

WESTLAKE CHARTER SCHOOL
2009-2010 Adopted Budget and
Multi-Year Projection
Narrative

The Adopted Budget presented today is a “living document” that changes as new information becomes available. This report shows line-item budgets that provide an important overview of revenue resources and expenditure decisions. On May 18, 2009 Westlake Charter School’s finance committee met to ensure that the school is able to meet its financial commitments each year. The Adopted Budget has been created with a clear-sighted evaluation of the school’s current and anticipated fiscal condition.

BEGINNING BALANCE

The 2009-2010 beginning balance is based on the projected ending balance on page 1 of 5 of the Adopted Budget. At the time of the Second Interim Budget update, it was expected that WCS would close the year with an estimated ending fund balance of \$492,394. However, as we get closer to the year-end, estimated actual show a new estimated ending balance of \$524,412. This is due to the consistent monitoring of revenues and expenditures by the WCS’s board. Please note that exact figures will not be available for 2-3 months.

CASH FLOW

The ending cash balance on May 31, 2009 is \$475,018. Providing that operations are in line with current assumptions, WCS should avoid any cash flow shortfalls over the next year. Please note that the County Office of Education has received Federal State Fiscal Stabilization Fund funding to offset reduction to the state revenue. At this time however, we have not received the guidelines and restrictions that come with these funds. The amount of the entitlement received to date is \$75,233.

SUMMARY

The impacts of the projected funding reductions for 2009-2010, as a result of the current fiscal crisis in California, are evident in the negative operations projected over the next few years. WCS has elected to continue at the current levels of staffing and scheduled annual salary increases however, it is not expected that cost of living adjustments will be possible for 2-3 years.

Based on the budget assumptions, ample reserves are in place to ensure fiscal viability over the long term and preserve the existing program. Ensuring reserves are maintained at the projected levels will guarantee that WCS will be able to meet cash flow requirements during the next few years of growth and provide staffing with cost of living adjustments.

The following reserves are included in the Adopted Budget:

Economic Uncertainty (5%)	\$97,300
Cash Flow Reserve	200,000
Facility Reserve	75,000
Additional Estimated MOU Fees	50,000

It is difficult to be reasonably sure of the funding rates. Therefore, it is recommended that any additional staffing and/or expenses outside those assumed in the 2009-2010 Adopted Budget be put on hold.

It is also recommended that the Adopted Budget be approved before June 30, 2009.

Westlake Charter School

Adopted Budget with Multi-Year Summary

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
	Estimated	Projected	Projected	Projected	Projected
	Actuals	Adopted	Budget	Budget	Budget
		Budget			
Key Variables					
School Enrollment	298	319	340	364	388
School ADA	287.19	306.2	326.4	349.44	372.48
Ratio of ADA to Enrollment	96%	96%	96%	96%	96%
Revenues:					
State	\$ 1,931,566	\$ 1,963,748	\$ 2,102,051	\$ 2,311,818	\$ 2,494,843
Federal	23,487	-	-	-	-
Local	74,419	120,000	120,000	120,000	120,000
Total Revenue	\$ 2,029,472	\$ 2,083,748	\$ 2,222,051	\$ 2,431,818	\$ 2,614,843
Expenditures:					
Certificated Salaries	\$ 968,689	\$ 1,038,692	\$ 1,126,382	1,216,280	\$ 1,310,145
Classified Salaries	\$ 202,487	\$ 212,935	\$ 221,452	231,834	244,129
Employee Benefits	\$ 305,655	\$ 342,050	\$ 366,235	412,934	440,305
Total Compensation Costs	\$ 1,476,832	\$ 1,593,677	\$ 1,714,069	\$ 1,861,048	\$ 1,994,579
Books and Supplies	\$ 193,477	\$ 159,525	\$ 169,500	\$ 172,900	\$ 184,300
Operating Costs	199,577	212,792	231,487	254,027	273,464
Capital Costs	5,000	15,000	10,000	10,000	10,000
Total Expenditures	\$ 1,874,885	\$ 1,945,994	\$ 2,089,056	\$ 2,297,975	\$ 2,462,343
Net Operations - Sub Total	\$ 154,587	\$ 137,754	\$ 132,995	\$ 133,843	\$ 152,501
Other Funding Sources					
Total Other Outgo	\$ (179,959)	\$ (183,729)	\$ (192,855)	\$ (165,644)	\$ (179,405)
Total Net Change	\$ (25,371)	\$ (45,975)	\$ (59,860)	\$ (31,801)	\$ (26,905)
Beginning Balance	\$ 549,784	\$ 524,413	\$ 478,438	\$ 418,577	\$ 386,777
Ending Balance	\$ 524,413	\$ 478,438	\$ 418,577	\$ 386,777	\$ 359,872
Ending Balance Distribution					
Economic Uncertainty	\$ 93,744	\$ 97,300	\$ 83,562	\$ 68,939	\$ 73,870
Cash Flow Reserve	200,000	200,000	200,000	200,000	200,000
Facility Reserve	75,000	75,000	75,000	75,000	75,000
Additional Est MOU fees	50,000	50,000	50,000	42,837	11,002
Other	105,668	56,138	10,015	0	0

