



CAMINO NUEVO CHARTER ACADEMY

Financial Analysis

November 2020

Net Income

Camino Nuevo Charter Academy is projected to achieve a net income of \$3.83M in FY20-21 compared to \$2.70M in the board approved budget. Reasons for this positive \$1.13M variance are explained below in the Income Statement section of this analysis.

Balance Sheet

As of November 30, 2020, the school's cash balance was \$14.06M. By June 30, 2021, the school's cash balance is projected to be \$7.68M, which represents a 17% reserve.

As of November 30, 2020, the Accounts Receivable balance was \$221K.

As of November 30, 2020, the Accounts Payable balance, including payroll liabilities, totaled \$1.71M, compared to \$1.53M in the prior month.

As of November 30, 2020, CNCA had a debt balance of \$20.13M. An additional \$482K will be paid this fiscal year. Debt balances consist of the following:

- \$10.82M - 3rd St/Prop 55 Long-Term loan due back to the State.
- \$9.31M - Prop ID loan due back to the State.

Income Statement

Revenue

Total revenue for FY20-21 is projected to be \$50.09M, which is \$1.05M or 2.0% under budgeted revenue of \$51.13M.

Object Code 8221: Federal Nutrition Revenue is expected to be \$1.38MM lower than budget. Due to school closures related to COVID-19 participation rates for the school nutrition program are lower than budgeted. Reduced revenue is offset by decreased nutrition food expenses (**Object 4711**).

Object Code 8520: State Nutrition Revenue is expected to be \$99K lower than budget. Due to school closures related to COVID-19 participation rates for the school nutrition program are lower than budgeted. Reduced revenue is offset by decreased nutrition food expenses (**Object 4711**).

Object Code 8694: In Kind Donations are \$108K higher than budget largely due to a \$93K See's Candy Donation received by the Dalzell Lance site. This is offset by Fundraising Expense (**Object Code 5865**).

Object Code 8698: SELPA Grants are projected to be \$125K higher than budget based on Round 1 of STEP grants awarded to the charter schools.

This report will discuss revenue and expenditure variances from the Board-approved budget that are above \$75,000 and 10%.



Object Code 8999: Prior Year revenue is expected to be \$82K higher than budget largely due to \$60K of SMAA funds received across the charter schools.

Expenses

Total expenses for FY20-21 are projected to be \$46.26M, which is \$2.18M or 4.5% under budgeted expenditures of \$48.44M.

Object Code 1299: Certificated Pupil Support expense is projected to be \$120K under budget as a result of multiple open positions for the SPED Program.

Object Code 3601: Workers' Compensation expense is projected to be \$114K under budget based on final policy details.

Object Code 4711: Nutrition Program Food expense is projected to be \$1.46M under budget due to school closures related to COVID-19 and commodity credits received. Impact of school closure is offset by decreased nutrition revenue (**Object Code 8220, 8520**).

Object Code 5865: Fundraising Cost expense is \$93K over budget. As mentioned above, Dalzell Lance received \$93K See's Candy In-kind Donation.

Object Code 5881: Intra-Agency fee is projected to be \$830K under budget. This is due to the calculation originally including the CARES act funds that the charters are to receive. In order to properly allocate these funds to their intended purposes they have been removed from the calculation. This is further reduced by large reduction of nutrition revenue expected.

ADA

Budgeted average ADA for FY20-21 is 3216.40 based on an enrollment of 3374 and a 95.0% attendance rate.

The forecast assumes an ADA of 3218.84 based on an enrollment of 3367 and a 95.0% attendance rate.

Due to school closures related to COVID-19, schools are to be funded on FY19-20 ADA. An exception was allowed for new schools and schools that budgeted growing enrollment during FY20-21. For growing schools, ADA can be calculated based on enrollment on Census Day (Oct. 7th) at the state average ADA rate. All of Camino's charters are being forecasted at FY19-20 P2 ADA with the exception of Burlington. As such, an increase of 2.44 ADA is reflected in the forecast for Burlington site.

The ExED dashboard is not reflecting current enrollment. However, it is important for the school to continue to monitor enrollment numbers.

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