



Special Board Meeting Agenda

December 14, 2017

2:30 p.m.

Encore Education Corporation
Phone: (760) 949-2036
Fax (760) 956-3338
www.encorehighschool.com

Sites:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:
16955 Lemon Street, Hesperia, CA 92345
3800 Main Street, 3rd Floor, Riverside, CA 92501

Board Members:

Lenny Esposito, Board President
Kelly Ahmed, Board Secretary/Treasurer
Suzanne Cherry, Member
Kathy Nielson, Member
Rob Gabler, Member

The Order of Business may be changed without notice: Notice is hereby given that the order of consideration of matters on this agenda may be changed without prior notice.

Reasonable Limitations May be placed on public testimony: The Governing Board's presiding officer reserves the right to impose reasonable time limits on public testimony to ensure that the agenda is completed.

Special Presentation may be made: Notice is hereby given that, consistent with the requirements of the Bagley-Keene Open Meeting Act, special presentations not mentioned in the agenda may be made at this meeting. However, any such presentation will be for information only.

Reasonable Accommodation for any individual with a Disability: Pursuant to the Rehabilitation Act of 1973, any individual with a disability who requires reasonable accommodation to attend or to participate in this meeting of the Governing board may request assistance by contacting the EEC (760) 949-2036.

Public Documents relating to Open Session Agenda items are available for review by the public at the Reception Desk at Encore Education Corporation's Executive office or on the internet at www.encorehighschool.com. For more information concerning this agenda, please contact EEC (760) 949-2036.

1.0 CALL TO ORDER. The meeting was called to order at _____ (time).

2.0 PLEDGE OF ALLEGIANCE

3.0 OPEN GENERAL SESSION

ROLL CALL	Present	Absent
Lenny Esposito	_____	_____
Kelly Ahmed	_____	_____
Suzanne Cherry	_____	_____
Kathy Nielson	_____	_____
Rob Gabler	_____	_____

4.0 APPROVAL OF THE AGENDA

MOTION: _____ **Second:** _____ **Vote:** _____

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	_____	_____	_____	_____
Kelly Ahmed	_____	_____	_____	_____
Suzanne Cherry	_____	_____	_____	_____
Kathy Nielson	_____	_____	_____	_____
Rob Gabler	_____	_____	_____	_____

5.0 INVITATION TO ADDRESS THE BOARD, OPEN SESSION ITEMS. This is the time and place for the general public to address the Board of Directors on any matter within jurisdiction of the Board. Comments should be limited to 3 minutes. Unless an item has been placed on the published agenda in accordance with the Brown Act, there shall be no action taken, nor should there be comments on, responses to, or discussion of a topic not on the agenda. The Board members may: (1) acknowledge receipt of information/report; (2) refer to staff with no direction as to action or priority; or (3) refer the matter to the next agenda.

6.0 CONSENT ITEMS. It is recommended that the board considers approving a number of agenda items as a consent list. These items are routine in nature and can be enacted in one motion without further discussion. Consent items may be called up by any member at the meeting for clarification, discussion, or change.

6.1 Meeting Minutes from 12-11-2017 (Exhibit 6.1)

MOTION: _____ **Second:** _____ **Vote:** _____

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	_____	_____	_____	_____
Kelly Ahmed	_____	_____	_____	_____
Suzanne Cherry	_____	_____	_____	_____
Kathy Nielson	_____	_____	_____	_____
Rob Gabler	_____	_____	_____	_____

7.0 ACTION ITEMS.

7.1 Vote for Approval – First Interim Budget. (Exhibit 7.1)

MOTION: _____ **Second:** _____ **Vote:** _____

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	_____	_____	_____	_____
Kelly Ahmed	_____	_____	_____	_____
Suzanne Cherry	_____	_____	_____	_____
Kathy Nielson	_____	_____	_____	_____
Rob Gabler	_____	_____	_____	_____

7.2 Vote for Approval – Annual Audited Actuals. (Exhibit 7.2)

MOTION: _____ **Second:** _____ **Vote:** _____

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	___	___	___	___
Kelly Ahmed	___	___	___	___
Suzanne Cherry	___	___	___	___
Kathy Nielson	___	___	___	___
Rob Gabler	___	___	___	___

8.0 BOARD COMMENTS / REPORTS. The Governing Board will take comments/updates from fellow board members, and the EEC Executive Administration for future agenda issues.

Next scheduled Regular board Meeting: January 8, 2018

9.0 ADJOURNMENT

MOTION: _____ **Second:** _____ **Vote:** _____

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	___	___	___	___
Kelly Ahmed	___	___	___	___
Suzanne Cherry	___	___	___	___
Kathy Nielson	___	___	___	___
Rob Gabler	___	___	___	___

The meeting adjourned at _____ (time).



Exhibit
6.1

December
14, 2017

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Lenny Esposito, Board
President
Kelly Ahmed, Board
Secretary/Treasurer
Suzanne Cherry,
Member
Kathy Nielson, Member
Rob Gabler, Member

12-11-17 Meeting Minutes



Board Meeting Agenda

December 11, 2017

6:00 p.m.

Encore Education Corporation
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1.0 CALL TO ORDER. The meeting was called to order at **6:09PM** (time).

2.0 PLEDGE OF ALLEGIANCE

3.0 OPEN GENERAL SESSION

ROLL CALL	Present	Absent
Lenny Esposito	<u>X</u>	_____
Kelly Ahmed	<u>X</u>	_____
Suzanne Cherry	<u>X</u>	_____
Kathy Nielson	<u>X</u>	_____
Rob Gabler	<u>X</u>	_____

4.0 APPROVAL OF THE AGENDA

MOTION: Lenny Esposito Second: Suzanne Cherry Vote: 5/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	_____	_____	_____
Kelly Ahmed	<u>X</u>	_____	_____	_____
Suzanne Cherry	<u>X</u>	_____	_____	_____
Kathy Nielson	<u>X</u>	_____	_____	_____
Rob Gabler	<u>X</u>	_____	_____	_____

5.0 INVITATION TO ADDRESS THE BOARD, OPEN SESSION ITEMS. This is the time and place for the general public to address the Board of Directors on any matter within jurisdiction of the Board. Comments should be limited to 3 minutes. Unless an item has been placed on the published agenda in accordance with the Brown Act, there shall be no action taken, nor should there be comments on, responses to, or discussion of a topic not on the agenda. The Board members may: (1) acknowledge receipt of information/report; (2) refer to staff with no direction as to action or priority; or (3) refer the matter to the next agenda. **No public on either site.**

6.0 CONSENT ITEMS. It is recommended that the board considers approving a number of agenda items as a consent list. These items are routine in nature and can be enacted in one motion without further discussion. Consent items may be called up by any member at the meeting for clarification, discussion, or change.

6.1 Meeting Minutes from 11-13-2017 (Exhibit 6.1)

6.2 UPDATED – Classroom materials list (Exhibit 6.2)

6.3 Census Day Report – Hesperia (Exhibit 6.3)

6.4 Census Day Report – Riverside (Exhibit 6.4)

MOTION: Suzanne Cherry Second: Kelly Ahmed Vote: 5/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	_____	_____	_____
Kelly Ahmed	<u>X</u>	_____	_____	_____
Suzanne Cherry	<u>X</u>	_____	_____	_____
Kathy Nielson	<u>X</u>	_____	_____	_____
Rob Gabler	<u>X</u>	_____	_____	_____

7.0 INFORMATION ITEMS.

7.1 Monthly Financial report from Delta Managed Solutions. Tabled item due to the fact that at this time it is the budget and that report will be in the "Special Meeting" this week.

