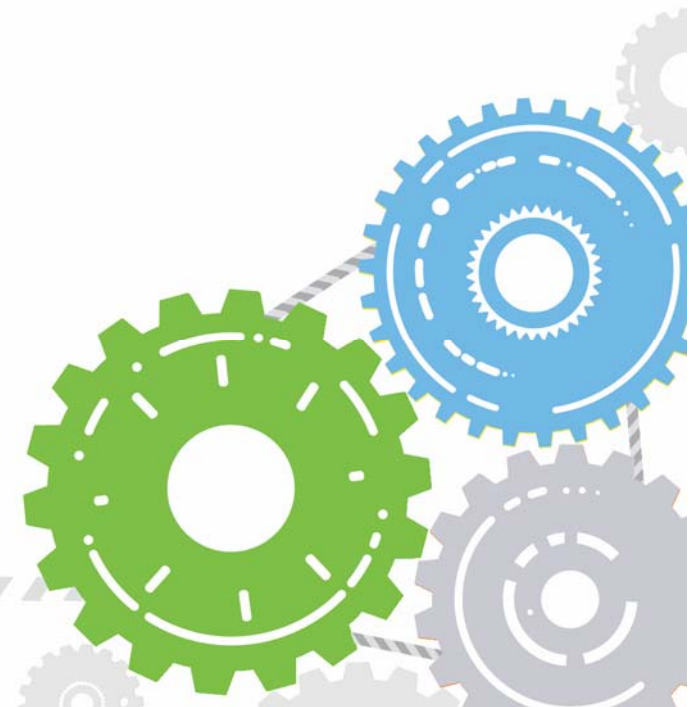


# Community Learning Center Schools Monthly Financial Update

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