

**Lanikai Elementary PCS
Minutes of Board Meeting, February 16, 2011**

Board Members present:

Louis Saint-Cyr - President
Jake Hinz - Treasurer, Parent
Phil Whitesell - Vice-Pres, Community
Paul Vierling - Community
Ann Pederson - Secretary, Interim Administrator

Staff/Community members present:

Cj Baehr
Shawna Ramos
Espie Chapman
Lisa Kreitzer
Jamie Mather
Crystal Doi
Jaime Higgins
Dawn Harrison
Mary Smith

Board Members Absent: Vicky Villegas - Teacher

1. Call to order: Mr. Saint-Cyr called the meeting to order at 6:38 P.M.

2. Approval of Minutes: Unanimous approval of January 19 minutes as posted

3. Student Council Report: No report

4. Community Input: Mr. Saint Cyr suggested that any community comment regarding budget or staffing be made later in the proceedings after the report from the budget committee. There was no request for community input at this time.

5. Recruitment of new Administrator

- Dr. Whitesell reported that the schedule for proceedings through the March visit of Barry Rowland, our consultant, has been circulated to staff and posted on the web and in the newsletter. He said that he expects to receive data by March 7 regarding 20 to 25 A-Pool candidates, those who Mr Rowland has determined will be the best fit for Lanikai. The Committee will review these and cut the list down to 8 to 10 semi-finalists. Personal interviews will be scheduled for the Committee to evaluate these candidates, via Skype if they do not live in Hawaii, and two or three finalists will be selected for in-person interviews as quickly as possible.
- Mr. Saint-Cyr reminded community guests that the Search committee is composed of members of the board and two teachers elected by the faculty, Lorna Gomes and Barb VanDerKamp.

6. Administrator's Report - Mrs. Pederson said that administrative information would be included in the budget report.

7. Enrollment Committee Report: Shawna Ramos reported that the Committee will meet on February 24.

8. Facilities Committee Report: Jaime Higgins reported that the committee has tracked down the needed permit that we had been led to believe would be the final step in securing

the cover for the primary grades' lunch area. One additional step has arisen, however, that involves either the DOE or "the State," depending upon which is determined to be the legal owner of the campus property. We have not been told what that step is or even the name of a contact who does know and can tell us what must be done. Delays of this sort have kept us waiting for two years since the grant was awarded by Lowes. The money has already been secured.

9. Health & Safety Committee: No report

10. Policy Committee: Dr. Whitesell reported that he had received an RFP from Hawaii Pacific University suggesting a partnership between LEPCS and HPU for teacher education. Board members pointed out that we already have teacher training arrangements with Chaminade and UHM, and they agreed that this is not a good time to enter another such arrangement. Dr. Whitesell will respond to the HPU contact.

11. Strategic Planning Committee: No report

12. Finance Committee: Mr. Hinz reported.

- The Finance Committee met on February 08, 2011:
- Regarding CIP funds for the photovoltaic project, the AG contract review has been completed and the contractor has accepted all changes. Mr. Hinz moved, Mrs. Pederson seconded, that the board approve the contract for final signature. The motion was approved. Mr. Vierling abstained due to conflict of interest. The Notice to Proceed is pending DOE notification and contractor delivery of compliance and insurance documents. Construction can proceed quickly and should take no more than three months.
- Lanikai PTSA was named in a lawsuit, along with Lanikai School, concerning collections on an alleged debt from 2008. As a result of a court decision, holds were placed on both Lanikai School and PTSA bank accounts to cover the debt.

PTSA leadership voluntarily met with the Finance Committee to discuss the issue. PTSA books were presented and sufficient funds were available to both pay the debt and have sufficient working capital to continue PTSA operations. PTSA took steps to clear the debt and the hold on Lanikai School funds has since been released.

The Finance Committee and the board members would like to thank all of the PTSA leadership for attending the Finance Committee meeting at short notice, bringing their prompt attention to this matter, and making every effort at transparency. We look forward to working closely with the PTSA in the future and extend to them an open invitation to attend and present at any of the Finance Committee meetings.

- Actual income and expenses were examined with only one notable item: Lanikai received its Federal & DoD IMPACT aid in the amount of \$65,000 which is \$30,000

less than in SY09-10. At a continued burn rate of \$230,000 per-month, Lanikai will end the year at a deficit of \$100,000-200,000 depending on receipt of the remaining Per pupil balance and revolving income collections. Most likely, the deficit will be closer to \$100,000.

