



**Board of Trustees Work Session Minutes**  
**Monday, November 27, 2017**  
**Lake Wales High School (Auditorium)**  
**3:00PM**

**Trustees Present:** Chair Jimmy Nelson, Andy Oguntola, Howard Kay, Pete Perez, Bill Lockhart, Danny Gill

**Staff Present:** Superintendent Dr. Jesse Jackson, Brian Fisher, Marie Cherrington-Gray, Linda Ray, Elizabeth Tyler, Donna Dunson, Paula Alford, Damien Moses, Julio Acevedo, Stacie Padgett, Richard Columbo, Tami Bates

**Others Present:** Robin Gibson, Brian Ackley

**I. CALL TO ORDER** **Dr. Jesse Jackson, Superintendent**  
The meeting was called to order by Chair Nelson at 3:07pm.

**II. FINANCIAL REPORT** **Brian Fisher, CFO**

**A. Monthly Financials**

**LWCS Inc. / Financial Executive Summary 2Q FY2017-2018 (Oct. 31, 2017)**  
**Consolidated Balance Sheet** (unaudited)

- Total assets of the system are \$2,704K higher when comparing YOY balances...the October 2017 total assets position increased \$323K from September's total. The increase in October is primarily due to cash balances in the GF, School Lunch Fund (SLF) and Internal Funds.
- System-wide total liabilities are \$493K lower when comparing YOY balances...the October 2017 total liabilities position is \$85K higher than last month. The increase in October is due to A/P timing at month-end and a higher amount of A/P and P/R liabilities outstanding at month-end.
- The system's consolidated net change in position increased \$238K for the month of October...the result of increases in the GF \$131K, for SLF \$71K and Internal \$60K; with a decrease in the Federal fund (\$25K) for October. No change in the system's ability to meet short-term obligations & long-term debt service...healthy working capital position as an organization.

**GF Statement of Operations** (unaudited)

- State revenues represent 36% of LWCS's preliminary student membership count (budgeted @ 4,206). The October'2017 Survey 2 is roughly estimated at 4,248, +42FTE above the adopted budget. Reported actual enrollment reflects student membership counts near the report date.
- The local revenue items under budget represent activities associated with reimbursement activity from internal (Foundation accts and/or internal accts) & external (agency reimbursements in arrears) funding sources.
- GF revenues outpaced expenditures in October with a net operating surplus of \$131K. The GF net position through October is \$2,306K, compared to \$140K in October 2016.
- The negative expenditure variances generally represent expenditures occurring in advance of the budget cycle or expenditures not occurring on a straight-line basis. There are hurricane related expenditures of \$43K embedded in Bok's expenditure total...As of 11/8/17 \$500K advance approved by insurance adjustor for hurricane repair cost.

**GF Supplemental programs** (unaudited)

- All of the Pre-K programs had stronger financial performance to start the 2Q following September's storm interruption on these operations. Less than full capacity at some Pre-K sites...
- BPE and HcE after school programs also started the 2Q improving over the prior month's storm interruption.

### **GF Transportation (unaudited)**

- Transportation revenue to start the 2Q is 10% higher than reported in October 2016, driven by chargeback and fieldtrip activity. State revenue represents 36% of the estimated student transportation ridership prior to the FTE count periods in October and February. Ridership numbers are still pending for transportation.
- Total expenditure activity, as a percent of budget is nearly the same YOY for the start of the 2Q. The negative variance for purchases services decreased from last month...maintenance and vehicle repair cost expected to decrease with the operation of the new vehicles under warranty. Delivery of new propane fueled buses forthcoming...

