

Budget Adoption
2020-21
Certification
International School of Monterey

The budget was filed and adopted subsequent to a public hearing by the governing board of the charter school.

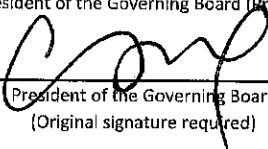
Budget available for inspection at:

Place: International School of Monterey
1720 Yosemite Street, Seaside, CA 93955
Date: 22-Jun-20

Public Hearing:

Place: International School of Monterey
1720 Yosemite Street, Seaside, CA 93955
Date: 5-May-20
Time: 5:00pm

Adoption Date: 22-Jun-20

Signed: Cristofer Cabanillas
President of the Governing Board (Printed)


President of the Governing Board
(Original signature required)

CERTIFICATION OF FINANCIAL CONDITION

☒

POSITIVE CERTIFICATION

As President of the Governing Board of this charter school, I certify that based upon current projections this charter will meet its financial obligations for the current fiscal year and subsequent two fiscal years.

☐

QUALIFIED CERTIFICATION

As President of the Governing Board of this charter school, I certify that based upon current projections this charter may not meet its financial obligations for the current fiscal year or subsequent two fiscal years.

☐

NEGATIVE CERTIFICATION

As President of the Governing Board of this charter school, I certify that based upon current projections this charter will be unable to meet its financial obligations for the remainder of the current fiscal year or for the subsequent year.

Contact person for additional information on the budget report:

Name: Sean Madden

Telephone: 831-241-2193

Title: Director

Email: director@ismonterey.org

2020-21 JULY 1 BUDGET

International School of Monterey

		2019-20 Estimated Actuals	2020-21 Budget	Difference (Col A & B)	% Diff
Description	Object	(A)	(B)	(C)	(D)
A. REVENUES					
1) LCFF Sources	8010-8099	3,567,006.00	3,261,264.00	(305,742.00)	-8.6%
State Aid - Current Year	8011	1,421,754.00	1,130,808.00		
Education Protection Account - Current Year	8012	382,881.00	380,240.00		
State Aid - Prior Years	8019				
In Lieu of Property Taxes Transfers	8096	1,762,371.00	1,750,216.00		
2) Federal Revenue	8100-8299	27,472.00	32,576.00	5,104.00	18.6%
3) Other State Revenue	8300-8599	95,053.00	82,518.00	(12,535.00)	-13.2%
4) Other Local Revenue	8600-8799	607,141.00	604,000.00	(3,141.00)	-0.5%
5) TOTAL, REVENUES		4,296,672.00	3,980,358.00		
B. EXPENDITURES					
1) Certificated Salaries	1000-1999	1,946,044.00	1,849,288.00	(96,756.00)	-5.0%
2) Classified Salaries	2000-2999	514,134.00	495,259.00	(18,875.00)	-3.7%
3) Employee Benefits	3000-3999	885,200.00	854,414.00	(30,786.00)	-3.5%
4) Books and Supplies	4000-4999	198,677.00	145,050.00	(53,627.00)	-27.0%
5) Services and Other Operating Expenditures	5000-5999	443,724.00	389,981.00	(53,743.00)	-12.1%
6) Capital Outlay	6000-6999	7,540.00	7,540.00	-	0.0%
7) Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	212,500.00	213,000.00	500.00	0.2%
8) Other Outgo - Transfers of Indirect Costs	7300-7399			-	0.0%
9) TOTAL, EXPENDITURES		4,207,819.00	3,954,532.00		
C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)		88,853.00	25,826.00		
D. OTHER FINANCING SOURCES/USES					
1) Interfund Transfers					
a) Transfers In	8900-8929			-	0.0%
b) Transfers Out	7600-7629			-	0.0%
2) Other Sources/Uses					
a) Sources	8930-8979			-	0.0%
b) Uses	7630-7699			-	0.0%
3) Contributions	8980-8999			-	0.0%
4) TOTAL, OTHER FINANCING SOURCES/USES		-	-		
E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)		88,853.00	25,826.00		
F. FUND BALANCE, RESERVES					
1) Beginning Fund Balance					
a) As of July 1 -Unaudited	9791	807,774.42	896,627.42		
b) Audit Adjustments	9793	-	-		
c) As of July 1 - Audited (F1a + F1b)		807,774.42	896,627.42		
d) Other Restatements	9795				
e) Adjusted Beginning Balance (F1c + F1d)		807,774.42	896,627.42		
2) Ending Balance, June 30 (E + F1e)		896,627.42	922,453.42		

