

355 Haverhill, Lawrence, MA 01840

Website: <u>www.lfdcs.org</u>

# **LFDCS Finance Subcommittee Meeting**

Phone: (978) 224-8808

# **MINUTES**

Wednesday, March 1, 2023 - 5:30 PM

Orange Wheeler House Conference Room and/or Via Zoom 355 Haverhill Street, Lawrence, MA 01840

LFDCS Finance Subcommittee Trustees in Attendance:

Chris Needham Jose Henriquez Germinudy Rosario

David DeFillippo

LFDCS Finance Subcommittee Trustees Absent:

Lynette McRae

Others Present:

Ralph Carrero Susan Perry Darshan Thakkar

I. OPEN MEETING

Superintendent Ralph Carrero called the meeting to order at 5:40pm.

# II. BUSINESS ITEMS

• FY'23 YTD Financials - Results compared to Budget (7/1/22 to 1/31/23)

Chris Needham, Treasurer, asked that the committee review the Profit & Loss Budget Versus Actuals for July 2022 through January 2023. He guestioned why tuition was significantly lower than the budgeted amount.

Susan Perry said that this enrollment number is based on October enrollment numbers submitted to the state, and we were not quite at 860 students at that time—our enrollment number was 854 students on October 1. She said our final submittal to DESE will be based on an enrollment of 858 students for FY'23 as we cannot add any more students after February 15.

Chris Needham thought that we might think about budgeting for a lesser enrollment number for FY'24, because we most likely will not end the year at our projected cap enrollment number of 880 for FY'24. Chris also had concern about the Teachers' Salary Line item budgeted at \$2,699,999.99, and current actuals only being \$1,327,895.72. He said for FY'23, we had to increase staffing of five new teachers at the Academy due to the expansion and the increase of sixty new students in grades K-1 to Grade 1. Due to teacher shortages, we have had trouble filling these positions and other teacher vacancies, especially at the Upper School where many teachers from last year did not return in the fall and are now being filled by paraprofessionals. He said we may find ourselves in the same predicament next year, and the numbers budgeted for teacher salaries might be too high for next year. He also noted that Account #5421 Licenses, Permits, under the Administrative Expenses Category was way over budget.

Susan Perry said that this is because we are purchasing and converting over to a new MMS Student Information System (PowerSchool) to replace Rediker, which we purchased about five years ago and is not robust enough for the school now. The charges for PowerSchool services and set up have been charged to the Administrative Licenses, Permits Account #5421. She explained that we have four accounts for IT and that Account #5421, used for purchases of IT software and hardware for the entire organization, is over budget due to purchasing PowerSchool. We also have two accounts under the Instructional category (Account #5422 and Account #5422-IT) which are specifically for hardware and software and subscriptions and licenses related to teachers and students--both are under budget or on budget at this time. Account #5422-IT is budgeted for \$50,000 for FY'23 and will increase in FY'24 to \$250,000 due to the possible addition of two digital designers.

Superintendent Carrero assured the committee that Tony Schumann, the IT Coordinator, is making sure that our systems are up to date and robust enough to handle the increase in technology for the entire organization and that access points have been increased from seventy to ninety-one. We have been using federal dollars for these big ticket computer infrastructure items, and Tony also submits for federally funded e-rate services for schools.

#### SY'2023-2024 LFDCS Budget (1st draft) - Roll Call Vote Required

Chris Needham, Treasurer, asked all Finance members if they had a chance to review the budget for FY'24. The members of the Finance Committee said they have had a chance to review the budget and felt comfortable voting on a first draft of the FY'24 Budget to present to the full board for a first draft vote at next Wednesday's meeting.

Motion made by Dave DeFillippo; seconded by Jose Henriquez, to approve the first draft of the SY'2023-2024 LFDCS Budget. A Roll Call Vote was taken and the motion passed.

Chris Needham - Yes Jose Henriquez - Yes Germinudy Rosario - Yes David DeFillippo - Yes Lynette McRae – Not in attendance

# Expenses for the Expansion of 10 Railroad Street

Susan Perry, Director of Finance, said that the final cost for the Expansion of 10 Railroad Street was approximately \$701,608.43. She said there was \$388,127.94 spent in FY'22 for materials and supplies and \$303,054.49 spent in FY'23 for materials and supplies. Internal labor was approximately \$358,000.

Superintendent Carrero said we used \$480,000 that was held in escrow from the bank loan line of credit; therefore, we were over budget by about \$300,000 due to costs of materials during COVID that were approximately 200%-300% over cost. He said if we did not have these increases in materials, we would have probably been only \$100,000-\$120,000 over budget. He noted that no money was used by the School to pay for this expansion.

Chris said that once a building is purchased for Grades 7/8, discussions will begin for a new lease, and in FY'25 discussions will begin about retrofitting the inside of the new building for Grades 7/8 possibly through the school reserves.

# • Superintendent's Agreement

Chris Needham said that Superintendent Carrero's employment agreement will be expiring June 30, 2023, and the Superintendent's Evaluation Committee will need to start meeting with Ralph to discuss his next contract. Chris said he is willing to start meeting with Ralph about his contract and review of his goals if it is okay with Germinudy Rosario, the Chair of the Board, and the rest of the committee. The current members of the Superintendent's Evaluation Committee are: Dave DeFillippo, Germinudy Rosario and Elizabeth Nolberto. Geri, Dave and Jose agreed to have Chris start discussions with Ralph. He said we should add "Superintendent's Agreement" to Wednesday's agenda to let the whole board know that the committee is in the process of doing a new agreement and to ask Board Trustees if they would like to join this committee.

# III. ADJOURN - Roll Call Vote Needed

A motion was made by Chris Needham; seconded by Germinudy Rosario, to adjourn the meeting. A Roll Call vote was taken, and the meeting was adjourned:

Chris Needham - Yes Jose Henriquez - Yes Germinudy Rosario - Yes David DeFillippo - Yes Lynette McRae (not in attendance)

Respectfully submitted

Suran Tyone

Susan Lyons, Recorder

<u>List of Documents Used</u> SY'2023-2024 LFDCS Budget (1<sup>st</sup> draft) – Roll Call Vote Required Expenses for the Expansion of 10 Railroad Street