

## River Montessori Charter School 2019-2020 Proposed Budget Narrative

Revenues are funded from multiple sources which are based on ADA: LCFF/State Aid Entitlement, Mandated Block Grant, county In-Lieu of Property Taxes, Lottery, and State & Federal Special Education Entitlements. Additional revenue comes from local donations such as The River Montessori Foundation (Parent Student Teacher Association), revenue from River Crew (the before and after school care program for enrolled students), and donations from parents for field trips. Total revenues for 2019-20 are projected to be \$1,893,641.

### 2019-20 Revenue Summary

(Based on 173 ADA)

Dollars & Percentages are rounded

Revenue by Object	Per ADA	Total Amount	% of Budget
<b>LCFF</b>	\$8,824.28	\$1,526,600	80.6%
<b>Federal Revenue</b>	\$122.00	\$21,111	1.1%
<b>State Revenue</b>	\$762.60	\$131,930	7.0%
<b>Local Revenue</b>	\$1,237.00	\$214,000	11.3%
<b>Total Resources</b>	<b>\$10,945.88</b>	<b>\$1,893,641</b>	<b>100%</b>

The LCFF is funded through county In-Lieu of Property Taxes, General State Aid, and the EPA Grant and represents 80.6 percent of the school's total revenues. Of this amount, \$948,683 (62.1%) comes from County In-Lieu property taxes, \$543,307 (35.6%) from the State General Fund and \$34,610 (2.3%) from the EPA Grant. LCFF revenues are based on ADA for different grade spans, and are revised several times throughout the fiscal year according to actual ADA. Final year funding is based on P-2 ADA, which is the average daily attendance from the beginning of school year through April 15<sup>th</sup>.

The May Revision released in May 2019 by the Governor attempts to address the State's current budget and several entities estimate the ADA funding levels from this information. Per May's release, there will be a COLA increase of 3.26% in this year's funding amounts. Based on enrollment forms, River Montessori is using an estimate ADA of 173 which is 95% of our total enrollment of 183 for the 2019-2020 school year.

Other revenue sources fund the remaining 19.4 percent of the budget. Federal revenue is the smallest percentage with projected income of \$21,111 for IDEA Special Education, which is based on \$122 per ADA. The other State revenues are projected to be 7.0 percent totaling \$131,930. State other revenue is mostly Special Education funding. We receive \$534.00 per ADA for Special Education and \$1,300 for mental health. Lottery funds are also part of the State revenue with a projected \$35,303, based upon \$204.00 per ADA for State Lottery.

The River Montessori Foundation is projecting to contribute \$90,000 for FY19-20. Additional local revenue is projected to be \$20,000 from the Upper Elementary lunch fundraisers and parent donations for field trips. River Crew, the before and after school care program, income is projected to be \$100,000.

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**Projected expenditures** for 19-20 are \$1,892,606 from a variety of sources. As in the past, major expenses are from salaries and the building lease. Certificated salaries from classroom teachers, Special Education Support, and the Executive Director & Superintendent are projected to be \$634,800. Classified salaries are projected to be \$439,410 and include the Chief Business Officer, Communications/Operations Manager, 7 full-time teaching assistants, a part-time Special Education teaching assistant, Office & Clerical Administrative positions, and River Crew staff. Statutory benefits, payroll taxes and health benefits are projected to be \$295,059, bringing total salaries and benefits to \$1,369,268 and is 72.3 percent of budgeted expenditures.

Library books, instructional materials, software, classroom furniture and other student materials are projected to be \$80,460 and 4.3 percent of the budget. Due to the nature of Montessori instructional materials, the life cycle and durability of instructional materials spans several years and does not require frequent replacement such as textbooks would. Supplies for the River Crew program are projected to be \$6,000 based on prior year data and include arts and crafts supplies, after school snacks & baking ingredients, playground balls and garden tools. Revenues from the program fees cover these costs to ensure the program is self-sustaining as the school does not receive any grants or other outside funding for this service to families.

Expenses for services and operations are projected to be \$405,878 and represent 21.4 percent of the budget. Of this amount, \$250,000 will be for the building lease, which ends with the school year and charter renewal in June 2019. A new three year lease is being signed with one two year option.

Expenditures for Special Education include a Psychiatrist, Occupational Therapist, Psychologist, and Speech and Language Pathologist. Federal and State expenditures for these contractors are projected to be \$16,800. This amount does not include hired staff salaries for Student Services Support, an Occupational Therapist and a Speech Pathologist.

Additional operating expenditures include oversight fees. As stated in our MOU with our sponsoring district, Old Adobe Union School District, the allowable charge for oversight services is \$15,477, or 1% of the Local Control Funding Formula.

**Future Revenues & Expenses** will remain relatively flat except for employee benefits, which will increase dramatically due to rising costs of health insurance and STRS benefits. At the end of this year we are projecting to have an overage of \$1,034 to add to our reserve for future use if needed.

Based on this report, it is recommended that the Board accept the Proposed Budget for 2019-20 fiscal year.

