



El Camino Real Charter High School

November 2016 Financials

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Business and Development Specialists
for Charter Schools

Jan 18, 2017

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Financial Presentation Agenda



- State Budget Update
- Enrollment Update
- November 2016 Financial Update
 - Current Forecast
 - YTD Actuals vs. YTD Budget
 - Cash Flow Projection
 - Balance Sheet



State Budget Update

2017-18 California State Budget

Governor proposes a cautious budget; no additional funding toward LCFF implementation



□ **LCFF**

- No funding toward implementation
- Cost of Living Adjustment of 1.48% over the 2016-17 targets
 - Increase on average of \$120 per ADA (will vary based on school specific targets)
 - Also applies to other state programs
- June Deferral: One third of June LCFF payment deferred to July

□ **One Time Funds**

- Approx. \$48 per ADA (down from \$214 per ADA in 16-17)

□ **School Facilities**

- Up to \$500M available after accountability provisions on bond funds are enacted

□ Just the first step in iterative process involving Governor and Legislature that will result in final budget being approved in June

- EdTec will continue to monitor developments and provide updates



P-1 ADA & Projected P-2 ADA

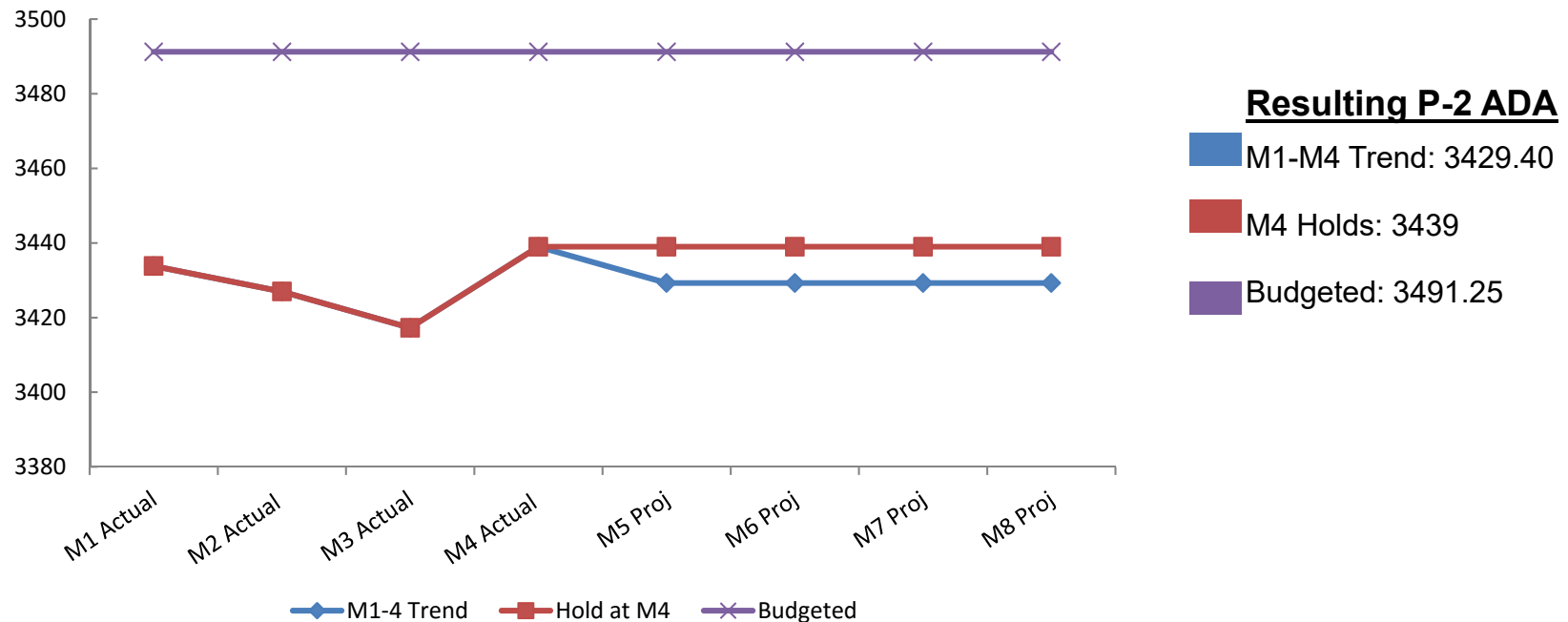
2016-17 Average Daily Attendance

P-1 ADA was 3442.09 and revised P-2 ADA is 3429.40



- P-1 ADA of 3442.09 was below budgeted ADA of 3491.25
- Revised P-2 ADA
 - Assuming ADA follows the M1-M4 trend, P-2 ADA is projected to be 3429.40, 61.85 ADA less than the board approved budget
 - Budget impact of -\$412K

