

# Larchmont Schools

## Finance Committee Meeting

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September 26, 2013

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2013-14

# California State Budget Overview

With \$2.1B established for LCFF during 2013-14, the CDE has certified the Advance Apportionment with an increase in funding for all schools

- California's 2013-14 Budget approved in June provided good news:
  - \$2.1B will be distributed via the Local Control Funding Formula
    - This will benefit Larchmont, as charters have been locked out of many categorical funding available to districts
    - Schools with high counts of FRL, ELL, or Foster students will benefit through Supplemental increases to that funding
- Advance Apportionment confirmed a positive outlook:
  - While the CDE is still solidifying the calculations driving the LCFF, it has increased the Advance Apportionment by \$1.5B
  - This results in a 4.62% increase in general purpose funding for all schools
  - Short-term cash outlook is improved, with no fall deferrals
  - EPA funding will be apportioned in quarterly installments as expected
- CDE noted that final LCFF funding will be calculated at P-2
  - It's possible that the CDE could recertify the Advance Apportionment or make LCFF calculations at P-1, but left the door open for actual calculations to come with P-2
  - This basically amounts to deferral if extra funds aren't apportioned at P-1.

# LCFF: How does this affect Larchmont?



## The Old Version

In order to compare apples-to-apples, the state determines the average per-ADA funding based on the old version revenue streams

## The New Version

...and then calculates its new "target" based on the LCFF calculations.

LCS "Base Rate":  
\$5,923 per ADA

LCS estimated "Target Rate":  
\$8,026 per ADA

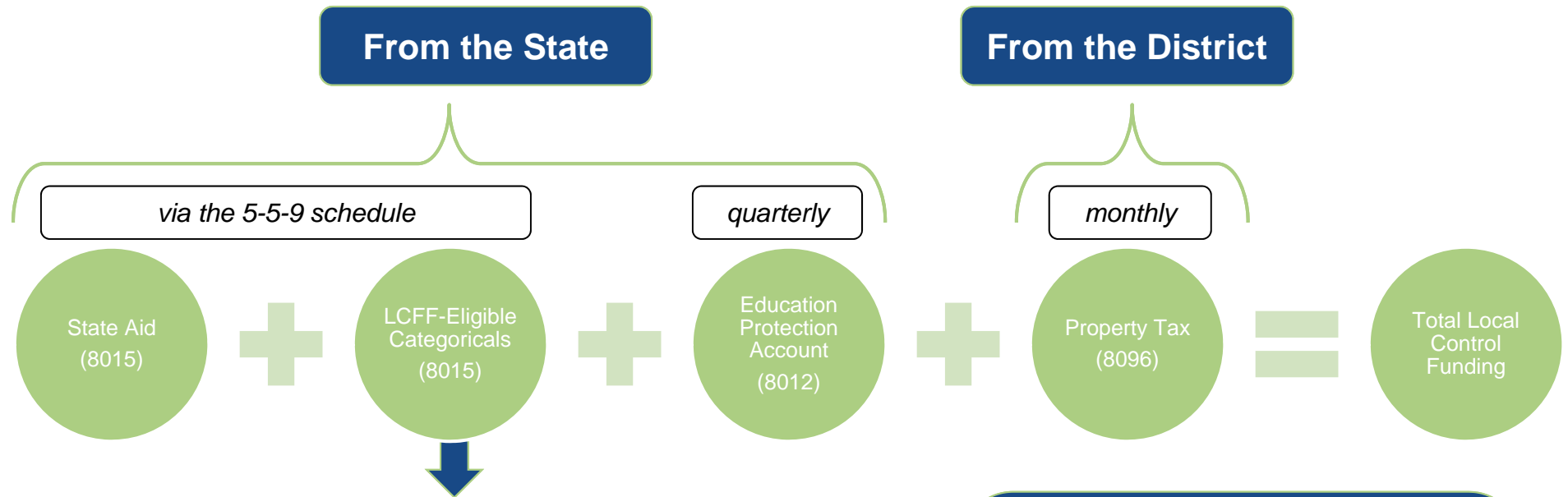
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
Implementation Percentage Towards Goal	11.8%	17.1%	29.7%	20%	25.0%	33%	50%	100%
Total Effective Implementation Percentage	11.8%	26.9%	48.6%	58.9%	69.2%	79.4%	89.7%	100.0%

Assumes 33% FRL/ELL schoolwide

- This increase – 11.8% of the way to the charter’s target rate – generates additional general purpose funding for Larchmont. The target rate will depend on enrollment, FRL – subject to change.
- While these calculations rely on the most current budget information, the CDE has noted that figures will be solidified at P-2.