- SY11-12 Budget. The Finance Committee prepared a draft SY11-12 budget to be discussed by the board and voted upon to provide the administration guidance for payroll planning. This is a conservative working draft that reflects both a long- and short-term fiscally responsible proposal. Later a final budget will be proposed for a board vote in May.

In summary, income changes from last SY are a potential increase in per pupil amounts (up to as much as \$6100+), but a decrease in IMPACT aid (-\$30K) and Stimulus funds (down to \$0). While the CSAO is confident in the \$6100 requested, the Finance Committee recommends that we use a conservative per pupil of \$5700 until the legislature has time to debate the Governor's budget request. As well, DOE is not funding two of the three SPED positions at Lanikai.

Expense changes at Lanikai include a decreased payroll requirement for one classroom as 3 Kindergartens become 2 First Grades. Also included is a small increase (2%) in overall expenses consistent with University of Hawaii Economic Research Organization (UHERO) and bank economist projections of inflation. The Finance Committee has, additionally, squeezed discretionary spending as much as is feasible while not affecting classroom quality.

Considering all of these factors, we see a potential deficit of \$160,000. Mitigations to offset this deficit and any associated payroll decreases are:

1. An increase of per pupil funds to \$6100 (+\$140K),
2. Focused, large-scale fundraising by the community of interest,
3. An increase in student population to 370 across all grades (+\$110K),
and/or
4. A Board vote to operate a deficit budget.

Mr.Hinz moved, Dr. Whitesell seconded, that the board accept this draft budget (attached) with the likely mitigation of \$400 more per pupil (or \$140,000) which may lead to a balanced budget. The motion was approved unanimously.

In discussion, Mr. Saint-Cyr noted that right now, "our problem is horsepower." Some volunteers, he said, have been able to provide some funding, but some others who hoped to be involved have not yet been able to carry through with ideas.

13. Adjournment: Meeting was adjourned at 7:05 PM and members went into closed session.

Be it resolved that:

- the LEPCS Board approves the photo-voltaic contract for final signature.
- the LEPCS Board accepts the draft budget (attached) presented at the February 2011 Board meeting with the likely mitigation of \$400 more per pupil (or \$140,000) which may lead to a balanced budget.

PLEASE NOTE: Next Meeting Date

The next meeting of the full board will be held on Monday evening, March 21 from 6:00 until 7:30 in a room to be announced. Immediately following the board meeting, members of the Search Committee will meet with Mr. Barry Rowland from 7:30 until 9:00.

See Budget attachment.

Respectfully submitted by Cj Baehr, Scribe.

Lanikai Elementary Public Charter School 2011- 2012 Budget	Rev:20110211 jch	2010/2011 Board Approved Budget	PROBABLE CASE \$5700*350
Income			
A	State	\$1,882,413	\$1,995,000
B	Federal (Includes ARRA, Title II, and Stimulus)	\$277,992	\$0
C	DOE Pass Through	\$173,109	\$176,571
D	Federal Impact Aid	\$95,000	\$65,000
E	Revolving income	\$116,000	\$116,040
F	Other income	\$179,600	\$79,600
Total Income	\$2,724,114		\$2,432,211
Expenses			
1	Payroll-Ceridian/All Staff	\$2,229,176	\$2,121,779
2	Revolving Expenses	\$116,000	\$118,320
3	Program/Classroom Expense	\$169,809	\$67,056
4	Health room	\$800	\$816
5	Library	\$612	\$624
6	Technology	\$34,060	\$34,741
7	Custodial	\$8,600	\$8,772
8	Office	\$4,500	\$4,590
9	Bank Charges	\$1,500	\$1,530
10	Audit	\$9,690	\$9,884
11	Lunch Program	\$52,500	\$53,550
12	PCNC Expenses	\$1,224	\$1,248
13	Repair & Maintenance	\$7,952	\$18,111
14	Portable Trailer Dep'n - cash exp \$23K being depreciated over 22 mos	\$12,691	\$10,576
15	Utilities	\$80,380	\$40,986
16	DOE Services	\$12,079	\$12,321
17	CSAO	\$37,756	\$38,511
18	Contract Labor	\$10,000	\$10,200
19	Liability Insurance	\$3,805	\$3,881
20	Accreditation	\$3,459	\$0
21	Misc School Board Exp	\$47,000	\$2,500
22	Contracts-Copiers	\$20,500	\$20,910
23	Principal Discretionary	\$10,000	\$5,000
24	Travel/Entertainment	\$520	\$530
25	After School Program	\$12,695	\$12,949
Total Expenses	\$2,874,617		\$2,588,810
NET INCOME	(\$150,503)		(\$156,599)