



Pullman Community 22/23 August Proposed Budget

July/August Changes

Changes made to the budget file since our last meeting

- Reduced enrollment to 100 from 122: approximately \$250k loss in State revenues
- Moved up the hiring of a teacher / removed part-time (1 day/week) teacher / removed international candidate
 - 6 total teachers / guides + 4 classroom assistants
 - 16.7:1 student to teacher ratio
 - 5.5:1 students to FTE ratio
 - Narrative: being slightly overstaffed this year will help to cement PCM's reputation as a stable organization and desirable school for future enrollment.
 - Fallout: there is the **need for further fundraising (\$110k)** as the staffing is not sustainable on current funding.
- Added local meal sales (\$18k)
- Insurance increased to \$25k from \$12k (transpo addition)
- Lowered WA Charters repayment from 5 years to 3 and added \$40k of loans (loan payments still only \$3.8k/mo on \$130k of loans with WA Charters)
- Audit cost increased to \$37K (\$19k SAO estimate + \$18.5K CPA estimate)
- Classroom supplies & furniture drop of ~\$55k
- Increase YMCA contract to \$39k (\$10k increase)
- Projected ending cash has decreased from \$277k to \$183k (31 days of cash)
 - Projected 23-24 ending cash decreased to \$330k (47 days of cash, \$95k short of 60 days)

Talking points

- Is the fundraising goal obtainable?
- Are there any months where cash will be dangerously low?
 - Current modeling shows starting in January 2023 we *may* need to start timing AP/Payroll with the receiving of State funds
 - June 2023 to August 2023 we will *definitely* need to keep an eye on cash prior to running AP and Payroll
- What is the plan if enrollment is lower than 100?
- How confident is management in getting enrollment back on track in 23-24? (164 planned enrollment)

Summary

Grade Levels	Enrollment	Total FTE Teacher FTE Assistant FTE SPED FTE	FRL% SPED% TBIP%	Budget cash effect	Ending Cash (08/31/23)
K-6	100 (+30)	18.8 (+6.8) 6 (+2) 4 (+0.7) 2 (+1)	25% 13.5% 5%	Net cash effect: -26k	183k (30 days)

Key Data

Staffing Costs	Tech Costs FY 22-23	Facility Costs FY 22-23	Per Pupil General Apportionment	Per Pupil Expenditures	Private Funding FY 22-23
\$1.4M (+400k)	\$42k (+1k)	\$343k (+70k) (incl \$94k depreciation)	\$11.4k (-300)	\$22.4k (-1.6k)	\$222k (-126k)
Average Teacher Salary	Local Donations Goal	Student : Teacher Ratio	Student : Adult Ratio	Projected Debt on 8/31/22	Projected Debt on 8/31/23
\$59.7k (+4.7k)	\$110k	16.7	5.56	\$520k	\$475k

Budget Summary & Narrative

PCM's proposed 2022-23 budget takes prioritizes PCM's mission and vision by ensuring that the model offered families is what has been promised.

This is accomplished by

1. **Staffing:** hiring the appropriate count Montessori guides and assistants for the student enrollment.
2. **Equipment and Materials:** purchasing high quality materials and equipment.
3. **Contractors:** hiring reputable contractors that will further PCM's mission and vision and provide high quality services.
4. **Facilities:** renting the appropriate square footage for the number of students and staff required to offer the Montessori model.

PCM is committed to providing a Montessori education with fidelity to what we promised our families and students. There are no material changes to the model or program at this time other than the lowered Montessori Coach responsibilities and the addition of an office assistant.

Pullman Community Montessori 22-23 Budget Summary		
Revenue	Amount	%
Local Support	\$ 128,563	6%
State Revenue - General	\$ 1,144,287	51%
State Revenue - Special Purpose	\$ 305,212	14%
Federal Revenue	\$ 511,741	23%
Grants & Other Sources	\$ 164,000	7%
Total Revenue	\$ 2,253,802	
Expenses	Amount	%
Salaries	\$ 975,792	44%
Personnel Taxes & Benefits	\$ 422,085	19%
Contracted Services	\$ 301,363	14%
School Operations	\$ 231,451	11%
Facility Operations & Maintenance	\$ 195,517	9%
Reserves / Contingency	\$ 69,742	3%
PnL Expenditures	\$ 2,195,951	
Operating Net Income	\$ 57,852	
Balance Sheet Expenses	Amount	
Depreciation	\$ 94,883	
Principal Loan Payments	\$ 53,295	
Capitalized Furniture / Equipment	\$ 19,800	
Prepays (Contractors)	\$ 23,975	
Balance Sheet Expenditures	\$ 191,953	
Balance Sheet Cash Effects	Amount	
Due to OSPI	\$ (45,031)	
PY Recognized Revenue Received	\$ 58,000	
Depreciation (non-cash expense)	\$ 94,883	
Total Cash Effects	\$ 107,852	
Final Cash Effect	\$ (26,249)	
Beginning Cash	\$ 210,000	
Ending Cash	\$ 183,751	
Days Cash	30	

