

2022-2023 ILCS BUDGET PRESENTATION

ILCS BOARD

June 27, 2022



Current status of the state budget

- Legislature sent budget to the Governor. Still waiting on his signature and vetoes.
- Legislature's budget has some differences
 - LCFF funding to be increased by 4.5 billion above Governor's budget which is a 16.2% increase to the LCFF base rate currently.
 - Discretionary Block Grant increase to 8.5 billion rather than 8 billion in the Governor's budget.
 - ELO-P legislature 4.4 billion compared to Governor's 4.8 billion
- In order to fund some of the higher amounts the legislature removed deferred maintenance funding (1.7 billion), community schools increases to (1.5 billion) and math/science professional development funding (385 million).
- Trailer bills and more negotiations expected to continue through the summer which could add programs and requirements.



Back office staff in coordination with the finance committee and LCAP committees developed the budget that is basically what we have expensed historically with the addition of “increases” such as staff raises, insurance increases, new staff to cover compliance and goals, current subscriptions, rent, etc. Admin monitored revenue adjustments by the state/feds and created a final budget with a conservative outlook.



CSC and BSC principals provided a discretionary budget built on student enrollment. Restricted budgets also included in main budget numbers include SPED, Food Services, Student Council, Title I, federal grants and a myriad of other small item local budgets that are accounted for separately.



Finance committee met to determine budget reductions or increases and came to a consensus on what items should be decreased and/or increased in the budget. LCAP is aligned with budgets as well.

BUDGET DEVELOPMENT

ASSUMPTIONS/CONCLUSIONS

- Enrollment projected at 993 students including hybrid students and independent study students and one less TK class.
- 951 = ADA for budget year. Current year = 953
- Budget is based on Governor's May Revise. 6.56% COLA
- Planned for 5 extra families on insurance; possible savings of approx. 90K
- Budget accounts for hybrid program and associated costs.
- Budget continues to account for new "one-time" grants through the state and federal governments due to Pandemic. These funds will have multi-year accounting balances and expenses. (Balance sheet vs income statement)
- Budget includes approximately 90K in Title I (on-going funds) to cover the intervention specialist position and related costs for materials, training and parent events.

Major items included in the budget and recommended by Finance Committee and Educational Partners

- 5% increase on focus areas of the Pay scales and Pillars scale(Board approval April 2022)
- 5% pay increase for staff **not** on the payscales which includes the independent study teachers and all admin. Indep study coordinator to receive minimum salary amount.
- Budget provides for full family benefits for full time employees (30 hours+)
- New resident substitute position (55K)
- 2 TK aides to comply with new laws (32K)
- 3 new SPED aides (51K)
- Special Education School Psychologist to support an increase in counseling services, assessments and provide services as employee rather than indep contractors. (76K)
- Intercession costs and nine hour school day supports for high needs students during traditional breaks to implement the new ELO-P. Paid with new ELO-P funds.
- Kitchen remodel funded with new grant (30K) to allow for more storage needs
- Softball field remodel (40K) Foundation donated 20K for project
- Curriculum renewal with SAVVAS
- 125K in extra “safety/security” to provide for new fencing at BSC/CSC and other strategies as developed with community partners.

CURRENT YEAR PROPOSED BUDGET VS PY ESTIMATED ACTUALS

| | 2021-2022 *2 nd interim | 2022-2023 | difference by % | Notes |
|--|---------------------------------------|---------------------|--------------------|---|
| Revenue Total | \$11,800,003 | \$11,925,400 | % | Includes COLA of approx 6.56%, Title 1, CaresAct state/fed grant funding; |
| | | | | |
| Expenses | | | | |
| Total - 1000 - Certificated Salaries | \$4,658,325 | \$ 4,974,817 | % | Continued 5% scales increases with min wage; |
| Total - 2000 - Classified Salaries | \$1,268,038 | \$1,578,601 | % | Min wage increases for salaries; Pillars scale increases |
| Total - 3000 - Employee Benefits | \$1,575,641 | \$ 1,939,468 | % | Strs and health insurance increases; about 90K padding |
| Total - 4000 - Books & Supplies | \$677,334 | \$ 807,434 | % | Large increase in food services costs but also balances with higher revenues from reimbursements. |
| Total - 5000 - Services & Other Operating Expenses | \$1,509,524 | \$ 1,549,232 | % | Slight increase due to English learner training; utilities increases; security upgrades; rent; district oversight fee |
| Total - 6000 - Capital Outlay | \$22,389 | \$ 101,565 | % | Facility improvements for safety/compliance issues. Does not include current BSC costs as those are depreciated. |
| Total - Expenses | \$9,711,251 | \$10,951,119 | % | |
| Net Ordinary Income | \$2,088,752 | \$974,281 | % | Using far less federal grant funds this year vs last year. |

Factors still in motion

-As mentioned earlier, increases in revenue are expected to be passed onto schools through the Discretionary Grant and LCFF base grant increases. These two increases added together could increase revenues by over 2 million dollars if approved.

