

El Camino Real Charter High School

September 2016 Financials

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Business and Development Specialists
for Charter Schools

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Financial Presentation Agenda



- September 2016 Financial Update
 - ▣ Current Forecast
 - ▣ YTD Actuals vs. Forecast
 - ▣ YTD Actuals vs. Budget YTD
 - ▣ Cash Flow Projection
 - ▣ Balance Sheet



September 2016 Financial Update

Current Forecast – Sept 2016 Update

Operating income including depreciation is projected to be \$3M,
a \$2.5M increase compared to the board approved budget



		Approved Budget	Previous Month's Forecast	Current Forecast	Variance (Previous vs. Current Forecast)	Variance (Budget vs. Current Forecast)	Forecast Remaining
SUMMARY							
Revenue							
	LCFF Entitlement	30,894,433	30,867,011	30,867,011	-	(27,422)	25,678,824
	Federal Revenue	1,082,894	1,214,577	1,214,577	-	131,682	1,035,722
	Other State Revenues	2,706,821	3,541,012	3,541,012	-	834,191	3,014,829
	Local Revenues	1,113,567	1,050,007	1,161,398	111,391	47,830	(22,004)
	Fundraising and Grants	50,000	50,000	50,000	-	-	50,000
	Total Revenue	35,847,716	36,722,607	36,833,997	111,391	986,282	29,757,372
Expenses							
	Compensation and Benefits	27,341,723	27,259,734	26,100,766	1,158,968	1,240,957	19,991,779
	Books and Supplies	2,477,513	2,598,955	2,598,955	-	(121,442)	2,339,723
	Services and Other Operating	5,225,762	5,459,055	4,930,551	528,505	295,211	3,887,907
	Depreciation	238,281	137,835	137,835	-	100,446	137,835
	Total Expenses	35,283,279	35,455,580	33,768,107	1,687,473	1,515,172	26,357,245
Operating Income		564,437	1,267,027	3,065,890	1,798,863	2,501,453	3,400,127
Fund Balance							
	Beginning Balance (Unaudited)	17,194,987	17,194,987	17,194,987			
	Audit Adjustment	-	-	-			
	Beginning Balance (Audited)	17,194,987	17,194,987	17,194,987			
	Operating Income	564,437	1,267,027	3,065,890			
Ending Fund Balance		17,759,423	18,462,013	20,260,877			
Capital Outlay		300,000	300,000	300,000			

Current Revenue Forecast: Sept 2016 Update

The revenue forecast is \$36.8M, an increase of \$111K when compared to the previous month's forecast, and an increase of \$986K compared to the approved budget

Revenue Summary	Previous Month's Forecast	Current Forecast	Variance (Previous vs. Current Forecast)	Notes
LCFF Entitlement	\$ 30,867,011	\$ 30,867,011	\$ -	• No Change
Federal Revenue	\$ 1,214,576	\$ 1,214,576	\$ -	• No Change
Other State Revenues	\$ 3,541,012	\$ 3,541,012	\$ -	• No Change
Local Revenues	\$ 1,050,007	\$ 1,161,398	\$ 111,391	• Net Decrease in Fair Value of Investment (\$8k) • Other local revenue – updated to recognize deferred revenue (+\$1M) for international program +\$119k
Fundraising and Grants	\$ 50,000.00	\$ 50,000.00	\$ -	• No Change
Total Revenue	\$ 36,722,607	\$ 36,833,997	\$ 111,391	

Current Expense Forecast: Sept 2016 Update

The expense forecast is \$33.7M, a decrease of \$1.69M when compared to the previous month's forecast, and a decrease of \$1.52M compared to the approved budget.



Expense Summary	Previous Month's Forecast	Current Forecast	Variance (Previous vs. Current Forecast)	Notes
Compensation and Benefits	\$ 27,259,734	\$ 26,100,766	\$ 1,158,968	<ul style="list-style-type: none"> Updated stipends and correlating benefits based on trends and FY16-17 expectations Updated teacher, supervisor & administration, and clerical & office salaries and correlating benefits based on trends and updated personnel rates
Books and Supplies	\$ 2,598,955	\$ 2,598,955	\$ -	<ul style="list-style-type: none"> No Change
Services and Other Operating Expenditures	\$ 5,459,055	\$ 4,930,551	\$ 528,505	Per FY16-17 expectations: <ul style="list-style-type: none"> Travel and Conference reduced by \$100k Banking Fees reduced by \$28.5k Consultants – Instructional reduced by \$200k Consultants – Non Instructional reduced by \$200k
Depreciation	\$ 137,835	\$ 137,835	\$ -	<ul style="list-style-type: none"> No Change
Total Expenses	\$ 35,455,580	\$ 33,768,107	\$ 1,687,473	

