

Los Feliz Charter School for the Arts Board Meeting Minutes

March 24, 2010 2 – 3:00 p.m.

VIA PHONE TELECONFERENCE

****APPROVED****

BOARD MEMBERS:

Present: Karin Newlin, Gabrielle Samuels, Robert Greenberg, Linda Johannesen, George Abrams, Michael Bishop (joined @ 2:14), Marissa Chibas-Preston

Absent: Verna Dauterive, Elise Buik, Sharon Sutton, Marta Alcumbrac,

Quorum? Yes.

Also Present: Mary Ann Gallo, Carrie Wagner, Joe Meza

PROCEEDINGS:

- George Abrams called the meeting to order at 2:10 p.m.
- Abrams asked ExED to share information about difference in fees if LFCSA commits to a \$1,400,000 loan we need for this year and next versus committing to just the \$400,000 we need for this year.
- Carrie Wagner sums up the difference as well as she can calculate as a savings of \$11,000. Abrams asks Michael Bishop to comment.
- Bishop and Wagner discuss the cash flow situation, state deferrals, growth of school, need for loans in future years, etc.
- Linda Johannesen notes that she is negotiating with a parent willing to make a short term cash loan. Loan of \$250,000. Terms will be prime + 5%.
- Bishop thinks we should do both because having a slight cushion is a good thing.
- Returning to the subject of whether or not to do the \$1 mil for next year too, Bishop thinks the cushion from the cash loan could help us go for just the \$400,000. We would then have the opportunity to explore other lending options.
- Greenberg asks about the RAN pool for next year.
- Chibas-Preston asks if there's any chance that CSC might not be making loans next year. Short discussion follows.
- Johannesen underscores Bishop's observation that all charter schools are in the same boat in terms of needing cash. She imagines that that means we will have increasing options for lenders in the future.
- Abrams moves to enter into a contract to factor receivables for the 09/10 and 10/11 school years with Charter School Capital for \$1,400,000 under the terms presented by ExED. Chibas-Preston seconds. Johannesen asks that the CSC cost sheet be included with the minutes. Ayes (via roll call): George Abrams, Linda Johannesen, Marissa Chibas-Preston, Michael Bishop, Bob Greenberg, Gabrielle Samuels. Motion carries.
- Bishop adds that we need to start cultivating relationships with traditional financial institutions who will recognize us as a business. City National Bank is mentioned as a possibility. Johannesen mentions her own contact at CNB. Wagner says that ExED has some contacts there as well.
- Greenberg asks if there is any news on the C.U.P. Newlin says that it is proceeding apace and mentions that contracts with PCSD and Ray Franco have been signed. Franco stuck to his 7 % deal.
- Meeting adjourned at 2:58 pm.

Minutes submitted by Mary Ann Gallo.