



OSA Finance Committee Meeting Minutes
August 30, 2021 12:30 PM

OSA Board Committee Members:

Adrienne Barnes, Mike Barr, Wei-Ling Huber

12:02 Roll call vote - in attendance Barnes, Barr, Huber, also attending Alvarado Mena, Palmore, Omari, Sherman-Colt, Douglass

No public comment

12:02 Maria will take everyone through cash flow

Shared ending balance as of June 30, 2021 \$2.242M in bank (different from cash flow report - this is what is literally in the bank at the moment and does not include receivables/payables). Amount has changed based on all the actuals. This reflects first payment to STRS - it's in the books as AP for LY. The P & I will go into effect 21-22. Reviewed year end projections based on paying the entire amount vs portions.

Discussion re: whether the \$500k paid earlier has been booked and in what category. These numbers appear very different from what was presented at the board meeting last week and Alvarado Mena, Barr and Barnes are questioning totals. How much P&I is included in the P&L of FY21?

Update \$1.356 payable - what was the debit side of this transaction?

P&L and cash flow correct for LY

Review doc shared at committee 8/20

How the original 1.2 M in July debit/credit as of June 30, as of July, and d/c of P&I

1. Full amount FY21 recorded as an expense? How does it flow through unaudited actuals?
2. How was the payment made and did it reduce payment/liability?
3. What was the journal entry to book and the offsetting debit (likely to interest expense)?

Mr. Barr recommends the group reconvene tomorrow - agenda posted for 12:30

Facility Budgeting - Lease costs and expenses review. The negotiated lower rates are for 2 years. The SB 740 funds will support in future. Adding facilities increases cost but that revenue offsets. Funded based on ADA projections. Barnes - What is YTD ADA? Currently we are down 30 students. The ADA is different from enrollment. In Year 3 revenue expected to decrease even more unless there is a post-covid rebound.

Huber suggests enrolling students as 'academic only' to make enrollment targets. Alvarado Mena - consider summer programming to cover rent on the facility during months of no ADA. Plan ahead to raise now to start offset year 3. Have we looked into virtual classes or looking into other charters to provide art to raise some funds? How about a flat lease, would that help? Barr - probably would not help due to accounting reasons on the P&L.

Lisa - the build out due to permitting might cause a delay. Also, can we rent out space. Barnes - \$88k in three years can be figured out but can't justify any decision until knowing where we stand today on ADA and cash flow.

Mike Oz - Enrollment steadily going up, current at 794. ADA unknown right now. Still working on enrolling students. Note that these projections do not include union wages. Once the final amount is decided upon, it will be an additional debit based on whatever comes via negotiations.

Meeting adjourned at 12:53