



PALISADES

CHARTER HIGH SCHOOL

CBO Report
Board of Trustees Meeting
April 19, 2022

2021-2022 BUDGET UPDATE

- As a reminder, PCHS' Second Interim Report projected a deficit of -\$749,953. Please note \$1,025,890 of that deficit is due to our ELO allocation being received in the 2020-2021 year. If you recall, we accounted for that revenue last year and are now reflecting the -\$1,025,890 as part of our beginning balance.
- A budget vs. actuals update will be presented as a separate agenda item.

EMPLOYMENT BENEFITS

- We are still working with Arthur J. Gallagher & Co (our insurance broker) to explore options for alternative employee benefits coverage (medical, dental, vision, life, etc.). This includes coverage for active employees, retirees, and eligible dependents. This was discussed in the LTHB committee meeting, and we have asked Gallagher to explore the following options:
 - Explore matching the exact LAUSD benefits
 - Explore options with a Health Savings Account (HSA), Health Retirement Account (HRA) or comparable coverages
 - Explore a non-composite plan.
- The insurance broker asked for additional information so that they can better compare the responses received from other benefit providers.

INVESTMENT OF RETIREE FUND

- As communicated previously, the investment management team at Merrill Lynch invested \$1,125,000 (as of January 2022) into the market and will dollar-cost-average the remaining amount, on a monthly-basis.
- The investment manager put our February investment on hold given the market volatility. Unfortunately, the current war, inflation, and the March Federal Reserve meetings (rate hike) are increasing volatility.
- For the month of March, the investment manager invested \$500,000.

CAFETERIA/NUTRITION

- The Food Service RFP is underway. PCHS hosted a "mandatory" tour for all interested bidders. We had approximately 4-5 interested bidders.
- Based on the timeline, we will bring forth a new cafeteria contract for approval at the May Board meeting.



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REQUEST FOR PROPOSAL (RFP)

- The business/HR office is working on RFPs for the following service providers
 - Food Service (cafeteria)
 - Janitorial/Custodial Services
 - Security Services
 - Transportation
- The process includes a timeline for responses, interviews, site tours (is appropriate) and a final decision.
- We expect to have an update at the May board meeting and will include the projected rates into our 2022-2023 budget.

LOOKING AHEAD

- The 2022-2023 budget development process has started. We have provided budget buckets to all departments and will be hosting various meetings to solicit feedback, understand needs and propose a budget that (1) reflects stakeholder feedback, (2) supports our LCAP/goals and (3) is balanced.
- The Governor will provide his May budget revision and we will learn more information about revenues, expenses, and assumptions for our 2022-2023 budget. The items of concern are (1) cost-of-living adjustment (COLA), (2) enrollment/ADA funding legislation, (3) STRS/PERS pension buy-downs and (4) categorical one-time funds.