



Board of Trustees Work Session
Monday, January 22, 2018
Janie Howard Wilson Elementary (Media Center)
3:00 PM – Minutes

Trustees Present: Chair Jimmy Nelson, Vice Chair Angela Pulido, David Fisher, Danny Gill, Andy Oguntola, Howard Kay, Pete Perez, Bill Lockhart

Staff Present: Superintendent Dr. Jesse Jackson, Brian Fisher, Marie Cherrington-Gray, Linda Ray, Rebecca Thomas, Donna Dunson, Angela Heyward, Barbara Jones, Anuj Saran, Paula Alford, Damien Moses, Gail Quam, Jennifer Barrow, Julio Acevedo, Stacie Padgett, April Barnhardt

Others Present: Robin Gibson, Carol Collins, John Miller, Charles Baker

I. CALL TO ORDER **Dr. Jesse Jackson, Superintendent**
The meeting was called to order at 3:03pm.

II. FINANCIAL REPORT **Brian Fisher, CFO**
A. Monthly Financials

LWCS Inc. / Financial Executive Summary 2Q FY2017-18 (December 31, 2017)

Consolidated Balance Sheet (unaudited)

- Total assets of the system are \$2,942K higher when comparing YOY balances...the December 2017 total assets increased \$111K from November's report. The largest factor contributing to the increase is the cash position of all the major funds.
- System-wide total liabilities are \$162K lower when comparing YOY balances...the December 2017 total liabilities are \$36K lower than last month. The December increase is due to month-end timing of payroll liabilities and accounts payable activity.
- The system's consolidated net change in position increased \$147K for the month of December...the result of this activity across all the active funds: GF \$116K, SLF \$14K, Internal (\$4K) and Federal fund \$21K.
- During the 2Q financial ratio review, 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 YTD revenues now represent LWCS's Survey 2 student FTE blended count annualized at 4,239.11 (budget @ 4,206)...+33.0 FTE base increase if Survey 3 is a duplicate of Survey 2 student count. Actual enrollment reflects student FTE count near the report date and not Survey 2 data gathered during October 2017. State revenues represent 54% of total revenue based on 4,239.
- The local revenue represents activities associated with reimbursement activity from internal (Foundation accts and/or internal accts) & external (agency reimbursements in arrears) funding sources. Non-recurring activity is having an influence on the local revenue.

- GF revenues outpaced expenditures in December with a net operating surplus of \$116K. The YOY December cumulative net surplus position is \$2,627K compared to \$665K.
- The negative expenditure variances 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 the result of technology, contract services and equipment purchases that have improved with the addition of another budget cycle.

GF Supplemental Programs (unaudited)

- Pre-K programs improved over last month's performance. No financial performance challenges occurred for the 2Q other than fewer revenue service days in December.
- BPE and HcE after school programs improved again over last month's cumulative surplus.

GF Transportation (unaudited)

- Non-FTE transportation revenue represents 84% of the YTD budget and is \$7K less comparing YOY activity. State revenue represents 54% of Survey 2 data (1,771 membership) down from the adopted budget. The big shift in revenue YTD is the sale of 11 buses associated with our lease of 14 new 2019 propane buses. The sale price included a premium of \$3,500 per vehicle.
- The expenditure side of the transportation YTD ledger is reflecting the sale and acquisition of system transportation vehicles. The bus financing variance represents the payoff on the debt service of the vehicles sold and the other expenses variance is associated with the leasing fees of the 14 new buses. Maintenance expenditures expected to decrease with the new propane fueled vehicles.

Food Service Fund 410 (NSLP) (unaudited)

- Food service revenue at 3% above budget through December mirrors the YOY revenue pattern for the school lunch fund. A la carte and the commodities program revenue again are the major contributors of the mid-year positive budget variance. Snacks reflect tutoring and after school programming activities, and is approaching budget level as school programming increases. The December boost in "Other Sales" revenue is the receipt of the first half of state revenue match and supplemental appropriation funding for 2017-18. The second payments will post in March or April.
- The budget column reflects meal service days in the reporting period and equating to 47% of the meal service days recorded through December 2017. Expenditures variances represent capital improvements (serving lines) at PAE and LWHS.
- Net surplus recorded through December is 15% above the adopted budget projection before assessment of indirect cost recovery for operations.
- At mid-year, student outstanding balances at LWHS continue to track high compared to last month and YOY. LWCS recognizes the importance that students are not denied access to meal services during the school year, however, collection efforts shall continue and be documented until the delinquent debt is determined to be uncollectible by food service.