7.2 Employee report from Jamie Waggoner, School Liaison from Hesperia Campus (Exhibit 7.2)

7.3 Student Report from ASB President from Riverside Campus (Exhibit 7.3)

7.4 Student Report from ASB President from Hesperia Campus (Exhibit 7.4)

7.5 Campus Safety / Discipline report from John Van Horn, Dean of Students Hesperia Campus (Exhibit 7.5)

7.6 Campus Safety / Discipline report from Don Miskulin, Dean of Students Riverside Campus (Exhibit 7.6)

7.7 Academic Events report from Irann Arias, Executive Creative Director (Exhibit 7.7)

8.0 ACTION ITEMS.

8.1 Vote for Approval – Would like to take action to discontinue personal buyback days starting in 2018.

MOTION: Suzanne Cherry Second: Kelly Ahmed Vote: 5/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	---	---	---
Kelly Ahmed	<u>X</u>	---	---	---
Suzanne Cherry	<u>X</u>	---	---	---
Kathy Nielson	<u>X</u>	---	---	---
Rob Gabler	<u>X</u>	---	---	---

8.2 Vote for Approval – Organizational Chart and hiring procedures for administrators and executive positions as outlined in this document. Hiring procedures also outline procedure for hiring candidates with familial relations to any Chief Officer. The organizational chart also adds an Executive Director for Fiscal Services.

Motion to table item for next meeting

MOTION: Suzanne Cherry Second: Rob Gabler Vote: 5/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	---	---	---
Kelly Ahmed	<u>X</u>	---	---	---
Suzanne Cherry	<u>X</u>	---	---	---
Kathy Nielson	<u>X</u>	---	---	---
Rob Gabler	<u>X</u>	---	---	---

8.3 Vote for Approval – Board Policy for non exempt time sheet employees (Exhibit 8.3) Policy will be emailed to employees.

MOTION: Lenny Esposito Second: Suzanne Cherry Vote: 5/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	---	---	---
Kelly Ahmed	<u>X</u>	---	---	---
Suzanne Cherry	<u>X</u>	---	---	---
Kathy Nielson	<u>X</u>	---	---	---
Rob Gabler	<u>X</u>	---	---	---

8.4 Vote for Approval / Discussion – First Interim Budget

MOTION: Lenny Esposito Second: Suzanne Cherry Vote: 5/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	---	---	---
Kelly Ahmed	<u>X</u>	---	---	---
Suzanne Cherry	<u>X</u>	---	---	---
Kathy Nielson	<u>X</u>	---	---	---
Rob Gabler	<u>X</u>	---	---	---

9.0 BOARD COMMENTS / REPORTS. The Governing Board will take comments/updates from fellow board members, and the EEC Executive Administration for future agenda issues.

9.1 CEO REPORT (Exhibit 9.1)

9.2 COO REPORT – Listed in the CEO Report

CMO REPORT – Report partially discussed in the CEO EOY Report. WASC in January. Academic language and committees will be discussing with Mr. Dekany this week. Jessica Meyer, Kristine Jareno and Cindy Roach. A date provided by Mr. Dekany will be given for the board to meet with the WASC Committee in January. Mr. Dekany will provide the board with all Encore Employee committee lists in the next board meeting.

Suzanne Cherry – The board has requested that DMS be formally placed on the agenda for the next full board meeting.

9.0 ADJOURN TO CLOSED SESSION (7:11 PM)

Pursuant to Government code section 54957, the Board may adjourn to closed session at any time during the meeting to discuss staff/student personnel matters, negotiations, litigation, and/or acquisition of land or facilities. The board will adjourn to closed session in a private area for discussion and may take action on the following closed session items.

A. Student Discipline appeals. Due to the confidential nature of discipline appeals, all student discipline appeals take place in closed session.

- No planned student discipline appeals are planned for this meeting.

B. Pending Litigation. Due to the confidential nature of any litigation that may come against the corporation, issues relating specifically to pending legal issues are orders of closed session.

- Board will discuss exposure to legal issues stemming from inquiries from RUSD and HUSD
- Board will discuss exposure to litigation from student issue (Riverside)
- Board will discuss exposure to litigation from employee issue (Riverside)

C. Real Estate Negotiation. In the intent of fair and legal bargaining power, issues related to real estate negotiations are discussed in closed session.

- Board will discuss real property negotiations in regards to Riverside campus.

D. Employee Actions. Any actions that may take place in regards to employees including disciplinary and corrective actions are discussed within closed session.

- Potential staffing changes will be discussed.

10.0 RECONVENE AFTER CLOSED SESSION. (7:59 PM)

At the conclusion of closed session, the Board will reconvene in open session for the purposes of disclosing in public session any actions taken during closed session regarding the outlined scope of closed session.

Next scheduled Regular board Meeting: January 8, 2018

11.0 ADJOURNMENT

MOTION: Lenny Esposito Second: Suzanne Cherry Vote: 5/0

ROLL CALL	AYE	NAY	ABSTENTION	ABSENT
Lenny Esposito	<u>X</u>	---	---	---
Kelly Ahmed	<u>X</u>	---	---	---
Suzanne Cherry	<u>X</u>	---	---	---
Kathy Nielson	<u>X</u>	---	---	---
Rob Gabler	<u>X</u>	---	---	---

The meeting adjourned at **8:00 PM** (time).



Exhibit
7.1

December 14,
2017

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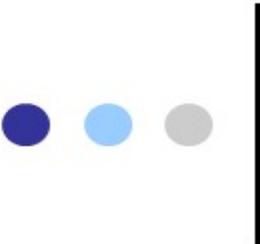
Rob Gabler, Member

First Interim Budget



Encore Jr/Sr High School for the Performing & Visual Arts

2017-18 First Interim Budget

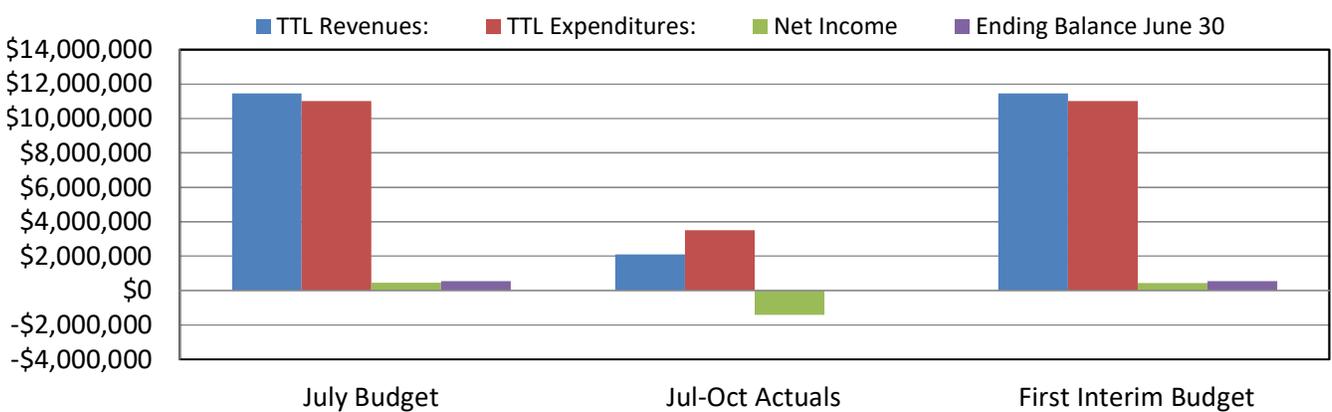


2017-18 First Interim Budget (Hesperia)

