



Board of Trustees Work Session Minutes
Monday, February 27, 2017
Hillcrest Elementary (Media Center)
3:30 PM

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

Staff Present: Superintendent Jesse Jackson, Brian Fisher, Marie Cherrington-Gray, Jennifer Barrow, Elizabeth Tyler, Barbara Jones, Gail Quam, Damien Moses, Donna Dunson, Richard Columbo, Julio Acevedo, Stacie Padgett, Anna Barcenas, Chris Reams, Candace Howard, Anuj Saran

Others Present: Robin Gibson, James Coulter

I. CALL TO ORDER Dr. Jesse Jackson, Superintendent

The meeting was called to order at 3:45pm.

II. FINANCIAL REPORT Brian Fisher, CFO

A. Monthly Financials

Financial Executive Summary

Consolidated Balance Sheet (unaudited)

- Total assets of the system are \$403K higher when comparing YOY balances...the January 2017 total assets increased \$430K from December's report. The largest shifts occurred with cash in the G/F and SLF, followed by increased A/R balances for SLF and Federal programs.
- The system-wide total liabilities are \$455K lower comparing YOY balances...the January 2017 total liabilities are \$76K higher than last month. The January increase was due to month-end timing of payroll liability processing and accounts payable activity.
- The system's consolidated net change in position increased \$354K for the month of January...the result of these adjustments to the funds: GF \$337K, SLF \$47, IA (\$36K) and Federal funds \$6K.
- No change in the system's ability to meet short-term obligations & long-term debt service.

GF Statement of Operations (unaudited)

- State YTD revenues represent LWCS's Survey 2 student FTE blended count annualized at 4,231 (adopted budget 4,146)...+85.0 FTE if Survey 3 is a duplicate of the Survey 2 student count. Confirmation of actual enrollment for FY2017 will be determined later in April after certifying the Survey 3 data reported through the week ending February 10. State revenues represent 63% of total revenue based on 4,231-funded FTE.
- Some of the local revenue items are under budget because the activities are associated with reimbursement activity from external (agency reimbursements in arrears) funding sources and the budget cycle running ahead of the services days to date.
- GF revenues outpaced expenditures in January with a net operating surplus of \$337K. The YOY January cumulative net surplus position is \$1,002K, compared to \$941K.
- The negative expenditure variances continue to improve from prior budget cycles, as they generally represent expenditures occurring in advance of the budget cycle or expenditures not occurring on a straight-line basis. Many of these expenditure variances are associated with technology, textbooks and equipment purchases.

GF Supplemental Programs (unaudited)

- A slight downward shift for a couple programs, but as a whole, the Pre-K programs improved over last month's performance. The YTD totals do not account for outside state agency

revenue in arrears.

- BPE and HCE after school programs improved again over last month's cumulative surplus.
- Current operations are funding the STEM program expenditures during the program agreement review with FSU. LWCS is waiting on a FSU review of our latest submission of STEM Initiative program documents.

GF Transportation (unaudited)

- Non-FTE transportation revenue is 97% of the YTD budget and is \$8K ahead for field trip activity when comparing YOY activity. State revenue represents 64% of the estimated blended student transportation, with Survey 2 data settled and Survey 3 count date in February.
- Total transportation expenditure activity as a percent of budget is tracking nearly the same compared to last month and 3% more YOY. Like other school operations, transportation activity does not occur on a straight-line basis and this month's negative expenditure variance continues to follow prior month's trends. Maintenance cost embedded in Purchased Services are 50% above budget for the reporting period, the impact of older vehicles needing repairs maintenance outside of the warranty period.

