

## **Finance Committee Meeting Minutes - APPROVED**

**May 29, 2024**

Location: 10 Sharon Rd. Peterborough, NH 03458

*The meeting was called to order at 6:02 p.m.*

### **Committee Member's in Attendance:**

Jason Nero

Kristie Greenwood

Ross Kukish

Caleb White

Executive Director: Kerry Bedard

Kim Lavalee joined via ZOOM

- 1) The Pledge of allegiance was said.
- 2) We opened with public comment made by Fred Ward. Fred expressed that this was the fourth year in a row he assumed people were depending on him to make a large donation in order to run K-8 and K-12. Last year, he donated a quarter of a million dollars to help LCA get through the K-6 plan. He expressed displeasure for the landlord and the lease agreement, stating we are losing money and still need to build stuff for the future grades. This is now the second year in a row we have been discussing the same subject and Fred wants to know what the "dead-end date" is. How much longer can we last? Fred gave credit to the fundraiser LCA had in April, but said that was only 10% of what LCA needs. Fred again wants to know what the dollar figure is that is needed on spending for future construction for 8<sup>th</sup> and 9<sup>th</sup> grades. Does LCA have any other money coming in to count on? He will not donate money that is essentially going into the landlord's pocket. Fred expressed he was counting on the committee chair, Jason Nero, to get the "drop dead date". Jason thanked Fred for his comments and contributions.
- 3) Moving on to the update on end of year cash flow from Caitlyn on zoom: Caitlyn explained how finances function for charter schools. The income projections are light and conservative because it is based on the number of students enrolled. The total per pupil aid payment is spread out throughout the year. September 2024- LCA will get 30% of the Per pupil aid, 30% in December 2024, 30% in March 2025, and then the remaining 10% in July of 2025. Fundraising dollars are assumed at 0 to be conservative. Caitlyn also explained how

the HEFA loan was re-drawn at \$200,000, and the remaining Charter school program grant purchases must be spent by February 2025. Salaries are always the biggest expense to charter schools. Contracts start July 1 for FY25 school year. LCA will need to prepare for August to be a high payroll month- 3 payrolls in August 2024. There are usually always two months out of the year with higher payrolls. The LCA lease agreement also goes up in October 2024. As LCA ends FY24, there will be a little less than \$600k in the bank. Grant purchases were also discussed. Any purchases should be focused during the months of June and July 2024. The playground project will cost about \$40k. The curriculum has been ordered and P.O.s have been signed- about \$20-30k. This is state reimbursement for the CSP grant that freezes until early July. It is anticipated that the Hutter classroom buildouts will begin in late July, early August. Executive Director Bedard was going to be looking into the dates and finding out if any deposits are due up front, or what their billing cycle will look like. Regardless, this committee is confident that we will have enough cash flow to float the \$51k project. September is a low month for cash flow historically. We will need to have \$200,000 by the end of October 2024 to re-pay the HEFA loan.

a & b) Executive Director Bedard also gave an update on hiring: LCA needs 9 classroom teachers and 1 Principal (2 Kinder, 1 first, 2 second, 1 fourth, and 3 team teachers). There has been one offer extended and a few Principal candidates. The interview process is as follows: intro phone call, observe and spend time in the classroom, 1<sup>st</sup> round interview, 2<sup>nd</sup> round is a demo lesson, and the reference checks before an offer is extended. Besides pay being a challenge, staff members feel supported and like the culture. E.D. Bedard hosted a round table with teacher parents and solicited their feedback. The feedback was not discussed at this meeting. Trustee Greenwood suggested reaching out to current LCA families to see if they have any referrals or recommendations. Trustee Greenwood also suggested local colleges and their education programs, posting on Facebook town pages, job fairs, and indeed. ED Bedard said the school will investigate posting on town pages to expand reach and appreciated the suggestions.

- 4) Teachers benefits update: ED Bedard explained how LCA was first nestled under Founders Academy for the first year and now is separate. The benefits were switched to Simply Insured. LCA is now working with Stephanie from Dublin Health Group. Caitlyn is doing payroll currently through Quickbooks.
- 5) Second grade build out and replacement doors- E.D. Bedard spoke with Chief Walker again and decided it made more sense to install crash bars on the current doors to be in compliance. Hutter will be able to help us with this project and the FOB system that LCA would like will also tie-in. The doors will be done at the same time as the build-out. Future building construction was also briefly discussed. The 8<sup>th</sup> grade build out is estimated \$500k for four classrooms and bathrooms. When the school leases the warehouse, the lease will nearly double from FY25 \$429k to FY26 \$741k. The goal ideally would be to shoot for Building/Facility cost for a charter school to be around 12%-15% of state revenue (not total revenue which includes contributions and donations).

- 6) Fundraising update: discussed plans for fundraising for FY24-25. Trustee Greenwood suggested a year-long monthly calendar for fundraising goals/targets and events. Committee member Ross expressed interest in joining any efforts. The question was asked if funds raised could be used towards teacher's salaries, whether it's from a fundraiser itself, or from a capital campaign or major donor. Any funds raised will go into the general fund and are unrestricted without purpose. If a major donor wants to donate money specifically for something, it needs to be stated clearly on record. The committee also wants to send out family letters at the beginning of the school year. If every family donated \$1000 we would hit our \$300k target for donor dollars in FY25. E.D. Bedard also expressed the need for monthly newsletters to go out to families and donor list. As soon as the building negotiations, etc. reach a happy-medium, or we go with our next strategic plan, the Finance Committee as well as the BOT will need to create a "skinny plan" to achieve the correct messaging for the future of LCA. At this point, the committee can kick-off the capital campaigns needed, establish an Annual Giving campaign, monthly giving campaigns, and other grassroots giving programs. There are a lot of great ideas once we have clear messaging.

*The meeting was adjourned at 8 p.m.*

Approved 6/26