- State law requires that all charter schools approve their First Interim Budget by December 15th of each year. The First Interim Budget updates the initial July Budget, showing year-to-date actuals through October 31st, and modifying revenue and expenditure projections to reflect changes since the start of the fiscal year. The beginning balance for the First Interim Budget has been updated to reflect 2016-17 audited ending balances.
- While Encore-Hesperia is showing a budget surplus for the current and two subsequent fiscal years, Encore's **reserves are very low** and **cash flow remains extremely tight**. Encore does borrow externally to meet its critical cash flow needs, but borrowing is only a temporary fix. This year, even with borrowing in place, cash flow has been uncomfortably low as expenses have exceeded budgeted revenues.
- **DMS strongly recommends that given limited ability to increase enrollment and revenues, additional reductions must be made to expenditures (over what is shown in this budget) to ensure that cash reserves are replenished to sufficient levels, allowing Encore to meet all operational costs when due.**
- **Maintaining budgetary control over expenses is equally critical. DMS is currently working closely with Encore management to fine-tune staffing and purchasing controls to ensure actual spending remains aligned closely with approved budgets.**
- While Encore's fiscal condition is improving, it is critical that the School continue to build cash reserves in preparation for an eventual statewide economic downturn. Until cash reserves approach 20% of the School's annual budget, we recommend that staffing and other expenditures be carefully aligned with current enrollment and expenses be reduced when not required to meet Encore's educational goals.

Encore Schools - Hesperia 2017-18 First Interim Budget BUDGET SUMMARY

	July Budget	Jul-Oct Actuals	First Interim Budget	Change From July Budget
Projected P-2 ADA:	980.77	-	980.77	-
Revenues:				
General Purpose Entitlement	\$ 8,763,874	\$ 1,774,185	\$ 8,761,065	\$ (2,809)
Federal Revenue	623,829	165,018	603,929	(19,900)
Other State Revenue	1,895,763	62,635	1,899,967	4,204
Other Local Revenue	188,216	100,432	209,116	20,900
TTL Revenues:	\$ 11,471,683	\$ 2,102,269	\$ 11,474,077	\$ 2,395
Expenditures:				
Certificated Salaries	\$ 2,947,335	\$ 707,631	\$ 2,600,162	\$ (347,174)
Non-certificated Salaries	2,702,213	784,993	2,797,910	95,697
Benefits	1,910,967	487,481	1,664,143	(246,824)
Books/Supplies/Materials	515,713	155,769	384,816	(130,897)
Services/Operations	2,872,721	1,369,201	3,450,507	577,786
Capital Outlay	65,000	-	125,000	60,000
Other Outgo	-	-	-	-
TTL Expenditures:	\$ 11,013,949	\$ 3,505,075	\$ 11,022,538	\$ 8,588
Net Income	\$ 457,733	\$ (1,402,806)	\$ 451,540	\$ (6,194)
Beginning Balance July 1	\$ 82,376		\$ 82,376	
Ending Balance June 30	\$ 540,109		\$ 533,916	
Ending Balance as % of Exp.:	4.9%		4.8%	



**Encore Schools - Hesperia
2017-18 First Interim Budget
BUDGET DETAIL**

Description	July Budget	Jul-Oct Actuals	First Interim Budget	Change From July Budget	YTD % of Budget	Notes/Comments
P-2 ADA	980.77		980.77	-		Currently right on track
REVENUES						
General Purpose Entitlement						
8011 - General Purpose Block Grant	7,076,723	1,367,140	7,094,755	18,032	19%	Updated to current LCFF rates
8012 - Education Protection Account	1,350,552	347,090	1,339,155	(11,397)	26%	Updated to current LCFF rates
8019 - Prior Year Corrections/Adjustments	-	5	-	-		
8096 - Funding in Lieu of Property Taxes	336,599	59,950	327,155	(9,444)	18%	Updated to current LCFF rates
TTL General Purpose Entitlement	8,763,874	1,774,185	8,761,065	(2,809)	20%	
Federal Revenue						
8181 - Federal IDEA Special Education	110,625	78,365	110,625	-	71%	Based on D/M SELPA
8220 - NSLP Federal	247,018	17,788	247,018	-	7%	Projected stable
8290 - Other Federal Revenues	266,186	68,865	246,286	(19,900)	28%	Projected stable
TTL Federal Revenue	623,829	165,018	603,929	(19,900)	27%	
Other State Revenue						
8311 - State Special Education Revenue	410,328	41,977	410,328	-	10%	Based on D/M SELPA
8520 - NSLP State	22,500	1,728	22,500	-	8%	Updated to latest rates
8550 - Mandate Block Grant	174,789	-	178,993	4,204	0%	Updated to latest rates
8560 - State Lottery Revenue	193,607	18,930	193,607	-	10%	Drop in ADA
8590 - Add'l State Revenues	1,094,539	-	1,094,539	-	0%	No Prop 39, higher Facility Grant
TTL Other State Revenue	1,895,763	62,635	1,899,967	4,204	3%	
Other Local Revenue						
8634 - NSLP Local	36,216	7,618	36,216	-	21%	Projected stable
8660 - Interest	500	-	500	-	0%	Projected stable
8699 - Local Donations/Contributions/Other	151,500	92,814	172,400	20,900	54%	
TTL Other Local Revenue	188,216	100,432	209,116	20,900	48%	
TTL REVENUES	11,471,683	2,102,269	11,474,077	2,395	18%	