Budget Detail

SUMMARY	
Total Enrollment	100.0
Staff FTE	18.8
Total Revenue	2,253,802
Total Expenses (SDAM)	2,239,726
Total Expenses (FASB)	2,195,951
Net Income	14,077
Revenue Per Pupil	22,538
General Apportionment Per Pupil	11,443
Expenses Per Pupil	22,397

YEAR 2
2022-23

Description of Assumptions

2022-23 Pullman Community Montessori Budget Detail
REVENUES

2000 - LOCAL SUPPORT - NON-TAX			
2500 - Gifts Grants, and Donations (Local)	110,000	Local donations	
2298 - Local lunch sales	18,563	Local lunch sales	
TOTAL 2000 - LOCAL SUPPORT - NON-TAX	\$ 128,563		
3000 - STATE REVENUE - GENERAL PURPOSE			
3100 - Apportionment	1,144,287	From F-203 (100 students)	
3121 - Special Education - General Apportionment	11,370		
TOTAL 3000 - STATE REVENUE - GENERAL PURPOSE	\$ 1,155,657		
4000 - STATE REVENUE - SPECIAL PURPOSE			
4121 - Special Education - State	141,472		
4155 - Learning Assistance	10,966		
4165 - Transitional Bilingual	12,891		
4174 - Highly Capable	3,000		
4199 - Transportation - Operations	39,734		
4201 - State - Misc Grants	85,779	Learn to return+ School Health Workforce + Meals grants	
Total 4000 - STATE REVENUE - SPECIAL PURPOSE	\$ 293,842		
5000 - FEDERAL REVENUE - RESTRICTED			
Title I	12,973		
Title II	1,608		
Title III & IV	10,000		
IDEA Funding	14,980		
6198 - School Food Services	34,571		
CSP	380,000		
ESSER	57,609	ESSER III	
TOTAL 5000 - FEDERAL REVENUE - RESTRICTED	\$ 511,741		
8000 - OTHER ENTITIES			
8200 - Private Foundations	164,000	WA Charters	
TOTAL 8000 - OTHER ENTITIES	\$ 164,000		
TOTAL REVENUE	\$ 2,253,802		

EXPENSES

ADMINISTRATIVE STAFF PERSONNEL COSTS			
Executive Management	90,000	Head of School	
Instructional Management	78,000	Montessori Coach	
Administrative Staff	94,520	Office Manager + Office Assistant	
TOTAL ADMINISTRATIVE STAFF PERSONNEL COSTS	\$ 262,520		
INSTRUCTIONAL PERSONNEL COSTS			
Teachers - Regular	358,599		
Teachers - SPED	109,267		
Teaching Assistants	120,618		
Substitute Teachers	11,700		
TOTAL INSTRUCTIONAL PERSONNEL COSTS	\$ 600,184		
NON-INSTRUCTIONAL PERSONNEL COSTS			
Other - Non-Instructional	113,088	Lunch server & Nurse	
TOTAL NON-INSTRUCTIONAL PERSONNEL COSTS	\$ 113,088		
TOTAL PERSONNEL SALARY COSTS	\$ 975,792		
PAYROLL TAXES AND BENEFITS			
Social Security	43,070		
Medicare	14,149		
State Unemployment	13,467		
Worker's Compensation Insurance	4,391		
SEBB	221,616		
SERS (Classified Retirement)	33,144		
TRS (Certificated Retirement)	92,249		
TOTAL PAYROLL TAXES AND BENEFITS	\$ 422,085		
TOTAL PERSONNEL, TAX & BENEFIT EXPENSES	\$ 1,397,878		

