



Financial Update SY 2017-18

EBIA, April 2018

Agenda

- YTD actuals
- Current forecast for FY 2017-18
- MYP draft



Expenses High in March

- Revenues: P1 apportionment disbursement began in March (YTD 62% of forecast received)
- Expenses: Bump in March (YTD 74% of forecast spent)
 - Prop 39 (\$31K)
 - SPED (\$90K services, \$30K NPS)
 - Feb Intersession (\$32K)

| | Jan | Feb | Mar | Actual YTD | Budget YTD | Variance (YTD less Budget) |
|---|-----------------|----------------|-----------------|------------------|--------------------|----------------------------|
| SUMMARY | | | | | | |
| Revenue | | | | | | |
| LCFF Entitlement | 332,119 | 272,891 | 438,129 | 2,456,679 | 2,426,070 | 30,609 |
| Federal Revenue | 21,429 | - | 5,772 | 45,382 | 27,795 | 17,587 |
| Other State Revenues | 122,086 | 57,843 | 29,982 | 366,169 | 333,207 | 32,963 |
| Local Revenues | 37 | 20,134 | 1,348 | 148,655 | 36,235 | 112,420 |
| Fundraising and Grants | 7,467 | 207,391 | 9,094 | 336,444 | 191,030 | 145,414 |
| Total Revenue | 483,139 | 558,259 | 484,325 | 3,353,329 | 3,014,336 | 338,993 |
| Expenses | | | | | | |
| Compensation and Benefits | 314,224 | 292,655 | 294,734 | 2,525,242 | 2,608,800 | 83,558 |
| Books and Supplies | 15,461 | 10,442 | 11,965 | 197,785 | 211,574 | 13,789 |
| Services and Other Operating Expenditures | 169,073 | 135,748 | 247,308 | 1,272,328 | 1,317,612 | 45,284 |
| Depreciation | - | - | - | - | - | - |
| Total Expenses | 498,758 | 438,845 | 554,007 | 3,995,355 | 4,137,986 | 142,631 |
| Operating Income | (15,619) | 119,414 | (69,681) | (642,026) | (1,123,650) | 481,624 |



FY 17-18 Forecast: reacting to ADA trend

- Preliminary P2 ADA at 468 (down from previous forecast of 469.7)
- P1 was 477.47
- Revenue impact since revised budget: -\$96K
- Expenses trimmed since revised budget: -\$106K
- Fundraising forecast remaining: \$170K

| | Revised Budget | Previous Month's Forecast | Current Forecast | (Previous vs. Current Forecast) | Variance (Budget vs. Current Forecast) | Forecast Remaining |
|---|------------------|---------------------------|------------------|---------------------------------|--|--------------------|
| SUMMARY | | | | | | |
| Revenue | | | | | | |
| LCFF Entitlement | 3,840,102 | 3,838,893 | 3,835,086 | (3,807) | (5,015) | 1,378,407 |
| Federal Revenue | 299,520 | 142,862 | 141,082 | (1,781) | (158,438) | 95,700 |
| Other State Revenues | 602,853 | 765,166 | 764,295 | (871) | 161,443 | 398,126 |
| Local Revenues | 166,498 | 177,865 | 178,513 | 648 | 12,015 | 29,858 |
| Fundraising and Grants | 612,900 | 527,000 | 507,000 | (20,000) | (105,900) | 170,556 |
| Total Revenue | 5,521,872 | 5,451,787 | 5,425,976 | (25,810) | (95,896) | 2,072,647 |
| Expenses | | | | | | |
| Compensation and Benefits | 3,477,487 | 3,409,101 | 3,402,867 | 6,234 | 74,620 | 877,625 |
| Books and Supplies | 243,086 | 240,925 | 243,925 | (3,000) | (839) | 46,140 |
| Services and Other Operating Expenditures | 1,800,448 | 1,798,167 | 1,768,159 | 30,008 | 32,289 | 495,831 |
| Depreciation | - | - | - | - | - | - |
| Total Expenses | 5,521,021 | 5,448,193 | 5,414,951 | 33,242 | 106,070 | 1,419,596 |
| Operating Income | 851 | 3,594 | 11,025 | 7,432 | 10,174 | 653,051 |

MYP: Enrollment Projections

- FY 2019: Enrolling 120 each 6th-8th; 9th shy of 120
- FY 2021 will also be below capacity (12th grade)
- Attendance: 96% for lower, 92% for upper
- FRL: 26%

| BUDGET | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 |
|------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 6 th | 135 | 116 | 114 | 119 | 116 | 115 | 115 | 115 | 115 |
| 7 th | 75 | 131 | 116 | 117 | 116 | 115 | 115 | 115 | 115 |
| 8 th | | 95 | 125 | 118 | 116 | 115 | 115 | 115 | 115 |
| 9 th | | | 61 | 77 | 95 | 115 | 115 | 115 | 115 |
| 10 th | | | | 46 | 75 | 110 | 110 | 115 | 115 |
| 11 th | | | | | 45 | 70 | 110 | 110 | 110 |
| 12 th | | | | | | 45 | 70 | 110 | 110 |
| TOTAL | 210 | 342 | 416 | 477 | 563 | 690 | 750 | 795 | 795 |