ADA By Month Projection



Forecast Update: Unduplicated Count

CALPADS data submitted in December;
Unduplicated count of 978 above budgeted projection of 850



- **Unduplicated count** is component of Local Control Funding Formula
 - Some funding allocated to schools based on Free or Reduced Price Meal, English Language Learner, or Foster Youth student count, with *no student counted twice*
- Submitted number of unduplicated students was 978, 128 more than budgeted projection of 850
 - Budget impact of +\$38.7K



November 2016 Financial Update

Current Forecast: Nov 2016 Update

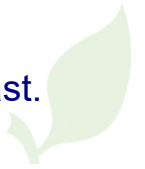
Operating income including depreciation is projected to be \$2.6M,
a \$427K decrease compared to the previous forecast.



	Approved Budget	Previous Month's Forecast	Current Forecast	Variance (Previous vs. Current Forecast)	Variance Budget vs. Current Forecast)
Revenue	35,847,716	36,897,057	36,455,984	(441,073)	608,269
Expenses	35,283,279	33,861,716	33,847,564	14,152	1,435,715
Net Income	564,437	3,035,341	2,608,421	(426,920)	2,043,984
Beginning Fund Balance	17,194,987	17,194,987	17,194,987		
Audit Adjustment	-	-	962,376		
Ending Fund Balance	17,759,423	20,230,328	20,765,784		

Current Revenue Forecast: Nov 2016 Update

The revenue forecast is \$36.5M, a decrease of \$441K when compared to the previous month's forecast.



Revenue Summary	Previous Month's Forecast	Current Forecast	Variance (Previous vs. Current Forecast)	Notes
LCFF Entitlement	\$ 30,867,011	\$ 30,386,911	\$ (480,100)	<ul style="list-style-type: none"> Updated LCFF based on ADA trend for months 1-4 (ADA decreased by 61.97), CALPADS and newly released FCMAT (funding gap increased from 54.18% to 55.28% based on governors proposed budget)
Federal Revenue	\$ 1,214,577	\$ 1,202,649	\$ (11,928)	<ul style="list-style-type: none"> Federal SPED decreased due to decrease in ADA
Other State Revenues	\$ 3,545,789	\$ 3,516,436	\$ (29,352)	<ul style="list-style-type: none"> Increase in Prior Year State Apportionments – received FY15-16 Statewide Student Identifier State SPED, MBG and Lottery decreased due to decrease in ADA. Increase in one time funds (rate increased 210 to 214.55)
Local Revenues	\$ 1,219,681	\$ 1,299,988	\$ 80,307	<ul style="list-style-type: none"> Net Decrease in Fair Value of Investment Increase in other local revenue – to match actuals
Fundraising and Grants	\$ 50,000.00	\$ 50,000.00	\$ -	<ul style="list-style-type: none"> No Change
Total Revenue	\$ 36,897,057	\$ 36,455,984	\$ (441,073)	

Current Expense Forecast: Nov 2016 Update

The expense forecast is \$33.8M, a decrease of \$14.2K when compared to the previous month's forecast.



