



Encore High School for the Arts

DMS Monthly Update
Actuals through: May 31, 2023



SUMMARY NARRATIVE

This report is intended to provide a financial update comparing the Second Interim Budget to the actuals through May 31, 2023. Along with an update on the financial health of the organization, these updates are a means to review and detect coding and budgeting issues and to make corrections throughout the year. Reviewing and collaborating together on an ongoing basis to thoughtfully address these issues, especially early in the year, are the keys to successful financial reporting.

It is important to keep in mind that state and federal revenues do not flow evenly throughout the year and for this reason YTD results are not necessarily a valuable measure of the financial performance.

At this juncture with 92% of the year (11 months) completed, compensation and benefits are trending slightly less than budgeted and are sitting where we expect them to be. It is important to note that many expenditure categories are "front loaded" meaning spending is greater in the beginning of the school year and tend to "level out" over the balance.

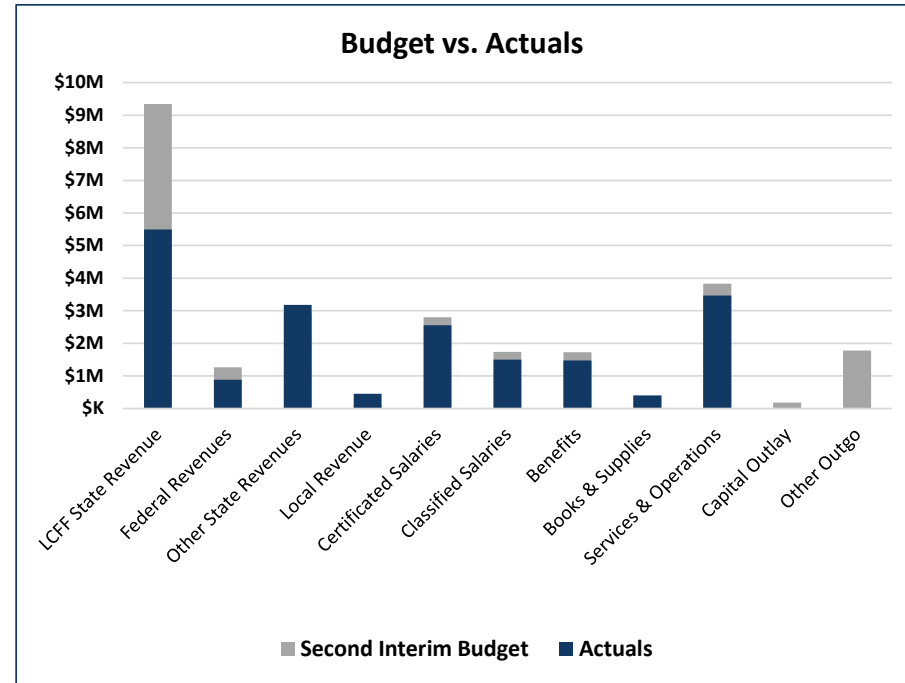
Cash Flow - Encore High School for the Arts is projected to end the year with nearly 54 days' cash on hand which reflects a solid financial foundation for a sound level of fiscal solvency. DMS will continue to work with Encore and the Authorizer to accelerate payments as much as possible to maximize the cash balance.

Encore High School for the Arts continues to demonstrate fiscal stability and is projected to meet all obligations as scheduled. DMS and Encore continue to monitor the political and economic landscape in an effort to anticipate their potential impacts on the school.

**Encore High School for the Arts
2022-23 DMS Monthly Update
Budget vs Actuals Summary**

Encore Budget vs Actuals			
	Second Interim Budget	Actuals 5/31/2023	% of Budget
Revenues			
LCFF State Revenue	9,345,420	5,497,238	59%
Federal Revenues	1,263,737	880,137	70%
Other State Revenues	2,914,890	3,176,395	109%
Local Revenue	120,472	457,243	380%
TTL Revenues	13,644,518	10,011,013	73%
Expenditures			
Certificated Salaries	2,799,257	2,556,487	91%
Classified Salaries	1,732,568	1,497,429	86%
Benefits	1,728,374	1,476,334	85%
Books & Supplies	381,809	404,920	106%
Services & Operations	3,828,339	3,466,856	91%
Capital Outlay	187,240	0	0%
Other Outgo	1,782,000	0	0%
Total Expenditures	12,439,587	9,402,025	76%
Operating Income/(Loss)			
	1,204,931	608,987	92%