Food Service Fund 410 (NSLP) (Unaudited)

- Food service revenue through January is running 6.0% above budget similar to last month and the YOY pattern for the school lunch fund. All revenue categories meet or exceed their budget target, with commodities reporting a 75% positive budget variance YTD. LWCS also experienced its largest A la carte revenue month in January.
- The budget based on pro-rata meal service days in the reporting period is just over half of this year's 180 meal service days through January 2017. Compensation expenditures are running higher than budget reflecting those cost commitments occurring before the school calendar started in August.
- Net surplus recorded through January is 2.1 times the above the adopted budget projection before factoring indirect cost recovery for operations.
- Outstanding student food account balances at LWHS continue to track high compared to last month and YOY. Student outstanding balances at Bok are starting to slide upward. Reporting increases both in the number of students and amount outstanding.
- National School Breakfast Week is coming up on March 6 and our food department in partnership with SLA will be running promotions to increase student breakfast participation K through 12.
- The RFP process has concluded with the evaluation committee selecting our current food service management company – SLA. As part of the official selection, the FL Dept. of AG has to review our recommendation and scoring. The Dept. approved our selection and was complementary of our RFP process. Next steps will be the execution of the 5-year contact that encompasses July 2017 through June 2022 and a meeting with SLA this spring to create a food service master plan for equipment and operations across all schools sites, including Bok North development.

Summer Food Service (411) (unaudited)

- No monthly activity to report until the summer food service program of breakfast and lunch starts up in June of 2016. YTD surplus of \$2,200 during the operating period of July and August.

Federal programs (420) (unaudited)

- Grant activity represents reimbursable amounts through 1/31/17. Spending rates vary by grant with the overall grant activity at 48% spent YTD. This rate is slightly ahead of last year's rate YOY. Major grants (Title I & IDEA) are 47% spent to date.
- The FY17 budget revision will incorporate previously unbudgeted grant amounts and any eligible carry-forward amounts within the existing grants.

B. FY 2016-17 Budget Revision

The budget revisions will be presented for your review and approval this afternoon at our February 27, 2017 Board of Trustees Meeting.

C. Food Service Management Company Recommendation

The RFP process is completed. This has to be done in our Food Service area every five years. We received four responses which included our current provider. SLA received the contract with 99 points out of 100. You will receive our recommendation this afternoon for approval of SLA to remain as our current Food Service provider. Dr. Fasel: How do the Principals feel about this? They are all excited and happy!

D. Personnel Changes

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

III. ATTORNEY'S REPORT

Robin Gibson, General Counsel

A. Litigation Update

No litigation at this time. We have an interesting opportunity and decision to make regarding our current need to expand our Middle School since the inception of our system. We have worked with Bellwether and out of our priorities the Middle School is the first. We are working on Bok North with FSU and our Engineering Pipeline Initiative. The City of Lake Wales is also working with us regarding the use of the property and we have secured a \$500,000 grant to restore the cafeteria. We appreciate the support of all involved. We have some issues to consider and so does PCSB as it relates to McLaughlin. We would like to be able to take care of all Lake Wales Middle School students. We have submitted a proposal to PCSB and we are waiting for their answers and any questions they might have for us. The decision will come to our Board of Trustees. All LWCS, please be careful with your comments in respect to gloating or boasting, this is critical. We will not have one single bit of this. Our goal is to create a partnership. Our term is "common struggle" we are in this together! The PCSB has a few options to consider before making their decision. We want to unify our community! The decision will be made by their Board of Trustees.

Dr. Jackson received a call from DOE regarding assisting Jefferson County Schools.

Trustee Jimmy Nelson: Please put me on record, I would like for Dr. Jackson's to have a 5 year extension on his current contract.

Dr. Jackson: We are fortunate to be the model for charter schools. Our home grown system has been a great model. This is a compliment for Lake Wales because we have worked hard to create something very special. We have to take care of our children first.

Attorney Gibson: We have visited many places over the years as we receive calls to assist in Minnesota, Bradenton, Manatee County, etc. We are grateful for all the support!

IV. SUPERINTENDENT'S REPORT

Dr. Jesse Jackson, Superintendent

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

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

B. PRINCIPALS' UPDATES

None

C. NEXT MEETING DATES

The March Board of Trustees Work Session and Board Meeting will be on Monday, March 27, 2017 at Polk Avenue 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

Meeting adjourned at 5:20pm.

Respectfully Submitted,
Marie Cherrington-Gray, Corporate Secretary

Board Approved: _____