2020-21 JULY 1 BUDGET

International School of Monterey

MULTI-YEAR PROJECTION

		2020-21 Budget	% Change (C-A)/A	2021-22 Projection	% Change (E-C)/C	2022-23 Projection
Description	Object	(A)	(B)	(C)	(D)	(E)
A. REVENUES & OTHER FINANCING SOURCES						
1) LCFF Sources	8010-8099	3,261,264.00	0.1%	3,263,621.00	0.00%	3,263,621.00
2) Federal Revenue	8100-8299	32,576.00	124.5%	73,149.00	0.95%	73,842.00
3) Other State Revenue	8300-8599	82,518.00	0.0%	82,558.00	0.06%	82,607.00
4) Other Local Revenue	8600-8799	604,000.00	2.3%	617,833.00	2.71%	634,576.00
5) Other Financing Sources						
a. Transfers In	8900-8929	-	#DIV/0!		#DIV/0!	
b. Other Sources	8930-8979	-	#DIV/0!		#DIV/0!	
c. Contributions	8980-8999	-	#DIV/0!		#DIV/0!	
6) TOTAL		3,980,358.00	1.4%	4,037,161.00	0.43%	4,054,646.00
B. EXPENDITURES & OTHER FINANCING USES						
1) Certificated Salaries	1000-1999					
a. Base Salaries				1,849,288.00		1,849,288.00
b. Step & Column Adjustment				-		-
c. Cost-of-Living Adjustment				-		-
d. Other Adjustments				-		-
e. Total Certificated Salaries (B1a thru B1d)		1,849,288.00	0.00%	1,849,288.00	0.00%	1,849,288.00
2) Classified Salaries	2000-2999					
a. Base Salaries				495,259.00		495,259.00
b. Step & Column Adjustment				-		-
c. Cost-of-Living Adjustment				-		-
d. Other Adjustments				-		-
e. Total Classified Salaries (B2a thru B2d)		495,259.00	0.00%	495,259.00	0.00%	495,259.00
3) Employee Benefits	3000-3999	854,414.00	0.87%	861,816.00	5.28%	907,317.00
4) Books and Supplies	4000-4999	145,050.00	1.73%	147,559.00	2.12%	150,686.00
5) Services and Other Operating	5000-5999	389,981.00	1.11%	394,292.00	2.47%	404,018.00
6) Capital Outlay	6000-6999	7,540.00	108.22%	15,700.00	-6.37%	14,700.00
7) Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	213,000.00	0.00%	213,000.00	0.00%	213,000.00
8) Other Outgo - Transfers of Indirect Costs	7300-7399	-	#DIV/0!		#DIV/0!	
9) Other Financing Uses						
a. Transfers Out	7600-7629	-	#DIV/0!		#DIV/0!	
b. Other Uses	7630-7699	-	#DIV/0!		#DIV/0!	
10) Other Adjustments (attach explanation)					#DIV/0!	
11) TOTAL		3,954,532.00	0.57%	3,976,914.00	1.44%	4,034,268.00
C. NET INCREASE (DECREASE) IN FUND BALANCE (A6 - B11)		25,826.00		60,247.00		20,378.00
D. FUND BALANCE						
1) Net Beginning Fund Balance (Line F1e)		896,627.42		922,453.42		982,700.42
2) Ending Fund Balance (C + D1)		922,453.42		982,700.42		1,003,078.42

2020-21 JULY 1 BUDGET
International School of Monterey

Please provide data for the cells highlighted in orange.

