



Board of Trustees Work Session Minutes
Monday, September 26, 2016
Dale R. Fair Babson Park Elementary (Media Center)
3:30 PM

Trustees Present: Chair Danny Gill, Vice Chair Terry Fasel, Christina Updike, Eugene Fultz, Jimmy Nelson, Aundrea Croft, Howard Kay

Staff Present: Superintendent Jesse Jackson, Brian Fisher, Marie Cherrington-Gray, Elizabeth Tyler, Jennifer Barrow, Barbara Jones, Gail Quam, Richard Columbo, Chris Reams, Angela Heyward, Julio Acevedo, Damien Moses, April Barnhardt, Paula Alford, Denise Moss, Deirdre Mithaug, Rebecca Thomas, Shelli Jacobs

Others Present: Robin Gibson, James Colter, Nancy DiSalvo

I. CALL TO ORDER **Dr. Jesse Jackson, Superintendent**
The meeting was called to order at 3:39pm.

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

A. Audit Presentation: 2015-2016 **BKHM, P.A.** **Nancy DiSalvo**

The audit presentation was done by Nancy DiSalvo of BKHM, P.A. Nancy summarized the audit for the Board. All opinions are unmodified, clean, with no findings for all of our schools and also for the consolidated audit. Attorney Robin Gibson: Shared with the Board that the buck stops with the Board. Any questions, please contact the auditors directly.

B. Monthly Financials

Financial Executive Summary (August 31, 2016)

Consolidated Balance Sheet (unaudited)

- Total assets of the system are \$1,543K higher compared to August 2015...the August 2016 total assets increased \$192K over July's total. The largest factors contributing to the increase is the GF pooled cash balances and the Federal funds receivable.
- System-wide total liabilities are \$1,229K higher compared to July 2015 total liabilities. August 2016 total liabilities are \$258K higher than last month. The growth in August was A/P activity at month end. The payroll liability continues to hold our reserve balance associated with the UHC "Rewards Now" program and is payable on last year's claim activity once settled with UHC.
- The system's consolidated net change in position fund balance decreased \$96K for the month of August...GF expenditures exceed revenues for the reporting period.
No change in the system's ability to meet short-term obligations & long-term debt service...healthy working capital capacity as an organization.

GF Statement of Operations (unaudited)

- State revenues represent 18% of LWCS's preliminary student FTE blended count (budgeted @ 4,146). A certification delay caused the July and August payments to be included in the September capital outlay payment.
- Many of the local revenue items are under budget because the activities are generally associated with the academic calendar, and August has a reduced number of service days.
- GF expenditures outpaced revenues in August with a net operating deficit of \$152K and the YTD surplus position fell to just over \$181K. Reclassifications from the balance sheet are part of the expenditure surge during the month.
- The negative variances shown generally represent expenditures occurring early in the

budget cycle rather than monthly on a straight-line basis. These early expenditures are commonly found in purchased services, supplies and capital outlay for the schools. Actual enrollment reflects students in seats not just enrolled students near the report date.

GF Supplemental Programs (unaudited)

- Pre-K programs have started up with the academic year and with the reduced number of service days in August the financial performance will show a deficit as fixed expenditures exceed the revenue for the reporting period. The financial performance for August 2016 is off to a better start than reported in August 2015.

BPE's after school program offers year round programming for students.

GF Transportation (unaudited)

- Transportation revenue activity in August represents estimated chargebacks, field trip activity which is nearly two-thirds less than reported in August 2015, and 18% of the estimated student transportation revenue in advance of the student count periods in October and February.
- The earlier start of school operations created a higher level of expenditures when compared to August 2015...transportation expenditure activity does not occur on a straight line basis with a mix of 10 and 12 month expenditures in the budget cycle. If the current pricing trend on petroleum continues it could provide relief on fuel budget for transportation in FY17...it's too early to speculate on the true savings until later in the budget cycle. One-time reclassification of insurance for the vehicles is the driver of the variance in purchased services.