# LCFF: How will these funds appear in financials?

While the LCFF calculations generate one total entitlement, funds are distributed on three different schedules.



**This includes the previously separate funding streams of:**

Categorical Block Grant	Economic Impact Aid
Supplemental Hourly Instruction	Categorical Consolidated
Class Size Reduction	New Charter Categorical

All of these streams combined equal the General Purpose funding that appears at the top of the monthly financials.

# 2013-14 Forecast Update



- LCFF calculations updated for CA adopted budget and implementation.
- SB740 change in regulations and applications decreases per ADA maximum (Selma ADA won't count) – in the past funding was based on *total ADA*.
- Adjustments to expenses – especially around hiring and salary table adjustments were made over the summer.
- School started Sept. 3 – enrollment and demographics will be adjusted for actuals in the coming weeks.
- Construction and purchases for 6<sup>th</sup> Street renovation are nearly complete!

*Forecast vs. Budget summary included in following pages.*

**Larchmont Charter School**

Multiyear Budget Summary

As of most recent monthly close

	2013/14	2013/14	2013/14	2013/14
	Approved Budget	Current Forecast	Notes	Variance (Approved Budget vs. Current Forecast)
<b>SUMMARY</b>				
<b>Revenue</b>				
General Block Grant	6,323,731	7,242,810		919,079
Federal Revenue	446,970	464,732		17,762
Other State Revenues	2,756,739	1,712,050		(1,044,689)
Local Revenues	370,300	341,775		(28,525)
Fundraising and Grants	2,713,200	2,423,650		(289,550)
<b>Total Revenue</b>	<b>12,610,940</b>	<b>12,185,016</b>		<b>(425,923)</b>
<b>Expenses</b>				
Compensation and Benefits	8,605,460	8,524,259		81,201
Books and Supplies	838,333	748,142		90,191
Services and Other Operating Expenditures	2,343,029	2,380,850		(37,821)
Capital Outlay	355,000	355,000		-
<b>Total Expenses</b>	<b>12,141,821</b>	<b>12,008,250</b>		<b>133,571</b>
<b>Operating Income (excluding Depreciation)</b>	<b>469,119</b>	<b>176,766</b>		
<i>Operating Income (including Depreciation)</i>	682,119	385,522		(296,596)
<b>Fund Balance</b>				
Beginning Balance (Unaudited)	2,649,085	2,733,729		84,644
Audit Adjustment	-	-		-
Beginning Balance (Audited)	2,649,085	2,733,729		84,644
Operating Income (including Depreciation)	682,119	385,522		(296,596)
<b>Ending Fund Balance (including Depreciation)</b>	<b>3,331,203</b>	<b>3,119,251</b>		<b>(211,952)</b>
<b>Ending Fund Balance as a % of Expenses</b>	<b>27%</b>	<b>26%</b>		<b>-159%</b>
Operating income target		319,398		

**Larchmont Charter School**  
 Multiyear Budget Summary  
 As of most recent monthly close

	2013/14	2013/14	2013/14	2013/14
Detail	Approved Budget	Current Forecast	Notes	Variance (Approved Budget vs. Current Forecast)
<b>Enrollment Summary</b>	-	-		-
K-3	458	458		-
4-6	385	385		-
7-8	250	250		-
9-12	136	136		-
<b>Total Enrolled</b>	<b>1,229</b>	<b>1,229</b>		-
<b>ADA %</b>				
K-3	95.5%	95.5%		0%
4-6	95.5%	95.5%		0%
7-8	95.5%	95.5%		0%
9-12	95.5%	95.5%		0%
<b>Average</b>	<b>95.5%</b>	<b>95.5%</b>		<b>0%</b>
<b>ADA</b>				
K-3	437.4	437.4		0.0
4-6	367.7	367.7		0.0
7-8	238.8	238.8		0.0
9-12	129.9	129.9		0.0
<b>Total ADA</b>	<b>1173.7</b>	<b>1173.7</b>		<b>0.0</b>