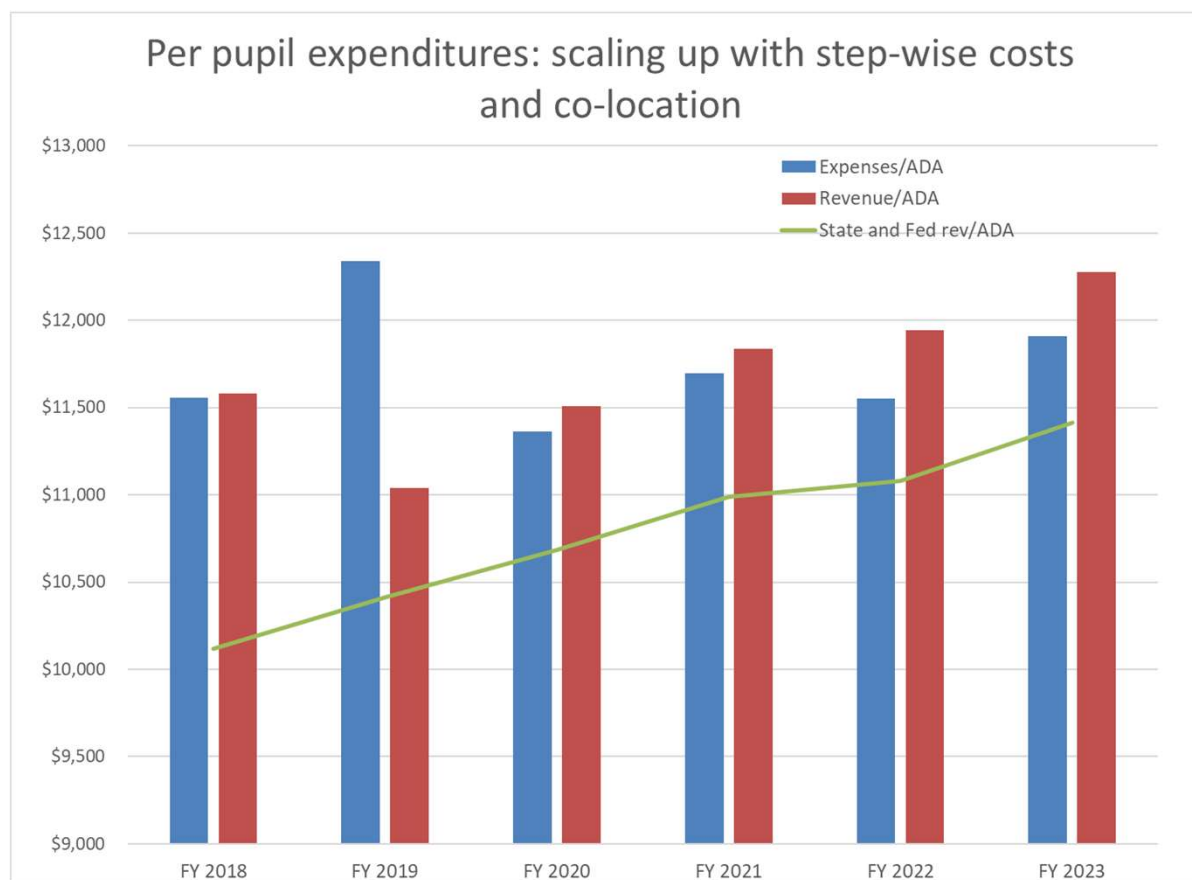
MYP: Staffing Projections

- Adding a cohort of teachers over next 3 years at upper school
 - Scaling up challenges with electives
- Admin structure fully staffed at both campuses in FY 2019
- Staffing reaches capacity in FY 2021
- SPED needs projected to grow with enrollment
- Benefit costs increasing