ADA

Fiscal Year	Original Budget Funded ADA (P-2)	Estimated/Unaudited Actuals Funded ADA		Status	
Third Prior Year (2017-18)	403.33	401.06	0.57%	Met	A
Second Prior Year (2018-19)	401.82	403.76	n/a	Met	B
First Prior Year (2019-20)	409.47	410.67	n/a	Met	C
Budget Year (2020-21)	410.28				

Fiscal Year	Estimated P-2 ADA
Budget Year (2020-21)	410.28
1st Subsequent Year (2021-22)	410.28
2nd Subsequent Year (2022-23)	410.28

Explanation (required if NOT met)

A	
B	
C	

Enrollment

Fiscal Year	Original Budget Enrollment	CBEDS Actual Enrollment		Status	
Third Prior Year (2017-18)	418	417	0.24%	Met	D
Second Prior Year (2018-19)	418	419	n/a	Met	E
First Prior Year (2019-20)	426	425	0.24%	Met	F
Budget Year (2020-21)	426				

Fiscal Year	Enrollment
Budget Year (2020-21)	426
1st Subsequent Year (2021-22)	426
2nd Subsequent Year (2022-23)	426

Explanation (required if NOT met)

D	
E	
F	

2020-21 JULY 1 BUDGET
International School of Monterey

ADA to Enrollment

Fiscal Year	P-2 ADA	Enrollment CBEDS Actual	Historical Ratio of ADA to Enrollment
Third Prior Year (2017-18)	401.06	417	96.2%
Second Prior Year (2018-19)	403.76	419	96.4%
First Prior Year (2019-20)	410.67	425	96.6%
Historical Average Ratio:			96.4%
District's ADA to Enrollment Standard (historical average ratio plus 0.5%)			96.9%

Fiscal Year	Estimated P-2 ADA	Enrollment	Ratio of ADA to Enrollment	Status	
Budget Year (2020-21)	410.28	426	96.3%	Met	G
1st Subsequent Year (2021-22)	410.28	426	96.3%	Met	H
2nd Subsequent Year (2022-23)	410.28	426	96.3%	Met	I

Explanation (required if NOT met)

G	
H	
I	

LCFF Revenue

Fiscal Year	Amount	Percent Change Over Previous Year	Change Is Outside Explanation Range	
First Prior Year (2019-20)	3,567,006.00			
Budget Year (2020-21)	3,261,264.00	-8.6%	Yes	J
1st Subsequent Year (2021-22)	3,263,621.00	0.1%	No	K
2nd Subsequent Year (2022-23)	3,263,621.00	0.0%	No	L

Explanation (required if YES)

J	We use the LCFF Calculator (v21.1a released 5/26/2020) to project our LCFF/General Purpose Entitlement for the prior, budget, and subsequent years. The Calculator reflects the Governor's May Budget Revision revenue projections, which include the steep cut indicated. (See Assumption 3.)
K	
L	

2020-21 JULY 1 BUDGET
International School of Monterey

Salaries and Benefits

Fiscal Year	Unaudited Actuals		Ratio of Salaries/Benefits to Expenditures
	Salaries and Benefits (Objects 1000-3999)	Total Expenditures (Objects 1000-7499)	
Third Prior Year (2017-18)	3,142,102.30	3,982,892.85	78.9%
Second Prior Year (2018-19)	3,336,119.92	4,200,302.69	79.4%
First Prior Year (2019-20)	3,345,378.00	4,207,819.00	79.5%
	Historical Average Ratio:		79.3%

