS is scheduled for November 17th. In preparation, Dr. Hunt will be meeting with Robert Duff, attorney for GCSD, and then with all the elementary principals.

Regarding marketing for Open Enrollment, Dr. Hunt reported that CMCS has billboard ads in Georgetown, and posters and the new brochures with enrollment applications are being distributed. She has visited the Head Start programs in Choppee and in Georgetown and was well received. She is working on scheduling some church visits. An open house is being planned for December 1st in the new facility.

To date, the following enrollment consideration forms have been received:

1st grade – 16

2nd grade – 1

3rd grade – 5

4th grade – 4
6th grade – 1
7th grade – 1

CMCS will have a float in the Veteran's Day Parade on November 11th. All families are encouraged to participate.

FACILITY REPORT

Chair Horvath reported that the USDA Loan closing is scheduled for Thursday, October 27th. \$269,000 will be immediately moved into a cash reserve account, as required by the USDA.

Everything is still on track to have the final inspection on November 7th, hopefully resulting in the certificate of occupancy, which will make November 14th the first day for classes in the new facility.

Chair Horvath was happy to report that the building insurance cost is \$17,000, lower than what was budgeted. The policy has a \$98,000 deductible for damage due to a named storm.

John Ramsay is checking into whether the insurance policy covers damage due to an HVAC leak. Chair Horvath told the board that they are considering the option to add flood insurance even though the school is not located in a flood plain.

Per USDA requirements, fidelity insurance was increased for each employee.

An IT installation group out of Atlanta was at the school today. Time Warner has not been able to give the school a definitive cost and has been very difficult to work with. CMCS is looking to get out of the contract, which has eighteen months left. There will likely be a penalty fee. However, the choice has been made to go with HTC in the new building. Landscaping should be finished this week.

INFORMATION ITEM

The Public Charter School conference is being held in Columbia November 15th through 17th. Chair Horvath has been asked to present at the conference on behalf of CMCS. He will attend for one day in order to do so.

FINANCIAL UPDATE

Prior to the meeting, Treasurer, Jason Hendrix and Mr. Gene Mannella reviewed the budget and circulated copies to all board members. There were no questions raised.

MEETING ADJOURNED

There being no further business to be transacted, Mr. Hendrix moved that the meeting be adjourned. Ms. Tomovski seconded. The Board VOTED unanimously and the meeting was adjourned at 7:13 PM.

Respectfully Submitted,

Rachel Tomovski
CMCS Board Secretary