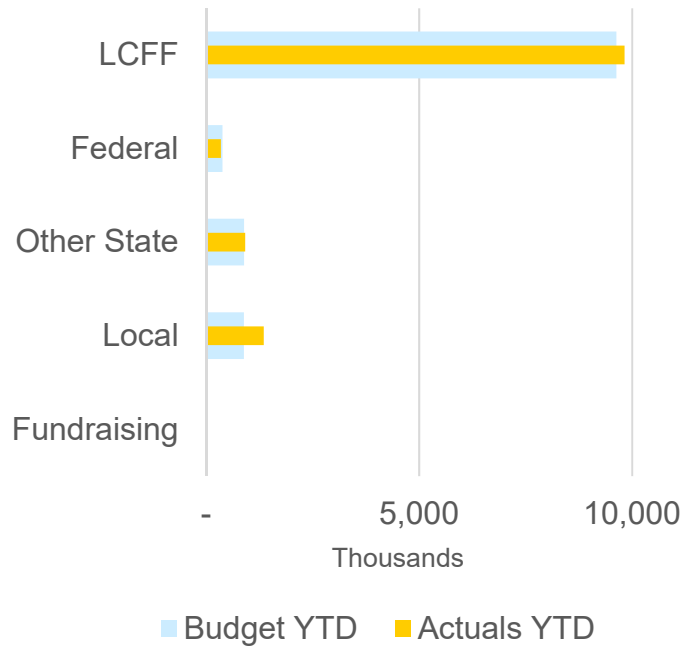
Expense Summary	Previous Month's Forecast	Current Forecast	Variance (Previous vs. Current Forecast)	Notes
Compensation and Benefits	\$ 26,101,717	\$ 26,101,717	\$ -	• No Change
Books and Supplies	\$ 2,598,955	\$ 2,598,955	\$ -	• No Change
Services and Other Operating Expenditures	\$ 5,023,209	\$ 5,009,057	\$ 14,152	• Decrease in ADA dependent expenses: District Oversight and SPED Encroachment
Depreciation	\$ 137,835	\$ 137,835	\$ -	• No Change
Total Expenses	\$ 33,861,716	\$ 33,847,564	\$ 14,152	

YTD Actuals vs YTD Budget: Nov 2016 Update

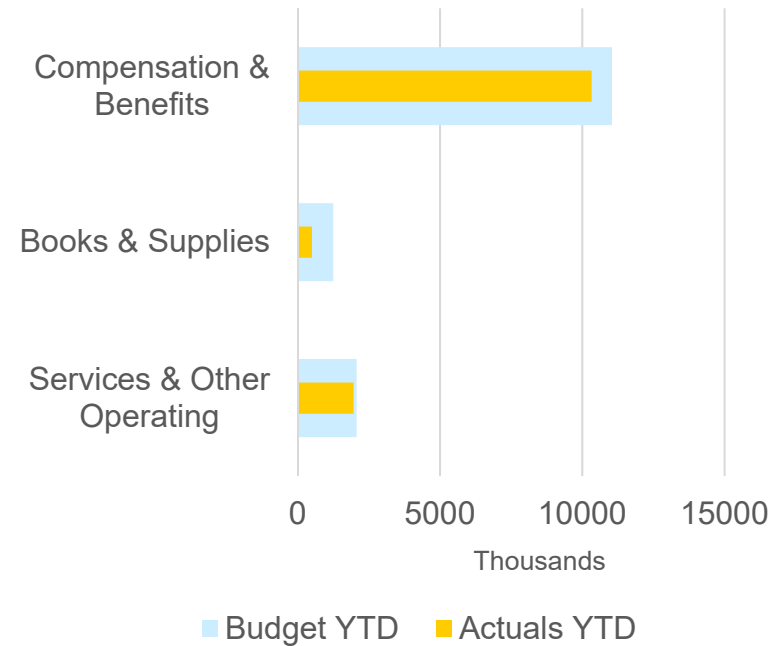
Revenues tracking ahead of budget by \$631K while expenses tracking behind budget by \$1.6M



