

North Side Community School

NORTH SIDE COMMUNITY SCHOOL Special Board Meeting Minutes July 31, 2019

Present: Board Members: Jim Brigham, Michael Zuccarello, Kathy Anderson, Alison Nash (by phone), Byron Francis, Tracee Holmes, Tom Hoerr, Ross Woolsey, Ryan Bumb, Ebony Duncan Shippy, Mike Carpenter, Ken Rinderknecht.
School Administrative Staff: Chester Asher (by phone), Brian Gross, Deb Cottin.
Others: Bill Mendelsohn, UMSL

5:05pm Meeting called to order by Jim Brigham.

Jim Brigham stated the primary purpose of the Special Meeting: to review and approve the GMP (Guaranteed Maximum Price) proposal letter of June 28, 2019 from Interface Construction Corporation for new classroom construction, cafeteria and associated site work, and to consider the proposal for capital campaign consulting received from EMD Consulting (Effort Makes the Difference)/Pat Rich. Before beginning discussion of these matters, Jim asked Brian Gross to present a brief overview of North Side's financial performance for the fiscal year just ended.

Brian reported unaudited YTD revenue of about \$6.6 Million, with YTD expenditures of \$6,472,000 for fiscal year ended June 20, 2019. North Side was originally projected to be slightly in the red for the year, but finished in the black for various staffing and revenue reasons, including receiving additional charter school funds from DESE and from new tax revenue streams. Jim stated some deferred Title I and II funds were received in July, 2019, but various postponed expenditures will probably absorb some of that revenue. Brian indicated North Side may expect slightly better performance than previously anticipated for the fiscal year ending in June, 2020.

Jim stated our meeting today was rescheduled/delayed because of a disappointing meeting with the prior selected consultant, who withdrew from working with North Side after the first get-together with her. It was expressed the Capital Campaign Committee has changed its approach since that first meeting, and that the first consultant seemed less than prepared for the meeting. Questions were discussed regarding the feasibility of having a capital campaign be on-going during actual building construction. The Campaign Committee determined it is not absolutely necessary to have 60%-80% of the money for the project in-hand before beginning construction, as some consultants had suggested. Jim expressed we should be looking at 12-13 months to

raise about \$1.8 million for Phase I (new building construction and cafeteria expansion). The additional project to improve the parking lot area would bring the total to approximately \$2.6 million.

Options for contingency planning if the campaign falls short of the financial goals were discussed. This included a potential construction loan, using some of North Side's reserve/surplus funds, or some combination of those. It was noted North Side's surplus/reserve ratio relative to expenditures is well above what is considered acceptable for a charter school. Asher expressed confidence in North Side's ability to raise funding and to be able to meet anticipated increases in student enrollment.


The proposal from EMD Consulting by Pat Rich and Michael Farley was discussed. It was noted both Ms. Rich and Mr. Farley have considerable fundraising experience. EMD fees for consulting and help with the capital campaign are on a per diem basis, with no set amount for the project. It is anticipated Pat's time would be front loaded, that EMD will stop when its services are no longer needed, and that Pat would help with seeing prospective donors as needed. There is no set time period for the capital campaign to last. Capital Campaign and Board members will work with EMD/Pat Rich to work out strategies to pursue contributions from foundations, corporations and individuals. Jim also related the possibility of New Market Tax Credits being explored, with the assistance of Wendy Timm, a Board member with St. Louis Development Corporation.

The GMP proposal of June 28, 2019 from Interface Construction Corporation was also reviewed and discussed. Some concerns were expressed regarding possible costs to North Side if the determination was made by October, 2019 not to proceed with construction beginning in November-December, 2019. It was suggested before Interface would begin to order any materials to begin construction, North Side should be notified of such plans.

Byron Francis moved and Ross Woolsey seconded a motion to approve both the EMD Consulting Proposal to provide North Side with consulting and counsel for the capital fund drive and the GMP Proposal letter of June 28, 2019 from Interface Construction Corporation. The motion was passed by unanimous vote, with the understanding that Chester Asher will send a letter to Interface confirm North Side's right to withdraw from the contract prior to procurement of materials with limited financial liability and advising Interface to notify North Side before beginning the procurement of any construction materials.

Meeting was adjourned at 6:45pm.

Respectfully submitted,


Ken Rinderknecht, Secretary