### **Food Service Fund 410 (NSLP) (unaudited)**

- Total food service revenue is on par with the budget through October, and is carrying a similar revenue pattern when comparing activity YOY. A la carte and the commodities program revenue again are the major drivers of the quarter's positive budget variance. Snacks reflects tutoring and after school programming activities, which continue to gain more momentum as the year progresses.
- The "Other Sales" budget variance is a result of state ancillary revenues received bi-annually. This year's distribution is unconfirmed through the October report date.
- The budget reflects pro-rata meal-service days in the reporting period. With approximately one-third of the meal-service days recorded...revenue and expenditures are on par with budget, resulting in a net surplus aligned with the adopted budget projection for the period.
- Student outstanding balances at LWHS and Bok are spiking for a few students and overall total receivables at each site are tracking higher.
- PAE serving lines installation planned for 11/20/17.
- AG grant of \$56K awarded to LWCS, supporting the nutritional standards at Victory Ridge with much needed tables, serving equipment and hot/cold service equipment. The adopted budget does not reflect the impact of the AG grant award. A signed contract with state will start the flow of funds.
- The FL DAG tri-annual food service audit/review conducted the first week in November concluded with no findings and no corrective action. Auditors were pleased and very complementary of the program under Chris' direction, Rich's financial oversight and SLA Mgmt.'s attention to program detail. Next food service audit/review will occur in FY2020-2021.

### **Summer Food Service (411) (unaudited)**

- *The summer food service program remains suspended* until programming resumes in June 2018. YTD surplus of \$1,500 generated during the operating period of July and August.

### **Federal Programs (420) (unaudited)**

- Grant activity represents reimbursable amounts through 10/31/17...to start the 2Q, total expenditures are 6.0% lower YOY.
- Overall spending rate on grants is at 24% YTD, similar to the same period last year.
- LWCS is still waiting approval on the Title I, Part A, Uni-SIG with pre-approval spending limits still in effect.
- Grant members participated in a technical assistance webinar for the competitive Public Charter School Program, Title V grant. The federal grant provides funding assistance for planning, program design and initial implementation of high-quality charter schools and expansion of high quality charters schools in FL. The funding distribution is among new operators, existing and high-impact schools in high-need areas. Two-phase application process with second phase by invitation only and no guarantee of funding, even if invited.

Chair Nelson: Is the Budget Revision an action item for today? CFO Fisher: Yes it is but it is included in the monthly financials approval. We did this last year also. Dr. Jackson: The additional 46 students will bring in more revenue. CFO Fisher: Payment for these students is over \$100,000+. We also wanted to make the Board aware of the future possibility of us rescinding the LWCS Historical Grant SC737.

### **B. Personnel Changes**

Request approval for the Personnel Changes as presented to the Board.

**C. FY 2017-2018 Instructional Salary Adjustment**

Request approval for the 2017-2018 Instructional Salary Change as presented to the Board.

**D. FY 2017-2018 Best & Brightest Submission**

Request approval for the 2017-2018 Best & Brightest Submission as presented to the Board.

**III. ATTORNEY'S REPORT**

**Robin Gibson, General Counsel**

**A. Litigation Update**

We are proud of Bok Academy and is in awe of how Damien & his staff is handling the recent hurricane loss. They continue to educate and not skip a beat. We are working with PCSB with the recent Bok North application. Damien has been a pleasure to work with and my Annual Campaign gift his year will be in honor of Principal Moses. We are meeting tomorrow to discuss our recent appeal for Bok North. Our intent is to open Bok North next year at First Baptist. The Board has granted us the authority to appeal on their behalf for Bok North.

**IV. SUPERINTENDENT'S REPORT**

**Dr. Jesse Jackson, Superintendent**

**A. MINUTES: October 23, 2017 BOARD OF TRUSTEES WORK SESSION AND MEETING MINUTES**

Presented for review and approval at the November 27, 2017 Board of Trustees Meeting.

**B. PRINCIPALS' UPDATES**

No updates due to time constraints.

**C. NEXT MEETING DATES**

We do not have a December Board Work Session / Meeting. Our Audit/Finance Meeting will be Thursday, December 21, 2017 at 7:00am at the Central Office. The January Board of Trustees Work Session and Board Meeting will be January 22, 2018 at Janie Howard Wilson Elementary. The Work Session will begin at 3:30 PM and the Board Meeting will begin at 5:00 PM.

**V. OTHER BUSINESS FOR THE GOOD OF THE CAUSE (None)**

**VI. ADJOURN**

The meeting adjourned at 4:10pm.

Respectfully Submitted,  
Marie Cherrington-Gray, Corporate Secretary

Board Approved: January 22, 2018