Adopted Budget with Multi-Year Budget Detail

	2008-2009 Estimated Actuals	2009-2010 Budget	2010-2011 Budget	2011-2012 Budget	2012-2013 Budget
Key Budget and Financial Variables					
School Enrollment	298	319	340	364	388
School ADA	287.19	306.24	326.4	349.44	372.48
Ratio of ADA to Enrollment	96%	96%	96%	96%	96.00%
A. Revenues:					
State					
Block Grant	\$ 1,573,580	\$ 1,585,784	\$ 1,698,146	\$ 1,855,716	\$ 2,018,908
Categorical	\$ 121,481	\$ 122,496	\$ 130,560	\$ 174,720	\$ 186,240
EIA	\$ 13,673	\$ 14,215	\$ 9,207	\$ 10,054	\$ 10,931
K-3 Class Size Reduction	\$ 183,915	\$ 204,045	\$ 224,480	\$ 228,872	\$ 233,508
Other State	\$ 4,022				
Lottery	\$ 34,894	\$ 37,208	\$ 39,658	\$ 42,457	\$ 45,256
Federal	\$ 23,487	\$ -	\$ -	\$ -	
Local	\$ 74,419	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
Total Revenue	\$ 2,029,471	\$ 2,083,748	\$ 2,222,051	\$ 2,431,818	\$ 2,614,843
B. Expenditures:					
1000-1999 Certificated Salaries	\$ 968,689	\$ 1,038,692	\$ 1,126,382	\$ 1,219,587	\$ 1,391,130
11XX Teachers	\$ 816,728	\$ 856,442	\$ 936,700	\$ 1,022,168	\$ 1,123,054
11XX Substitute Teachers	\$ 25,000	\$ 14,250	\$ 14,963	\$ 15,711	\$ 17,282
13XX Administrator/Principal	\$ 126,961	\$ 168,000	\$ 174,720	\$ 181,709	\$ 250,794
2000-2999 Classified Salaries	\$ 202,487	\$ 212,935	\$ 221,452	\$ 230,310	\$ 244,129
21XX Instructional Aide/Supervision	\$ 79,500	\$ 76,478	\$ 79,537	\$ 82,718	\$ 87,681
22XX Services	\$ 35,613	\$ 54,744	\$ 56,934	\$ 59,211	\$ 62,764
23XX Director	\$ 45,613	\$ 39,000	\$ 40,560	\$ 42,182	\$ 44,713
24XX Clerical	\$ 41,761	\$ 42,713	\$ 44,422	\$ 46,198	\$ 48,970
3000-3999 Employee Benefits	\$ 305,655	\$ 342,050	\$ 366,235	\$ 392,423	\$ 424,201
31XX STRS	\$ 86,102	\$ 87,692	\$ 91,200	\$ 94,848	\$ 100,539
32XX PERS	\$ 11,552	\$ 18,087	\$ 18,810	\$ 19,563	\$ 20,737
33XX OASDI and Medicare	\$ 26,966	\$ 32,351	\$ 33,645	\$ 34,990	\$ 37,090
34XX Health & Welfare	\$ 149,203	\$ 170,100	\$ 187,110	\$ 205,821	\$ 226,403
35XX State Unemployment	\$ 3,641	\$ 4,147	\$ 4,313	\$ 4,485	\$ 4,755
36XX Worker's Compensation	\$ 28,192	\$ 29,673	\$ 31,157	\$ 32,715	\$ 34,678
4000-4999 Books and Supplies	\$ 193,477	\$ 159,525	\$ 169,500	\$ 172,900	\$ 184,300
41XX Textbooks	\$ 28,335	\$ 26,550	\$ 28,125	\$ 30,300	\$ 33,300
42XX Other Books/Library	\$ 14,892	\$ 7,975	\$ 8,500	\$ 9,100	\$ 9,700
43XX Materials and Supplies	\$ 109,630	\$ 87,750	\$ 93,000	\$ 99,000	\$ 104,000
44XX Inventoried Items	\$ 40,620	\$ 37,250	\$ 39,875	\$ 34,500	\$ 37,300
5000-5999 Operating Costs	\$ 199,577	\$ 212,792	\$ 231,487	\$ 254,027	\$ 273,464
52XX Travel & Conferences	\$ 9,123	\$ 10,078	\$ 11,263	\$ 13,338	\$ 14,820
53XX Dues & Memberships	\$ 3,095	\$ 5,200	\$ 5,460	\$ 5,733	\$ 6,020

