



# PALISADES

## CHARTER HIGH SCHOOL

### **CBO REPORT BOARD OF TRUSTEES APRIL 21, 2020**

#### **2019-2020**

#### **CASH**

PCHS has not closed its' Financials for March, as of the date of this report. However, tentative Cash Balances were combined cash balances of \$9.5 million (\$8.7 million Unrestricted Including Lifetime Health benefits designation) compared to \$8.1 million (\$5.8 million Unrestricted) in February 2020. The Quarterly Funding from EPA (Prop 30) of \$1.5 million & increased ADA Funding for the P-1 Attendance report was received in March.

#### **Attendance**

Month Six of our PCHS Attendance Reporting was used to submit our P-2 ADA. The COVID pandemic resulted in the CDE changing the ADA Reporting period from Month 8 to the closest perion of reporting to February 29,2020. For Pali, this is Month 6. Accordingly, the ADA reported was 2,907.28 and will be used by the CDE for Funding calculations for 2019-2020. While this reported ADA is more than our Budgeted ADA of 2,880, it is unclear whether the CDE may lower all Districts per ADA funding level for 2019-20 as a result of the other COVID related Fiscal issues.

#### **FINANCIAL UPDATES**

The post 2<sup>nd</sup> Interim 2019-2020 financial updates provided at the last meeting are in the process of being updated. The significance to the COVID pandemic's impact to Pali's can not be more impactful. The loss of revenue from Permits and Cafeteria cessation, as of March 12<sup>th</sup> is being recalculated, as well as additional COVID related revenues. Additionally, we are looking at the impact to the conversion of Pali's site based program to an E-Learning environment will impact a number of previously estimated expenses for areas such as SpED and Operations. We are working with both Administrators in this area to recalculate or projections. We will be sending separate updates on these projections. COVID related Funding or Loans have also either been made or offered. The various progrms will be covered on other Agenda items and discussed separately.



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#### **FINANCIAL UPDATES (continued)**

The COVID funding being provided by the State is expected to have a significant negative impact on the 2020-2021 Budget. The Legislature has already announced that the May Revise will not contain the updated Budget information normally used for Budget submissions by the Constitutional deadline of June 30, 2020. Since the State will not know the Revenue amounts for Personal & Business Income taxes until after the extended deadline of July 15<sup>th</sup>, there will now be an August revise that will be issued to all State entities for revise their 2020-2021 budget Adoption. I have attached a couple articles from our Financial Resource of School Services of California that suggest a return to either Deferrals and or Reduction in Funding will take place to fund the COVID programs currently being provided and loss of Revenue from other impacted Businesses.

The Administration is preparing potential contingency plans to address various levels of funding reductions or deferrals.

#### **Cafeteria**

The Cafeteria's Financials are attached separately for review and discussion. We are also in receipt of the Extension documents needed by the CDE for 2020-2021 Food Services renewal. In working with both the CDE and Chartwells' the per meal rate have been lowered from 4.4% to 3.2% and is being recommended for approval.

#### **Tax Return**

Our Auditors have finalized a Final Draft of the 2018-2019 Tax Return to be filed by May 15<sup>th</sup>. It is included in the board materials for review and comment before filing.

#### **ASB**

The following highlights for ASB:

- Refunds for activities such as prom/grad nite
- Budgeting for next school year with Covid-19 in mind
- Yearbook sales impacted by Covid-19



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