Revenues



Expenditures

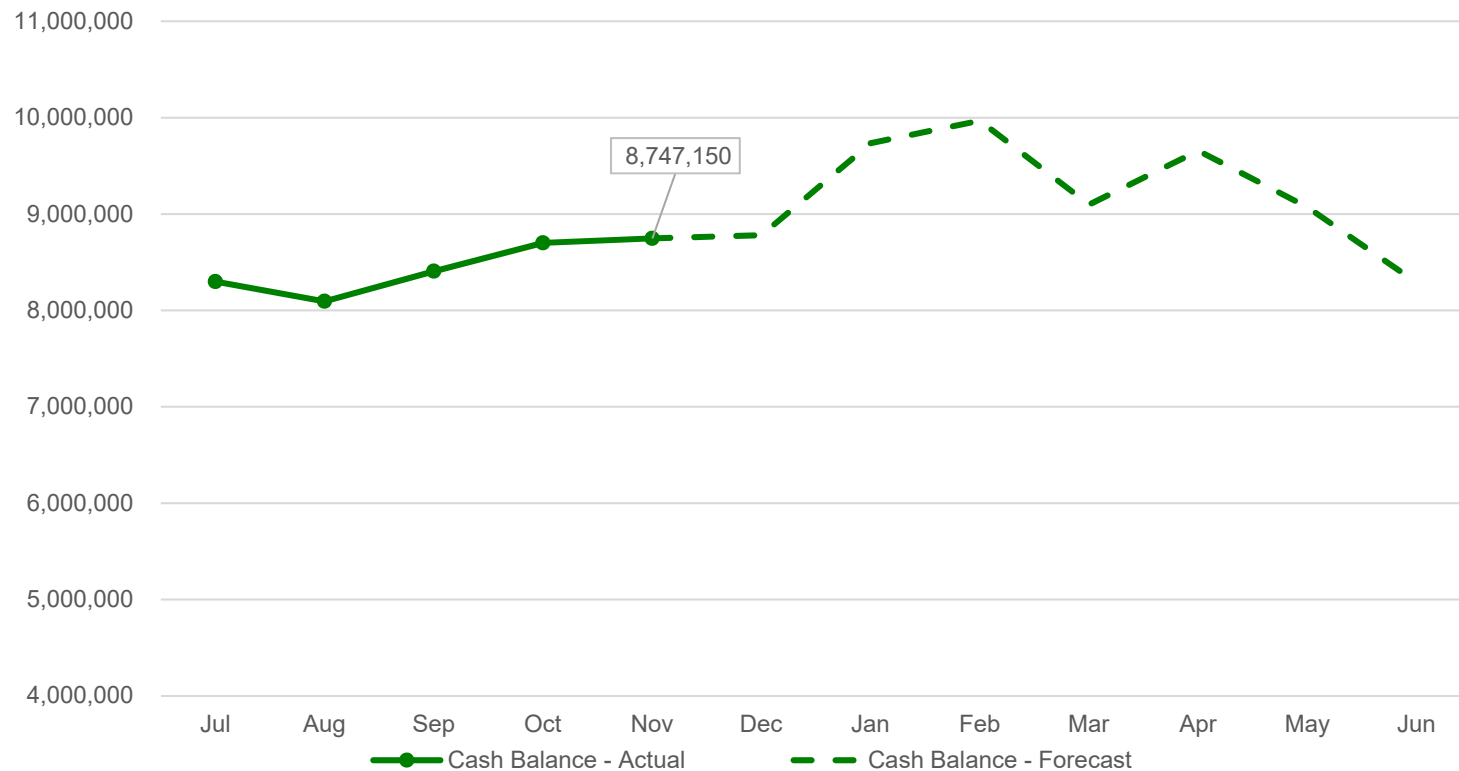


2016-17 Cash Flow Projection

Healthy ending cash balances for the rest of the year



2016/17 Cash Projections



Balance Sheet

Balances as of Nov 30, 2016



	11/30/2016	6/30/2016	YTD Change
Assets			
Cash Balances	\$ 8,747,150	\$ 7,481,424	\$ 1,265,726
Accounts Receivable	\$ 25,430	\$ 3,305,922	(3,280,491)
Prepays and Other Assets	\$ 793	\$ 371,574	(370,781)
Fixed Assets, Net	\$ 4,061,608	\$ 4,061,608	-
Investments	\$ 5,447,246	\$ 5,195,254	251,993
Due to/from other	\$ -	\$ -	-
Total Assets	18,282,227	20,415,781	(2,133,554)
Liabilities & Equity			
Accrued Expenses	\$ 151,856	\$ 1,192,174	\$ (1,040,318)
Due to Grantor Governments/Others	\$ 264,301	\$ 215,256	49,045
OPEB Liability	\$ -	\$ -	-
Deferred Revenue	\$ 78,000	\$ 850,988	(772,988)
Loans and other payables	\$ -	\$ -	-
Beginning Net Assets - Audited	\$ 18,157,363	\$ 14,357,676	3,799,687
Other Restatements	\$ -	\$ -	-
Net Income (Loss) to Date	\$ (369,293)	\$ 3,799,687	(4,168,979)
Total Liabilities & Equity	18,282,227	20,415,781	(2,133,554)

- \$8.7M cash balance as of 11/30/16
- \$25K remaining in 15-16 receivables
 - \$23K in Child Nutrition
 - \$2k Title II
- \$5.2M in Temporarily Restricted
 - \$5M – for facility
 - \$229k – Educator Effectiveness
- \$17.8M fund balance as of 11/30/16