Year Passed
92%



**Encore High School for the Arts
2022-23 DMS Monthly Update
Budget vs Actuals Detail**

Encore Actuals vs Budget	Code	Description	Second Interim Budget	Actuals 5/31/2023	% of Budget	Notes / Comments
Revenue						
LCFF Revenue						
	8011	LCFF General Entitlement	4,836,962	4,105,186	85%	
	8012	EPA Entitlement	1,724,619	1,574,641	91%	
	8019	Prior Year Unrestricted Revenue	2,565,550	(379,945)	0%	Reflects reclass entry correcting the coding of PY revenue adjustment.
	8096	In-Lieu-Of Property Taxes	218,289	197,356	90%	
Total LCFF Revenue			9,345,420	5,497,238	59%	
Federal Revenue						
	8181	Federal IDEA SpEd Revenue	75,448	0	0%	
	8220	School Nutrition Program-Federal	165,000	125,303	76%	
	8290	Other Federal Revenue	1,023,289	754,834	74%	
Total Federal Revenue			1,263,737	880,137	70%	
Other State Revenue						
	8311	AB602 State SpEd Revenue	620,187	467,151	75%	
	8520	School Nutrition Program-State	95,000	126,683	133%	
	8550	Mandated Cost Reimbursements	25,658	25,658	100%	
	8560	State Lottery Revenue	141,015	184,746	131%	Includes \$86K in Prior Year Lottery receipts.
	8590	Other State Revenue	2,033,030	2,372,156	117%	Includes \$900K reflecting the net increase between the "Hold Harmless" funds and Bond payoff.
Total Other State Revenue			2,914,890	3,176,395	109%	
Local Revenue						
	8634	Student Transportation Fees	45,000	53,014	118%	
	8695	Local Grants	10,000	0	0%	
	8696	Fundraising	10,000	0	0%	
	8698	Other Revenue (Suspense)	0	721	0%	
	8699	Other Revenue	55,472	403,508	727%	Includes Excess '22 Bond funds & IRS ERC Refund - Q2 2020
Total Local Revenue			120,472	457,243	380%	
Total Revenue			13,644,518	10,011,013	73%	
Expenditures						
Certificated Compensation						
	1100	Teacher Compensation	2,308,877	2,106,455	91%	
	1130	Substitute Teacher Compensation	67,440	61,540	91%	
	1150	Teacher Stipends/Extra Duty	42,963	46,513	108%	
	1200	Student Support	244,978	173,217	71%	
	1300	Certificated Administrators	135,000	168,762	125%	
Total Certificated Compensation			2,799,257	2,556,487	91%	
Classified Compensation						
	2100	Instructional Aides	248,011	191,015	77%	
	2160	Electives Instructional Aides	0	7,114	0%	
	2200	Pupil Support Administration	542,524	439,695	81%	
	2300	Classified Administrators	466,388	417,631	90%	
	2400	Clerical & Technical Staff	475,646	441,974	93%	
Total Classified Compensation			1,732,568	1,497,429	86%	
Employee Benefits						
	3101	STRS Certificated	509,879	445,249	87%	
	3102	STRS Classified	12,932	11,079	86%	
	3201	PERS Certificated	32,480	26,724	82%	
	3202	PERS Classified	423,028	359,911	85%	

**Encore High School for the Arts
2022-23 DMS Monthly Update
Budget vs Actuals Detail**

Encore Actuals vs Budget	Code	Description	Second Interim Budget	Actuals 5/31/2023	% of Budget	Notes / Comments
	3301	OASDI/Medicare	171,448	150,717	88%	
	3401	Health Care Certificated	302,175	207,239	69%	
	3402	Health Care Classified	193,615	202,273	104%	
	3501	Unemployment Insurance	22,549	30,229	134%	
	3601	Workers' Comp Certificated	33,591	21,480	64%	
	3602	Workers' Comp Classified	20,527	13,336	65%	
	3901	Other Benefits Cert	1,050	2,406	229%	
	3902	Other Benefits Class	5,100	5,692	112%	
Total Employee Benefits			1,728,374	1,476,334	85%	
Books, Materials, & Supplies						
	4100	Textbooks & Core Curriculum	20,000	12,284	61%	
	4310	Materials & Supplies	80,309	62,866	78%	
	4320	Office Supplies	12,000	26,368	220%	
	4330	Meals & Events	3,500	7,445	213%	
	4340	Student Events	25,000	67,602	270%	
	4350	Fuel Cost- Transportation for Pupils	50,000	9,276	19%	
	4390	Other Supplies	1,000	3,491	349%	DMV Registration for purchase of bus.
	4400	Non-Capitalized Equipment	10,000	8,455	85%	
	4410	Staff and Student Technology	0	2,911	0%	
	4700	School Nutrition Program	180,000	204,222	113%	
Total Books, Materials, & Supplies			381,809	404,920	106%	
Outside Services & Other Operating Costs						
	5100	SpEd Consultants and Vendors Subagreements for Service	90,000	123,153	137%	
	5200	Travel & Conferences	9,000	5,791	64%	
	5210	Mileage Reimbursements	500	166	33%	
	5300	Dues & Memberships	15,000	12,755	85%	
	5400	Insurance	337,945	375,535	111%	
	5500	Operations & Housekeeping	27,500	14,676	53%	
	5510	Utilities (General)	320,000	287,012	90%	
	5520	Janitorial Services	28,000	2,256	8%	
	5610	Facility Rents & Leases	1,147,199	1,187,361	104%	
	5620	Equipment Leases	12,000	11,497	96%	
	5630	Maintenance & Repair	90,000	116,497	129%	
	5635	Vehicle Maintenance & Repair	3,500	10,964	313%	The cost of new bus paint.
	5800	Professional Services - Non-instructional	40,000	48,485	121%	
	5810	Legal	150,000	127,460	85%	
	5820	Audit & CPA	40,000	35,915	90%	
	5825	DMS Business Services	237,030	197,265	83%	
	5830	Non-Instructional Software Licenses/Fees	45,000	47,444	105%	
	5835	Field Trips - Bus Transportations	10,000	37,372	374%	Includes \$23K in charter costs to Prom, Disneyland, Magic Mountain and Senior Beach Day.
	5840	Advertising & Recruitment	60,000	46,272	77%	
	5850	Oversight Fees	67,799	0	0%	
	5860	Service Fees	30,000	34,155	114%	
	5861	Student Fees	53,542	0	0%	
	5862	SBC Tax Collector	8,200	8,178	100%	
	5865	General - Bus Transportation	889,000	668,687	75%	
	5870	Livescan Fingerprinting	1,000	1,036	104%	
	5880	Instructional Vendors & Consultants	60,000	21,600	36%	
	5900	Communications	3,000	2,348	78%	
	5910	Telephone	29,000	24,474	84%	