Summer Food Service (411) (unaudited)

- No monthly activity to report as the summer food service program of breakfast and lunch remains suspended until programming resumes in June of 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 December...total expenditures are close to last year's mark at 2.0% lower YOY.
- Overall spending rate on grants is 39% YTD.
- Reminder to schools the spending window for parent engagement funds is the end of February. Federal funds cannot supplant state and local programming but can supplement.

B. Personnel Changes

Recommend approval of the Personnel Changes as presented for review and approval at the January 22, 2018 Board of Trustees Meeting.

C. Insurance Update and FY18 Budget Implications

Recommend approval of the Insurance Update and the FY18 Budget Implications. Presented for review and approval at the January 22, 2018 Board of Trustees Meeting.

D. FY18 Budget and Bok Academy Instructional Facility #2 (IF2)

Recommend approval of FY18 Budget and Bok Academy Instructional Facility #2 (IF2) as presented for review and approval at the January 22, 2018 Board of Trustees Meeting.

E. Historical Grant SC737, FL Division of Historical Resources

Recommend approval rescinding the Department of Historical Resources, Historical Grant SC737 as distributed and discussed. Presented for review and approval at the January 22, 2018 Board of Trustees Meeting.

III. HOMELESS POLICY UPDATE Paula Alford, RN – Homeless Liaison

Recommend approval of the Homeless Policy Update ad presented for review and approval at the January 22, 2018 Board of Trustees Meeting.

IV. JANIE HOWARD WILSON ELEMENTARY – BOARD UPDATE

Mr. John C. Miller III

John shared he was an independent party that live sin LW and asked by LWCS to review JHW data. The info used in the data review was obtained from LWCS Office. He reviewed the data on attendance for students & staff, parental assistance, discipline, Math progression, reading, ELA etc.

Chair Nelson asked for a better opportunity to appreciate what these numbers mean, let's meet soon to discuss.

V. ATTORNEY'S REPORT Robin Gibson, General Counsel

A. Attorney Update

Robin shared he is still working with PCSB with the new Bok application that will be submitted for February 1st. PCSB is in violation of the 90 day rule to respond to LWCS regarding our Bok application; briefs and oral arguments will be done soon.

B. Edward W. Bok Academy North Replication Application Submission for February 1, 2018 to PCSB. **Edward W. Bok Academy Replication** - Motion Regarding Bok North - I move to 1) affirm the approval of the Lake Wales Charter Schools' decision to apply to the Polk County School Board, pursuant to Fla. Stat. 1002.331(3)(a)1, on or before February 1, 2018, for the issuance of a charter in order to replicate Edward W. Bok Academy in the form of a school to be known as Edward W. Bok Academy North; and, 2) in the event the Polk County School Board should deny such application, to appeal such denial to the Florida Board of Education.

Presented for review and approval at the January 22, 2018 Board of Trustees Meeting.

VI. SUPERINTENDENT'S REPORT **Dr. Jesse Jackson, Superintendent**

A. MINUTES: November 27, 2017 BOARD OF TRUSTEES WORK SESSION AND MEETING MINUTES

Presented for review and approval at the January 22, 2018 Board of Trustees Meeting.

B. PRINCIPALS' UPDATES

Due to time constraints we'll do the updates in our Board Meeting.

C. NEXT MEETING DATES

The February Board of Trustees Work Session and Board Meeting will be on Monday, February 26, 2018 at Hillcrest Elementary. The Work Session will begin at 3:00 PM and the Board Meeting will begin at 4:15 PM.

VII. OTHER BUSINESS FOR THE GOOD OF THE CAUSE (None)

VIII. ADJOURN

Meeting adjourned at 4:19pm.

Respectfully Submitted,
Marie Cherrington-Gray, Corporate Secretary

Board Approved: February 26, 2018