YTD Actuals vs Forecast: Sept 2016 Update



		Jul	Aug	Sep	Actual YTD	Approved Budget	Current Forecast	Variance (Budget vs. Current Forecast)	Forecast Remaining	% of Forecast Spent
SUMMARY										
Revenue										
	LCFF Entitlement	413,405	1,868,557	2,906,225	5,188,187	30,894,433	30,867,011	(27,422)	25,678,824	17%
	Federal Revenue	41,274	82,548	55,032	178,854	1,082,894	1,214,577	131,682	1,035,722	15%
	Other State Revenues	123,930	241,560	160,693	526,183	2,706,821	3,541,012	834,191	3,014,829	15%
	Local Revenues	41,501	92,535	1,049,365	1,183,401	1,113,567	1,161,398	47,830	(22,004)	102%
	Fundraising and Grants	-	-	-	-	50,000	50,000	-	50,000	0%
	Total Revenue	620,110	2,285,200	4,171,316	7,076,626	35,847,716	36,833,997	986,282	29,757,372	19%
Expenses										
	Compensation and Benefits	2,002,983	1,992,671	2,113,334	6,108,987	27,341,723	26,100,766	1,240,957	19,991,779	23%
	Books and Supplies	22,118	104,449	132,665	259,232	2,477,513	2,598,955	(121,442)	2,339,723	10%
	Services and Other Operating	340,514	383,212	318,917	1,042,643	5,225,762	4,930,551	295,211	3,887,907	21%
	Depreciation	-	-	-	-	238,281	137,835	100,446	137,835	0%
	Total Expenses	2,365,615	2,480,332	2,564,916	7,410,862	35,283,279	33,768,107	1,515,172	26,357,245	22%
Operating Income		(1,745,505)	(195,131)	1,606,400	(334,236)	564,437	3,065,890	2,501,453	3,400,127	-11%

- 19% of forecasted revenue has been received
- Compensation and Benefits tracking against forecast with 77% remaining
 - Summer School Stipends – paid in July (+\$130k)
 - Workers Comp – paid upfront for entire year (+\$190k)
- Services and Other Operating tracking against forecast with 79% remaining
 - Insurance – paid upfront for entire year (+\$181k)

YTD Actuals vs Budget YTD: Sept 2016 Update



		Actual YTD	Budget YTD	Variance (YTD less Budget)
SUMMARY				
Revenue				
	LCFF Entitlement	5,188,187	3,688,730	1,499,457
	Federal Revenue	178,854	178,409	445
	Other State Revenues	526,183	537,220	(11,037)
	Local Revenues	1,183,401	820,000	363,401
	Fundraising and Grants	-	-	-
	Total Revenue	7,076,626	5,224,359	1,852,267
Expenses				
	Compensation and Benefits	6,108,987	6,509,300	400,313
	Books and Supplies	259,232	901,779	642,547
	Services and Other Operating	1,042,643	1,198,287	155,643
	Depreciation	-	-	-
	Total Expenses	7,410,862	8,609,365	1,198,503
Operating Income		(334,236)	(3,385,007)	3,050,770

