

Career Academy of South Bend, Inc.
Minutes of Meeting of Board of Directors
May 22, 2018

Directors Present: Daniel Adams, Thomas Coley, Larry Davis, Larry Garatoni, Michael Garatoni, Marian Hodges, Dave Risner
Absent: Steven Van Bruaene, Lori Smith
Staff Attending: Alex Hammel, Kim Richardson, Lydia Jagger, Dean Fecher
Also Attending: Charles Loeser, Emily Kleinschmidt

Larry Garatoni called the meeting to order at 5:45 pm at the Career Academy, 3801 Crescent Circle, South Bend.

A. Minutes of Prior Meeting. The minutes of the prior (April 24) meeting were approved.

B. Principal's Farewell. Lydia expressed her thanks to the board for the opportunity to serve as principal of the high school/middle school. It's the right time to retire but goodbyes are hard. There have been challenges and still will be, but it's been very gratifying seeing the school go from an "F" to "A" rating, the graduation rate from below 40% to above 90%, and all the related changes. Lydia said she believes the school is headed in the right direction and will stay that way, there's a great team here with some great leaders. Larry said the board deeply appreciates all that Lydia's done and we will miss her.

C. Robotics Team. Roger Johnson, IT Director, introduced Dave Ebersol, head coach of CASB's robotics team. Dave said the program continues to grow: this year there were 35 students on the team including 14 girls, and there are 42 applications for next year's team. This year for the first time the team was able, based on their record, to go to the world championship in Detroit. During the season, students and staff worked every school day 4pm to 9pm and Saturdays 9am-5pm. Information about the team including video and event results are available at <https://www.facebook.com/Team5484/> and <http://team5484.com/>. In addition to the six-week season, there's a one-hour class throughout the year. Next year there will also be a middle school team and two Success Academy teams, with age-appropriate technology.

D. Financial Report. Kim Richardson presented the April financial statements. There were no unusual events in April. As of April 30, year-to-date revenue of roughly 10.3M was over \$900,000 over budget with food service revenue (\$565,703, unbudgeted) being about 61% of the excess. Operating expenses at roughly 9.1M were about \$460,000 over budget but food service costs (\$471,386, all but \$3,806 unbudgeted) accounted for all the excess and then some; actual expenditures for budgeted costs were slightly under budget, resulting in positive cash flow of roughly \$426,000. The cash flow is calculated after the budgeted allowance for capital expenditures and loan principal payments, which year-to-date has been about \$19,000 more than budgeted. In contrast, the budgeted usable cash flow was roughly \$18,000 negative, so year to date there is a positive variance over budget for cash flow of roughly \$444,000. The usable cash flow bottom line of \$426,000 is not "income" since there is no expense recorded for depreciation, but from a cash flow standpoint 2017-18 has been a good year.

Year-to-date food service revenue over expenditure as of April 30 was roughly \$100,000, so the food service fund is still about \$70,000 short of the IDOE-target of three months of operating costs.

Part of the positive variance in cash flow is due to being under budget for salaries plus benefits by roughly \$90,000 but that's due to costs being budgeted monthly that are actually spent on a 10-month basis.

Upon motion duly seconded, the financial statements were approved.

E. Marketing Report. Rob Koehler presented a marketing report for summer and continuing activities. Online and television ads will be distributed specifically in St. Joseph County. Alex said one of Rob's important contributions has been holding open houses during school hours rather than in empty buildings over the weekends.

F. Staffing Update. Alex reported that based on discussions with the staff to-date, staff turnover from this year to next year will be lower than in any prior year.

G. Authorizer Update. Emily said Trine's focus is on the end-of-year reports which are in preparation but can't be finalized and presented until the next meeting. She noted that the audit and financial report requirements discussed in prior meetings have now been satisfied.

H. Questions/Comments.

A parent, with one child at Career and another at Success, said she believes the schools are attracting high-character students, perhaps due to every student in the school being there due to a parent or guardian caring enough to enroll them and provide transportation.

There being no further questions or comments, the meeting was adjourned at 7:45 pm.



Charles M. Loeser, Assistant Secretary