edtec



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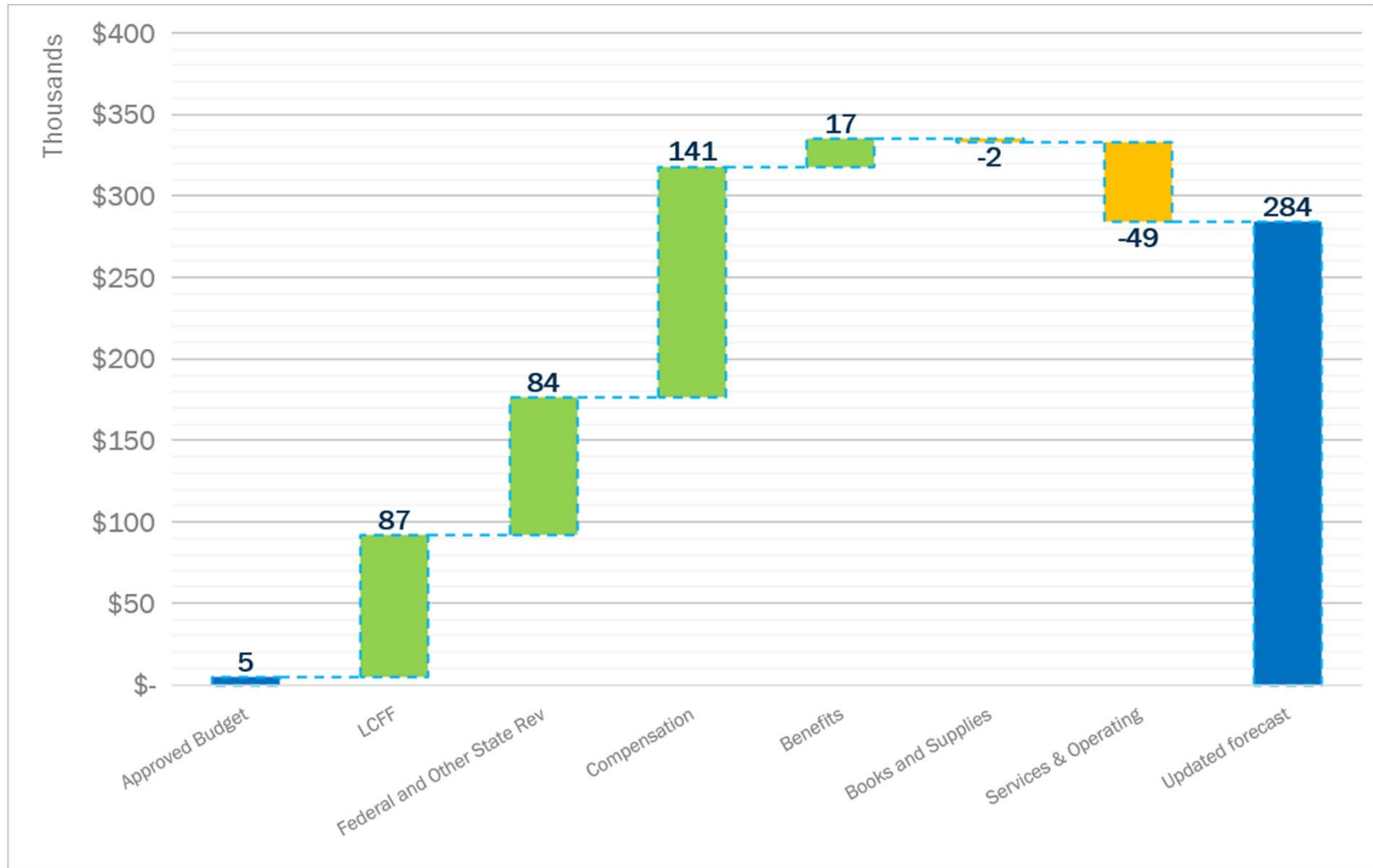