Adopted Budget with Multi-Year Budget Detail

	2008-2009 Estimated Actuals	2009-2010 Budget	2010-2011 Budget	2011-2012 Budget	2012-2013 Budget
55XX Operations and Housekeeping (Utilities)	\$ 5,400	\$ 6,210	\$ 7,142	\$ 8,213	\$ 9,445
56XX Rentals, Leases, Repairs	\$ 15,751	\$ 17,326	\$ 19,925	\$ 22,914	\$ 25,206
57XX NCS Services	\$ 88,826	\$ 93,769	\$ 99,992	\$ 109,432	\$ 117,668
57XX District Direct Costs	\$ 2,500	\$ 3,000	\$ 4,000	\$ 5,000	\$ 6,000
58XX Professional Service Misc	\$ 36,096	\$ 37,179	\$ 39,038	\$ 40,990	\$ 43,039
58XX Fieldtrips	\$ 9,583	\$ 10,000	\$ 12,000	\$ 13,000	\$ 14,000
58XX Audit Services	\$ 14,936	\$ 14,937	\$ 15,535	\$ 16,156	\$ 16,802
58XX Legal Services	\$ 11,000	\$ 11,500	\$ 13,000	\$ 14,500	\$ 15,000
59XX Postage and Communications	\$ 3,266	\$ 3,593	\$ 4,131	\$ 4,751	\$ 5,464
6000-6999 Capital Costs	\$ 5,000	\$ 15,000	\$ 10,000	\$ 10,000	\$ 10,000
64xx Equipment	\$ 5,000	\$ 15,000	\$ 10,000	\$ 10,000	\$ 10,000
Total Expenditures	\$ 1,874,885	\$ 1,945,994	\$ 2,089,056	\$ 2,242,247	\$ 2,482,224
Net Operations - Sub Total	\$ 154,586	\$ 137,754	\$ 132,995	\$ 189,571	\$ 132,620
7000-7999 Other Transfers In/Out					
Transfers Out					
Debt Servicing	\$ 44,776	\$ 43,064	\$ 41,352		
Transfers Out	\$ 52,005	\$ 51,248	\$ 54,861	\$ 60,913	\$ 66,154
Special Ed Encroachment	\$ 47,565	\$ 50,243	\$ 53,550	\$ 57,330	\$ 61,110
Other District Fees	\$ 35,613	\$ 39,174	\$ 43,092	\$ 47,401	\$ 52,141
Total Other Outgo	\$ (179,959)	\$ (183,729)	\$ (192,855)	\$ (165,644)	\$ (179,405)
Total Operations Surplus/(Deficit)	\$ (25,372)	\$ (45,975)	\$ (59,860)	\$ 23,927	\$ (46,786)
Beginning Balance	\$ 549,784	\$ 524,412	\$ 478,437	\$ 418,576	\$ 442,504
Ending Balance	\$ 524,412	\$ 478,437	\$ 418,576	\$ 442,504	\$ 395,718

Enrollment, ADA and Revenue Calculation Assumptions

Revenue Rates (SSC -01/09/09)	Estimated	Adopted	2010-2011	2011-2012	2012-2013
	Actuals 2008-2009	Budget 2009-2010			
COLA	-4.57%	-2.52%	0.50%	2.00%	2.00%
Block Grant					
k-3	\$5,452	\$5,154	\$5,180	\$5,284	\$5,390
4-6	5,536	5,233	5,260	5,365	5,472
7-8	5,698	5,387	5,414	5,523	5,633
9-12	6,607	6,251	6,282	6,407	6,536
Categoricals	423	400	400	500	500
EIA	288	281	282	288	293
Class Size Reduction	915	915	920	938	957
Lottery	110.00	110.00	110.00	110.00	110.00
Restricted Lottery	11.5	11.5	11.5	11.5	11.5
Hourly Program	2.05	3	3	3	3
Enrollment (CBEDS)	2nd Interim	2009-2010	2010-2011	2011-2012	2012-2013
Kindergarten	61	61	61	61	61
1st Grade	60	61	61	61	61
2nd Grade	40	61	61	61	61
3rd Grade	40	40	61	61	61
4th Grade	48	48	48	72	72
5th Grade	49	48	48	48	72
	298	319	340	364	388
Attendance (P2)	2nd Interim	2009-2010	2010-2011	2011-2012	2012-2013
Attendance Rate	96%	96%	96%	96%	96%
k-3	193.71	214.08	234.24	234.24	234.24
4-6	93.48	92.16	92.16	115.2	138.24
7-8	0	0	0	0	0
9-12	0	0	0	0	0
	287.19	306.24	326.4	349.44	372.48
State Revenue Calculations	2nd Interim	2009-2010	2010-2011	2011-2012	2012-2013
Charter Block Grant	\$1,573,580	\$1,585,784	\$1,698,146	\$1,855,716	\$2,018,908
Categorical	121,481	122,496	130,560	174,720	186,240
EIA (10% of Enrollment)	13,673	14,215	9,207	10,054	10,931
K-3 CSR	183,915	204,045	224,480	228,872	233,508
State Grant Money	4,022	0	0	0	0
Lottery	34,894	37,208	39,658	42,457	45,256
	\$1,931,566	\$1,963,748	\$2,102,051	\$2,311,818	\$2,494,843
Local Revenue Calculations					
Extended Day Program	\$20,000	\$90,000	\$90,000	\$90,000	\$90,000
Misc grants and donations	\$54,419	\$30,000	\$30,000	\$30,000	\$30,000
	\$74,419	\$120,000	\$120,000	\$120,000	\$120,000

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