Food Service Fund 410 (NSLP) (unaudited)

- The NSLP revenue is starting in the first quarter where the program ended last fiscal year with a surplus position. Total revenue is 1.0% ahead of budget with breakfast and lunch service operations starting up in August.
- The expenditures reflect the monthly fixed costs along with 13 food service days of the budgeted 180-day school year food program. Budget shown is computed on pro-rata share of service days to date. The negative compensation variances represent 12 month expenditures incurred ahead of the start of the school year.
- As the first student count approaches, the food service department and the schools are going through the exercise of trying to increase the number of students that qualify for free lunch by direct certification matching, which with any success will assist in increasing the federal entitlement funding for next year.
- The new school year also brings a new cycle of outstanding student balance letters for Bok and LWHS food service programs. For LWHS the balance is \$366 and Bok's balance is \$57. These balances place students on the obligation list at their school.
- LWCS is in the last year of the current food services agreement with SLA. Timelines and procedures are being developed before issuing the state's prototype RFP to food service management companies.

Summer Food Service (411) (unaudited)

- The summer food service program of breakfast and lunch has been suspended until it resumes programming in June of 2017. So far the program generated a small surplus of \$1,900 during the operating period of July and August.

Federal Programs (420) (unaudited)

- Grant activity represents reimbursable amounts through 8/31/16...the substantially larger amount includes the instructional staff contracts payable with the start of the new academic calendar. As a grant sub-recipient LWCS has been limited to spending 25% of its preliminary grant allocation on compensation during the grant application review and approval phase.
- Grant Application Approved – Title I, IDEA; Title II; Title X & Carl Perkins (Sept.)
- Grant Application Pending at DOE – Title I, Part C; Title III
- Grant Application Under Development – Title I, SIG (*JHW & LWHS*)
- The AWARE grant is coming upon its final budget and program period date of Sept. 30, 2016. A petition for a no cost extension was submitted, but an extension was not being

granted to LWCS; so the grant will end on September 30, 2016.

- Title I funding allocation...at the Fall Conference Angela had contact with the Program and Fiscal leadership regarding the sharp decline in funding. Both state departments are still sorting through the data following LWCS's review and commentary on the historical data. One finding to date – the program office used the CEP multiplier incorrectly resulting in an inflated student population eligible for funding. **UPDATE: Per a conversation with FLDOE finance office and admittance of an error on their part; the current reduction in the Title I grant allocation will remain due to an over-award occurring during FY2015-16.**

C. Personnel Changes

Personnel changes for your review and approval this afternoon at our Board meeting.

D. FY 2016-2017 Instructional Salary Adjustment

There will be an adjustment on our instructional salary which will be presented to the Board this afternoon for your approval.

III. ATTORNEY'S REPORT

Robin Gibson, General Counsel

A. Attorney's Update

No updates. We had more activity in the summer.

IV. SUPERINTENDENT'S REPORT

Dr. Jesse Jackson, Superintendent

A. MINUTES: August 22, 2016 BOARD OF TRUSTEES WORK SESSION AND MEETING MINUTES

Presented for review and approval at the September 26, 2016 Board of Trustees Meeting.

B. PRINCIPALS' UPDATES

Dale R. Fair Babson Park Elementary: Principal Elizabeth Tyler

All pro Das is Thursday night at the dock at the school and they have a fishing theme for the evening. Please come out and join us if you can.

Lake Wales High School: Assistant Principal Chris Reams

We have Open House at the High School this week for all grades. Please join us if you can.

Janie Howard Wilson Elementary: Principal Barbara Jones

We had a great turnout for our Back to School Night with over 200+ in attendance. We have our Donuts with Dad's with 150+ signed up to attend.

Polk Avenue Elementary: Principal Gail Quam

We have ESE training on the 17th and a PBS party during FTE week.

Hillcrest Elementary: Principal Jennifer Barrow

Very proud of the raise our staff received, they deserve it!

Edward W. Bok Academy: Principal Damien Moses

Our dock is back! We also have Recognition Day tomorrow and would like for you to join us.

C. NEXT MEETING DATES

The October Board of Trustees Work Session and Board Meeting will be October 24, 2016 at Edward W. Bok Academy. 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 Meeting adjourned at 4:58pm.

Respectfully Submitted, Marie Cherrington-Gray, Corporate Secretary

Board Approved: _____