**Larchmont Charter School**

Multiyear Budget Summary

As of most recent monthly close

		2013/14	2013/14	2013/14	2013/14
		Approved Budget	Current Forecast	Notes	Variance (Approved Budget vs. Current Forecast)
<b>General Purpose Entitlement</b>					
8012	Education Protection Account	1,011,797	1,297,912	Greater of: \$200 per ADA or 17.92% of Block Grant	286,115
8015	Charter Schools General Purpose Entitlement - 5	3,716,085	4,299,096	Includes LCFF Increases	583,012
8096	Charter Schools in Lieu of Prop. Taxes	1,595,850	1,645,802	LAUSD P2 1402.24 per ADA	49,952
		6,323,731	7,242,810	-	919,079
<b>8100 Federal Revenue</b>					
8181	Special Education - Entitlement	212,220	220,150	\$188 per ADA, LAUSD COP	7,930
8220	Child Nutrition Programs	151,282	171,482	-	20,200
8291	Title I	76,500	66,250	\$250 per Title I eligible student	(10,250)
8292	Title II	5,508	4,770	\$18 per Title I eligible student	(738)
8293	Title III	1,460	2,080	\$20 per Title I eligible student	620
<b>SUBTOTAL - Federal Income</b>		446,970	464,732	-	17,762
<b>8300 Other State Revenues</b>					
8381	Special Education - Entitlement (State)	649,417	661,671	\$564 per ADA, LAUSD COP	12,253
8434	Class Size Reduction, Grades K-3	244,291	-	Included in LCFF	(244,291)
8520	Child Nutrition - State	12,538	12,843	-	305
8545	School Facilities Apportionments	818,868	711,430	\$750 per ADA or 0.75 of rent, lesser of the two	(107,438)
8550	Mandated Cost Reimbursements	28,169	9,557	\$24 or \$14 per PY ADA	(18,611)
8560	State Lottery Revenue	180,749	180,749	\$154 per ADA per SSC	-
8590	All Other State Revenue	110,762	135,800	Common core funding \$200 per PY enrollment	25,038
8591	Supplemental Hourly Revenue	4,970	-	Included in LCFF	(4,970)
8592	Categorical Block Grant	490,882	-	Included in LCFF	(490,882)
0	Educationally Disadvantaged Block Grant	46,093	-	Included in LCFF	(46,093)
8594	LCFF Placeholder	170,000	-	-	(170,000)
<b>SUBTOTAL - Other State Income</b>		2,756,739	1,712,050	-	(1,044,689)
<b>8600 Other Local Revenue</b>					
8634	Food Service Sales	370,300	341,775	-	(28,525)
<b>SUBTOTAL - Local Revenues</b>		370,300	341,775	-	(28,525)

**Larchmont Charter School**  
 Multiyear Budget Summary  
 As of most recent monthly close

		2013/14	2013/14	2013/14	2013/14
		Approved Budget	Current Forecast	Notes	Variance (Approved Budget vs. Current Forecast)
<b>8800</b>	<b>Donations/Fundraising</b>				
8801	Donations - Parents	-	-		-
8802	Donations - Private	284,350	245,800	\$200 per Students Total	(38,550)
8803	Fundraising	2,027,850	2,027,850	\$1650 per Students Total	-
8811	Deferred Revenue	401,000	150,000	Deferred 12-13 revenue	(251,000)
	<b>SUBTOTAL - Fundraising and Grants</b>	2,713,200	2,423,650		(289,550)
	<b>TOTAL REVENUE</b>	<b>12,610,940</b>	<b>12,185,016</b>		<b>(425,923)</b>

