

Meeting: PACE Career Academy Board of Trustees  
Date: Monday, May 21st, 2019  
Time: Board Meeting - 6:00pm  
Location: PACE Career Academy  
Allenstown, NH 03275

## Meeting Minutes

### 1. Call to Order: 6:05 pm

Present:	Absent:
Gene Calvano	Tim Herbert
Kris Raymond	April Villani
Tom Gilligan	
Jorge Santana	
Clint Hanson	
Karen Guercia	
Rachel Carver	
Ann Robinson	

### 2. Nominations of Board Members:

#### **A. Nomination of new board members**

Gene would like to nominate Ahni Malachi, a parent of a PACE student. Rachel seconded the motion. Clint asked if Ahni has a current student at the school and what grade the student is in. Jorge responded that she has a daughter named Sydney who is a current sophomore. Kris asked which town they live in. Rachel responded that they recently moved to Penacook from Pembroke.

All voted yes, and the motion passes unanimously.

Jorge recommended Sydney Malachi as the student representative on the Board. Clint made a motion, Gene seconded. Motion passes unanimously.

Gene is interested in nominating one of the contractors who has been working on the new building for the Board. Tom said that the contractor should come to a few Board meetings prior to recommending him for the Board.

#### **B. Structure of the Board**

-Positions on the board are as follows: Chair, Vice Chair, Treasurer, Secretary.

Kris made a motion to nominate Clint for the Chair of the Board. Karen made a second. Clint abstained on the motion and all others voted yes.

Nominations for Vice Chair. Gene nominates Kris for the position. Karen seconds the motion. The motion passes unanimously.

Treasurer. Kris nominates Gene for Treasurer. Second by Ann. Motion passes unanimously.

Secretary. Clint made a motion to nominate Rachel. Ann second. Motion passes unanimously.

### 3. Minutes:

March 18, 2019 - Motion to approve the minutes. Moved by Clint, second by Gene. Motion passes unanimously.

April 15, 2019 - Tom makes motion to approve minutes as amended, Kris makes a second. Motion passes unanimously.

-Proposed changes: Ann needs to be marked as being present. HEFA is spelled incorrectly throughout the document.

May 6, 2019 - Tabled. First reading will be during the next meeting (June).

### 4. Immediate Business:

#### A. Financial Update

Laurie sent out a current cash flow as of end of last week. The cash flow shows that we only have \$1,000 however we have a check for \$9,750 that has not been sent. There's an error of a check that was written to the Food Bank that will be returning to us. We also have a HEFA line of credit approved of 50,000, just waiting for the paperwork. We will need that to get us to the middle of June. We have an adequacy check coming. It is the smallest of the three annual payments, at about \$700 per student, which is roughly \$30,000 total, plus the tuition money from the SAU which is about \$40,000.

Gene sent out three commitments letters so we can purchase the building. Gene and Jorge met with the DOE. They thought that the building was perfect for us. The appraiser has already been there but we have not received the report. The general inspector came but we don't have that report either. Those were around \$6,000.

Tom asked what Gene recommends to lower the risk of not having a structural inspection. Gene spoke with someone who is an inspector who said it was not a problem at this point. The structural inspection means that we will be buying the building "as is." The inspection is not required.

The major items add up to about \$30,000. All items add up to less than \$100,000. Gene would like to delay spending the \$7,600 for the architectural structural. If we spend it, we may not have enough money for the closing. The seller did not extend the closing but they extended the inspection. The closing must happen before July 1st.

Gene would like approval to sign the permission letters. They are non-binding in purchasing the building. Gene requests a motion to approve the execution of the agreement with Eastern Bank for a loan for the purchase of the property on Riverwood Drive for up to

\$810,000. Clint makes the motion, Kris seconds. No further questions or comments. Motion passes unanimously.

Gene requests motion to approve Gene executing the paperwork for a loan of up to \$250,000 and for said money to be paid to Eastern Bank for the purpose of purchasing the property on Riverwood Drive. Clint motions, Kris second. Passes unanimously.

Gene requests a motion to authorize Gene to execute a loan for \$200,000 with a fixed interest rate of 7% with a 5-year term and 20-year amortization for the purchase of the property at Riverwood Drive. Clint motions, Kris seconds. Motion passes unanimously.

