

Ocean Charter School

Five Year Budget Detail

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	-1	0	1	2	3	4		
	2015-16	2016-17 Forecast	2017-18	2018-19	2019-20	2020-21	2016-17 Budget Variance Better/(Worse)	
Enrollment	467	498	532	532	532	532	498	Enrollment and ADA based on addition of 1 8th grade class in 16-17 and 1 K class in 17-18. The K class will move through each year to 1st, then 2nd, etc. Average class size increases from 25.9 in 15-16 to 26.6 in 17-18
ADA	438.38	473.10	505.40	505.40	505.40	505.40	473	
Income								
8011-8096 · Local Control Funding Formula Revenue								
8011 Local Control Funding Formula	1,752,724	2,039,989	2,242,740	2,339,573	2,444,398	2,556,293	287,265	
8012 Education Protection Account	582,318	633,248	676,482	676,482	676,482	676,482	50,930	
8019 Local Control Funding Formula - Prior Year	(3,577)	-					3,577	
8096 In Lieu of Property Taxes	826,138	898,393	959,729	959,729	959,729	959,729	72,255	
Total 8011-8096 · Local Control Funding Formula Revenue	3,157,603	3,571,631	3,878,951	3,975,784	4,080,609	4,192,504	414,027	Increase based on 49% Gap closure per Governor's January budget proposal
8100-8299 · Other Federal Income								
8181 Federal Special Education (IDEA)	83,691	91,010	97,224	97,224	98,196	99,178	7,320	Increased ADA budgeted
8291 Title I, A Basic Grants Low-Income	-	32,236	34,524	36,881	36,881	36,881	32,236	New funding source. Supports services for at risk students. Requires submission of a LEA/SSD Plan to the state and approval
8292 Title II, A Teacher Quality	-	1,842	1,973	2,107	2,107	2,107	1,842	New funding source. Supports PD. See above.
Total 8100-8299 · Other Federal Income	83,691	125,088	133,720	136,212	137,184	138,166	41,398	
8300-8599 · Other State Income								
8311 Special Ed - AB602	246,569	268,134	286,441	286,441	289,305	292,198	21,565	Increased ADA budgeted
8550 Mandate Block Grant	239,797	99,951	6,623	7,076	7,076	7,076	(139,846)	One-time funding. Funding rate reduced from \$600 to \$214 per student in 16-17. Amounts beyond that year are based on base statutory rates.
8560 State Lottery Revenue	79,001	85,631	94,222	97,048	99,960	102,959	6,630	Increased ADA budgeted

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8580 Prop 1 D Revenue	2,612,805	937,500	12,159,275	-	-	-	(1,675,305)	15-16 revenues primarily represent grant portion of 1D funds allocated to land purchase. 16-17 revenues represent grant portion of 1D funds applied to project soft costs. 17-18 amount represents grant portion of 1D funds to pay off bridge bonds.
8591 SB740	164,340	171,000	189,525	-	-	-	6,660	Increased ADA budgeted. SB 740 will not be available to pay costs at new site because it will be owned by LAUSD
8599 All Other State Revenues	32,264	-	-	-	-	-	(32,264)	Educator Effectiveness Grant in 15-16 was one-time funds
Total 8300-8599 • Other State Income	3,374,776	1,562,216	12,736,086	390,564	396,340	402,232	(1,812,560)	
8600-8799 • Other Income-Local								
8634 Food Service Sales	55,238	69,872	75,389	76,143	76,905	77,674	14,634	Based on increased enrollment
8660 Interest / Dividend Income	2,029	2,029	2,029	2,029	2,029	2,029	-	
8670 Capital Appeal	-	187,500	187,500	187,500	187,500	-	187,500	Assumes \$750K capital appeal over 4 years
8690 All Other Local Revenue	204,630	210,700	210,700	215,700	230,700	245,700	6,070	Assumes income from facility rental at the new site
8698 Grants	5,400	-	-	-	-	-	(5,400)	No grants assumed
8699 Fundraising	445,272	398,500	408,901	408,901	421,435	421,435	(46,772)	Assumes special 15-16 gift does not recurr. 5% increase in AFG assumed in 19-20
8792 LAUSD Augmentation Grant	-	-	18,570,944	7,220,944	-	-	-	Augmentation Grant used to pay for project hard costs and \$4.2K 1D loan reduction
Total 8600-8799 • Other Income-Local	712,570	868,602	19,455,464	8,111,218	918,569	746,838	156,032	
8999 Prior Year Adjustment	12,419	-	-	-	-	-	(12,419)	
TOTAL INCOME	7,341,059	6,127,537	36,204,221	12,613,779	5,532,703	5,479,741	(1,213,522)	
Expense								
1000 • Certificated Salaries								