1. 17-18 Forecast Updates
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# 2017-18 Nea Forecast Update



## Higher enrollment, one-time mandate, and comp savings



# 2017-18 Nea Forecast Update

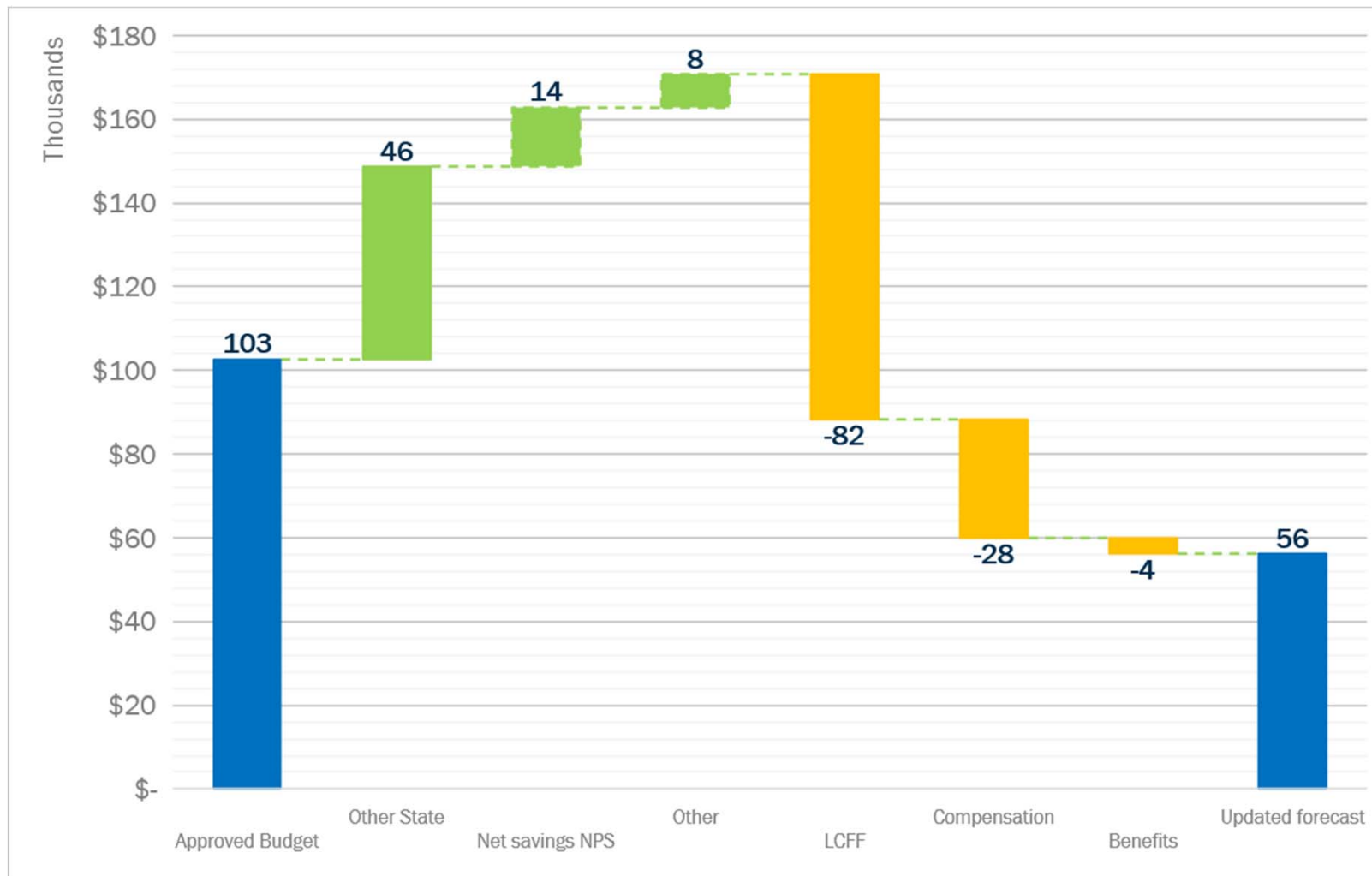


CATEGORY	BOTTOM LINE IMPACT	NOTES
LCFF	87,331	Increase in enrollment of 12
Federal and Other State	84,378	Primarily One-time Mandate (noted earlier); lottery
Compensation	141,431	Savings with staff transitions
Benefits	16,949	Savings associated with comp savings
Books and Supplies	-1,615	Projected increases due to enrollment growth
Services and Operating	-49,277	Savings from one NPS placement
	<b>279,196</b>	<b>NET INCREASE</b>

# 2017-18 ACLC Forecast Update



## One-time mandate rev. offset by lower enrollment, higher compensation



# 2017-18 ACLC Forecast Update



CATEGORY	BOTTOM LINE IMPACT	NOTES
State Revenue	45,917	One time Mandate funds confirmed in state budget; ADA decrease reduces lottery.
LCFF	(82,336)	Enrollment drop of 10 reduces LCFF
Net savings from NPS	14,200	\$142K savings from NPS placement, offset by \$128K reduction in SPED reimbursement for NPS
Other	7,791	Projected savings from lower enrollment
Compensation	(28,305)	Increase in salaries to match actual hiring
Benefits	(3,818)	Updated to actual hiring
	<b>56,223</b>	<b>NET DECREASE</b>