Fiscal Year	Projected Year Totals			Ratio	Status	
	Salaries and Benefits (Objects 1000-3999)	Total Expenditures (Objects 1000-7499)				
Budget Year (2020-21)	3,198,961.00	3,954,532.00		80.9%	Met	M
1st Subsequent Year (2021-22)	3,206,363.00	3,976,914.00		80.6%	Met	N
2nd Subsequent Year (2022-23)	3,251,864.00	4,034,268.00		80.6%	Met	O

Explanation (required if NOT met)

M	
N	
O	

2020-21 JULY 1 BUDGET
International School of Monterey

Other Revenues and Expenditures

Federal Revenue (Objects 8100-8299)

Fiscal Year	Amount	Percent Change Over Previous Year	Change Is Outside Explanation Range	
First Prior Year (2019-20)	27,472.00			
Budget Year (2020-21)	32,576.00	18.6%	Yes	P
1st Subsequent Year (2021-22)	73,149.00	124.5%	Yes	Q
2nd Subsequent Year (2022-23)	73,842.00	0.9%	No	R

Explanation (required if YES)

P We receive federal Free and Reduced Price Meal (FRPM) funding. The total federal revenues projected for the First Prior Year are lower than past years due to our meal program ending March 13 due to COVID-19 school closure. The increased revenues for 2020-2021 indicate anticipated return to a normal FRPM annual revenue total. FRPM revenues are offset by meal expenses. (See Assumption 5.)

Q We have not received Title 1 monies in prior years; however, we plan to apply and qualify for funding by the First Subsequent Year and project a significant revenue increase accordingly. (See Assumption 6.)

R

Other State Revenue (Objects 8300-8599)

Fiscal Year	Amount	Percent Change Over Previous Year	Change Is Outside Explanation Range	
First Prior Year (2019-20)	95,053.00			
Budget Year (2020-21)	82,518.00	-13.2%	Yes	S
1st Subsequent Year (2021-22)	82,558.00	0.0%	No	T
2nd Subsequent Year (2022-23)	82,607.00	0.1%	No	U

Explanation (required if YES)

S The First Prior Year total for Other State Revenues includes \$8K in one-time funding for COVID-19 related emergency expenses and \$5K in Prior Year State Income. We do not anticipate those one-time revenues in the Budget Year. (See Assumption 4.)

T

U

2020-21 JULY 1 BUDGET
International School of Monterey

Other Local Revenue (Objects 8600-8799)

Fiscal Year	Amount	Percent Change Over Previous Year	Change Is Outside Explanation Range	
First Prior Year (2019-20)	607,141.00			
Budget Year (2020-21)	604,000.00	-0.5%	No	V
1st Subsequent Year (2021-22)	617,833.00	2.3%	No	W
2nd Subsequent Year (2022-23)	634,576.00	2.7%	No	X

Explanation (required if YES)

V	
W	
X	

Books and Supplies (Objects 4000-4999)

Fiscal Year	Amount	Percent Change Over Previous Year	Change Is Outside Explanation Range	
First Prior Year (2019-20)	198,677.00			
Budget Year (2020-21)	145,050.00	-27.0%	Yes	Y
1st Subsequent Year (2021-22)	147,559.00	1.7%	No	Z
2nd Subsequent Year (2022-23)	150,686.00	2.1%	No	AA

Explanation (required if YES)

Y	We cut our total Books & Supplies expenses to the fullest extent possible in order to offset the deep state revenue cuts. (See Assumption 9.)
Z	
AA	

2020-21 JULY 1 BUDGET
International School of Monterey

Services and Other Operating Expenditures (Objects 5000-5999)

Fiscal Year	Amount	Percent Change Over Previous Year	Change Is Outside Explanation Range	
First Prior Year (2019-20)	443,724.00			
Budget Year (2020-21)	389,981.00	-12.1%	Yes	BB
1st Subsequent Year (2021-22)	394,292.00	1.1%	No	CC
2nd Subsequent Year (2022-23)	404,018.00	2.5%	No	DD