**Encore Schools - Hesperia
2017-18 First Interim Budget
BUDGET DETAIL**

Description	July Budget	Jul-Oct Actuals	First Interim Budget	Change From July Budget	YTD % of Budget	Notes/Comments
EXPENDITURES						
1000 - Certificated Salaries						
1100 - Teachers' Salaries	1,988,730	492,880	1,904,820	(83,910)	26%	Reflecting latest staffing estimates
1130 - Certificated Substitutes	157,400	3,051	47,960	(109,440)	6%	Substantial reduction
1150 - Teacher's Extra Duty / Stipends	97,800	11,533	60,500	(37,300)	19%	Reflecting latest staffing estimates
1200 - Certificated Support	218,109	68,344	273,375	55,266	25%	Reflecting latest staffing estimates
1250 - Support Extra Duty	6,000	-	-	(6,000)		Reflecting latest staffing estimates
1300 - Certificated Supervisory/Admin	474,976	131,823	313,507	(161,469)	42%	Substantial reduction
1350 - Cert. Supervisory/Admin Stipends	4,320	-	-	(4,320)		
TTL Certificated Salaries	2,947,335	707,631	2,600,162	(347,174)	27%	
2000 - Non-Certificated Salaries						
2100 - Instructional Aide Salaries	845,647	229,549	1,015,774	170,127	23%	Reflecting latest staffing estimates
2130 - Classified Substitutes	8,000	2,925	33,250	25,250	9%	Reflecting latest staffing estimates
2150 - Classified Extra Duty	6,555	250	-	(6,555)		
2160 - Classified Electives	483,964	161,459	602,995	119,030	27%	Reflecting latest staffing estimates
2200 - Classified Support Salaries	402,226	66,217	263,149	(139,076)	25%	Reflects outsourcing of bus service
2250 - Classified Support Extra Duty	500	-	-	(500)		Reflecting latest staffing estimates
2300 - Classified Supervisory/Admin	472,231	160,800	536,163	63,933	30%	Reflecting latest staffing estimates
2400 - Clerical/Tech/Office Staff	474,519	163,543	346,578	(127,941)	47%	Reflecting latest staffing estimates
2450 - Clerical/Office Extra Duty	8,570	250	-	(8,570)		Reflecting latest staffing estimates
TTL Non-Certificated Salaries	2,702,213	784,993	2,797,910	95,697	28%	
3000 - Employee Benefits						
3101 - STRS	329,707	70,307	375,203	45,496	19%	Reflecting latest staffing estimates
3102 - STRS Classified	9,763	1,671	-	(9,763)		Reflecting latest staffing estimates
3201 - PERS Certificated	66,271	6,251	-	(66,271)		Reflecting latest staffing estimates
3202 - PERS	405,756	110,123	423,225	17,469	26%	Reflecting latest staffing estimates
3301 - Soc. Sec/Medicare Certificated	83,809	11,615	37,702	(46,107)	31%	Reflecting latest staffing estimates
3302 - Soc. Sec/Medicare Classified	202,524	64,137	195,040	(7,484)	33%	Reflecting latest staffing estimates
3401 - Health Insurance Benefits - Cert	332,733	69,824	327,333	(5,400)	21%	Reflecting latest staffing estimates
3402 - Health Insurance Benefits - Class	358,938	87,634	195,410	(163,528)	45%	Reflecting latest staffing estimates
3501 - State Employment Ins - Cert	1,474	318	1,300	(174)	24%	Reflecting latest staffing estimates
3502 - State Employment Ins - Class	1,351	420	1,275	(76)	33%	Reflecting latest staffing estimates
3601 - Workmen's Comp Certificated	61,894	26,360	54,356	(7,538)	48%	Reflecting latest staffing estimates
3602 - Workmen's Comp Classified	56,746	38,819	53,298	(3,448)	73%	Reflecting latest staffing estimates
3901 - Other Benefits - certificated	-	-	-	-		
3902 - Other Benefits - classified	-	-	-	-		
TTL Employee Benefits	1,910,967	487,481	1,664,143	(246,824)	29%	

**Encore Schools - Hesperia
2017-18 First Interim Budget
BUDGET DETAIL**

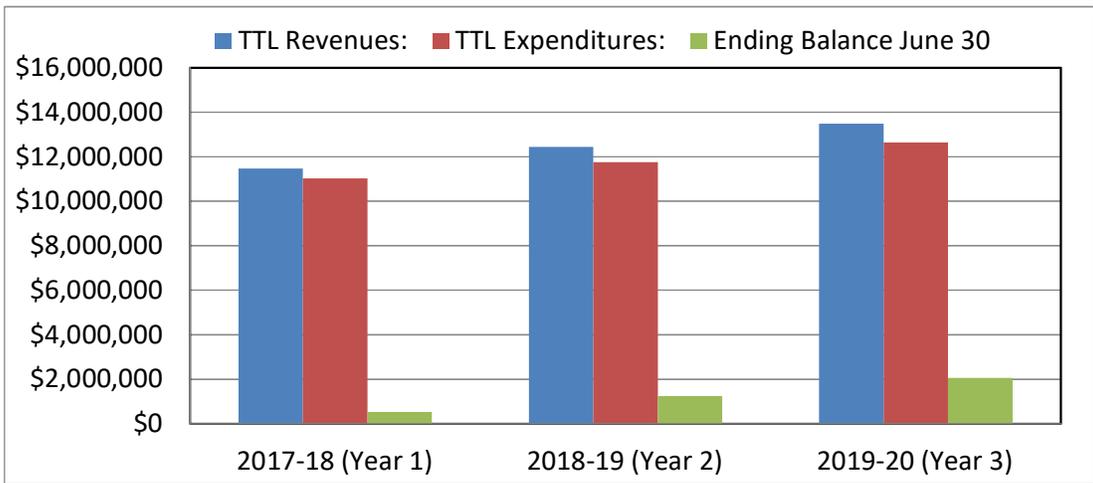
Description	July Budget	Jul-Oct Actuals	First Interim Budget	Change From July Budget	YTD % of Budget	Notes/Comments
4000 - Books/Supplies/Materials						
4300 - Instructional Materials	48	97	300	252	32%	Updated to reflect latest estimates
4310 - Student Instructional Materials	197,038	92,119	158,616	(38,422)	58%	Updated to reflect latest estimates
4320 - Office Supplies	40,705	2,760	21,800	(18,905)	13%	Updated to reflect latest estimates
4330 - Student Incentives / Events	13,254	14	500	(12,754)	3%	Updated to reflect latest estimates
4350 - Other Supplies	-	597	1,800	1,800	33%	Updated to reflect latest estimates
4390 - Add'l Instructional Spending	5,585	185	600	(4,985)	31%	Updated to reflect latest estimates
4400 - Noncapitalized Equipment	7,444	-	-	(7,444)		Updated to reflect latest estimates
4480 - Other Improvements	23,043	8,913	26,700	3,657	33%	Updated to reflect latest estimates
4700 - Food	228,596	51,084	174,500	(54,096)	29%	Updated to reflect latest estimates
TTL Books/Supplies/Materials	515,713	155,769	384,816	(130,897)	40%	
5000 - Services & Operations						
5200 - Travel and Conferences	39,242	11,184	33,600	(5,642)	33%	Updated to reflect latest estimates
5210 - Mileage	422	6,087	18,200	17,778	33%	Updated to reflect latest estimates
5300 - Dues and Memberships	14,774	4,280	12,900	(1,874)	33%	Updated to reflect latest estimates
5400 - Liability Insurance	283,820	187,706	275,000	(8,820)	68%	Updated (frontloaded payments)
5500 - Operation and Housekeeping Services	18,673	2,964	8,900	(9,773)	33%	Updated to reflect latest estimates
5510 - Utilities (General)	147,144	87,348	174,500	27,356	50%	Updated to reflect latest estimates
5520 - Janitorial	20,287	6,962	20,900	613	33%	
5610 - Facility Rental	1,287,450	428,527	1,286,792	(658)	33%	
5620 - Equipment Leases	257,492	4,862	13,000	(244,492)	37%	Reflects reduction of bus leases
5630 - Maintenance & Repair	46,610	14,937	41,500	(5,110)	36%	Updated to reflect latest estimates
5800 - Professional/Consulting Services	102,620	36,557	91,000	(11,620)	40%	Updated to reflect latest estimates
5810 - Legal	15,000	35,620	65,000	50,000	55%	Updated based on current activity
5820 - Audit/CPA Costs	14,000	-	14,000	-	0%	
5825 - Business Services	179,400	74,750	179,400	-	42%	2-year contract through 6/30/18
5840 - Advertisement	16,211	2,574	7,500	(8,711)	34%	Estimated
5850 - Authorizer Oversight Fee	87,639	-	87,611	(28)	0%	1% of LCFF
5855 - Interest on Short-Term Debt (<1 yr)	122,969	67,708	141,417	18,448	48%	Updated to reflect final RANs/bonds
5860 - Bank Fees	106,000	96,159	99,500	(6,500)	97%	Updated to reflect final RANs/bonds
5865 - Student Transportation	-	266,119	783,525	783,525	34%	Contracted Transportation (now outsourced)
5880 - Instructional Consultants	37,646	5,300	15,000	(22,646)	35%	Updated to reflect latest estimates
5890 - Other Services	968	100	500	(468)	20%	Updated to reflect latest estimates
5910 - Telephone	15,507	8,641	22,000	6,493	39%	Updated to reflect latest estimates
5920 - Telecom/Internet	43,823	15,724	43,823	-	36%	
5930 - Postage	15,025	5,091	14,940	(85)	34%	
TTL Services & Operations	2,872,721	1,369,201	3,450,507	577,786	40%	

