

# ARISE High School Board Financial Update

BRYCE FLEMING AND JEFF THOMPSON  
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- 1. State Budget Updates**
  
- 2. 2020-21 December Forecast Update**
  - A. Review of Forecast Changes
  - B. Current Forecast
  - C. Cash Flow Projection
  - D. Spring Financing Update
  - E. Financial Dashboards
  
- 3. 21-22 Budget Timeline**
  
- 4. Exhibits**
  - A. Current 20-21 Forecast
  - B. 21-22 Budget

# State Budget Updates



## Funding Amount

- \$349,486 projected for ARISE
- Based on Title I formula
- Reimbursement based
- One-time funds



## Allowable Uses

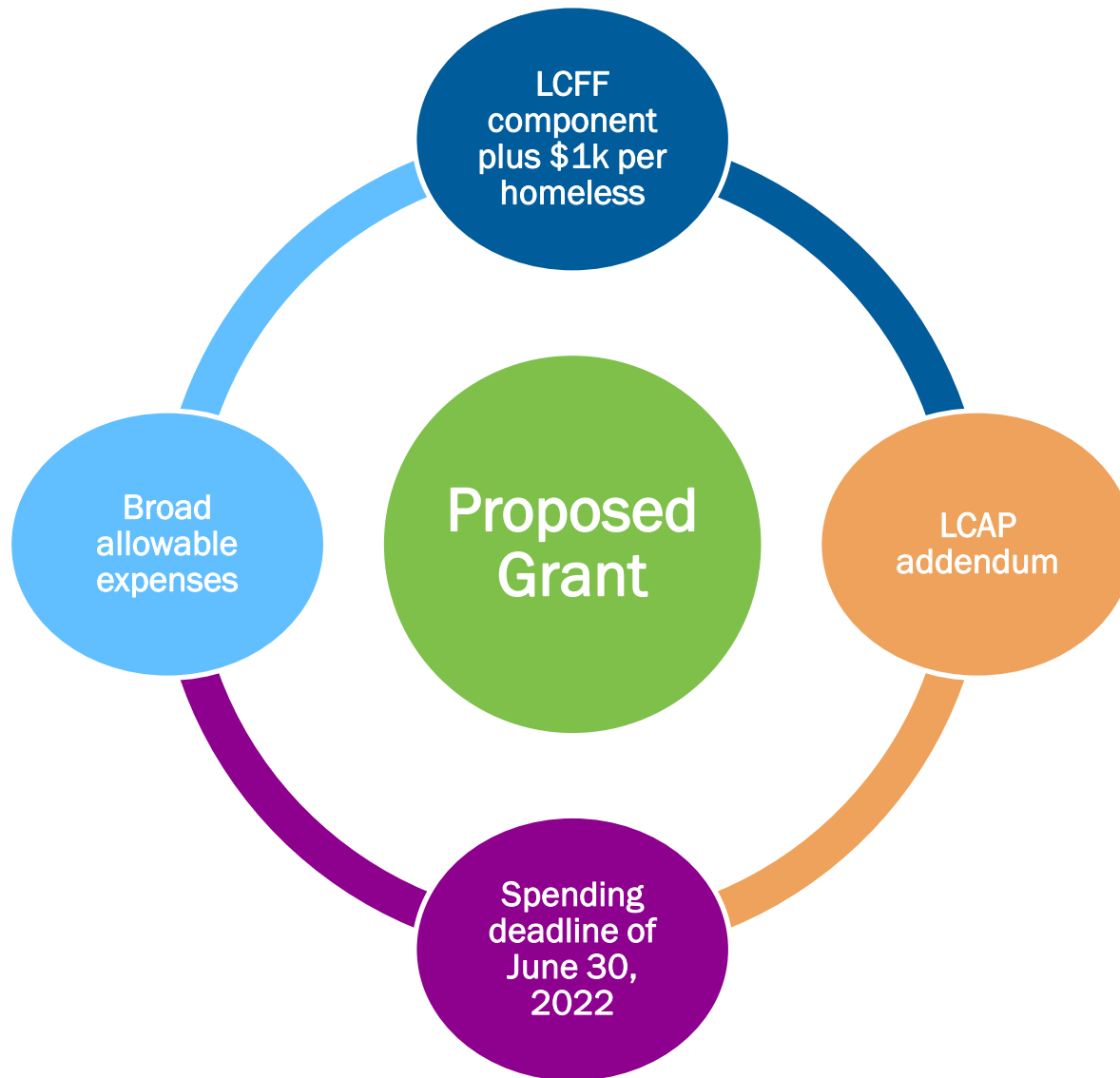
- Learning loss
- Facility repairs & improvements
- Tech, programs, mental health services
- Planning for long-term closures