Explanation (required if YES)

BB	We cut our total Services & Other Operating Expenditures to the fullest extent possible in order to offset the deep state revenue cuts. (See Assumption 10.)
CC	
DD	

2020-21 JULY 1 BUDGET
International School of Monterey

Deficit Spending

Fiscal Year	Net Increase (Decrease) in				
	Revenues	Expenditures	Fund Balance	Deficit Spending	
Budget Year (2020-21)	3,980,358.00	3,954,532.00	25,826.00	No	EE
1st Subsequent Year (2021-22)	4,037,161.00	3,976,914.00	60,247.00	No	FF
2nd Subsequent Year (2022-23)	4,054,646.00	4,034,268.00	20,378.00	No	GG

Explanation (required if YES)

EE	
FF	
GG	

Ending Balance

Fiscal Year	Ending Fund Balance	Status	
Budget Year (2020-21)	922,453.42	Met	HH
1st Subsequent Year (2021-22)	982,700.42	Met	II
2nd Subsequent Year (2022-23)	1,003,078.42	Met	JJ

Explanation (required if NOT met)

HH	
II	
JJ	

Fiscal Year	Ending Fund Balance	Expenditures	Ratio
Budget Year (2020-21)	922,453.42	3,954,532.00	23.3%
1st Subsequent Year (2021-22)	982,700.42	3,976,914.00	24.7%
2nd Subsequent Year (2022-23)	1,003,078.42	4,034,268.00	24.9%

2020-21 JULY 1 BUDGET
International School of Monterey
SUPPLEMENTAL INFORMATION

1. Contingent Liabilities

Does your charter have any known or contingent liabilities (e.g. financial or program audits, litigation, state compliance reviews) that may impact the budget?

No

If Yes, identify the liabilities and how they may impact the budget:

2. Use of One-time Revenues for Ongoing Expenditures

Does your charter have ongoing general fund expenditures funded with one-time revenues?

No

If Yes, identify the expenditures and explain how the one-time resources will be replaced to continue funding the ongoing expenditures in the following fiscal years:

3. Contingent Revenues

Does your charter have projected revenues for the budget year or either of the two subsequent fiscal years contingent on reauthorization by the local government, special legislation, or other definitive act (e.g. parcel taxes, etc.)?

No

If Yes, identify any of these revenues that are dedicated for ongoing expenses and explain how the revenues will be replaced or expenditures reduced:

4. Long-term Commitments

Identify all existing and new multiyear commitments and their annual required payment for the budget year and two subsequent fiscal years.

a. Does your charter have long-term (multiyear) commitments?

Yes

b. If Yes to item a, list all new and existing multiyear commitments and required annual debt service amounts.

No

International School of Monterey

C.

d.

e. Explain how any increase in annual payments will be funded. Also, explain how any decrease to funding sources used to pay long-term commitments will be replaced.

f. Will funding sources used to pay long-term commitments decrease or expire prior to the end of the commitment period, or are they one-time sources?

If Yes, provide an explanation for how those funds will be replaced to continue annual debt service commitments.

2020-21 JULY 1 BUDGET
International School of Monterey
ADDITIONAL FISCAL INDICATORS

- | | |
|--|----------------------------------|
| 1. Do cash flow projections show that the charter will end the budget year with a negative cash balance? | <input type="text" value="No"/> |
| 2. Is the system of personnel position control independent from the payroll system? | <input type="text" value="Yes"/> |
| 3. Is enrollment decreasing in both the prior fiscal year and budget years? | <input type="text" value="No"/> |
| 4. Has the charter entered into a bargaining agreement where any of the budget or subsequent years of the agreement would result in salary increases that are expected to exceed the projected state funded cost-of-living adjustment? | <input type="text" value="No"/> |
| 5. Does the charter provide uncapped (100% employer paid) health benefits for current or retired employees? | <input type="text" value="No"/> |
| 6. Is the charter's financial system independent of the county office system? | <input type="text" value="Yes"/> |
| 7. Does the charter have any reports that indicate fiscal distress? If yes, provide copies. | <input type="text" value="No"/> |
| 8. Have there been personnel changes in the superintendent or chief business official positions within the last 12 months? | <input type="text" value="No"/> |

When providing comments for additional fiscal indicators, please include the item number applicable to each comment.