Approximately 1 million would be “one-time” revenues.

-Building project costs could be closer to 1.5 million dollars to install 4 new modulars at BSC.

-Special education expenses are continuing to rise that encroach on the general fund at approximately 150K-200K.

3 year budget projections

CHARTER NAME: Inland Leaders Charter School
 CDS #: 36-67959-0114256
 CHARTER #: 0889

Fiscal Year 2022-23 Budget Summary MYP

Form Originated 5/16/2022

| DESCRIPTION | | Estimated Actuals 2021-22 | Adopted Budget 2022-23 | Percent Change | Projected Budget 2023-24 | Percent Change | Projected Budget 2024-25 | Percent Change |
|--|-----------|---------------------------|------------------------|----------------|--------------------------|----------------|--------------------------|----------------|
| REVENUES | | | | | | | | |
| LCFF Sources | | | | | | | | |
| LCFF | 8011 | 3,229,700 | 5,676,042 | 75.75% | 6,168,315 | 8.67% | 6,539,251 | 6.01% |
| EPA | 8012 | 4,193,024 | 2,416,812 | -42.36% | 2,472,721 | 2.31% | 2,482,887 | 0.41% |
| State Aid - Prior Year | 8019 | - | - | | - | | - | |
| In Lieu Property Taxes | 8096 | 1,294,456 | 1,305,761 | 0.87% | 1,352,587 | 3.59% | 1,382,924 | 2.24% |
| Federal | 8100-8299 | 1,564,534 | 945,523 | -39.57% | 589,125 | -37.69% | 595,705 | 1.12% |
| State | | | | | | | | |
| Lottery - Unrestricted | 8560 | 162,465 | 161,905 | -0.34% | 165,650 | 2.31% | 166,331 | 0.41% |
| Lottery - Prop 20 - Restricted | 8560 | 64,787 | 64,563 | -0.35% | 66,057 | 2.31% | 66,328 | 0.41% |
| Other State Revenue | 8300-8599 | 1,143,318 | 1,119,476 | -2.09% | 906,669 | -19.01% | 854,962 | -5.70% |
| Local | | | | | | | | |
| Interest | 8660 | 33,681 | 29,000 | -13.90% | 29,000 | 0.00% | 29,000 | 0.00% |
| AB602 Local Special Education Transfer | 8792 | - | - | | - | | - | |
| Other Local Revenues | 8600-8799 | 114,038 | 206,318 | 80.92% | 212,875 | 3.18% | 219,243 | 2.99% |
| Total Revenues | | \$ 11,800,003 | \$ 11,925,400 | 1.06% | \$ 11,962,999 | 0.32% | \$ 12,336,632 | 3.12% |
| EXPENDITURES | | | | | | | | |
| Certificated Salaries | 1000-1999 | 4,658,325 | 4,974,817 | 6.79% | 5,199,947 | 4.53% | 5,434,304 | 4.51% |
| Classified Salaries | 2000-2999 | 1,268,038 | 1,578,601 | 24.49% | 1,632,539 | 3.42% | 1,687,964 | 3.40% |
| Benefits | 3000-3999 | 1,575,641 | 1,939,468 | 23.09% | 2,020,358 | 4.17% | 2,112,125 | 4.54% |
| Books & Supplies | 4000-4999 | 677,334 | 807,435 | 19.21% | 792,258 | -1.88% | 789,297 | -0.37% |
| Contracts & Services | 5000-5999 | 1,509,524 | 1,549,232 | 2.63% | 1,566,231 | 1.10% | 1,609,297 | 2.75% |
| Capital Outlay | 6000-6599 | 22,389 | 101,566 | 353.64% | 209,566 | 106.33% | 209,566 | 0.00% |
| Other Outgo | 7100-7299 | - | - | | - | | - | |
| Debt Service (see Debt Form) | 7400-7499 | - | - | | - | | - | |
| Total Expenditures | | \$ 9,711,251 | \$ 10,951,119 | 12.77% | \$ 11,420,899 | 4.29% | \$ 11,842,553 | 3.69% |
| EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES | | \$ 2,088,752 | \$ 974,281 | -53.36% | \$ 542,100 | -44.36% | \$ 494,079 | -8.86% |

Final considerations prior to budget approval

- Budget was reviewed and prepared in coordination by outside consultant (ICON) with higher level expertise.
- Continue to prepare for a “recession” for the next two years (Fiscal cliff warning)
- Continuing inflation and staff shortages may require future considerations of increases to paycales and hourly wages to stay competitive.
- Part-time Operations Manager/Director to support construction projects, facility management, food services, special projects, grant oversight.
- District authorizer and the County Office of Education will test and review our budgets to determine if they are sound, realistic, and balanced over the next five years through our interim reports due to them by July 1.
- Monthly finance committee meetings held for transparency and accountability.
- Costs within the LCAP are synced and embedded in the budget document.