## Award Period

- March 13, 2020  
– September 30, 2023

# \$4.6B Expanded Learning & Academic Intervention



# Governor's January Budget: Proposal for FY22



## Overall positive outlook on funding, expecting to return to “normal”

### COLA

- 3.84% for LCFF (incl. 2.3% reinstated from FY21 and new 1.5%)
- 1.5% COLA for other state funding streams like SpEd

### Deferrals

- No plans yet to walk back currently scheduled FY21 deferrals
- Pay \$7.3B of \$11B in deferrals in FY22; only June deferral remains

### ADA

- In-person instruction expected as default mode
- No “hold harmless” or growth caps; normal ADA tracking expected

### STRS/PERS

- School STRS contribution down to 15.92% from 16%
- School PERS contribution expected to hold at 23%

### Other Funds

- \$545M for teacher training & development; distribution TBD
- Other smaller funds mentioned, details scarce so far

# 2020-21 December Forecast Update

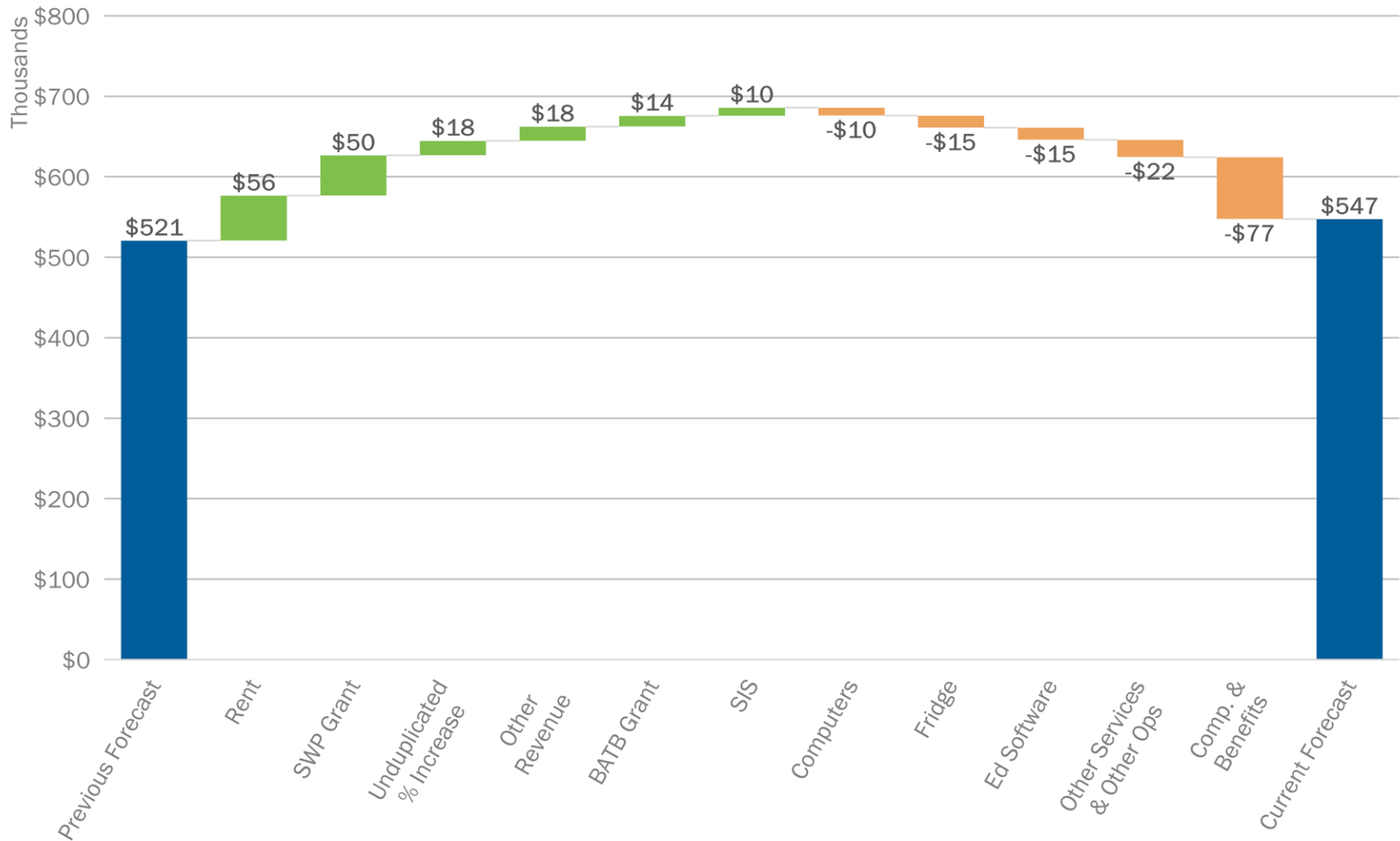
Actuals through 12/31/2020

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# 20-21 Forecast Waterfall

## New grants and identified savings balance payroll increases



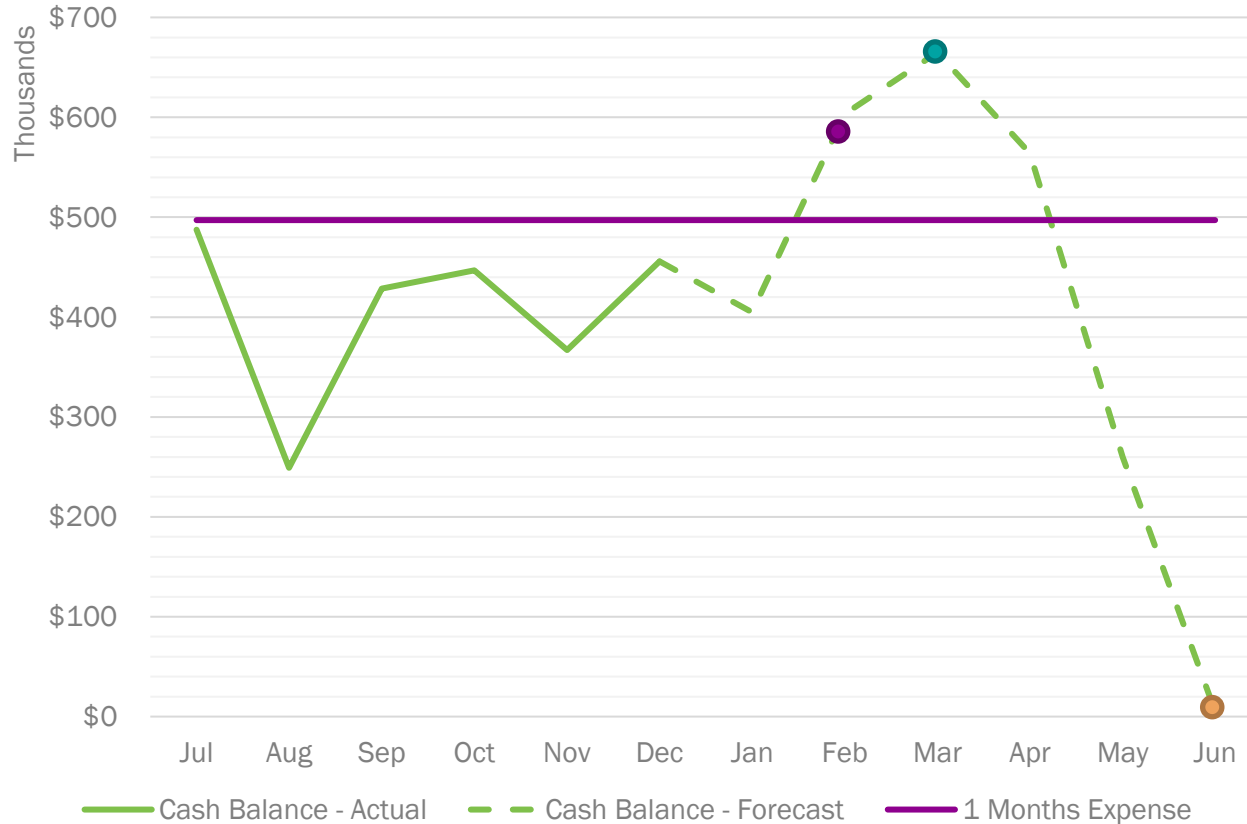


## Net \$27K increase in operating income

		2020-21	2020-21	Variance
		Previous Forecast	Current Forecast	