# Portables Financing Options



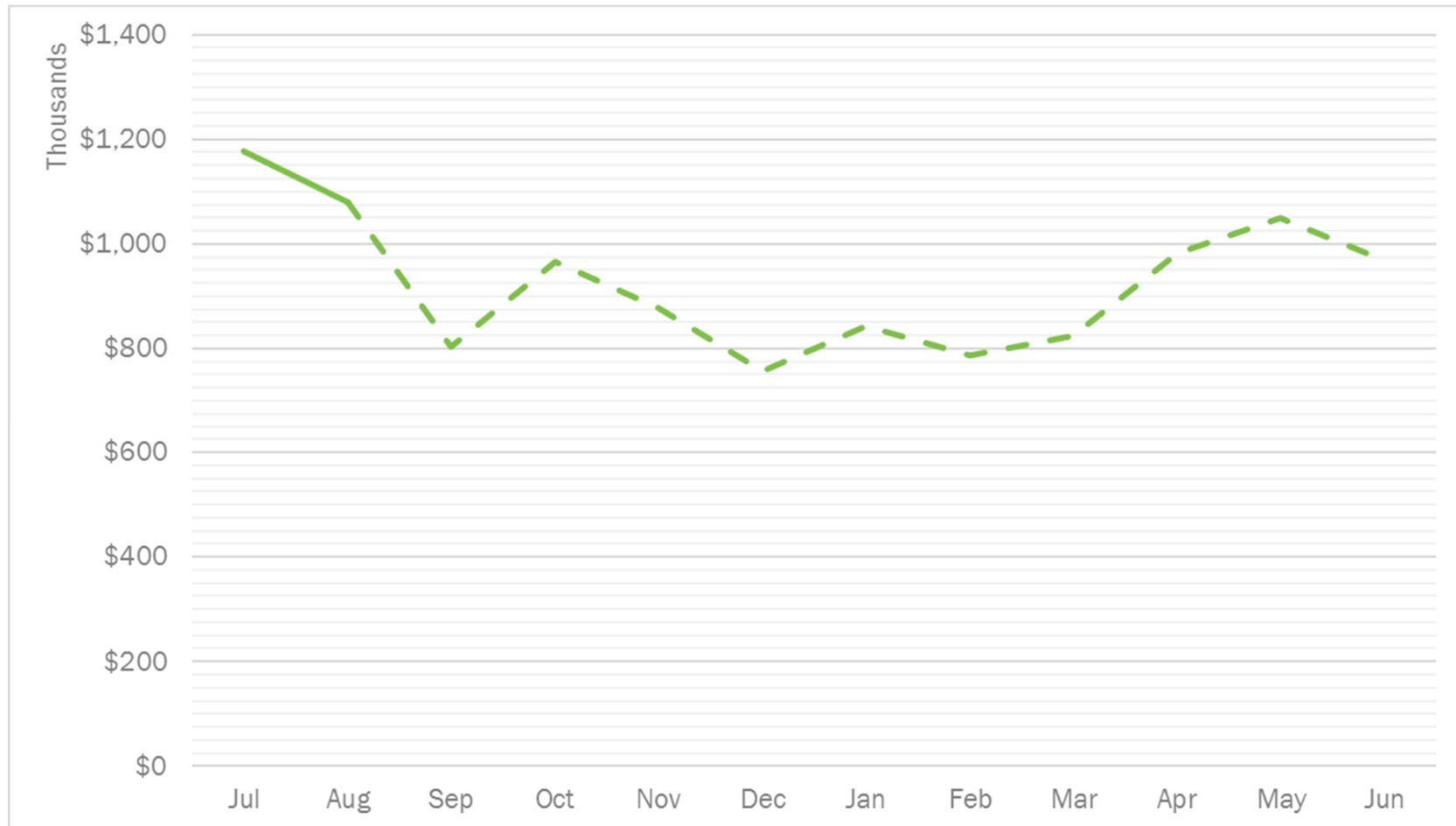
## Financing Challenges

- **Community Development Financial Institutions not interested in lending to CLCS because schools do not meet their demographic preferences.**
  - The loan is also not big enough to drive a lot of interest in working around their lending guidelines.
  
- **Banks not very interested because there is nothing to collateralize.**
  - Portables themselves don't have a lot of collateral value
  - "Lease" with the district is not likely collateralizable because the lender couldn't put another tenant in the space if CLCS were to default.
  - Banks will likely require CLCS to set cash aside to secure the loan.
  
- **"Borrowing" from CLCS fund balance is likely the best option.**
  - Schools could set up a repayment schedule over 5-10 years.
  - During budgeting, the schools would target to have cash surpluses that met their repayment obligations.
  - CLCS could also require interest payments to reinforce fiscal discipline and modestly increase the fund balance.
  - Schools have a combined \$2.5M cash on hand.
    - Schools should keep ~\$700K-\$1M available for operating capital, so there is ~\$1.5M available for financing.

# 2017-18 Nea Monthly Cash Balance



## Cash Forecast remains positive throughout 17-18





# 2017-18 ACLC Monthly Cash Balance



**Cash Forecast remains positive throughout 17-18**

