

**Board of Trustees Meeting for
Pennsylvania Distance Learning Charter School**
2100 Corporate Drive, Suite 500, Wexford, PA 15090
Telephone: (888) 997-3352 Facsimile: (866) 977-3527
Website: www.padistance.org

Board Meeting

Date: July 17, 2018
Time: 11:00 am
Location: Pennsylvania Distance Learning Charter School
and via Teleconference

MINUTES

MEETING TYPE: Regular Special Proposed Approved

A. Call to Order

The meeting was called to order at 11:00 a.m.

B. Roll Call

Board Member Attendance:

John Marous, President	x Present	<input type="checkbox"/> Absent
William Donahue, Vice President	x Present	<input type="checkbox"/> Absent
Greg Dolan, Trustee	x Present	<input type="checkbox"/> Absent

Other Attendees:

Patricia Rossetti, Chief Executive Officer, PDLCS	x Present	<input type="checkbox"/> Absent
Darla Posney, Principal, PDLCS	x Present	<input type="checkbox"/> Absent
Jamie Desrochers, Director SE, PDLCS	<input type="checkbox"/> Present	x Absent
Sheryl Allmon, Director of Student Services PDLCS	x Present	<input type="checkbox"/> Absent
Michael Whisman, Charter Choices	x Present	<input type="checkbox"/> Absent
Nicholas Kocuba, Director of Technology PDLCS	x Present	<input type="checkbox"/> Absent
Kelly Crooks, Curriculum Coordinator, PDLCS	x Present	<input type="checkbox"/> Absent
Leigh Anne Lord, Recording Secretary, PDLCS	<input type="checkbox"/> Present	x Absent
Andrea Bauer, Charter Choices	x Present	<input type="checkbox"/> Absent
Dick Cassetti, Cusham & Wakfield, School Broker	x Present	<input type="checkbox"/> Absent
Evan Cicirello, Cusham & Wakfield, School Broker	x Present	<input type="checkbox"/> Absent

C. Pledge of Allegiance

D. Public Comment - none

E. Review of Agenda

F. Standard Business

i. Meeting Minutes of June 25, 2018 Board Meeting

Motion: Bill Donahue
Ayes: 2

Support: John Marous
Opposed: 0

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G. NEW BUSINESS

i. Fund balance allocation

Mr. Whisman reviewed preliminary financial statements. Current assets increased from \$3,636,289 at June 30, 2017 to \$5,057,269 at June 30, 2018 due primarily to current year positive operations. Total liabilities (excluding long-term GASB 68 pension liabilities) at June 30, 2018, at \$1,829,949, were \$609,626 greater than at June 30, 2017. Local subsidies payable show a balance of \$758,210 for refunds due to districts. Total revenues for the year, at \$12,084,273 were \$472,229 greater than budgeted due to updated district rates and increased student enrollment. Monthly ratios indicate the school is at appropriate levels. Mr. Whisman stated the auditors are scheduled to be in the school offices on August 8 and 9, 2018.

Mr. Whisman stated the fund balance has \$1,900,000 committed to four areas; future capital needs \$200,000, PSERS \$400,000, operating costs \$800,000 and new programs \$500,000. The new program funds were released to support the Career to Work initiative. The school has \$1,500,000 in PNC investments. Mr. Whisman stated the school's total equity is \$2,515,072. Mr. Whisman recommended the board increase the committed funds to a total of \$2,400,000. Mr. Marous asked if it was still possible to commit funds for 2016-17. Mr. Whisman stated that as long as the audit is open, the board can move commitments.

Mr. Marous motioned to increasing the fund balance committing an additional \$500,000 for future capital; \$100,000 to future costs associated with increasing costs of the PSERS retirement program; and \$400,000 for future operating expenditures bringing the total committed funds to \$2,400,000.

ii. Introduction of new Board Member Greg Dolan

Motion: John Marous
Ayes: 2

Support: Bill Donahue
Opposed: 0

iii. Building RFP

Mr. Cassetti and Mr. Cicirello presented the proposals of expanding in the school's current location of Corporate Drive, or moving to Nicholson Road, or VIP Drive. Currently, there are no available office spaces with the capacity needed for the school. The goal was to gain efficiency of space usage which is 18% higher with the VIP Drive location. Nicholson Road is approved for 3 floors, but the developer stated they could increase to 4 floors. The parking at Nicholson Road limited. There parking of 126 spaces at Corporate Drive or 186 spaces at VIP Drive. The cost comparison has Corporate Drive having a ceiling of 1,100 students, where VIP Drive offers larger enrollment capacity for the school. Mr. Cassetti stated that he has confidence in both builders. The time line for VIP Drive would be to sign lease in August, work with architect for approximately 3 months, developer would be ordering and securing permits over the 3 months, building would occur, and move-in date would be July 1, 2020. Mr. Marous stated the board would want the involvement of legal counsel in reviewing the terms. Discussion regarding the cash commitment for the school of \$1,250,000 for VIP Drive was had. At year 5 half of the deposit would be returned, and year 7 ½ all but 2 months would be returned. Nicholson drive was still to be determined. Corporate Drive has no additional deposit

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requirement. Sub-leasing is available in all of the locations. Visibility would be higher at VIP Drive as it parallels I-79. Discussion was had regarding available signage and possible digital signage to offer flexibility of use. Mr. Cassetti and Mr. Cicirello recommend the VIP Drive location as it has the most potential for the school. Mrs. Rossetti stated there are other cyber charters looking at locations as well with all stating the cost is about \$24-27 per square foot. She explained that Corporate Drive is charging the most for least amount of usable space. Mrs. Rossetti recommended the board consider VIP Drive as purposeful growth, not reactive growth. Mr. Whisman stated the numbers make sense to support a larger office space. Discussion was had regarding the risks of regulations and reimbursements.

Motion was made by Mr. Dolan to have administration and brokers pursue discussion of terms for maximum flexibility for downside, signage, and deposit with VIP Drive.

Motion: Greg Dolan
Ayes: 3

Support: Bill Donahue
Opposed: 0

H. Next Board Meeting - Regular

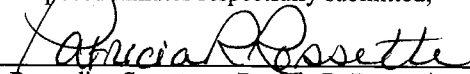
To be held at the Pennsylvania Distance Learning Charter School and by teleconference on September 10, 2018.

I Executive Session (if necessary) – none

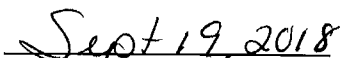
The meeting concluded at 12:54 p.m.

MINUTES CERTIFICATION

Proposed minutes respectfully submitted,



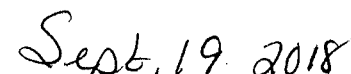
Recording Secretary, Patricia R. Rossetti



Date



Board Secretary, William Donahue



Date