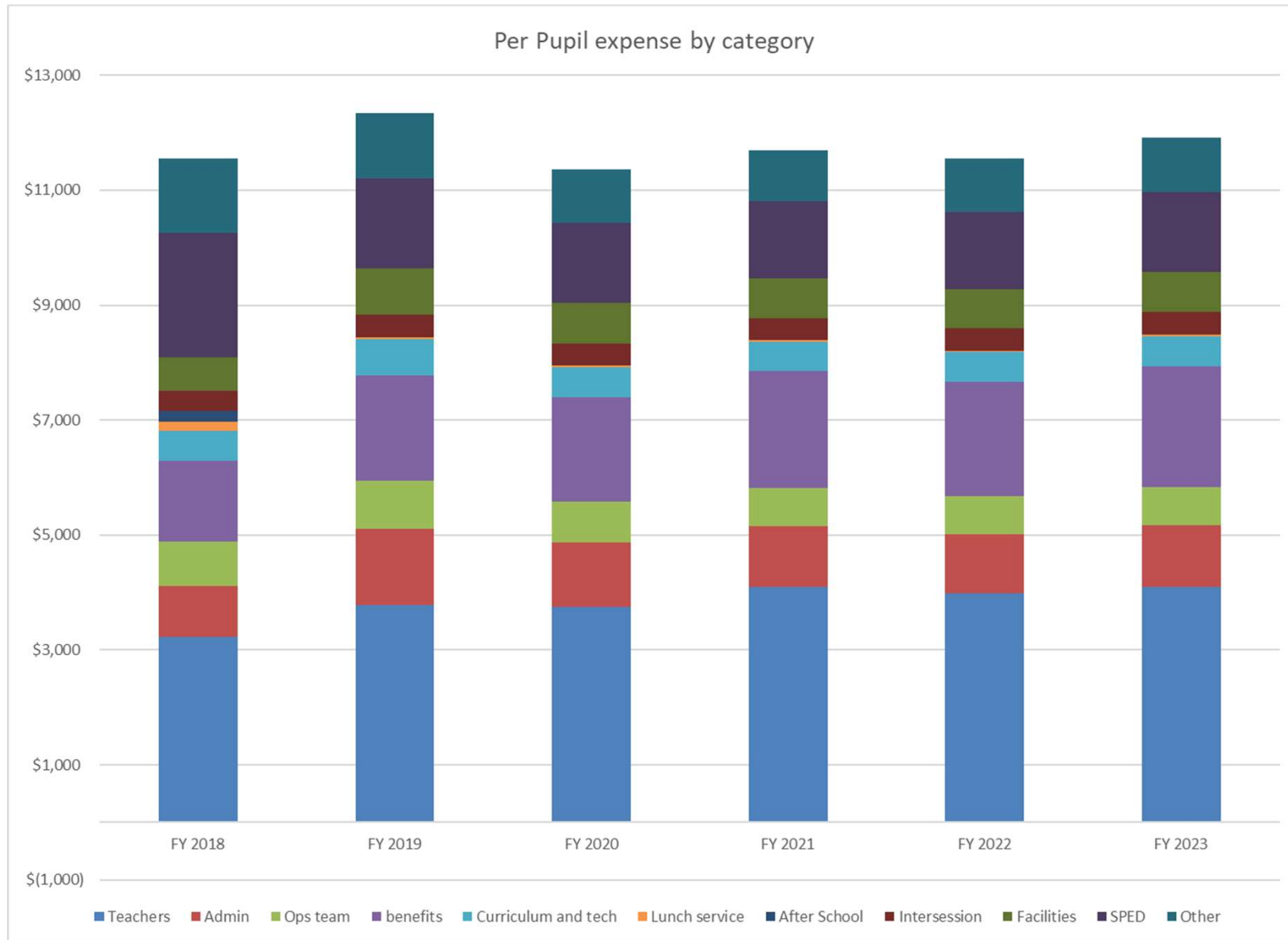
| | 17-18 | 18-19 | 19-20 | 20-21 |
|------------|-------------------------------|---|----------|----------|
| Teachers | 24 FTE | 29 FTE | 34 FTE | 39 FTE |
| Admin | 3 FTE (DII, DESEL) | 7 FTE (DII, DESEL, Sp Pop, College Readiness) | 7 FTE | 7 FTE |
| SPED | 8 FTE | 9-10 FTE (with SDC) | 9-10 FTE | 10.5 FTE |
| Programs | 1.5 FTE (Quest, Intersession) | 1 FTE | 1 FTE | 1 FTE |
| Operations | 5.5 FTE | 6 FTE | 6 FTE | 6 FTE |

Tight Balance: Relying on ADA while building Upper School

- Near-full commitment of resources in advance is challenging with non-variable costs
- Funding growth and facilities will require solid program and extra cash
- Expenses at capacity in FY 2021; revenues at capacity in FY 2022



Shifting expenditures: SPED, admin, ops, facilities, benefits



FY 2019: currently projecting gap

- Upside potential
 - ADA (+20 would increase rev by \$200K)
 - One-time funds (\$140K)
 - Program changes (\$240K)
 - Facility use agreements
- Downside potential
 - ADA
 - SPED unknown
 - Macro-economic pressure
 - Building project impact