



**Above:** Monument Academy (MA) held a special meeting on Dec. 1 called Give Hope to launch its new annual Lynx Fund campaign. Given its economic challenges and the failure of the mill levy override (MLO) measure on the November ballot, the board is asking parents to help bridge the gap. The fundraising campaign asks parents to donate \$675 per household with an option to be a Lynx Legacy Donor and be recognized with a plaque if they donate \$1,996 to honor MA's founding year. The goal for 2023 is to raise \$500,000 to help fund teacher pay raises, curriculum upgrades, programs, and building improvements. Donors can make one-time or recurring payments by clicking the DONATE button at the top of the MA web page at <http://www.monumentacademy.net>. Photo by Jackie Burhans.



**Above:** Chief Financial Officer (CFO) Marc Brocklehurst (left) was spotlighted by the Monument Academy (MA) board at the Dec. 8 meeting. Brocklehurst, named CFO in October 2019, is seen here with board member Craig Carle. Carle recognized him for going above and beyond every month, including covering for former Chief Operating Officer (COO) Merlin Holmes, who resigned. The board thanked him for serving the MA community. After returning from executive session, the board announced they had received Brocklehurst's letter of resignation effective Jan. 6, 2023. Board President Ryan Graham said Brocklehurst had been stalwart in navigating MA's financial challenges and expressed the board's gratitude and wishes for success in the private sector. The board moved and unanimously approved a motion to accept the resignation and to have its hiring subcommittee commence talks with the newly named interim COO, Kim McClelland, to determine the best steps forward. Photo by Jackie Burhans.



**Above:** The Monument Academy board introduced the new interim chief operating officer (COO), Kim McClelland, at its Dec. 8 meeting. McClelland, who has 25 years of education experience, spoke briefly, saying she was excited to partner with MA's staff and help bring community cohesiveness. She promised to hold multiple "couch talks" and fireside chats so people can get to know her. Photo by Jackie Burhans.

including serving as executive director of Colorado Digital BOCES and as a zone superintendent in D49. Graham said she has created programs for charter schools, home schools, online, and summer schools. She also served on a statewide committee to support charter schools.

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talks" and fireside chats so people can get to know her.

#### Budget and finance challenges

Brocklehurst presented his final CFO report detailing revenues and expenses, explaining any variances. He reported a net loss of \$82,000 for November, and a net income of \$478,000 for the fiscal year compared to a net income of \$934,000 in the previous year.

Board member Joe Buczkowski asked Brocklehurst to review the revised budget included in the packet. Brocklehurst noted that the October count was finalized, so the budget had been revised to plug in the actual student enrollment counts, actual per pupil revenue (PPR), and any other budget adjustments. The original PPR estimate in April was \$9,118; the actual PPR for D38 is \$9,050 or \$68 less per student.

West Campus per pupil operating revenue (PPOR), which is the total PPR times the number of students, will decrease by \$42,000. Building use revenue will increase by \$60,000 due to rental charges to the preschool to offset the cost of staff. The state capital construction per pupil amount will increase, for a total of \$7,000. Expenses will increase by \$80,000 due to the increased cost of substitute teachers and adding extra full-time hires with benefits. Professional contracted services will rise by \$143,000 for outsourced payroll, human resources, and occupational therapy as well as increased legal fees. Expenses for materials and supplies will increase by \$20,000 due to software subscriptions. The overall net income for West Campus is \$3,000.

East Campus PPOR will decrease by \$338,000. Due to lower enrollment, the 1999 MLO revenue and state capital revenue will decrease. The budget line for gifts and donations will increase by \$170,000 to \$500,000 per the new fundraising goal. Expenses will decrease by \$36,000 due to planned decreases in staff but will increase by \$76,000 for contracted professional services, and by \$11,000 due to custodial costs. Expenses will decrease by \$22,000 due to lower district fees because of lower enrollment. They will also decrease by \$35,000 due to decreased supplies and materials. The overall net loss for East Campus is \$594,000.

Brocklehurst said the budget shows an ending fund balance of \$1.8 million for the West Campus and \$740,000 for the East Campus. This is still within the bond covenant's required number of days cash on hand,

he said.

Buczkowski confirmed that the costs to install the modulators at the East Campus and the costs related to HVAC on the West Campus were included in the budget. Later, in his report for the Finance Committee, Buczkowski highlighted that the revised budget shows \$500,000 as its donation goal and notes an ending balance for East Campus of \$740,000. The budget notes that the bond covenants require 40 days of cash on hand, which is equal to \$673,000. There is a comfortable cushion between those two numbers, he said, but it is predicated on achieving the \$500,000 in donations. He did not want there to be any surprises in a few months. While the West Campus is in excellent shape financially, funds from that campus cannot be transferred to the East Campus.

Buczkowski also noted that the Finance Committee had a conference call with Russ Caldwell, formerly of D.A. Davidson, a charter school financier that issues bonds for schools. Caldwell has been advising MA at no cost on refinancing and Phase 2 construction on the East Campus. Since the MLO did not pass, there is no financing opportunity for Phase 2 construction in the short term. Had it passed, MA might have been able to start on athletic fields or a gymnasium. That could change if there were a successful MLO next fall. The other thing that could change is improved business fundamentals at the school, such as increased enrollment. Because the MLO did not pass, MA will not pursue a financial advisor to obtain financing at this time to avoid wasting time. The current bonds on both campuses can be refinanced in the fall of 2024, and there is an opportunity to borrow money for a substantial Phase 2 at that time. MA should have more information in January. He reminded the board that the existing bonds must be refinanced by the spring of 2026 because of balloon payments due on both bonds.


Brocklehurst noted that the draft 2021-22 audit should be completed within the next week or so, and the board would need to call a meeting and vote if it wanted to make any changes.


#### Highlights

Board meeting highlights include:

- Graham reported that MA had received two bids for the traffic recirculation work at the West Campus, which it would review with legal counsel in the executive session. Phase 1 of the project could potentially start in mid-May and conclude in September or October. Phase 2 of the project would be done in conjunction with the Highway 105 expansion, for which MA does not have a timeframe. After the executive session, the board unanimously voted to authorize the Highway 105 Committee to engage a construction manager and potential vendors.
- Board member Emily Belisle reported that a math curriculum subcommittee had been formed and began discussing the cost and feasibility of purchasing a new curriculum. The Curriculum Committee will likely model its parental review policy on the D38 policy and adapt it for MA. She also asked parents to provide feedback on the use of tech

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