River Montessori Charter School  
Adopted Budget

COLA	3.26%	
Budget	Budget	Assumptions
Year	2018-2019	
Object #	DESCRIPTION	
<b>REVENUE</b>		
8000-8999	Revenues	
8011	Local Control Funding Formula (LCFF)	543,307 LCFF Calc
8096	In Lieu of Property Tax (LCFF)	948,683 PER OAUUSD
8012	Education Protection Account (LCFF)	34,610 LCFF Calc
3310-8181	Federal IDEA (Special Education)	21,112 PER SELPA
6512-8590	Special Education Mental Health	1,300
1100-8560	State Lottery Revenue	26,131 PER ADA
6300-8560	State Lottery Revenue Prop 20	9,172 PER ADA
8550	Mandated Block Grant	2,918 PER ADA
8660	Interest	4,000
8650	Rent, Other	0
8699-FOUN	Donation from River Foundation	90,000
8699-FOUN	Music Program (Foundation)	0
8699-DAYC	River Crew Revenue	100,000 childcare program fees
8699-Other	Field Trip Donations & Fundraisers	20,000 T-Shirt, Munchie, Tasty, Earth Day
8500-8792	Special Education-State	92,409 PER SELPA
<b>TOTAL REVENUES</b>		<b>1,893,641</b>
<b>SALARIES/WAGES</b>		
1000-1999	Certificated Positions	
1100	Teachers Salaries	386,024
1100	Substitutes	4,650
6500-1100	Teacher Salaries - Special Education	85,727
3310-1100	Teacher-Federal IDEA	31,540
6500-1900	Occupational Therapist	13,680
5000-1100	River Crew Director/Cart Supervisor	1,200
1300	Certificated Admin Salaries	111,979
<b>Subtotal - Certificated Salaries</b>		<b>634,800</b>
2000-2999	Classified Positions	
2100	Non Certificated Instruction (TAs)	118,536
2100	Non Certificated Instruction (Music)	0
6500-2100	Non Cert Special Education (TAs)	60,000
7200-2300	Business Manager	97,920
2700-2300	Communications Manager	58,064
2700-2400	Office Assistant	40,425
5000-2100	River Crew Salaries	64,464
<b>Subtotal - Classified Salaries</b>		<b>439,410</b>
<b>TOTAL Salaries</b>		<b>1,074,209</b>
3000-3999	Employee Benefits	
3101	STRS- Certificated (.1813)	106,012
3202	PERS- Classified	0
3902	403(b) Retirement	4,500
3312	CASDI- Classified (.062)	27,243
3331	Medicare/Alt- Certificated (.0145)	9,205
3332	Medicare/Classified (.0145)	6,371
3401	Health/Welfare- Certificated	87,559
3402	Health/Welfare- Classified	29,461
3501	SUI- Certificated (.01)	6,348
3502	SUI- Classified (.01)	4,394
3601	Workers Comp- Certificated	8,252
3602	Workers Comp- Classified	5,712
<b>Subtotal - Benefits</b>		<b>295,059</b>
<b>TOTAL SALARIES &amp; WAGES</b>		<b>1,369,268</b>
<b>BOOKS &amp; MATERIALS</b>		
4000-4999	Books & Supplies	
4310	Student Materials	5,000
4310-FDTP	Student Materials (Field Trip)	20,000
4340	Computer Software	7,960
4350	Office Supplies	7,000
4370	Custodial Supplies	5,000
4390	Other Supplies	6,000
4400	Equipment/Furniture	7,500
4700	Food	22,000
<b>TOTAL MATERIALS &amp; SUPPLIES</b>		<b>80,460</b>
<b>SERVICES &amp; OPER EXP (UNRESTRICTED)</b>		
5000-5999	Services & Operations	
5201	Travel Mileage	3,150
5202	Conference Expense & Tuition Reimbursement	5,625
5301	Dues	1,500
5450	Other Insurance (Property & Liability)	14,000
5500	Utilities	8,000
5510	Janitorial Service	26,000
5600	Non Capitalized Improvements	10,000
5601	Lease	250,000
5630	Maintenance	6,000
5800	Other Operating Costs	900
5809	Vendor/Consultants	18,800
5812	Printing	500
5817	Data Processing - SCOE	1,276
5821	Audit Costs	10,000
5823	Legal	5,000
5830	Prof/Consultant Fees	15,000
		AMS & CSDC & Tuition Reimburse
		AMS, Cal Nonprofit, BAMA & CSDC
		Per Policy agreement
		Summer Facilities/paint/cleaning
		This is set per schedule
		Mental Health
		Per audit agreement
		Estimate
		Music 10 hr per week x 34 week

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5850 Advertising	2,500	
5860 Other Employment costs	500	TB tests, job ads
5862 Fingerprinting Fees	500	
5883 Oversight Fee - CAUSD	15,477	1% of RL
5884 Miscellaneous Expense	200	
5885 Copier - Maintenance	2,400	
5911 Telephone	5,500	
5940 Communications- Internet	4,800	
5950 Postage	250	
<b>TOTAL SERVICES &amp; OTHER OPER EXP</b>	<b>405,878</b>	
<b>CAPITAL OUTLAY</b>		
<b>6000-6999</b>		
6100 Improvement to Sites/Bldgs.	0	
6900 Depreciation Expense	37,000	
<b>OTHER OUTGO</b>		
<b>7000-7999</b>		
7438 Other Debt Service Payments (Interest)	0	
<b>TOTAL 6000/7000 SERIES</b>	<b>37,000</b>	
<b>Total Expenditures</b>		
	<b>1,892,606</b>	
<b>Overage/(Deficit)</b>		
	<b>1,034</b>	