

Ocean Charter Finance Committee Meeting minutes

October 25, 2022

Committee members in attendance: Stephanie Edwards, Tammy Stanton, Debbie Tripp, Amanda Ferry, Dan Wierzba

Late arrival: Kristy Mack-Fett @ 5:36 pm

Committee members absent: None

Community Member in attendance: Ayanthy Peris, ExED

Called to order: 5:33 pm

1. Open Forum:

- a. No comments made

2. AB 361 Certifications

- a. Tammy Stanton read the certifications and called for a vote:
 - The OCS Board of Trustees has reconsidered the circumstances of the state of emergency.
 - The OCS Board of Trustees recognizes that local officials continue to impose or recommend measures to promote social distancing.
 - Tammy Stanton made the motion to approve the AB 361 Certification, and Stephanie Edwards seconded the motion. Yes Vote –Debbie Tripp, Stephanie Edwards, Amanda Ferry, Dan Wierzba, Kristy MackFett, Tammy Stanton. No Vote – None. Motion passes

3. Meeting Minutes

- a. Stephanie Edwards made the motion to approve the 09/20/22 finance committee meeting minutes, and Debbie Tripp seconded the motion. Yes Vote – Kristy Mack-Fett, Debbie Tripp, Stephanie Edwards, Tammy Stanton, Abstain-Amanda Ferry, Dan Wierzba No Vote – None. Motion passes

4. 2021-22 Annual Audit

- a. New Firm will present the draft audit report at audit sub-committee on November 29, 2022 @ 5:30 – 6:00 pm hard stop
- b. Very professional and helpful – document sharing
- c. ETA draft report to be delivered prior to Thanksgiving
- d. State submission deadline December 15, 2022

5. Site Audit Status Update – agenda item #1 for the November 29, Finance Meeting

- a. Prop 1D requirement (went into effect in 2019 state regs)
- b. Christy White Audit firm team member will present draft report
- c. Submission Deadline to the Office of Public School Construction (OPSC): November 30, 2022

6. California Credit Union Credit Card Update

- a. Requested an additional application, because the initial form was incorrect, and it is in process

7. **Hanmi Bank Line of Credit renewal: short-term extension 10/03/22 – 12/03/22 and pending full renewal through 10/03/2023**
 - a. Bank is short-staffed and requested a short-term extension period with a 12/03/2022 maturity date
 - b. Loan renewal period: commencement date
 - c. \$1.3M line request, which is the same amount since October 2019. The original principal amount of the loan was \$600K in June 2017.
 - d. Discussed placement on the Nov. board meeting agenda for approval.
8. **Review and discussion of Current Financials, including current enrollment, and fundraising, and make possible recommendations based on Covid impact**
 - a. Sept 2022 financials reviewed and discussed.
 - b. Enrollment 552, which is (6) students less than budget forecast - no recommendation to change to budgeted plan. Debbie shared that waiting list enrollment is proceeding well.
 - c. Forecasted operating net-income: \$81K
 - a. 2022-23 Award \$74,000
 - b. COLA increased from 6.52 to 13%, increased LCFF by ~\$143K
 - c. New Revenue Sources
 1. Arts/Music/Materials: Total award \$330,447 allocated \$97K for the 22-23 along with corresponding expenditures
 2. Aftercare: Orig Budget \$350K – Forecasted budget \$385K, no additional operating costs
 - d. Increased salary & benefits Expenditures \$533K
 1. Specialty Teachers now under STRS
 2. Instructional Aides FTE with benefits
 - a. Temporary benefits eligible positions
 - e. Forecasted Cash
 1. Operating \$ \$872, 369
 2. Facility Project Restricted cash \$385,526
 - d. Debt Balance Forecasted 06/30/21 Balance: \$11,183,053
 1. Facility Loan ~\$10M
 2. Prop 39 over-allocation ~\$1M
 - e. Potential cost not in budget – Gate replacement
 1. Negotiations not going well re project cost and responsible party and unused project funds (the restricted facility project cash)
 2. Ocean’s perspective the current projections indicate there is ~\$200K available to fund the gates.
9. **Review Grant Funding Sheet**
 - a. Reviewed status of allocations by fiscal year(s) through 2028 for COVID and new block grant entitlements
 - b. Learning Recovery Emergency Block Grant:
 1. \$278,760 total award
 2. 50% to be received Nov 2022, 50% April 2023
 3. Allowable period of use: 2022-23 – 2027-28
 4. OCS budget currently does not include plan

- c. Arts, Music & Instructional Materials Block Grant:
 - a. \$330,447 total award
 - b. 50% to be received Nov 2022, 50% May 2023
 - c. Allowable period of use: 2022-23 – 2025-26
 - d. Requires board approved expenditure plan and previous public hearing
 - e. No Template available
 - f. Co-Directors to bring proposed plan to the Nov 29, 2022
 - g. OCS budget current assumes \$97K amount for 2022-23
 - h. Conversation on one-time spend and suggestion on connecting with faculty on potential expenditures:
 - 1. Class readers
 - 2. Math Curriculum
 - 3. Sex, Ed & Human Development
 - 4. Mental Health Supports
 - 5. Field Trips (Pathfinders)

10. Adjourned meeting: 6:52pm