Gene would like a motion for Gene to execute a line of credit of \$50,000 for the purpose of general operating expenses. Clint makes the motion, Kris seconds. Motion passes unanimously.

### B. New Space Project Update

We are expected to have the Certificate of Occupancy by June 1st. When the work is done, we will be about \$50,000-\$65,000 over. We have Homeland Security money coming, but we will still be over. \$15,000 of that is from the engineering study, there was also the unexpected firewall. Tom asked about our expected income from grants prior to June 30. \$2,500 from SSRP. \$38,000 from CSI to be used before September 30. Title I reallocation money coming up will go towards English position. \$2,000 from Title II. \$16,000 from Homeland Security for the doors. \$2,000 for the radios at the new building. PACE will need to come up with about \$6,000 this fiscal year.

For the buildout, we're going to run a deficit of about \$60,000 for this fiscal year which will be encumbered in next year's budget.

Clint moved to open the 2019/2020 budget. Kris made a second.

PACE needs to budget an additional \$60,000 in the 2019/2020 budget to reconcile the above noted deficit.

State adequacy will be raised by about 2% for the 2019/20 school year. For 50 students, that will be about \$5,880. This increase is not yet confirmed in the NH House. There was an increase of \$200 per student for FRPL. We may have rental income from the new building, on the assumption we will purchase. Possible increase in budget could come from having more than 50 students.

Karen questioned if the liability insurance policy is sufficient for owning a building. Clint asked if we have liability covering the Director, Assistant Director, or officers on the Board. Board members were unable to recall, but it will be looked into further.

Tom made a motion that we increase budget line item 115 to \$10,000. Clint seconds. Passes unanimously.

Tom made a motion on line 117 to add \$60,000 to additional expenses to the build out. Clint seconds. Passes unanimously.

Returning to the discussion on insurance, Gene, Karen, and Clint showed interest in increasing insurance. Scenarios regarding the bus arose, as well as the changes that will occur in owning a building of our own.

Karen recommended beginning a building trust next year. Other Board members agreed that this is a good idea.

Gene said that the expenses of the 2019/2020 budget is \$719,585. The deficit is \$37,523. The change from 50 to 55 students will help to reconcile this, as will an increase in the fundraising of \$2,318. There is an increase in donations as well. Gene will let the Board know the tuition differences as well.

Total expenses will be \$720,000 even. Moved by Clint, Kris seconded. Motion passes unanimously.

Staff has not received their contracts yet. Once given, the staff has 15 days to accept or decline. Employees are given two copies. Karen recommended that if an employee does not return their signed contract within 15 days, Jorge is authorized to post the position. Jorge should record when each contract is received. Jorge will email Clint to stop by and sign the contracts when they are ready.

#### C. Director's Report

- Students watched Kris testify at the State House.
- Jorge requested a motion to execute a contract with Shadida Solutions for up to \$6,000 to be paid with grant funds. Clint moved, Kris second. Motion passes unanimously.
- Ribbon cutting will be held on September 12 at 4:00pm at the new building. Karen requested we invite the two superintendents of SAU 53, Pembroke SB, Allenstown SB, Epsom SB, Ray Duckler (reporter assigned to the Allenstown, Pembroke area), Union Leader.
- Jorge will look into the possibility of having two raffles at graduation by reaching out to Jane Waterhouse.
- Jorge included the CSI Final Diagnostic Report in the Director's Report packet.
- PACE has been approved for a joint group with MC2 Charter School for a 3-day retreat over the summer as well as a weekly mentoring session with staff for the next several months.
- Tom requested an enrollment report each month, including where each student comes from.
- PACE will re-post the VISTA link to the Facebook page again. Jorge also asked the Board to share and like posts on Facebook.
- Jorge is meeting with the Executive Director of the Friends Program.
- Jorge and the staff have been preparing summer programming to run for 6 weeks over the summer.
- Jorge highlighted trips and events from the past month, including a trip to iRobot.
- The move to the building is coming soon. Students and staff have begun to pack. The U-Haul is booked for May 31st and the plan is to start school in the new building on June 3rd.

#### D. Non-public:

No non-public session was necessary.

#### E. Adjournment:

The meeting was adjourned at 8:54pm.

**Next meeting: June 17, 2019**