Comments:

International School of Monterey
2020-2021 Assumptions and Explanations at Budget Approval

Note

Explanation

- 1 We project our head count (HC) as two classes per grade level with class-size ratios of 20:1 in K-1, 24:1 in 2-3, and 25:1 in 4-8. This results in a total head count of 426. We currently project no further change in subsequent years; however, we may to meet revenue needs.

- 2 We use the mean of our actual P-2 ADA rates for the past three years as the projected ADA rate for the next three years.

3-Year ADA Trends (P-2)			
	Total	HC Target	Rate
FY20	410.67	426	96.40%
FY19	403.76	418	96.59%
FY18	401.06	418	95.95%
Average	410.28	426	96.31%

3-Year Average

- 3 We use the LCFF Calculator (v21.1a released 5/26/2020) developed by FCMAT to project our LCFF/General Purpose Entitlement for the prior, budget, and subsequent years (see LCFF workbook). This workbook reflects the Governor's May Budget Revision revenue projections, which include a 10-percent cut from the January 2020 projections. Given that the Governor and legislature had not reached a budget agreement by the 72-hour cutoff for our June 22, 2020 board meeting, our board, on recommendation of our Budget & Finance Committee, chose to use the May revision as the "worst case" projection.

- 4 We apply School Services of California Dartboard COLA (2020-2021 January 15, 2020 revision) and CPI (2020-2021 May 17, 2020 revision) projections to calculate future year revenues and expenses, except where specific projections (e.g. LCFF, STRS, PERS, health and welfare), approved salary schedules, multiyear agreements, one-time revenues or expenses, or specific board commitments establish a different expectation.

Future Year Adjustment Percentages			
Year	All Revenues	Comp Expenses	Other Expenses
2021-2022	2.29%	1.73%	1.73%
2022-2023	2.71%	2.12%	2.12%

- 5 We receive federal Free and Reduced Price Meal (FRPM) funding. The total federal revenues projected for the First Prior Year are lower than past years due to our meal program ending March 13 due to COVID-19 school closure. The increased revenues for 2020-2021 indicate anticipated return to a normal FRPM annual revenue total. FRPM revenues are offset by meal expenses.

- 6 We have not received Title 1 monies in prior years; however, we plan to apply and qualify for funding by the First Subsequent Year and project a significant revenue increase accordingly.

- 7 We set the current local revenue target based on prior-year actuals. We project future-year increases based on the SSC CPI increases shown in note 4.

- 8 We project 2020-2021 staff salaries based on our actual 2020-2021 staffing slate, with a board-approved freeze on pay rates at 2019-2020 levels. We project the same total dollar amounts in subsequent years, anticipating some experience step increases offset by the hiring of less-experienced replacements for departed employees.

- 9 The 2020-2021 benefits and insurance expenses are based on current contract rates. We project future-year increases based on the percentages shown in note 4, except for PERS and STRS, where we use the projected future rates from the SSC Dartboard.

- 10 We cut our total Books & Supplies expenses to the fullest extent possible in order to offset the deep state revenue cuts.

- 11 We cut our total Services & Other Operating Expenditures to the fullest extent possible in order to offset the deep state revenue cuts.

- 12 We project 2020-2021 and future-year special education encroachment costs at \$500 per student based on the encroachment cap set in our special education MOU with MPUSD.

- 13 We project other operating expenses based on prior year projections, 3-year history, current trends, and known changes. We project future-year increases based on the SSC CPI percentages shown in note 4.