**Larchmont Charter School**

Multiyear Budget Summary  
As of most recent monthly close

		2013/14	2013/14	2013/14	2013/14
		Approved Budget	Current Forecast	Notes	Variance (Approved Budget vs. Current Forecast)
<b>EXPENSES</b>					
<b>Compensation &amp; Benefits</b>					
<b>1000</b>	<b>Certificated Salaries</b>				
1100	Teachers Salaries	3,139,451	3,204,785	59 FTE	(65,333)
1103	Teacher - Substitute Pay	56,372	61,950	Projected 3% teacher absence rate x cost per day	(5,578)
1111	Teacher - Elective	479,656	-		479,656
1200	Certificated Pupil Support Salaries	416,549	652,175	12.8 FTE	(235,626)
1300	Certificated Supervisor & Administrator Salaries	944,387	802,000	9 FTE	142,387
1900	Certificated Other Salaries	-	230,000	5 FTE	(230,000)
<b>SUBTOTAL - Certificated Employees</b>		<b>5,036,416</b>	<b>4,950,910</b>		<b>85,506</b>
<b>2000</b>	<b>Classified Salaries</b>				
2100	Classified Instructional Aide Salaries	837,385	602,943	29 FTE	234,442
2101	Classified - Electives	-	273,500	6 FTE	(273,500)
2300	Classified Supervisor & Administrator Salaries	586,865	589,355	6 FTE	(2,490)
2400	Classified Clerical & Office Salaries	415,207	432,775	11 FTE	(17,568)
2900	Classified Other Salaries	25,813	-		25,813
2930	Other Classified - Maintenance/grounds	106,400	110,616	4 FTE	(4,216)
<b>SUBTOTAL - Classified Employees</b>		<b>1,971,670</b>	<b>2,009,189</b>		<b>(37,519)</b>
<b>3000</b>	<b>Employee Benefits</b>				
3100	STRS	398,299	408,959		(10,660)
3300	OASDI-Medicare-Alternative	237,841	226,131		11,710
3400	Health & Welfare Benefits	745,640	726,700		18,940
3500	Unemployment Insurance	77,089	76,561		528
3600	Workers Comp Insurance	126,146	113,450		12,696
3900	Other Employee Benefits	12,360	12,360		-
<b>SUBTOTAL - Employee Benefits</b>		<b>1,597,374</b>	<b>1,564,160</b>		<b>33,214</b>

**Larchmont Charter School**

Multiyear Budget Summary

As of most recent monthly close

		2013/14	2013/14	2013/14	2013/14
		Approved Budget	Current Forecast	Notes	Variance (Approved Budget vs. Current Forecast)
<b>4000</b>	<b>Books &amp; Supplies</b>				
4100	Approved Textbooks & Core Curricula Materials	69,685	101,901		(32,216)
4200	Books & Other Reference Materials	8,825	8,825		-
4315	Custodial Supplies	22,122	22,122		-
4320	Educational Software	4,144	4,114		30
4326	Art & Music Supplies	12,290	12,290		-
4330	Office Supplies	82,343	82,343		-
4335	PE Supplies	12,158	12,128		30
4340	Professional Development Supplies	1,844	1,844		(1)
4346	Teacher Supplies	62,400	62,400		-
4350	Uniforms	6,540	6,540		-
4430	Non Classroom Related Furniture, Equipment &	46,000	-		46,000
4710	Student Food Services	507,854	429,625		78,229
4720	Other Food	2,129	4,010		(1,881)
	<b>SUBTOTAL - Books and Supplies</b>	<b>838,333</b>	<b>748,142</b>		<b>90,191</b>

