

**Hmong College Prep Academy
Board of Directors Meeting
May 19, 2016
4:30 PM
Board Meeting Minutes**

Present: James Cave, Vue Thaow, Christy VongVang and Kalc Vang (via facetime)

Ex-Officio Board Members: Dr. Christianna Hang

Guest(s): Dr. Sandra Horn Pao Yang Christina Wordes Ellen McVeigh
 Lisa Bonko

Opening:

Hmong Academy School Board convened for a Regular Board Business Meeting on Thursday, May 19, 2016 in the Board conference room at Hmong College Prep Academy 1515 Brewster Street, Saint Paul, Minnesota 55108. *Dr. Christianna Hang*, called the meeting to order at 4:44 PM. She opened the meeting with the reading of the Hmong College Prep Academy mission and vision.

Consent Agenda Items:

May 19, 2016 Board Agenda and April 21, 2016 Meeting Minutes – Review/Approve

- Mr. Vue Thaow presented a spelling correction of his name on page 3 of the minutes. Motion to approve the May 19 agenda and corrected April 21, 2016 Meeting Minutes were so moved by *Mr. James Cave* seconded by *Mr. Vue Thaow*. **Motion passed unanimously.**

2016-17 Budget and 5 Year Long Range Budget - Dr. Hang and Christina Wordes -Review/Approve

- Dr. Hang and Christiana Wordes of BKDA presented the 2016-17 budget and 5 Year
- Enrollment Detail:

Enrollment	2015-16	2016-17	2017-18
Students Grades K-6	710	695	875
Students Grades 7-12	635	655	650
Total Headcount	1345	1350	1525
Total ADM (Funding)	1472	1481	1655

- Revenue Detail: Ms. Wordes explained that most of HCPA's funding comes under the General Education Revenue. 2016-17 Budgeted revenue is \$13,679,762 and in 2017-18 it is forecasted to increase to \$15,136,946 with the new edition.
- The federal TIF grant will expire this in 2016-17. In 2017-18 planned revenue from this source is \$0.
- Community Service Fund: Per the revised rules from MDE, only schools who receive payments from their families for afterschool activities will have a Community Service Fund. Since HCPA does not charge families for the After School Programs the accounting for the program is within the General Fund.
- Some notable details regarding the expenditures are the salary increases based on the new salary reset. Also, the Capital and Technology category reflects a transfer of \$2,000,000 from the fund

balance for expenditures involving the proposed expansion.

- Budget Overview:

Budget Summary - All Funds	2015-16	2016-17	2017-18
Revenues/Transfers In	\$19,314,198	\$20,228,038	\$21,613,648
Expenditures/Transfers Out	\$18,493,497	\$21,844,741	\$21,474,702
Fund Balance Change	\$820,701	(\$1,616,704)	\$138,946

Fund Balance Summary	2015-16	2016-17	2017-18
Beginning Fund Balance	\$6,257,752	\$7,078,453	\$5,461,749
Change in Fund Balance	\$820,701	(\$1,616,704)	\$138,946
Ending Fund Balance	\$7,078,453	\$5,461,749	\$5,600,696
Fund Balance % - All Funds	38.3%	25.0%	26.1%
Fund Balance % - Gen. Fund	40.6%	26.3%	27.8%

- Ms. Wordes reiterated that a 25% fund balance is still a healthy balance for a charter school.
- The following budget 2016-17 adoption was read by *Mr. James Cave*: I make a motion to adopt the 2016 - 2017 budget as presented:
- General Fund: Revenues of \$19,106,738 and Expenditures of \$20,708,641.
- Food Service Fund: Revenues of \$1,121,300 and Expenditures of \$1,136,100.
- Budget Adoption was moved by *Mr. James Cave* and seconded by *Vue Thaow*
Motion passed unanimously.

Resolution to approve the Letter of Intent to Purchase dated May 12, 2016 between KCK Real Estate and HERC - disc/approve

- A Letter of Intent to purchase the 10.05 acre property located at 1530 Brewster and 1088 Snelling Ave. in St Paul was passed by HERC on May 12, 2016. The resolution to approve the letter of intent was presented by Dr. Hang and Ms. Ellen McVeigh.
- The letter of intent must be passed previous to solidification of the purchase agreement and all of the details surrounding the agreement. The price for purchasing the land is 5.7 million.
- *Mr. James Cave* moved the following two resolutions:
- FURTHER RESOLVED, That the Corporation hereby approves the execution by HERC of a Letter of Intent dated May 12, 2016, between KCK Real Estate, LLC and the Corporation, for purchase of Property as defined in the Letter of Intent, and its decision to proceed to negotiate a binding Purchase Agreement for the Property at a purchase price of \$5,700,000.
- FURTHER RESOLVED, That the officers of the Corporation be, and hereby are, directed and authorized to take such action as they shall deem necessary to support HERC's actions to

- effectuate the foregoing resolution.
- *Mr. Vue Thaow* seconded the motion. **Motion passed unanimously.**
- *Mr. Vue Thaow* moved the following resolution:
- RESOLVED, That Hmong Education Reform Company be, and hereby is, authorized to amend its Articles of Incorporation by adding a new Article X, as follows:

ARTICLE X

Action Without a Meeting

An action required or permitted to be taken at a board meeting may be taken by written action signed, or consented to by authenticated electronic communication, by the number of directors that would be required to take the same action at a meeting of the board at which all directors are present.

- *Mr. James Cave* seconded the motion. **Motion passed unanimously.**

Motion to adjourn the meeting was moved by *Dr. Christianna Hang* at 5:38 PM and seconded by *Mr. Vue Thaow*. **Motion passed unanimously.**

Reading Materials Only:

- Project Managers Phase 4 Bond Project Reports
- Bond Project Budget Resources/Uses
- HERC Board Meeting Minutes from 5/17/16
- Resolution to Approve the Letter of Intent to Purchase Land for HERC