**Encore Schools - Hesperia
2017-18 First Interim Budget
BUDGET DETAIL**

Description	July Budget	Jul-Oct Actuals	First Interim Budget	Change From July Budget	YTD % of Budget		Notes/Comments
6000 - Capital Outlay							
6900 - Depreciation	65,000	-	125,000	60,000		0%	Updated to reflect audited depreciation
TTL Capital Outlay	65,000	-	125,000	60,000		0%	
7000 - Other Outgo							
TTL Other Outgo	-	-	-	-			
TTL EXPENDITURES	11,013,949	3,505,075	11,022,538	8,588		32%	
Revenues less Expenditures	457,733	(1,402,806)	451,540	(6,194)			
Net Income after Transfers	\$ 457,733	\$ (1,402,806)	\$ 451,540				
Beginning Fund Balance	82,376		82,376				
Net Revenues	457,733		451,540				
ENDING BALANCE	540,109		533,916				
ENDING BALANCE AS % OF OUTGO	4.90%		4.84%				

**Encore Schools - Hesperia
2017-18 First Interim Budget
MULTI-YEAR PROJECTION SUMMARY**

	2017-18 (Year 1)	2018-19 (Year 2)	2019-20 (Year 3)
Projected P-2 ADA:	980.77	1,053.63	1,120.88
Revenues:			
General Purpose Entitlement	\$ 8,761,065	\$ 9,753,825	\$ 10,658,265
Federal Revenue	603,929	627,919	641,909
Other State Revenue	1,899,967	1,870,459	1,973,940
Other Local Revenue	209,116	197,000	203,500
TTL Revenues:	\$ 11,474,077	\$ 12,449,203	\$ 13,477,614
Expenditures:			
Certificated Salaries	\$ 2,600,162	\$ 2,877,124	\$ 3,152,585
Non-certificated Salaries	2,797,910	3,095,936	3,392,346
Benefits	1,664,143	1,876,399	2,091,191
Books/Supplies/Materials	384,516	403,164	420,890
Services/Operations	3,450,507	3,437,562	3,544,266
Capital Outlay	125,000	58,500	49,250
Other Outgo	-	-	-
TTL Expenditures:	\$ 11,022,238	\$ 11,748,685	\$ 12,650,528
Net Income	\$ 451,840	\$ 700,518	\$ 827,086
Beginning Balance July 1	\$ 82,376	\$ 534,216	\$ 1,234,733
Ending Balance June 30	\$ 534,216	\$ 1,234,733	\$ 2,061,819
Ending Balance as % of Exp.:	4.8%	10.5%	16.3%



Encore Schools
2017-18 First Interim Budget
ENROLLMENT AND A.D.A. ASSUMPTIONS - HESPERIA ONLY

ADA Ratio:	2017-18 (Year 1)		2018-19 (Year 2)		2019-20 (Year 3)	
93.41%						
	CBEDS ENRL	ADA	CBEDS ENRL	ADA	CBEDS ENRL	ADA
Total K-3 Enrollment	0	-	0	-	0	-
Total 4-6 Enrollment	0	-	0	-	0	-
Total 7-8 Enrollment	455	425.00	481	449.29	505	471.71
Total 9-12 Enrollment	595	555.77	647	604.34	695	649.17
TTL Enrollment/ADA	1050	980.77	1128	1,053.63	1200	1,120.88
TTL Grade 7 Enrollment	200	186.81	213	198.96	225	210.17
TTL Grade 8 Enrollment	255	238.19	268	250.33	280	261.54
TTL Grade 9 Enrollment	180	168.13	193	180.28	205	191.48
TTL Grade 10 Enrollment	150	140.11	163	152.25	175	163.46
TTL Grade 11 Enrollment	150	140.11	163	152.25	175	163.46
TTL Grade 12 Enrollment	115	107.42	128	119.56	140	130.77
TOTAL:	1,050	980.77	1,128	1,053.63	1,200	1,120.88

**Encore Schools - Hesperia
2017-18 First Interim Budget
FUNDING CALCULATIONS**

2017-18 (Year 1)	Net State Funding COLA over prior year =	1.56%
GENERAL PURPOSE ENTITLEMENT		TOTALS
	<u>\$/ADA</u> <u>ADA</u> <u>Subtotal</u>	
Total LCFF Funding (see LCFF page):	\$ 8,932.84 980.77 \$ 8,761,065	
State Aid Portion:	\$ 7,233.86 980.77	7,094,755.23
Education Protection Account Portion:	\$ 1,365.41 980.77	1,339,154.79
Local In-Lieu-Of Property Tax Portion:	\$ 333.57 980.77	327,155.00
	TOTAL GENERAL PURPOSE ENTITLEMENT	\$ 8,761,065.02
FEDERAL REVENUES		
Title I Funding	\$ 242,919	
Title II Part A	3,367	
Title III LEP	-	
Total Federal ESEA Funding:		246,286.00
Other Federal Revenues		
PCSGP Startup/Implementation Grant	\$ -	
National School Lunch Program	247,018.00	
Federal IDEA Special Education	110,625.00	
Other Federal Revenue	-	
Total Other Federal Revenues:		357,643.00
	TOTAL FEDERAL REVENUES	\$ 603,929.00
OTHER STATE REVENUES		
Non-Prop 20 Lottery (using P-2 ADA)	\$ 144.00 1,024 147,510.00	
Prop 20 Lottery (using P-2 ADA):	45.00 1,024 46,096.88	
		193,606.88
Additional Other State Revenues		
State Lunch Program Revenues	22,500.00	
Mandate Block Grant	31,901.00	
Facility Grant Program (lesser of 75% or \$1,116/ADA)	1,094,539.32	
State Special Education (AB602)	410,328.00	
Prior Year Corrections/Adjustments	-	
One-Time Discretionary Funding	147,092.00	
College Readiness Block Grant	-	
Prop 39 Energy Grant Funds	-	
Total Additional Other State Revenues:		1,706,360.32
	TOTAL OTHER STATE REVENUES	\$ 1,899,967.20
OTHER LOCAL REVENUES		
Interest Earnings	\$ 500.00	
Other Local Revenues	-	
Local Lunch Revenues	36,216.00	
Lab/Transportation	172,400.00	
Other Local Revenues	-	
	TOTAL OTHER LOCAL REVENUES	\$ 209,116.00
	TOTAL REVENUES	\$ 11,474,077.22