**Larchmont Charter School**  
 Multiyear Budget Summary  
 As of most recent monthly close

		2013/14	2013/14	2013/14	2013/14
		Approved Budget	Current Forecast	Notes	Variance (Approved Budget vs. Current Forecast)
<b>5000</b>	<b>Services &amp; Other Operating Expenses</b>				
5210	Conference Fees	4,500	4,500		-
5220	Travel and Lodging	4,000	4,000		-
5223	Facility & Staff Parking	600	600		-
5225	Travel - Meals & Entertainment	4,150	4,150		-
5305	Dues & Membership - Professional	4,400	4,400		-
5310	Subscriptions	240	240		-
5450	Insurance - Other	98,000	98,000		-
5510	Utilities - Gas and Electric	21,000	21,000	\$1750 per Monthly Rate	-
5515	Janitorial, Gardening Services & Supplies	48,000	50,000	\$4167 per Monthly Rate	(2,000)
5520	Security	62,700	57,250	\$4771 per Monthly Rate	5,450
5525	Utilities - Waste	4,986	-		4,986
5530	Utilities - Water	4,284	-		4,284
5535	Utilities - All Utilities	11,089	36,000	\$3000 per Monthly Rate	(24,911)
5605	Equipment Leases	60,758	61,301	\$5108 per Monthly Rate	(543)
5610	Rent	1,090,138	1,126,197	\$93850 per Monthly Rate	(36,059)
5615	Repairs and Maintenance - Building	13,800	13,800		-
5803	Accounting Fees	8,000	8,000		-
5809	Banking Fees	1,591	1,591	\$133 per Monthly Rate	-
5812	Business Services	122,850	122,850	EdTec	-
5816	Data Director	5,000	5,000		-
5820	Consultants - Non Instructional	-	14,500		(14,500)
5824	District Oversight Fees	68,607	72,428	1.0% of General & Categorical Block Grants	(3,821)
5830	Field Trips Expenses	78,563	87,780		(9,217)
5836	Fingerprinting	5,100	5,100		-
5839	Fundraising Expenses	47,500	47,500		-
5843	Interest - Loans Less than 1 Year	66,358	77,428		(11,070)
5845	Legal Fees	48,000	48,000	\$4000 per Monthly Rate	-
5848	Licenses and Other Fees	500	500		-
5857	Payroll Fees	13,200	16,800	\$1400 per Monthly Rate	(3,600)
5860	Printing and Reproduction	3,600	3,600		-
5863	Professional Development	11,500	34,000		(22,500)
5869	Special Education Contract Instructors	157,400	105,400		52,000
5872	Special Education Encroachment	172,327	176,364	20% of special ed. revenues, LAUSD COP	(4,037)
5877	Student Activities	5,800	5,800		-
5878	Student Assessment	680	680		-
5881	Student Information System	9,832	11,514		(1,682)
5884	Substitutes	20,700	-		20,700
5887	Technology Services	1,799	-		1,799

**Larchmont Charter School**

Multiyear Budget Summary  
As of most recent monthly close

		2013/14	2013/14	2013/14	2013/14
		Approved Budget	Current Forecast	Notes	Variance (Approved Budget vs. Current Forecast)
5905	Communications - Cell Phones	8,160	8,160	\$680 per Monthly Rate	-
5910	Communications - Internet / Website Fees	25,728	18,828	\$1569 per Monthly Rate	6,900
5915	Postage and Delivery	3,000	3,000	\$250 per Monthly Rate	-
5920	Communications - Telephone & Fax	24,588	24,588	\$2049 per Monthly Rate	-
<b>SUBTOTAL - Services &amp; Other Operating Exp</b>		<b>2,343,029</b>	<b>2,380,850</b>		<b>(37,821)</b>
<b>6000</b>	<b>Capital Outlay</b>				
6100	Sites & Improvement of Sites	105,000	105,000	6th St. FF&E, OOP	-
6200	Buildings & Improvement of Buildings	115,000	115,000	St. Ambrose Kitchen, HG Flooring	-
6400	Equipment	100,000	100,000	Faculty, facility technology	-
0000	Equipment	35,000	35,000	School software solutions	-
<b>SUBTOTAL - Capital Outlay</b>		<b>355,000</b>	<b>355,000</b>		<b>-</b>
<b>TOTAL EXPENSES</b>		<b>12,141,821</b>	<b>12,008,250</b>		<b>133,571</b>
<b>6900</b>	<b>Total Depreciation (includes Prior Years)</b>	<b>142,000</b>	<b>146,244</b>		<b>(4,244)</b>
<b>TOTAL EXPENSES including Depreciation</b>		<b>11,928,821</b>	<b>11,799,494</b>		<b>129,327</b>