Revenue	LCFF Entitlement	4,416,211	4,434,388	18,177
	Federal Revenue	744,982	745,039	57
	Other State Revenues	801,870	873,727	71,858
	Local Revenues	451,611	460,880	9,269
	Fundraising and Grants	-	-	-
	<b>Total Revenue</b>	<b>6,414,674</b>	<b>6,514,035</b>	<b>99,361</b>
Expenses	Compensation and Benefits	3,437,843	3,514,917	(77,074)
	Books and Supplies	377,412	414,411	(36,999)
	Services and Other Operating	1,747,404	1,706,035	41,369
	Depreciation	272,578	272,578	-
	Other Outflows	58,691	58,691	-
	<b>Total Expenses</b>	<b>5,893,929</b>	<b>5,966,632</b>	<b>(72,704)</b>
	<b>Operating Income</b>	<b>520,745</b>	<b>547,402</b>	<b>26,657</b>
	Beginning Balance (Unaudited)	1,696,356	1,558,778	(137,578)
	Operating Income	520,745	547,402	26,657
	<b>Ending Fund Balance (incl. Depreciation)</b>	<b>2,217,101</b>	<b>2,106,180</b>	<b>(110,921)</b>
	<b>Ending Fund Balance as % of Expenses</b>	<b>37.6%</b>	<b>35.3%</b>	<b>-2.3%</b>

# 20-21 Monthly Cash Flow Projection

## Impact of deferrals delayed by grant funding and LCFF schedule



### Revenue assumptions:

- **February** - 36K ERMHS, 204K 20-21 SB740, 87K 19-20 SB740
- **March** - 35K SWP, \$164K Measure N, \$42K PY Fed SPED, \$10K PY CTEIG
- **June** - 102K 20-21 SB740, 133K Measure N, 137K repayment of Prop 39 Clean Energy funding

With improved cash projection, financing may not be needed