**Encore Schools - Hesperia
2017-18 First Interim Budget
FUNDING CALCULATIONS**

2018-19 (Year 2)	Net State Funding COLA over prior year =	2.15%
GENERAL PURPOSE ENTITLEMENT		TOTALS
	\$/ADA ADA Subtotal	
Total LCFF Funding (see LCFF page):	\$ 9,257.35 1,053.63 \$ 9,753,825	
State Aid Portion:	\$ 7,616.47 1,053.63	8,024,945.72
Education Protection Account Portion:	\$ 1,307.31 1,053.63	1,377,420.08
Local In-Lieu-Of Property Tax Portion:	\$ 333.57 1,053.63	351,459.00
TOTAL GENERAL PURPOSE ENTITLEMENT		\$ 9,753,824.79
FEDERAL REVENUES		
Title I Funding	\$ 249,919	
Title II Part A	4,367	
Title III LEP	-	
Total Federal ESEA Funding:		254,286.00
Other Federal Revenues		
PCSGP Startup/Implementation Grant	\$ -	
National School Lunch Program	257,018.00	
Federal IDEA Special Education	116,615.00	
Other Federal Revenue	-	
Total Other Federal Revenues:		373,633.00
TOTAL FEDERAL REVENUES		\$ 627,919.00
OTHER STATE REVENUES		
Non-Prop 20 Lottery (using P-2 ADA)	\$ 144.00 1,100 158,468.31	
Prop 20 Lottery (using P-2 ADA):	45.00 1,100 49,521.35	
		207,989.66
Additional Other State Revenues		
State Lunch Program Revenues	26,000.00	
Mandate Block Grant	31,901.00	
Facility Grant Program (lesser of 75% or \$1,116/ADA)	1,175,851.08	
State Special Education (AB602)	428,717.00	
Prior Year Corrections/Adjustments	-	
One-Time Discretionary Funding	-	
College Readiness Block Grant	-	
Prop 39 Energy Grant Funds	-	
Total Additional Other State Revenues:		1,662,469.08
TOTAL OTHER STATE REVENUES		\$ 1,870,458.74
OTHER LOCAL REVENUES		
Interest Earnings	\$ 500.00	
Other Local Revenues	-	
Local Lunch Revenues	38,000.00	
Lab/Transportation	158,500.00	
Other Local Revenues	-	
TOTAL OTHER LOCAL REVENUES		\$ 197,000.00
TOTAL REVENUES		\$ 12,449,202.53

**Encore Schools - Hesperia
2017-18 First Interim Budget
FUNDING CALCULATIONS**

2019-20 (Year 3)	Net State Funding COLA over prior year =	2.35%
GENERAL PURPOSE ENTITLEMENT		TOTALS
	<u>\$/ADA</u>	<u>ADA</u>
	<u>Subtotal</u>	
Total LCFF Funding (see LCFF page):	\$ 9,508.84	1,120.88
		\$ 10,658,265
State Aid Portion:	\$ 7,867.96	1,120.88
Education Protection Account Portion:	\$ 1,307.31	1,120.88
Local In-Lieu-Of Property Tax Portion:	\$ 333.57	1,120.88
	TOTAL GENERAL PURPOSE ENTITLEMENT	
		\$ 10,658,264.94
FEDERAL REVENUES		
Title I Funding		\$ 256,919
Title II Part A		5,367
Title III LEP		-
Total Federal ESEA Funding:		262,286.00
Other Federal Revenues		
PCSGP Startup/Implementation Grant		\$ -
National School Lunch Program		257,018.00
Federal IDEA Special Education		122,605.00
Other Federal Revenue		-
Total Other Federal Revenues:		379,623.00
	TOTAL FEDERAL REVENUES	
		\$ 641,909.00
OTHER STATE REVENUES		
Non-Prop 20 Lottery (using P-2 ADA)	\$ 144.00	1,171
Prop 20 Lottery (using P-2 ADA):	45.00	1,171
		168,582.86
		52,682.14
		221,265.01
Additional Other State Revenues		
State Lunch Program Revenues		28,000.00
Mandate Block Grant		31,901.00
Facility Grant Program (lesser of 75% or \$1,116/ADA)		1,250,902.08
State Special Education (AB602)		441,872.00
Prior Year Corrections/Adjustments		-
One-Time Discretionary Funding		-
College Readiness Block Grant		-
Prop 39 Energy Grant Funds		-
Total Additional Other State Revenues:		1,752,675.08
	TOTAL OTHER STATE REVENUES	
		\$ 1,973,940.09
OTHER LOCAL REVENUES		
Interest Earnings		\$ 500.00
Other Local Revenues		-
Local Lunch Revenues		41,000.00
Lab/Transportation		162,000.00
Other Local Revenues		-
	TOTAL OTHER LOCAL REVENUES	
		\$ 203,500.00
	TOTAL REVENUES	
		\$ 13,477,614.03

LCFF Calculator Universal Assumptions					
Encore Jr./Sr. High School for the					
Summary of Funding					
	2017-18	2018-19	2019-20	2020-21	2021-22
Target Components:					
Base Grant	8,037,018	8,828,569	9,620,281	9,867,472	10,120,917
Grade Span Adjustment	126,160	139,603	153,853	157,748	161,643
Supplemental Grant	861,215	960,850	1,036,449	1,062,673	1,089,951
Concentration Grant	-	-	-	-	-
Add-ons	-	-	-	-	-
Total Target	9,024,393	9,929,022	10,810,583	11,087,893	11,372,511
Transition Components:					
Target	\$ 9,024,393	\$ 9,929,022	\$ 10,810,583	\$ 11,087,893	\$ 11,372,511
Funded Based on Target Formula <i>(based on prio</i>	FALSE	FALSE	FALSE	FALSE	TRUE
Floor	8,560,869	9,411,911	10,376,381	10,658,260	11,087,893
<i>Remaining Need after Gap (informational only)</i>	263,328	175,197	152,318	-	-
Current Year Gap Funding	200,196	341,914	281,884	429,633	-
Miscellaneous Adjustments	-	-	-	-	-
Economic Recovery Target	-	-	-	-	-
Additional State Aid	-	-	-	-	-
Total Phase-In Entitlement	\$ 8,761,065	\$ 9,753,825	\$ 10,658,265	\$ 11,087,893	\$ 11,372,511
Components of LCFF By Object Code					
	2017-18	2018-19	2019-20	2020-21	2021-22
8011 - State Aid	\$ 7,094,755	\$ 8,024,946	\$ 8,819,036	\$ 9,248,664	\$ 9,533,282
8011 - Fair Share	-	-	-	-	-
8311 & 8590 - Categoricals	-	-	-	-	-
EPA (for LCFF Calculation purposes)	1,339,155	1,377,420	1,465,337	1,465,337	1,465,337
Local Revenue Sources:					
8021 to 8089 - Property Taxes	-	-	-	-	-
8096 - In-Lieu of Property Taxes	327,155	351,459	373,892	373,892	373,892
<i>Property Taxes net of in-lieu</i>	-	-	-	-	-
TOTAL FUNDING	\$ 8,761,065	\$ 9,753,825	\$ 10,658,265	\$ 11,087,893	\$ 11,372,511
<i>Basic Aid Status</i>	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Less: Excess Taxes</i>	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Less: EPA in Excess to LCFF Funding</i>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Phase-In Entitlement	\$ 8,761,065	\$ 9,753,825	\$ 10,658,265	\$ 11,087,893	\$ 11,372,511
<i>8012 - EPA Receipts (for budget & cashflow)</i>	\$ 1,339,155	\$ 1,377,420	\$ 1,465,337	\$ 1,465,337	\$ 1,465,337
Summary of Student Population					
	2017-18	2018-19	2019-20	2020-21	2021-22
Unduplicated Pupil Population					
Agency Unduplicated Pupil Count	557.00	598.00	636.00	636.00	636.00
COE Unduplicated Pupil Count	-	-	-	-	-
Total Unduplicated pupil Count	557.00	598.00	636.00	636.00	636.00
Rolling %, Supplemental Grant	52.7500%	53.5700%	53.0200%	53.0000%	53.0000%
Rolling %, Concentration Grant	52.7500%	53.5700%	53.0200%	53.0000%	53.0000%
FUNDED ADA					
ACTUAL ADA (Current Year Only)					
Grades TK-3	-	-	-	-	-
Grades 4-6	-	-	-	-	-
Grades 7-8	425.00	449.29	471.71	471.71	471.71
Grades 9-12	555.77	604.34	649.17	649.17	649.17
Total Actual ADA	980.77	1,053.63	1,120.88	1,120.88	1,120.88
<i>Funded Difference (Funded ADA less Actual ADA)</i>	-	-	-	-	-
LCAP Percentage to Increase or Improve Services					
	2017-18	2018-19	2019-20	2020-21	2021-22
Current year estimated supplemental and concer	\$ 861,215	\$ 960,850	\$ 1,036,449	\$ 1,062,673	\$ 1,089,951
Current year Percentage to Increase or Improve S	10.90%	10.93%	10.77%	10.60%	10.60%