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2022-23 DMS Monthly Update
Budget vs Actuals Detail**

Encore Actuals vs Budget	Code	Description	Second Interim Budget	Actuals 5/31/2023	% of Budget	Notes / Comments
	5920	Internet	20,625	15,238	74%	
	5930	Postage	3,500	3,263	93%	
Total Outside Services & Other Operating Costs			<u>3,828,339</u>	<u>3,466,856</u>	91%	
Capital Expenditures						
	6900	Depreciation	187,240	0	0%	
Total Capital Expenditures			<u>187,240</u>	<u>0</u>	0%	
Other Outgo						
	7439	2022 Bond Repayment	1,782,000	0	0%	
Total Other Outgo			<u>1,782,000</u>	<u>0</u>	0%	
Total Expenditures			<u>12,439,587</u>	<u>9,402,025</u>	76%	
Operating Income/Loss			<u>1,204,931</u>	<u>608,987</u>	Year Passed 92%	

Encore High School for the Arts
2022-23 DMS Monthly Update
Balance Sheet

Balance Sheet	Code	Description	Actuals 5/31/2023
Assets			
Cash & Equivalents			
	9120	Cash in Banks	1,956,793
	9125	Cash in Banks - Umpqua Bank	(359)
	9140	Cash Awaiting Collection	0
Total Cash & Equivalents			1,956,434
Current Assets			
	9200	Accounts Receivable	0
	9330	Prepaid Expenses	14,968
	9335	Emburse - Prepaid Exp	12,166
Total Current Assets			27,134
Fixed Assets			
	9430	Buildings	130,645
	9435	Accumulated Depreciation - Buildings	(13,526)
	9440	Equipment	2,169,886
	9445	Accumulated Depreciation - Equipment	(1,542,783)
	9450	Work in Progress	47,802
	9495	Lease Adj for SL Amortization	1,212,102
Total Fixed Assets			2,004,126
Total Assets			3,987,693
Liabilities			
Current Liabilities			
	9500	Accounts Payable	89,174
	9502	Life Insurance	(852)
	9503	Medical and Dental Benefits	104,605
	9504	Anthem Blue Cross	(68,075)
	9505	Medical Benefits	(44,834)
	9506	State Disability	89
	9507	Medicare	287
	9509	Vision	87
	9510	Dental	0
	9511	Federal Tax	746
	9512	State Tax	355
	9513	OASDI	(169)
	9514	EFT Direct Deposit	0
	9516	Voluntary FSA	1,710
	9517	Voluntary 403b	0
	9518	Workers Comp	(850)
	9519	Voluntary Insurance - NABCO	73
	9520	Voluntary Insurance - AFLAC	1,841
	9521	Accrued Salary & Wages	137,622
	9522	Voluntary Life Insurance - Allstate	3,387
	9523	Child Support Garnishment	0
	9524	EWO	0
	9525	STRS	2,624
	9526	PERS	161
	9527	Union Dues	496
	9529	STRS Excess Contribution	0
	9531	SUI	4,013
	9550	Prior Year AP	(3,368)
	9552	Use Tax Payable	814
	9553	Parent/Student Deposits	(783)
	9560	Liability - Stale-Dated Employee Payables	(51)
	9570	Liability - Stale-Dated Vendor Payables	756
	9581	Health Adjustments	(10,045)
	9582	Workers Compensation Adjustment	0
	9590	Due to Grantor Governments	60,699
Total Current Liabilities			280,511
Long Term Liabilities			
	9640	Current Loans	0
	9641	Factoring Principal Due	0
	9645	LaFear Settlement	0
	9667	Capital Leases Payable	0
Total Long Term Liabilities			0
Total Liabilities			280,511
Net Assets			3,707,182
Liabilities + Net Assets			3,987,693

