



OSA Finance Committee Meeting
Friday September 18, 2020 9:00 AM

Zoom Meeting ID: 949 8416 4155

Password available upon request without condition by emailing rdouglass@oakarts.org

OSA Board Committee Members in attendance:

Adrienne Barnes, Mike Barr, Wei-Ling Huber

Called to order 9:02

Public Comment - No public comment

9:04 **Approval of Minutes** - Motion to approve minutes by Ms. Huber/2nd Mr. Barr/Roll call vote taken of committee quorum (Barr, Huber), motion passed unanimously

Budget Updates - Ms. Lefkowitz add STRS potential penalty of \$25k - placeholder as we have no details on the actual amount at this time. Updated department codes, budget now matches payroll. Mr. Barr will reach out to Mr. Borg re: fundraising committee, maybe a shared meeting to align goals? Ms. Keslosky will speak at the board meeting, can include R&R of each team member. FTE is higher overall in Advancement.

9:11 Ms. Barnes joined the call.

Apply for growth funding - wait till 10/7 Census Day to know what our actual enrollment is. As of today we have 801 enrolled. Some upside from the trailer bill. Projecting step increase only at this point.

Ms. Huber- how are you set up to reallocate funding if additional sources come through. Ms. Palmore - once we receive info we discuss in weekly budget team mtgs, review all line items, leave as cushion or apply where needed. Suggestions are made, significant amounts brought to committee for direction.

Cash Flow Projections - July cash flow projections closed. If we didn't have PPP we would have only 3 months in the bank. Unrestricted cash in checking account is ~\$570k. February aid will be deferred. \$518 state inflow for march but \$775 was expected if no deferrals. Assume same or worse deferral next year. End year with \$1.75M or basically our PPP amount. If not for PPP we would be in a borrowing mode. Mr. Barr recommends we make projections for a worse scenario. Solve for this now instead of later, start looking for lines of credit. Kimberly is working on this with Mr. Oz. If we can't get line of credit, consider ASAP Program - 1st come, 1st serve, deadline to submit a free application is 10/23. Mr. Barr recommends move forward.

Audit Firm Proposals - Square Milner our current auditor. Mr. Barr recommends we change. We are at end of 3 - year contract, and were with them prior to this contract

also. Adrienne recommends CLA. They sent a one- year proposal, Kim will request a 3 year, and bring to review at next meeting. Ask for references.

9:31 Ms. Barnes left call.

Prep for Board Update - trailer bill, keep an eye on this. Focus on bottom right hand corner of report. He feels strongly that we put money away for next year - we will really need it then, he projects an 8-10% cut next year. Are we pulling more kids off the waitlist? Yes but can't exceed class size limits. Projected headcount was 820 but we are limited by terms of charter also.

Equity Consultant budget - we had some funds for professional dev plus a board member made a large contribution to fund it.

When are deferrals postponed to? June will come in July, Feb will come in November, it's all backward. We'll get a repayment starting monthly in July. State portion of SPED is likely also subject to deferrals - keep an eye on this!

PPP Update - CFO Share is the PPP forgiveness application support. \$200/hr can do the application for you or provide support. Likely 1-10 hours. We come with all the details ready thanks to CSMC. Mike - each bank will send its own forgiveness template on their own timeline. News from Washington seems to be getting better, advantage to wait. Some proposals for automatic forgiveness under \$2M. Waiting is better - we don't know of anyone who has gotten forgiveness yet as it hasn't happened. Likely we won't know till end of fiscal year, lots of applications going in at same time. They may be booked up all of a sudden. Kim will work through sample calculators with Leonie at CSMC and will follow up with Summit today. Wants to be sure the \$2k is worth it to hire a consultant. Balance of having consultant lined up so funding isn't at risk v wait for overall forgiveness. It is a loan until we are told differently.

Facility Costs

Wei-ling requested breakdown of rent and Fox reconciliation.

Lisa is looking at local properties with Pablo, Andy & Lori for a WB replacement. Fox lease projected till 2026 but up for renewal in 2021. Reviewed billboard projected funding vs monthly Fox expenses. \$940k/year Fox Rent. Can it be decreased?

12:30 walk through next Friday at Kaiser Convention Center.

Mike asked Kim for an amortization sheet for the next meeting for folks to better understand.

10:01 Mr. Barr left the call.

10:04 Meeting convened.