Encore Schools - Hesperia 2017-18 First Interim Budget Education Protection Account Spending Summary

2017-18 Fiscal Year:

Estimated Education Protection Account (EPA) Revenues:	1,339,154.79
EPA Expenditures on Teacher Salaries & Benefits:	<u>1,339,154.79</u>
Unspent 2017-18 EPA Revenues:	-

2018-19 Fiscal Year:

Estimated Education Protection Account (EPA) Revenues:	1,377,420.08
EPA Expenditures on Teacher Salaries & Benefits:	<u>1,377,420.08</u>
Unspent 2018-19 EPA Revenues:	-

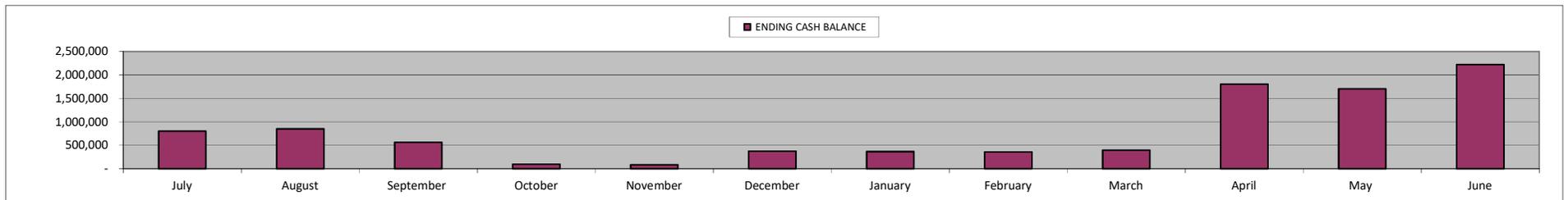
2019-20 Fiscal Year:

Estimated Education Protection Account (EPA) Revenues:	1,465,336.58
EPA Expenditures on Teacher Salaries & Benefits:	<u>1,465,336.58</u>
Unspent 2019-20 EPA Revenues:	-

EPA Requirements Met in Each Year?	YES
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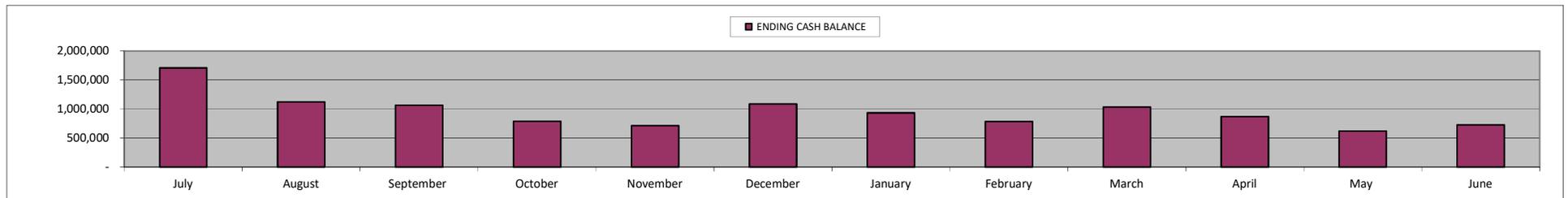
Encore Schools - Hesperia
2017-18 First Interim Budget
2017-18 Projected Monthly Cash Flow Statement

Description	2017-18 Budget	ACTUALS	ACTUALS	ACTUALS	ACTUALS	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	BUDGET	Accruals	Total For Year
		July	August	September	October	November	December	January	February	March	April	May	June		
BEGINNING CASH		262,804	805,403	847,696	562,271	94,879	83,621	374,448	365,185	355,922	392,843	1,805,735	1,706,575	2,224,792	262,804
CASH INFLOWS															
REVENUES															
State Aid	7,094,755	-	359,774	359,774	647,592	647,592	620,180	620,180	620,180	657,347	657,347	657,347	657,347	590,096	7,094,755
EPA	1,339,155	-	-	347,090	-	-	368,380	-	-	306,896	-	-	-	306,896	1,339,155
In-Lieu Of Property Taxes	327,155	-	-	-	59,950	53,288	26,172	26,172	26,172	45,133	22,567	22,567	22,567	22,567	327,155
Federal	603,929	-	-	78,365	86,653	56,710	56,710	-	-	155,957	89,118	-	-	36,589	603,929
Other State	1,899,967	-	-	43,352	19,283	436,633	166,138	166,138	166,138	176,095	176,095	176,095	176,095	197,905	1,899,967
Other Local	209,116	28,571	9,545	6,789	55,528	2,753	9,500	9,500	9,500	9,500	9,500	9,500	9,500	39,431	209,116
TTL CASH INFLOWS	11,474,077	28,571	369,319	835,375	869,005	1,196,972	1,247,081	821,991	821,991	1,350,928	954,627	865,508	1,208,993	903,718	11,474,077
EXPENDITURES															
All Certificated Salaries	2,600,162	147,913	79,505	222,179	258,034	219,827	204,500	204,500	204,500	204,500	204,500	204,500	204,500	241,204	2,600,162
All Classified Salaries	2,797,910	78,409	140,710	273,784	292,090	364,648	220,589	220,589	220,589	220,589	220,589	220,589	220,589	104,148	2,797,910
All Benefits	1,664,143	44,944	72,674	166,966	184,050	146,250	146,250	146,250	146,250	146,250	146,250	146,250	146,250	25,509	1,664,143
All Materials & Supplies	384,816	13,761	17,012	27,813	97,183	36,496	22,500	22,500	22,500	22,500	22,500	22,500	22,500	35,051	384,816
All Services and Operations	3,450,507	230,128	564,606	293,036	303,723	387,607	237,415	237,415	237,415	260,169	277,896	230,829	186,937	3,331	3,450,507
All Capital Outlay	125,000	-	-	-	-	-	-	-	-	-	-	-	-	125,000	125,000
All Other Outgo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TTL CASH OUTFLOWS	11,022,538	515,154	874,507	983,779	1,135,080	1,154,828	831,254	831,254	831,254	854,008	871,735	824,668	780,776	534,242	11,022,538
Accounts Receivable (net change)		891,607	60,135	155,651	39,598	-	-	-	-	-	-	-	-	-	1,146,991
Loan Proceeds		-	3,700,000	-	-	75,000	-	-	-	-	1,500,000	-	-	-	5,275,000
Loan Repayment		-	(2,862,625)	(1,012,208)	(240,000)	-	-	-	-	(860,000)	(670,000)	(640,000)	(760,000)	-	(7,044,833)
Net Change in Payables		125,276	(347,314)	746,501	(243,132)	(128,402)	(125,000)	-	-	-	-	-	-	-	27,929
Fixed Asset Acquisitions/Sales		(19,214)	(2,715)	(26,964)	(7,781)	-	-	-	-	-	-	-	-	-	(56,675)
Other Cash Inflows/Outflows		31,513	-	-	250,000	-	-	-	-	400,000	500,000	500,000	850,000	-	2,531,513
NET INFLOWS/OUTFLOWS	1,029,182	547,481	(137,021)	(201,316)	(53,402)	(125,000)	-	-	(460,000)	1,330,000	(140,000)	90,000	-	1,879,924	
ENDING CASH BALANCE		805,403	847,696	562,271	94,879	83,621	374,448	365,185	355,922	392,843	1,805,735	1,706,575	2,224,792		



