

Blue Oak Charter School
450 W. East Avenue, Chico, CA 95926
Meeting Room 24
FINANCE COMMITTEE
REGULAR MEETING APPROVED MINUTES

Monday, October 8, 2024 4:15 PM

Join Zoom Meeting

<https://us06web.zoom.us/j/87476543382?pwd=oXDK4KrbWPhImOijCKuJp2u3SRbaaQ.1>

Vision: To be a model for successful education of the whole child.

Mission: To nurture and deepen each child's academic and creative capacities using methods inspired by Waldorf education in a public school setting.

Virtues: Hold Reverence - Have Courage - Build Friendships - Seek Wisdom - Show Compassion

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AGENDA

OPEN SESSION - 4:15 PM

1. OPENING

- 1.1. Call Meeting to Order 4:21pm
- 1.2. Roll Call of Committee Members and Establish Quorum

Name	Present	Absent
Ryan Sanders	x	
Susan Domenighini	x	
Kate McDonald	x	
Elizabeth Nail	x	
Michelle Greene	x	

1.3. Invocation - School Verse Read

“This is our school, May peace dwell here, May the rooms be full of contentment. May love abide here, Love of one another, Love of our school, and Love of life itself. Let us remember that as many hands build a house, So many hearts build a school.”

1.4. Audience to Address the Committee

This is the opportunity for members of the community to address the committee concerning items not on the agenda. Committee Members will not respond to comments due to Brown Act expectations concerning agendas. Persons addressing the Committee will be allowed a maximum of three (3) minutes for their presentation. Persons may not yield their time to another speaker (Gov. Code § 54954.3)

1.5. Agenda Modifications

1.6. Approve Minutes - September 10, 2024 (5min)

Kate McDonald motion to approve minutes. Elizabeth Nail seconded the motion.

➤ Vote.

Name	Yes	No	Abstain	Absent
Ryan Sanders	x			
Susan Domenighini	x			
Kate McDonald	x			
Elizabeth Nail	x			
MIchelle Greene	x			

➤ Vote passes

2. FINANCIAL REPORTS

2.1. Charter Impact Monthly Report (September 2024) Annie Gilbert-Charter Impact

2.2. Attendance and Enrollment -September Highlights

End of September enrollment at 219 (P/Y 234); ADA @ 93%. I had been using the 91% ADA for calculations. The rate, though small, makes a big difference. The differential is larger. The forecast was changed because of this. Last month we were close to a 300K deficit but now we are closer to 130K. There was a larger discrepancy in salaries before. Not all teachers are paid smoothly throughout the year. We had to adjust some salaries in May which reduced the deficit to around 150K. Then Susan and Annie met and looked at the allocations in the budget and expenses. They were able to adjust even more. Now we are at about a 130k deficit. The reduction in one time funding was built into the budget already but the lower enrollment was not. The 130K deficit is not due to the one time funding. It is something that we will need to address and have already started addressing for next year.

Cash is forecast at 414K at June 30th 2024. Representing 38 days cash on hand. One time funding FY 2023-24 668,962K. For this year it will be reduced to 532,897.

Review of expenses shows 33k over in salaries this a combination of certificated and classified salaries. We have budgeted correctly for the year and it will smooth out going into November and December. Subagreements is another area that we are over budget.

That would be the Nursing contract which is 10k over. Then 4K over for Special Education (sped). We fixed the timing issue with reporting certificated salaries. Classified salaries timing with early in the year payments equals higher accrued salaries at the beginning of the year. The accrued salaries at the end of September equaled a large payroll at the beginning of October. The classified expenses are correct, 550K is budgeted for the year for classified salaries, but we will have to keep a close eye on this because these salaries vary due to being hourly employees. For instance, we have vacation times in November and December which means we will see a decrease in classified salaries because they report hourly. We won't have such a large deficit at the end of October. Again we will have some differences month to month for classified staff. Ryan wants to have a more accurate month to month idea of expenses for classified staff. It's important to note that when we do the budget every month is the same. This is not actual, it is a budget/projection and it adjusts to actual after the true expenses and revenue are counted.

Surplus/Deficit & Fund Balance Forecast (\$131K) Year end fund balance projected at 8.8%. Minimum requirement is 5%. We should check in with CUSD to confirm that it is 5%. Susan mentions that she believes it is 3%. Check register is reviewed, stop payment fees and positive pay bank security measures were discussed.

Current cash projection, Balance sheet detail and the Compliance Report were all reviewed.

- 2.2.1. Cash Flow
- 2.2.2. Balance Sheet Detail
- 2.2.3. Warrants/Aged Payable
- 2.2.4. Actual to Budget Summary (*part of the Financial Forecast in the Charter Impact Report*)

2.3. Point of Sale Transactions/Check Register (September 2024)

2.4. Credit Card Statement (September 2024)

Motion to approve the reports under 2.0 and recommend to the board by Susan Domenighini. Kate McDonald seconded the motion.

➤ Vote.

Name	Yes	No	Abstain	Absent
Ryan Sanders	x			
Susan Domenighini	x			
Kate McDonald	x			
Elizabeth Nail	x			
Michelle Greene	x			

➤ Vote passes.

