

## Baxter Academy for Technology and Science

### Board of Directors SPECIAL Meeting

5:30 to 7 p.m., Tuesday, May 19, 2020

185 Lancaster Street, Portland, Maine

Present: Board Chair Patti Oldmixon, Vice Chair Christian Sparling, Treasurer Peter Montano, Secretary Ruth Dean, Executive Director Kelli Pryor, Thorn Dickinson, Nik Charov

Guests: Accounting Manager Kerry Bush, Attorney Dan Amory

#### Agenda item

##### I. Opening Items

###### A. Review of Budget Presentation from Last Week

Board Chair Patti Oldmixon offered a quick review of the budget process from the regular meeting held May 12.

In the normal timeline, the state issues allocations in January and the finance team works from February to May to prepare the next year's budget. Now, due to expected revenue losses related to the pandemic, the Maine Charter School Commission estimates a 10-15% cut in funding. A draft budget was prepared for last week's regular board meeting to be voted on tonight.

The impact of COVID-19 on the Maine Economy is projected to be significant as revenues are down drastically. There is a projection of a 1.2 billion dollar shortfall for next year. The charter commission recommends the school models budget scenarios with revenue cuts of 5%, 10% and 15% and more. At 15% that would be over \$600,000 out of our budget for next year. This would put us below the budget of the 2018-19 school year.

There are four levers the school can pull:

- Reduce expenses where possible. Shift new laptop purchases out to a different year.
- Work to renegotiate operational contracts for cleaning, transport and leases.
- Freeze salaries at the 2019-2020 rates. Faculty salaries are subject to negotiation.
- Adjust the number of FTEs in our budget. Use attrition when possible and protect the ability to educate students.

Given all the moving parts, we will ultimately need to create multiple scenarios and significant questions remain.

1. Are classes in-person, remote or a combo.
2. Is the funding cut 10%, 15% or more?

For this draft the finance team bases the budget on remote classes and a 10% reduction in funding. It projects both revenue from the state as well as from donations to be down 10%. Which works out to a reduction of \$447,450 from last year's budget.

The school started with Operational Expenses to identify potential savings, although many expenses are fixed. A major adjustment is to reduce legal fees by 40%. The administrative team is negotiating with the bus company, but it is impossible to eliminate all costs as the school needs to maintain flexibility to return to school.

After all operating expenses are cut, the last item to be adjusted is the wages and salary line, currently an 8% reduction. The new budget looks at removing 4 teacher and 4 administrative positions. Several of those positions hadn't been hired and we are hoping to use attrition when possible and protect the school's ability to educate students.

## **II. Public Comment**

Board Chair Patti Oldmixon opened the meeting for public comment and fielded questions about the budget and the school's continued response to COVID-19 from parents and teachers.

## **III. Finance**

### **A. Draft Budget**

Board Chair Patti Oldmixon makes the motion to finalize the budget for school year 2020-2021, Peter Montano seconds. All members vote in favor.

Patti Oldmixon noted that the board met last week in executive session with members of the Baxter Educators Association. Patti made a motion authorizing sending a letter of response to the BEA reps. Peter Montano seconded, and the motion passed unanimously.

## **IV. Closing**

### **A. Executive session\***

Board Chair Patti Oldmixon moves that the board go into executive session. Vice Chair Christian Sparling seconds. All in favor.

**Next regular meeting: 5:30 p.m., Tuesday, June 9, 2020**

Via ZOOM

*\* Executive session to discuss collective bargaining pursuant to Section 405(6)(D) of Title 1 of the Maine Revised Statutes.*