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1110 Teachers' Salaries	1,180,564	1,296,978	1,395,356	1,430,936	1,449,267	1,464,175	(116,414)	1% increase to OCTA salary schedule for 3 years is assumed. Addition of K teacher and aide in 17-18. Reduction of K aide in 18-19.
1170 Teacher Salaries - Substitute	50,845	17,280	17,453	17,627	17,627	17,627	33,565	15-16 included long-term subs that are not assumed to be needed in 16-17
1175 Teachers' Salaries - Stipend/Extra Duty	6,525	1,250	1,263	1,275	1,275	1,275	5,275	Removed digital literacy
1200 Certificated Pupil Support Salaries	-	37,800	38,178	38,560	38,560	38,560	(37,800)	Math Specialist moved from 1110. Proposed SpEd Administrator is NOT included in the budget
1300 Certificated Supervisor and Administrator Salaries	200,377	199,323	201,316	203,329	203,329	203,329	1,055	1% increase for 3 years assumed
Total 1000 · Certificated Salaries	1,438,311	1,552,631	1,653,565	1,691,727	1,710,059	1,724,966	(114,320)	
2000 · Classified Salaries								1% increases for 3 years are assumed for all non-OCTA staff
2100 Instructional Aide Salaries	584,413	557,234	587,116	504,759	504,759	504,759	27,179	Reduced time for Games teachers & Mentor. Reduction of 4 classroom aides in 18-19.
2200 Classified Support Salaries (Maintenance, Food)	32,543	44,552	44,997	42,053	42,053	42,053	(12,009)	PT summer help moved from 2400. At new site, assumed reduction of duplicate lunch server positions
2400 Clerical/Technical/Office Staff Salaries	315,157	314,251	317,393	258,495	258,495	258,495	906	PT summer help moved to 2200. Diversity outreach coordinator in budget for full year in 16-17. At new site, assumed reduction of duplicate positions at the current 2 sites
2900 Other Classified Salaries (Supervision, After School)	104,722	104,707	105,754	102,038	102,038	102,038	15	At new site, assumed reduction of duplicate site supervisor positions
Total 2000 · Classified Salaries	1,036,835	1,020,744	1,055,261	907,346	907,346	907,346	16,091	
3000 · Employee Benefits								

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							<u>Comments</u>		
3111 STRS - State Teachers Retirement System	148,953	231,639	281,729	324,548	364,752	387,114	(82,686)	STRS contribution rate for schools increases from 10.73% to 12.58%, also increase in certificated salaries and new laws requiring STRS for classified staff meeting CDE definition of creditable service. 2% increase in STRS contribution rate continues for each year through out the 5-year period.	
3311 OASDI - Social Security	65,973	45,387	46,899	37,543	37,543	37,543	20,586		
3331 MED - Medicare	35,869	37,314	39,278	37,687	37,952	38,169	(1,445)		
3401 H&W - Health & Welfare	247,914	291,071	296,294	320,775	347,215	385,489	(43,157)		Assumes 8% increase at March renewal
3501 SUI - State Unemployment Insurance	884	1,287	1,354	1,300	1,309	1,316	(403)		
3601 Workers' Compensation	24,939	26,965	29,520	29,457	30,851	32,268	(2,027)		
3901 403B	31,164	22,967	23,743	20,415	20,415	20,415	8,197		
3902 Other Benefits	3,269	-					3,269		
Total 3000 · Employee Benefits	558,964	656,630	718,819	771,724	840,037	902,315	(97,665)		
4000 · Supplies									
4110 Approved Textbooks and Core Curriculum Materials	388	5,185	5,295	5,436	5,584	5,723	(4,797)		
4210 Books and Other Reference Materials	7,460	4,297	4,389	4,505	4,628	4,743	3,163		
4310 Student Materials	50,000	77,453	82,783	84,799	87,105	89,283	(27,453)	Removed restrictions on spending for classroom supplies	
4350 Office Supplies	15,000	15,000	16,365	16,799	17,256	17,687	-		
4370 Custodial Supplies	4,295	4,600	5,019	5,152	5,292	5,424	(305)		
4390 Other Supplies	27,737	30,000	30,639	31,451	32,306	33,114	(2,263)		
4400 Non Capitalized Equipment	11,000	2,000	5,043	4,097	5,154	5,208	9,000		
4700 Food and Food Supplies	54,408	66,925	71,852	72,211	72,572	72,935	(12,517)	See note for 8634 above	
Total 4000 · Supplies	170,288	205,460	221,384	224,449	229,896	234,117	(35,172)		
5000 · Operating Services									
5200 Travel and Conferences	20,000	43,400	44,324	45,499	46,737	47,905	(23,400)	Restored reductions in PD imposed in 15-16	
5300 Dues and Memberships	34,912	29,520	31,184	32,011	32,882	33,704	5,392		
5450 General Insurance	34,642	36,376	39,687	40,739	41,847	42,893	(1,734)		