## Line of credit should be sufficient, and even that may not be needed

### Advances on State Aid Payments (ASAP)

- We've officially withdrawn our application
- Less desirable because of lack of flexibility
- Cost also not significantly different

### Line of Credit

- ARISE could draw on its \$250K line of credit with CitiBank

### Receivable Sale

- ARISE could obtain cash by selling future receivables like monthly LCFF payments
- Likely unnecessary, but can be arranged later in the spring

# Arise Financial Dashboard

			2020-21 Board Meetings				
Metric	Target	Legend	9/15	10/20	11/17	2/16	3/16
Enrollment	385	>385 375-385 <375	385	387	387	389	
Attendance	93.5%	>93.5% 92-93.5% <92.0%	93.5%	93.5%	94.0%	94.0%	
Expense variance to budget	No more than 5%	<4% 5% to 4% >5%	3.3%	3.1%	2.8%	7.1%	
Uncategorized revenue & expense	<\$10,000	<\$10,000 \$10K-\$20K >\$20,000	\$166,000	\$17,000	\$23,995	\$0	
Cash on hand	45 days' expense	>45 30-45 <30	32	28	29	29	
Year-end fund balance (forecast)	20% of expenses	>20% 15-20% <15%	40.0%	41.0%	37.6%	35.3%	

# Restricted Spending Update

## Measure N budgets being redone – some expenses rejected



# 21-22 Budget Update

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# 21-22 Budget Development

Process began in January; approval by June 30

