

KENAI PENINSULA BOROUGH SCHOOL DISTRICT

Charter Schools Oversight Committee Meeting

Monday, June 1, 2009

11:15 a.m. – Conference Rooms A & B

In attendance:

Dave Jones, Assistant Superintendent
Joe Arness, Committee Member, School Board
Penny Vadla, Committee Member, School Board
Sunni Hilts, Committee Member, School Board
Kiki Abrahamson, Fireweed Academy Charter School
Stephanie Zuniga, Fireweed Academy Charter School
Mick Wykis, Kaleidoscope Charter School
Mo Sanders, Soldotna Montessori Charter School
Charlie Walsworth, West Homer Elementary
Carolyn Cannava, Soldotna Elementary
Lassie Nelson, recording secretary

- I. Dave Jones called the meeting to order at 11:15 a.m.
- II. The minutes from April 13, 2009 were approved with the following change, and will be sent to Committee members as well as being posted on the District website:
 - A. The last sentence in the third paragraph of Item II was changed to read: Carolyn Cannava noted that charter schools receive borough in-kind local support if they are housed in a neighborhood school.
- III. Kiki Abrahamson presented a request for the Charter School Committee to recommend the School Board approve Fireweed's purchase of the Owen Marine building to house additional Fireweed students, to include K-2 students and eventually grades 7-8. The total price would be \$550,000, requiring \$5,000 in refundable earnest money; \$50,000 as a down payment; and the remainder would be owner financed at 6.5% for 15 years. There would be no early payoff penalties, bank fees or real estate commissions.

Several concerns were voiced: 1) the selling price is considerably higher than the assessed valuation; 2) the building will need expanded bathrooms and a sprinkler system; 3) an elevator would be needed to make it handicap accessible; 4) new roofing will be required soon; and 5) exit signs, crash hardware, handrails, etc., would have to be brought up to code.

Kiki stated that for the first year they only planned to finish the first floor. The second floor could be finished as space was needed and funding became available. She also stated that all handicap students could be housed on the first floor, making an elevator to the second floor unnecessary. She said they would be relying on parents who are

plumbers, carpenters, etc., to do much of the upgrade work and have a licensed/bonded company sign off on the work.

Joe Arness asked if this is an entity that can legally own property. There was discussion on forming a non-profit organization; Dave noted that they must have Board approval to buy the building even if it was decided to form a non-profit. After much discussion on forming a non-profit, Kiki questioned how a non-profit would access state-funded money designated for public schooling. Joe stated that either they needed to form a non-profit organization, or it would be necessary for the Kenai Peninsula Borough to become involved, since the schools in the District are owned by the Borough. A non-profit could purchase the building and then Fireweed could lease from the non-profit. There were also questions on what would happen if the charter school found it couldn't make a payment.

Dave handed out financial calculations and explained how charter schools are funded; also included were proposed enrollment increases and how it would affect finances. He asked Kiki if the secretary and administrator would continue with the same number of hours, even though the number of students would increase, and was told those hours would remain the same. Dave stated he had concerns regarding the secretary and administrator hours remaining the same with such an increase in students.

The question of insurance was brought up, since this would not be a Borough-owned building. Dave said he would check with AML/JIA to see if they would be willing to insure.

In reviewing the handout from Kiki, Dave said he would like to see some changes to the Assumptions to Financial Calculations on page 3: #10 and throughout the list) he would like to see references to FTE changed to ADM – they are not interchangeable; #11 & 12) the number of K-2 students should be changed to 42 students. He also said that they needed to keep in mind that if experienced teachers were hired instead of teachers at the beginning of the scale, they would be faced with higher wage and benefit expenses.

Dave had some questions: 1) Will the fire marshal approve the sprinkler system? 2) Will building permits be needed? 3) Will volunteer labor be allowed?

Sunni Hilts said she was concerned that not enough time is allowed to get these things done before the start of the coming school year.

Kiki asked if there was any way to lease with an option to buy. Stephanie Zuniga wanted to know if someone purchased the building, put in a sprinkler system, etc., would the process be to come to the Board to move forward? Dave stated it would be a long-term financial agreement, and that they would still need to come to the Board.

Sunni stated that nothing could be done until all questions had been answered.

Dave said he would contact the Dept. of Education to see what the process is for them, and he would also contact AML/JIA regarding insurance. He said Kiki should contact

the fire marshal to see what safety requirements would have to be made, and then contact the architect to see how these measures could best be implemented. If these answers are received right away a special meeting might be necessary.

IV. The meeting was adjourned at 1:07 p.m.