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5500 Operation and Housekeeping Services	21,524	37,452	38,250	62,927	64,638	66,254	(15,928)	Increased cleaning costs in 16-17. Increased facility operating costs in 18-19 at new site
5610 Rent - Facilities / Buildings / Space	360,504	382,931	391,088	-	-	-	(22,427)	Reflects increases to MV lease and addition for property tax reimbursement in 16-17: rent ends after move-in to new site
5620 Equipment Lease	39,807	32,200	32,886	24,322	24,984	25,608	7,607	Elimination of rent for Yellow House ramp
5630 Vendor Repairs	19,414	24,500	25,022	12,056	12,384	12,694	(5,086)	Increase maintenance budget due to requirements in new MV lease. Deferred maintenance not required at new site
5812 Field Trips/Pupil Transportation	59,660	66,830	68,253	70,062	71,968	73,767	(7,170)	Increase due to higher enrollment
5820 Legal / Audit Fees	148,610	104,450	56,675	58,177	59,759	61,253	44,160	Assumed reductions in legal expenses
5830 Advertisement / Recruitment	800	2,100	2,145	2,202	2,261	2,318	(1,300)	
5850 Non Instructional Consultants	25,639	11,668	11,916	12,232	12,565	12,879	13,972	15-16 included contract services for diversity outreach which is now in-house and level of PD reduced
5851 Instructional Consultants	298,820	307,734	314,289	322,618	331,393	339,678	(8,914)	Increase due to higher enrollment
5853 ExED	81,650	81,650	85,733	90,019	94,520	99,246	-	
5855 Prop 1D Expenditures	31,084	-					31,084	1D expenditures were recorded for half of costs for work prior to identification of current building site, offset by 1D revenues
5890 Other Fees / Bank Charges /Credit Card Fees	25,222	28,374	28,979	29,747	30,556	31,320	(3,153)	
5896 Special Ed Fair Share (LAUSD)	226,444	246,249	306,904	306,904	306,904	306,904	(19,805)	Increase due to higher enrollment

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5897 Fundraising Cost	43,551	34,500	35,235	36,169	37,152	38,081	9,051	Assumed high costs for certain events in 15-16 would not recur
5900 Communications	36,384	36,852	37,637	28,818	29,602	30,342	(468)	Reduction in duplication of internet services when moving to new site
Total 5000 · Operating Services	1,508,667	1,506,787	1,550,207	1,174,501	1,200,152	1,224,847	1,880	
6000 · Capital Outlay								
6901 Depreciation Expense	8,354	8,687	7,821	1,014,453	1,105,465	1,099,207	(334)	The cost of the new buildings and land improvements (not land) is depreciated over 30 years beginning with move-in year
Total 6000 · Capital Outlay	8,354	8,687	7,821	1,014,453	1,105,465	1,099,207	(334)	
7000 · Other Outgo								
7299 District Oversight Fee	33,427	35,716	38,790	39,758	40,806	41,925	(2,289)	
7438 Debt Service - Interest	-	-	-	-	181,024	192,744	-	Interest on Prop 1D loan begins one year after move-in
Total 7000 · Other Outgo	33,427	35,716	38,790	39,758	221,830	234,669	(2,289)	
TOTAL EXPENSE	4,754,846	4,986,655	5,245,847	5,823,959	6,214,786	6,327,466	(231,809)	
NET INCOME	2,586,213	1,140,882	30,958,374	6,789,820	(682,083)	(847,725)	(1,445,332)	These net income numbers reflect amounts to be reported on audited financial statements. See reconciliation below.
Beginning Cash Balance	8,567,118	3,402,951	1,616,825	1,484,429	539,007	758,921	-	
Cash Flow from Operating Activities								
Net Income	2,586,213	1,140,882	30,958,374	6,789,820	(682,083)	(847,725)	-	Carried down from NET INCOME above
Change in Accounts Receivable								
Prior Year Accounts Receivable	409,592	372,490	464,089	499,474	447,700	446,414		
Current Year Accounts Receivable	(351,764)	(464,089)	(499,474)	(447,700)	(446,414)	(470,160)		
Change in Accounts Payable	(69,954)	(36,744)	-	-	-	-		
Change in Due to	(18,451)	5,149	19,581	19,475	19,818	20,367		
Change in Payroll Liabilities	(22,620)	-	-	-	-	-		
Change in Prepaid Expenditures	74,924	-	-	-	-	-		