3. BUSINESS

3.1. Deep Dive into Budget

Discussion/Action (30min)

What are the plans for 134k deficit - Kate McDonald will we be getting more information in the October or November budget regarding a response to our deficit? Yes we will continue to review the budget and expenses each month.

3.2. Update on New School Site Discussion(10 min)

We have the site and we have looked at an architect. Architect choice has to be acceptable with the school district. The cost of the proposed site is significantly higher and the site is larger than what we had anticipated having in the past. We are definitely looking at what we can afford with our current budget. This means an increase in costs. We are not making any decisions yet and need to look at one more architect. We are looking at multiple different funding options. We are exploring “Grow Schools”, a program that helps schools fund sites. If measure C is approved it could help us a lot. With that CUSD is going to give us some of Measure C funding. Based on our enrollment we may receive around 900k.

Measure C is a \$269 million dollar bond 15.45% is allocated for charters, i.e. the 900k. There is \$17 million set aside for charter schools, The last Measure K money was divided by ADA - and so therefore there is still Measure K money sitting in the bank so they have changed the way they approach Charters when offering money, in order for it to be spent more quickly.

3.3. Administrative Pay Scale Review Discussion/Action(20min)

Review of current and proposed salary scales. This is not for this year as we have already agreed to our current salaries at the board meeting. Note, if you review the current Director and Assistant Director they are based on the number of contract days in a school year. These numbers can go down to 190 and up to 240. So for example when the Executive Director’s salary was cut this year, we reduced the number of days that they worked. This reduces the salary. For the Facility/Safety Food Manager position the salary is based on regular step increases. So in 2023 we increased the number of months that the Facility Manager works from 11 months to 12 as we realized that the school over the summer month of July, needed care that it was not getting with this position not in a contract to work. The numbers on the proposed salary schedule for all three positions are based on a 3% increase the first year then a 2% increase every year thereafter. The original salary schedule for all three positions was based on a 3% raise every year 1-6. This is the reason for the discrepancies in years 5-8 on all three positions. Susan does not believe this will impact the current Assistant Director’s salary or the Facility Manager’s salary. Meaning they would not receive a decrease in pay if this proposal were passed. The only position that this new proposed pay scale will impact negatively would be the current Executive Director and she is willing to accept that. The committee members ask the administration to review these two administrative/positions and one Management position to confirm this information is accurate by the next meeting.

Kate McDonald recalls from her time on the finance committee the following; Both of the proposals were looked at last year and put into effect. What is remembered is that the administrative pay scale seems to be the one we look at last. We were looking at budget cuts the last time this finally came around for discussion. The finance committee at that time asked for a review of the administrative pay scales with district comparisons as retention, competitive wages and sustainability were a concern. We had already addressed Certificated and Classified pay scales but never got to administrative pay reviews and so it seems as if this is still an item that needs to be addressed. The Finance Committee wonders what the increase would look like in our budget for next

school year and they ask for this information to be available by the next meeting. There are multiple other concerns expressed that include the 130K deficit that was just discussed for next school year. We are also trying to build a new school. We did deep cuts and many employees were not rehired due to budget restrictions coming into this school year. Sustainability was discussed. Another concern is there is currently a minimum wage increase proposed on the November ballot, Proposition 32. The committee is wondering how this will also impact the budget should this proposal pass. This would mean minimum wage will go to \$17 per hour on Nov 6 2025 then Jan 2026 it will go to \$18 per hour. They committee would like to look at how this will impact our current budget should this proposition 32 measure pass. In light of everything that is going on presently, building a new school, potential budget reductions etc. The committee discusses recommending this to the board to make this decision after the information is gathered and reviewed. There is also concern with the current proposal as there are a couple of years where there is a decrease in pay in comparison to the current approved pay scale. Have the job requirements changed and if not this does not seem like an appropriate proposal. Today the job pays this amount but tomorrow it pays less? More information is needed. The committee asks for the overall budget impact should the increase go into effect in 2025-26. They would also like to see a longevity plan for beyond 8 years.

3.4. Classroom Accounts Balances Review (Q2) Discussion (10min)
Classroom accounts are reviewed and discussed.

3.5. Approval of Grant Application Discussion/Action(10 min)
We applied for an Equipment Assistance Grant today for 4K. The deadline to apply was today. We are hoping to use these funds to purchase a very much needed freezer for our lunch program. We do have money set aside that we could use from Measure K but I was asked to apply for this grant so we can reserve Measure K funds for the new building project. The freezer cost is estimated around \$3,800. Motion to approve the grant application Michelle Greene. Elizabeth Nail seconded the motion.

➤ Vote.

Name	Yes	No	Abstain	Absent
Ryan Sanders	x			
Susan Domenighini	x			
Kate McDonald	x			
Elizabeth Nail	x			
Michelle Greene	x			

➤ Vote passes.

4. NEXT MEETING - Tuesday November 12, 2024

5. ADJOURNMENT 6:15pm

Minutes Taken By: Maggie Buckley

Approved by: _____ Date: _____

Name	Present	Absent
Ryan Sanders		
Susan Domenighini		
Kate McDonald		
Elizabeth Nail		
Michelle Greene		

➤ Vote.

Name	Yes	No	Abstain	Absent
Ryan Sanders				
Susan Domenighini				
Kate McDonald				
Elizabeth Nail				
Michelle Greene				

➤ Vote passes.