	62%		
CONTRACTED SERVICES			
Accounting / Audit	37,500	SAO (\$19k) + CPA (\$18.5k) audits	
Legal	8,000	Flat yearly "in case" amount + int'l teacher fees	
Oversight Fee (3%)	40,912	Calculates as a % of total revenue for lines 3100, 3121, 4121, 4155, 4165, 4174 & 4199	
Substitute Teachers	-	Subs handled in-house	
Student Health	-	Nurse hired in-house	
Back Office	125,800	JGP + SIA	
Special Ed	50,151	Presence Learning, TMC contracts; other misc SPED costs	
Program Support / PD		Moved to balance sheet expenses	
Afterschool	39,000	YMCA	
Tech support	-	Included with SIA contract	
TOTAL CONTRACTED SERVICES	\$ 301,363		3%
SCHOOL OPERATIONS			
Board Expenses	11,250	Yearly Board OnTrack + supplies	
Classroom / Teaching Supplies & Materials	47,750	Classroom & teacher supplies	
Special Ed Supplies & Materials	3,375	Estimate per SPED student	
Textbooks / Workbooks	6,000	\$60 per student	
Equipment / Furniture		Moved to balance sheet expenses	
Internet / Phone	7,680	Internet / phone costs	
Technology Hardware	13,418	Student & staff tech hardware	
Technology Software	28,610	Student & staff tech software	
Student Testing & Assessment	4,080	MAP tests & Reflection services	
Field Trips	9,500	\$95 per student	
Transportation (student)	15,000	Bus maintenance + gas costs	
Student Services - other	2,500	\$25 per student for clubs, dances, other school events	
Office Expense	10,000	Flat amount for pens, hole punchers, etc	
Staff Development	9,400	\$500 Per employee	
Staff Recruitment	2,000	Flat amount for fingerprints and background checks	
Student Recruitment / Marketing	3,000	Flat amount	
School Meals / Lunch	44,888		
Travel (Staff)	2,500	Flat amount	
Fundraising	5,000	Database renewal costs, gift processing fees, printing of collateral, event costs	
Dues & Memberships	3,000	Various	
Printer	2,500	Printer rental costs	
TOTAL SCHOOL OPERATIONS	\$ 231,451		4%
FACILITY OPERATION & MAINTENANCE			
Insurance	24,600	Property, general liability, transportation etc	
Janitorial Services	20,000	Purchased from Gladish	
Building and Land Rent / Lease	120,986	Based on Gladish rent agreement	
Repairs & Maintenance	3,000	Covered by landlord; flat amount for incidentals	
Security Services	-	Covered by landlord	
Utilities	-	Covered by landlord	
Financing Costs (Loan Payments - Interest)	26,931	Interest only - principal payments in balance sheet expenses	
TOTAL FACILITY OPERATION & MAINTENANCE	\$ 195,517		66%
RESERVES / CONTIGENCY	69,742	Attrition - 3% of State funding	
Total Expenses	\$ 2,195,951		
Operating Net Income	\$ 57,852		
DEPRECIATION / AMORTIZATION	94,883		
Final Net Income (FASB)	\$ (37,031)		
Cash-Basis Adjustments			
Liabilities			
Deferred Revenue - Revenue Recognized	(164,000)	Grant revenue recognized but funds not received	
Deferred Revenue / AR -Cash Received	222,000	Actual grant revenue funds received - if recognized in a prior year	
Due to OSPI	(45,031)	21-22 overpayment of State revenues	
Loan Proceeds	-	Loans taken out increase the cash balance	
Principal Loan Payments	(53,295)	Loan payments - Principal (only affects the balance sheet)	
Depreciation - Add back	94,883	Depreciation is not a cash expense and gets "added back" for cash effect calculations	
Total Liability Adjustments	\$ 54,558		
Assets			
Kitchen Renovations	-	Removed	
Prepays - Contractors	23,975	Contractor costs that are paid upfront for a full year of service are recorded as prepaid assets and expensed monthly	
Equipment/Furniture	19,800	Large furniture and equipment purchases are recorded as assets and depreciated over time	
Total Asset Adjustments	\$ 43,775		
Cash-Basis Net Inflows / (Outflows)	\$ 10,783		
Cash Basis Net Margin	\$ (26,249)		
Beginning Cash	\$ 210,000		
Ending Cash	\$ 183,751		
Total Approved Expenditures (per SDAM)	\$ 2,239,726		

Four Year Outlook

F-195F Tool - Pullman Community Montessori				
Enrollment	100.00	164.00	203.00	239.00
Staffing FTE	18.8	20.85	26.1	34.1
REVENUES AND OTHER FINANCING SOURCES	2022-23	2023-24	2024-25	2025-26
1000 Local Taxes	\$ -	\$ -	\$ -	\$ -
2000 Local Nontax Support	128,563	55,443	62,682	69,364
3000 State, General Purpose	1,155,657	1,835,062	2,161,824	4,004,526
4000 State, Special Purpose	293,842	325,323	414,235	492,156
5000 Federal, General Purpose	-	-	-	-
6000 Federal, Special Purpose	511,741	417,048	364,876	171,653
7000 Revenues from Other School Districts	-	-	-	-
8000 Revenues from Other Entities	164,000	-	-	-
9000 Other Financing Sources	-	-	-	-
A. TOTAL REVENUES AND OTHER FINANCING SOURCES	2,253,802	2,632,875	3,003,617	4,737,700
EXPENDITURES				
00 Regular Instruction	1,016,729	1,139,741	1,407,203	2,239,252
10 Federal Stimulus	-	-	-	-
20 Special Education Instruction	167,822	299,602	377,270	447,866
30 Vocational Education Instruction	-	-	-	-
40 Skill Center Instruction	-	-	-	-
50 and 60 Compensatory Education Instruction	41,438	54,620	74,561	90,110
70 Other Instructional Programs	380,000	300,000	220,000	-
80 Community Services	-	-	-	-
90 Support Services	687,031	791,021	896,743	1,148,677
B. TOTAL EXPENDITURES	2,293,020	2,584,985	2,975,778	3,925,905