

APPROVED



Gestalt Community Schools

Minutes

Board Meeting

Date and Time

Thursday April 19, 2018 at 8:30 AM

Location

Nexus Stem Academy, 8220 E Shelby Drive, Memphis, TN 38125 - Audio Conference: 901-213-5161 Enter Extension: 1216 Guest Password: 5152

Directors Present

A. Evans Blackwell, C. Leon, D. Selberg, D. Williams, H. Coleman, K. Walker Burt, P. Ray, S. Branch, S. Elswick (remote), T. Williams, Y. Lewis

Directors Absent

K. Satterthwaite

Directors who arrived after the meeting opened

S. Branch

Guests Present

Angela King, B. Turner, G. Rucker, M. McFarland, N. Rogers

I. Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

A. Evans Blackwell called a meeting of the board of directors of Gestalt Community Schools to order on Thursday Apr 19, 2018 at 8:36 AM.

C. Approve Minutes

Y. Lewis made a motion to approve minutes from the Board Meeting on 02-15-18 Board Meeting on 02-15-18.

D. Selberg seconded the motion.

The board **VOTED** unanimously to approve the motion.

S. Branch arrived.

D. New Board Members

C. Leon made a motion to Accept Dodd Willams and Susan Elswick as new GCS Board Members.

T. Williams seconded the motion.

The board **VOTED** unanimously to approve the motion.

II. Finance

A. Budget Process Update and Finance Reports

We are continuing with weekly efforts to monitor cash flow. March to June 30, we should have a positive cash flow of \$1million and through July of \$100,000. These projection incorporate equipment and furniture needs at our Elementary Schools and Nexus Middle, as well as Summer training for new & returning teachers. The cash flow continues to indicate that we will not need to draw down funds from lines of credit and if we do, it will only be 1 line of credit; we have a total of \$1 million available in lines of creidit.

Balance Sheet

Cash related to AP is 2.7, in comparison to last year at 1.7, so we are moving in the right direction. Statement of Activities that have been presented previously has been based on June 2017 budget, so we are now using the reforecasted budget from November so that it could be more accurate (reforecast was \$254, but actual is \$204). Revenues are \$800,000 greater than originally budgeted (BEP and Capital Outlay), we are working with SCS to understand BEP allocations. Periods 2,3,6,and 7 with 6 and 7 being weighted. Most recent tru-up has increased what we are receiving. Capital Outlay is also based on enrollment and it follows the same schedule of periods 2,3,6, and 7- and it was increased in February, just as BEP received an increase. Revenue has increased by \$800,000; but so have our expenses by \$800,000.

This means the budgeted process is crucial and trying to get the correct expenses from schools and CMO departments. We have started budgeting process with everyone. First draft to finance committee on May 4th. May 16th for the second draft to have one for board in June

Guest - Christy Gilmore entered at 9:08 am

B. Mendenhall Update

**Most recent amendment takes us out to May 11th and we are planning to close by April 30th ; Sell price of 5.1million, Property has appraised at 7 million
The Final agreement on distribution of fees at closing, better than initially discussed. Belz is covering \$423,400 and we are covering \$199.,100 of pre development and post development, legal expenses and environmental testing costs. The actual costs are coming in below the estimated costs and we have contacted the vendor who handles remediation and they are willing to work with us on pricing. The State of TN replied on yesterday with their final comments for the Brownfield agreement and we aare hoping to have everything completed no later than Monday. The states comments dealt with providing more specificity in areas, but do not affect GCS financials, mostly technical items.**

A property management company has been selected (Lurie and Associates) and a Developer (TenSquare) and the holding Companies are in place for GVH and PCAMS. We will need a Board Resolution on June 19 for the distribution of profits.

Currently, exploring opportunities for immediate sale of the gas station and have a valuation meeting today with a realtor who believes he has some serious prospects who would meet our requirements

III. Development and Enrollment

A. Enrollment Report

Returning family info is only 4 days of data as we got started later than originally scheduled. The crucial areas are 3rd grade and there is a push and a campaign to make sure that all of our families re-enroll. We will be pulling from the waitlist at end of May to fill the Nexus gap. We feel that we are progressing well and even better than last year.

Ms Evans-Blackwell asked that the board receive a year over year update on board on track and Ms Leon asked for the budgeted numbers to be added to the enrollment report; adding Budget, Target, and Variance for enrollment .

M. McFarland left.

B. Development

We are receiving an additional \$125,000 grant from CSP State Dissemination to develop a science curriculum for the Middle Schools that will be disseminated to other schools in the state. We would have had to do this work, but now the state is paying for it to be done.

C. Development Strategy - Christy Gilmour

Ms Lewis introduced Christy Gilmore of Gilmore Consultants. Ms Gilmore gave an overview of her company and how they are working with Gestalt on fundraising and to develop an overall strategy. She will be working with Ms Lewis on corporate sponsorships and major donors as we have a deficit in these areas.. We are also transitioning to another online payment vendor. Ms Gilmore left at 9:30 am when her presentation was over with.

D. Testing

There have been state wide issues with the online Tn Ready testing. Today is the 3rd day of testing. The 3rd grade at PCAES and both Middle schools are taking paper test. Online testing at the High School is going well. The first day of testing, we had issues with scholars whose test did not originally save to the state, but the information was saved, so when the scholars signed in on the 2nd day, the information had rolled up to the state. We started on Tuesday instead of Monday because we figured there would be issues on the first day.

IV. Closing Items

A. Next Board Meeting Date

Next meetng on June 14th.

B. Adjourn Meeting

Susan Elswick left the meeting at 9:30 (on thte phone).

C. Leon made a motion to adjourn the meeting and enter Executive Session.

P. Ray seconded the motion.

The board **VOTED** unanimously to approve the motion.

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 9:30 AM.

Respectfully Submitted,

G. Rucker