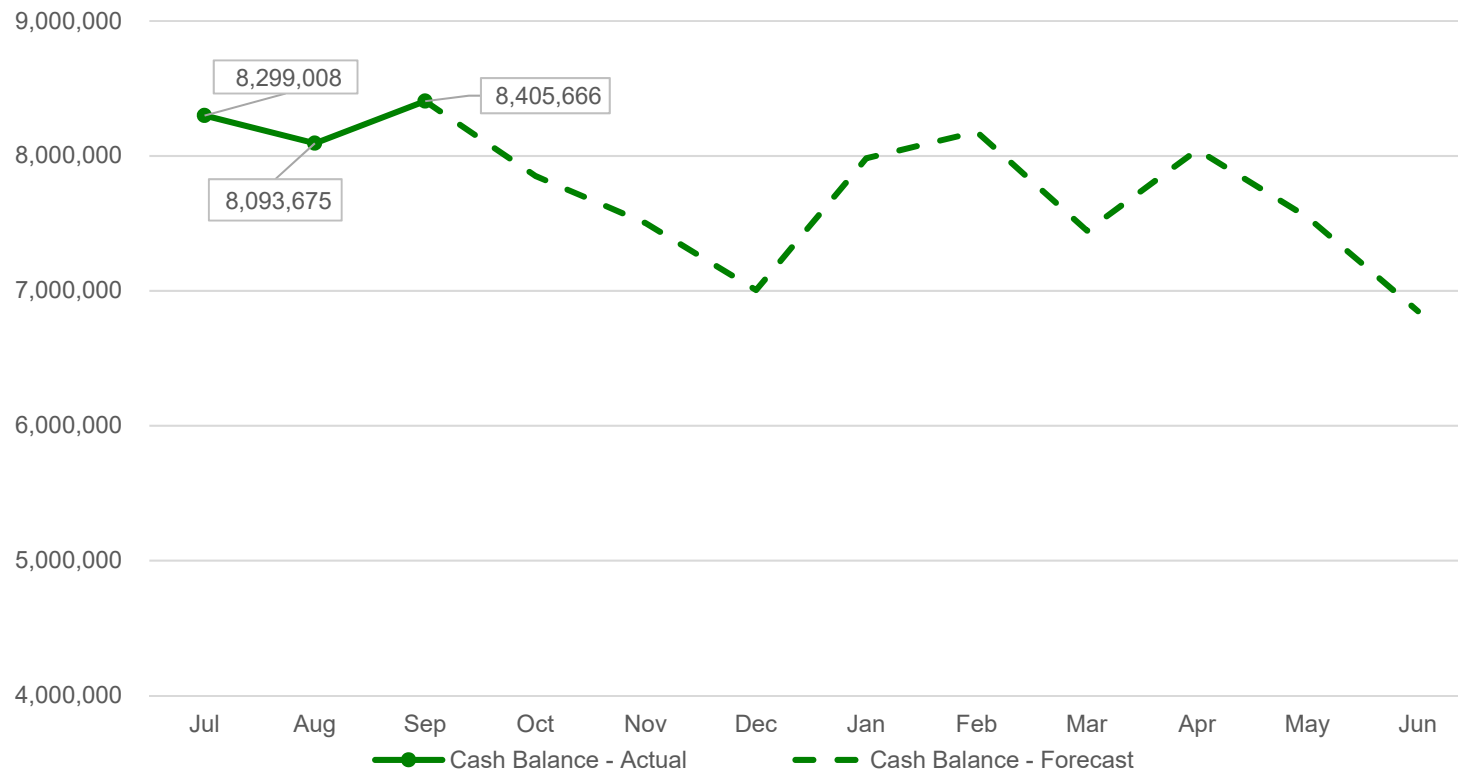
- Revenue variances due to timing
 - EPA received in September (expected in October)
 - Large portion of local revenues received in first 3 months (due to recognizing deferred revenue for international program)
- Expense variances due to timing
 - Comp & Benefits include large amount of stipends (timing is irregular)
 - Books & Supplies assumes majority of expenses (~80%) would occur in first 3 months
 - Services & Operating expenses have decreased since approved budget. Also, assumes quicker spending in rent and consultants

2016-17 Cash Flow Projection

Healthy ending cash balances for the rest of the year



2016/17 Cash Projections



Balance Sheet

Balances as of Sept 30th, 2016



	9/30/2016	6/30/2016	YTD Change
Assets			
Cash Balances	\$ 8,405,666	\$ 7,481,424	\$ 924,243
Accounts Receivable	\$ 69,334	\$ 3,169,617	(3,100,284)
Prepays and Other Assets	\$ 793	\$ 371,574	(370,781)
Fixed Assets, Net	\$ 4,078,401	\$ 4,078,401	-
Investments	\$ 5,495,129	\$ 5,195,254	299,875
Due to/from other	\$ -	\$ -	-
Total Assets	18,049,323	20,296,270	(2,246,947)
Liabilities & Equity			
Accrued Expenses	\$ 141,375	\$ 1,219,044	\$ (1,077,669)
Due to Grantor Governments/Others	\$ 676,417	\$ 660,470	15,947
OPEB Liability	\$ -	\$ -	-
Deferred Revenue	\$ -	\$ 850,988	(850,988)
Loans and other payables	\$ -	\$ -	-
Beginning Net Assets - Audited	\$ 17,565,768	\$ 14,357,676	3,208,092
Other Restatements	\$ -	\$ -	-
Net Income (Loss) to Date	\$ (334,236)	\$ 3,208,092	(3,542,328)
Total Liabilities & Equity	18,049,323	20,296,270	(2,246,947)

- \$8.4M cash balance as of 9/30/16
- \$69K remaining in 15-16 receivables
 - \$23K in Child Nutrition
 - \$44k in Lottery
 - \$2k Title II
- \$5.2M in Temporarily Restricted
 - \$5M – for facility
 - \$229k – Educator Effectiveness
- \$18M fund balance