APPROVED

# Martin Luther King Jr. Charter School of Excellence

# Minutes

## FINANCE COMMITTEE MEETING 2.8

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**Date and Time**
Tuesday February 8, 2022 at 5:00 PM

**Location**
JESSICA PUTNAM is inviting you to a scheduled Zoom meeting.
Topic: My Meeting
Time: Feb 8, 2022 05:00 PM Eastern Time (US and Canada)
Join Zoom Meeting
https://us02web.zoom.us/j/88385063693?pwd=bk9LQ3lONkxrUDhNeXpIa3JuMUZvUT09
Meeting ID: 883 8506 3693
Passcode: 674198
One tap mobile
+13126266799,,88385063693#,,,,*674198# US (Chicago)
+16465588656,,88385063693#,,,,*674198# US (New York)
Dial by your location
+1 312 626 6799 US (Chicago)
+1 646 558 8656 US (New York)
+1 301 715 8592 US (Washington DC)
+1 346 248 7799 US (Houston)
+1 669 900 9128 US (San Jose)
+1 253 215 8782 US (Tacoma)
Meeting ID: 883 8506 3693
Passcode: 674198
Find your local number: https://us02web.zoom.us/u/kjs1SAqsO

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**Committee Members Present**
Dean Morneau (remote), Jessica Putnam (remote), Ron Molina-Brantley (remote), Wilma Tynes (remote)

**Committee Members Absent**
*None*

**Guests Present**
Kendra Salvador (remote)

## I. Opening Items

### A. Record Attendance

### B. Call the Meeting to Order

Jessica Putnam called a meeting of the Finance Committee Committee of Martin Luther King Jr. Charter School of Excellence to order on Tuesday Feb 8, 2022 at 5:04 PM.

## II. Refinancing of Debt

### A. Review Offer of LOC from Berkshire Bank

Jess opened the mtg. and brought everyone up to speed on the history of our relationship with Berkshire and offer from Easthampton Savings Bank

1. **Review Offer of LOC from Berkshire Bank**
2. Mentioned that it doesn't make sense to refinance with another bank at this point – we would be paying significant amount with buy-out, interest rate and tax on bond. Interest will reset this summer – might be flexible. Goal – look through offer - what do we want to get from Berkshire (other provisions/incentives)
3. Berkshire offered $150k line of credit – could we get a good faith increased line of credit to $250k (original loan - maintain $750K in reserve). Set up mtg. with Berkshire to discuss possibilities.
4. Refi with Easthampton - to be considered: grants falling off, reduced tuition rate. Would like to continue relationship with Easthampton for possible future refi (when we pay down debt to Berkshire)

## III. PRELIMINARY BUDEGT DISCUSSION

### A. PRELIMINARY BUDGET DISCUSSION

Budget preliminary thoughts/discussions:

1. Kendra performed salary analysis with area schools; would like to increase salary's to make MLKCSE more competitive
2. Need to review fixed costs and do a YOY comparison that evaluates how we will operate a balanced budget/surplus once the ESSER grant funds drop off.
3. Decrease in tuition rate per student effective in this year
4. ESSER grant funds
    1. Used all of ESSER 1
    2. Currently drawing from ESSR II
    3. Might not even finish drawing from ESSR II until end of this year
    4. ESSR III carried into 2023
5. Facilities rate will increase for 1st time – will be up to $1,088 per pupil (total $392,768), currently at $880 per pupil ($317,680) cost will be approximately an additional $100k

Schedule for budgeting process:

1. February First Draft
2. Finance committee reviews and discusses
3. Board Presentation in April
4. Board vote in May

## IV. Closing Items

### A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 5:40 PM.

Respectfully Submitted,
Jessica Putnam