**Encore High School for the Arts
2022-23 DMS Monthly Update
Cash Flow**

BB	Second Interim Budget	July	August	September	October	November	December	January	February	March	April	May	June Budget	Accruals	Total
Beginning Balance		414,330	1,651,459	1,010,993	355,621	412,099	830,606	680,929	1,073,671	682,119	611,176	1,320,843	1,956,434		
Revenues															
LCFF State Revenue	0	4,836,962	0	275,168	275,168	495,303	495,303	495,303	495,303	359,445	359,445	359,445	359,445	372,331	4,836,962
EPA	0	1,724,619	0	0	0	489,974	0	489,974	0	0	594,693	0	0	149,978	1,724,619
In-Lieu Property Taxes	0	218,289	0	0	0	6,929	107,829	0	0	41,078	27,680	13,840	13,840	7,093	218,289
Prior Year Corrections	0	2,565,550	0	0	0	0	0	0	0	(99,191)	(140,377)	(140,377)	(140,377)	3,085,872	2,565,550
Federal Revenues	0	1,263,737	0	40,192	187,449	49,593	32,923	67,170	246,195	28,299	143,065	73,693	160,371	223,229	1,263,737
Other State Revenues	0	2,914,890	26,446	12,246	0	101,931	482,554	318,605	103,439	442,007	647,632	991,435	431,155	(692,659)	2,914,890
Other Local Revenue	0	120,472	300	10,879	6,556	6,910	3,168	11,404	34,819	1,476	19,885	136,368	225,479	10,039	120,472
TTL Revenues	0	13,644,518	26,746	338,485	469,172	1,143,711	999,513	966,064	1,190,705	793,073	791,522	1,768,506	1,523,515	834,473	13,644,518
Expenditures															
Certificated Salaries	0	2,799,257	14,739	136,605	261,941	282,076	276,526	254,319	264,464	271,211	263,808	270,683	233,271	9,498	2,799,257
Classified Salaries	0	1,732,568	52,066	140,432	150,444	150,702	154,234	139,232	118,580	154,016	147,306	139,344	151,072	144,381	1,732,568
Benefits	0	1,728,374	31,943	109,936	159,206	159,861	145,522	143,666	131,737	147,515	153,582	147,030	146,336	144,031	1,728,374
Books & Supplies	0	381,809	22,201	6,668	27,308	63,352	38,464	21,198	19,116	63,260	38,472	47,792	57,087	31,817	381,809
Services & Operations	0	3,828,339	255,130	279,387	286,309	370,987	460,947	260,479	272,714	463,972	228,946	266,919	321,065	319,028	3,828,339
Capital Outlay	0	187,240	0	0	0	0	0	0	0	0	0	0	0	0	187,240
Other Outgo	0	1,782,000	0	0	0	0	0	0	0	0	0	0	0	0	1,782,000
Total Expenditures	0	12,439,587	376,080	673,028	885,208	1,026,977	841,102	796,466	1,093,227	839,517	864,892	946,244	872,529	2,165,033	12,439,587
Other Cash Inflows/Outflows															
Accounts Receivable/Other Assets	(2,995,777)	0	2,050,372	1,237	16,231	99,887	537,951	(5,504)	150,021	(199)	102,442	(12,783)	28,989		2,968,644
Fixed Assets	(724,287)	0	0	0	0	0	(10,338)	(10,000)	(10,685)	0	1,328	0	(38,042)	(62,025)	(129,762)
Accounts Payable (net change)	2,248,301	0	(463,909)	(307,161)	(255,567)	(160,143)	(49,333)	(259,136)	(140,833)	(91,199)	(126,718)	(181,164)	67,373	(50,000)	(2,017,790)
Other Liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Inflows/Outflows	(1,471,763)	0	1,586,463	(305,924)	(239,336)	(60,256)	478,280	(274,640)	(1,497)	(91,398)	(22,948)	(193,947)	58,320	(112,025)	821,092
ENDING CASH BALANCE			1,651,459	1,010,993	355,621	412,099	830,606	680,929	1,073,671	682,119	611,176	1,320,843	1,956,434	1,806,353	
Days Cash on Hand			49.20	30.12	10.59	12.28	24.74	20.29	31.98	20.32	18.21	39.35	58.28	53.81	