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Change in Interest Escrow	(1,089,725)	544,863	544,863	-			
Change in Deferred Revenue	(5,230,610)	(1,875,000)	(270,211)	-	-	-	
Depreciation Expense	8,354	8,687	7,821	1,014,453	1,105,465	1,099,207	
Cash Flow from Investing Activities							
Capital Expenditures - Land & Buildings	(20,380,868)	(1,875,000)	(22,287,832)	(7,220,944)	-	-	
Capital Expenditures - Interest & Financing	(459,563)	(544,863)	(272,431)	-	-	-	
Cash Flow from Financing Activities							
Source - CFSA Bonds	16,765,000	-	(16,765,000)	-	-	-	
Source - Prop 1D Loan	2,615,305	937,500	12,159,275	-	-	-	
Use - Prop 1D Loan	-	-	(4,191,451)	(1,600,000)	(224,573)	(249,726)	
Ending Cash Balance	3,402,951	1,616,825	1,484,429	539,007	758,921	757,298	
Month with Lowest Ending Cash Balance	Jul: \$	May: \$1,559,458	Dec: \$782,970	Jun: \$539,007	Dec: \$428,098	Dec: \$607,682	
5% Reserve Goal	237,742	249,333	262,292	291,198	310,739	316,373	
Net Income as a Percent of Expenses	54.4%	22.9%	590.2%	116.6%	-11.0%	-13.4%	
Ending Cash as a Percent of Expenses	71.6%	32.4%	28.3%	9.3%	12.2%	12.0%	

Comments

This line shows ins and outs of interest escrow for bonds

This line adjusts cash flow for the Prop 1D revenues recognized (in line 8580) from funds received in 2012

Depreciation expense, see above, is added back here because it is an expense that doesn't affect cash

This represents cash paid for land, soft costs and hard costs of project

This represents capitalized interest and financing costs

This represents issuance and subsequent repayment of bridge bonds

This represents increases to 1D loan. Equals half of expenditures made with 1D funds

This represents repayments of 1D loan - \$4.2M from Augmentation grant, \$1.6M from capital appeal, reserves, and year 1 rent savings, last two years from loan payments

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Comments

NEW SITE NET INCOME AND CASH FLOW RECONCILIATION

Stated Net Income	2,586,213	1,140,882	30,958,374	6,789,820	(682,083)	(847,725)
Prop 1D Revenue (net of expense)	(2,581,721)	(937,500)	(12,159,275)	-	-	-
Augmentation Grant	-	-	(18,570,944)	(7,220,944)	-	-
Capital Appeal	-	(187,500)	(187,500)	(187,500)	(187,500)	-
Prop 1D Interest	-	-	-	-	181,024	192,744
Depreciation	-	-	-	1,007,027	1,098,575	1,098,575
Adjusted Net Income (excluding New Site impacts)	4,493	15,882	40,655	388,403	410,016	443,593
Interest					(181,024)	(192,744)
Prop 1D Loan Principal Payments					(224,573)	(249,726)
Net income after debt service	4,493	15,882	40,655	388,403	4,419	1,123
Adjusted Revenues		5,002,537	5,286,502	5,205,335	5,345,203	5,479,741
Adjusted Expenses		4,986,655	5,245,847	4,816,932	4,935,187	5,036,148
Adjusted Net Income		15,882	40,655	388,403	410,016	443,593

This line carried down from above

The amounts on this line and below represent items in revenues and expenses that are attributable to the building project and are subtracted here to adjust to net income related to school operations

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"

These amounts are related to 1D debt service costs that are to be paid out of school operating funds

"