**Larchmont Charter School**  
Monthly Cash Forecast  
As of most recent monthly close

	2013/14														Forecast	AP/AR
	Actual & Projected												Forecast	AP/AR		
	Jul Projected	Aug Projected	Sep Projected	Oct Projected	Nov Projected	Dec Projected	Jan Projected	Feb Projected	Mar Projected	Apr Projected	May Projected	Jun Projected				
<b>Beginning Cash</b>	<b>548,312</b>	<b>1,269,829</b>	<b>1,642,250</b>	<b>1,148,294</b>	<b>889,972</b>	<b>469,963</b>	<b>377,513</b>	<b>64,958</b>	<b>190,825</b>	<b>444,909</b>	<b>1,069,116</b>	<b>1,213,537</b>				
<b>Revenue</b>																
General Block Grant	-	138,936	220,701	473,294	211,927	211,927	417,893	211,927	981,114	1,341,510	664,346	135,079	7,242,810	2,234,155		
Federal Income	-	11,404	22,809	34,259	34,259	34,259	63,499	34,259	55,690	66,612	37,372	37,372	464,732	32,938		
Other State Income	-	31,665	132,515	43,505	43,505	399,220	111,405	88,692	119,808	70,103	283,591	60,546	1,712,050	327,494		
Local Revenues	-	-	-	37,975	37,975	37,975	37,975	37,975	37,975	37,975	37,975	37,975	341,775	-		
Fundraising and Grants	380,214	8,832	108,746	215,999	256,138	279,359	124,718	101,897	134,324	156,989	150,958	259,678	2,423,650	245,800		
<b>Total Revenue</b>	<b>380,214</b>	<b>190,837</b>	<b>484,771</b>	<b>805,032</b>	<b>583,805</b>	<b>962,740</b>	<b>755,490</b>	<b>474,751</b>	<b>1,328,910</b>	<b>1,673,190</b>	<b>1,174,241</b>	<b>530,649</b>	<b>12,185,016</b>	<b>2,840,387</b>		
<b>Expenses</b>																
Compensation & Benefits	341,009	506,343	771,195	790,335	771,195	771,195	790,335	771,195	771,195	779,700	760,559	700,001	8,524,259	-		
Books & Supplies	8,705	54,092	106,803	64,282	64,282	64,282	64,282	64,282	64,282	64,282	64,282	64,282	748,142	-		
Services & Other Operating Expenses	158,262	158,869	221,238	201,637	201,637	209,156	201,610	201,588	227,531	193,183	193,160	200,861	2,380,850	12,120		
Capital Outlay	142,000	142,000	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	355,000	-		
<b>Total Expenses</b>	<b>649,976</b>	<b>861,304</b>	<b>1,106,336</b>	<b>1,063,354</b>	<b>1,044,214</b>	<b>1,051,734</b>	<b>1,063,328</b>	<b>1,044,165</b>	<b>1,070,108</b>	<b>1,044,265</b>	<b>1,025,102</b>	<b>972,244</b>	<b>12,008,250</b>	<b>12,120</b>		
<b>Operating Cash Inflow (Outflow)</b>	<b>(269,763)</b>	<b>(670,466)</b>	<b>(621,565)</b>	<b>(258,322)</b>	<b>(460,410)</b>	<b>(88,994)</b>	<b>(307,837)</b>	<b>(569,414)</b>	<b>258,802</b>	<b>628,925</b>	<b>149,139</b>	<b>(441,595)</b>	<b>176,766</b>	<b>2,828,267</b>		
Revenues - Prior Year Accruals	1,510,384	533,713	127,609	-	40,400	1,262	-	-	-	-	-	-	-	-		
Expenses - Prior Year Accruals	(297,834)	-	-	-	-	-	-	-	-	-	-	-	-	-		
Accounts Receivable - Current Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Accounts Payable - Current Year	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Summerholdback for Teachers	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Loans Payable (Current)	(221,270)	509,174	-	-	-	(4,718)	(4,718)	695,282	(4,718)	(4,718)	(4,718)	(4,718)	(4,718)	-		
Notes Payable - PacWest LOC	(580,000)	-	-	-	-	-	-	700,000	-	-	-	-	-	-		
Notes Payable - PacWest Term Loan	358,730	509,174	-	-	-	(4,718)	(4,718)	(4,718)	(4,718)	(4,718)	(4,718)	(4,718)	(4,718)	-		
Loans Payable (Long Term)	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Capital Leases Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other Long Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Capital Expenditure & Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other Balance Sheet Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Ending Cash</b>	<b>1,269,829</b>	<b>1,642,250</b>	<b>1,148,294</b>	<b>889,972</b>	<b>469,963</b>	<b>377,513</b>	<b>64,958</b>	<b>190,825</b>	<b>444,909</b>	<b>1,069,116</b>	<b>1,213,537</b>	<b>767,224</b>				