**Encore Schools - Hesperia
2017-18 First Interim Budget
2018-19 Projected Monthly Cash Flow Statement**

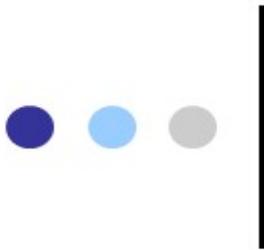
Description	2018-19 Budget	July	August	September	October	November	December	January	February	March	April	May	June	Accruals	Total For Year
BEGINNING CASH		2,224,792	1,708,986	1,124,684	1,064,483	791,295	713,426	1,086,463	934,140	781,817	1,032,568	871,109	619,948	725,706	2,224,792
CASH INFLOWS															
REVENUES															
State Aid	8,024,946	-	344,544	344,544	620,180	620,180	620,180	620,180	620,180	846,991	846,991	846,991	846,991	846,991	8,024,946
EPA	1,377,420	-	-	368,380	-	-	368,380	-	-	320,330	-	-	320,330	-	1,377,420
In-Lieu Of Property Taxes	351,459	-	21,088	42,175	28,117	28,117	28,117	28,117	28,117	49,204	24,602	24,602	24,602	24,602	351,459
Federal	627,919	-	-	78,490	-	89,118	156,980	-	-	156,980	89,703	-	36,589	20,060	627,919
Other State	1,870,459	-	80,307	80,307	144,552	144,552	144,552	144,552	144,552	197,417	197,417	197,417	197,417	197,417	1,870,459
Other Local	197,000	4,925	4,925	17,909	17,909	17,909	17,909	17,909	17,909	17,909	17,909	17,909	17,909	8,059	197,000
TTL CASH INFLOWS	12,449,203	4,925	450,864	931,805	810,758	899,876	1,336,117	810,758	810,758	1,588,832	1,176,622	1,086,920	1,443,839	1,097,130	12,449,203
EXPENDITURES															
All Certificated Salaries	2,877,124	219,628	237,779	237,779	237,779	237,779	237,779	237,779	237,779	237,779	237,779	237,779	237,779	41,929	2,877,124
All Classified Salaries	3,095,936	252,729	252,729	252,729	252,729	252,729	252,729	252,729	252,729	252,729	252,729	252,729	252,729	63,182	3,095,936
All Benefits	1,876,399	29,390	81,944	188,262	207,525	164,904	164,904	164,904	164,904	164,904	164,904	164,904	164,904	50,049	1,876,399
All Materials & Supplies	403,164	20,158	17,823	29,139	101,817	38,236	23,573	23,573	23,573	23,573	23,573	23,573	23,573	30,981	403,164
All Services and Operations	3,437,562	284,096	284,096	284,096	284,096	284,096	284,096	284,096	284,096	284,096	284,096	284,096	284,096	28,410	3,437,562
All Capital Outlay	58,500	-	-	-	-	-	-	-	-	-	-	-	-	58,500	58,500
All Other Outgo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TTL CASH OUTFLOWS	11,748,685	806,001	874,371	992,005	1,083,946	977,744	963,081	273,050	11,748,685						
Accounts Receivable (net change)		859,891	43,826												903,718
Loan Proceeds															-
Loan Proceeds/Repayment		(370,000)	-							(375,000)	(375,000)	(375,000)	(375,000)		(1,870,000)
Net Change in Payables		(204,621)	(204,621)	-											(409,242)
Fixed Asset Acquisitions															-
Other Cash Inflows/Outflows															-
NET INFLOWS/OUTFLOWS	285,270	(160,795)	-	(375,000)	(375,000)	(375,000)	(375,000)	(1,375,524)							
ENDING CASH BALANCE	1,708,986	1,124,684	1,064,483	791,295	713,426	1,086,463	934,140	781,817	1,032,568	871,109	619,948	725,706			





Encore High School For the Arts - Riverside

2017-18 First Interim Budget

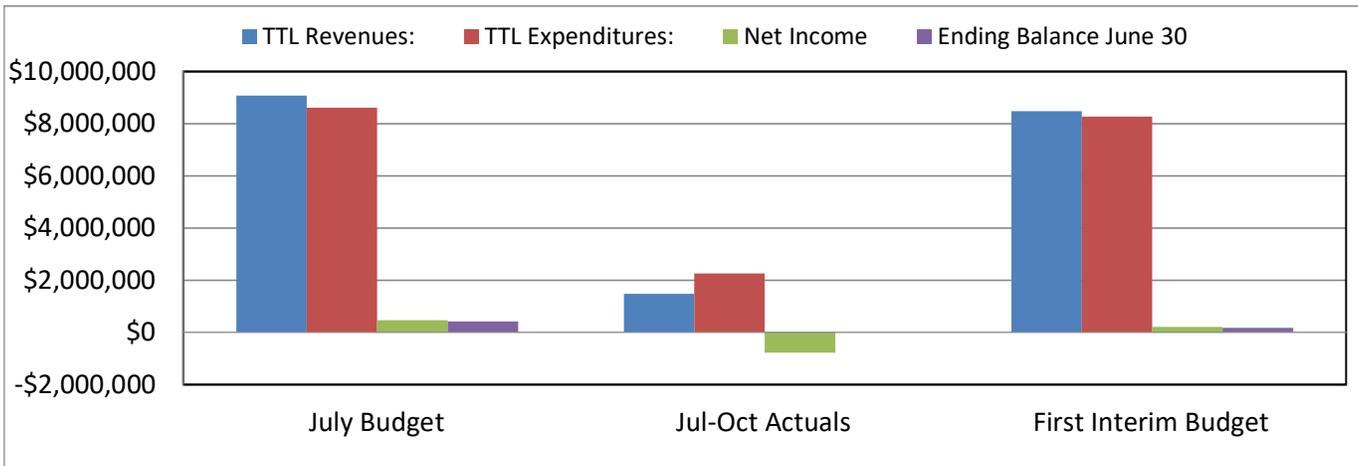


2017-18 First Interim Budget (Riverside)

- State law requires that all charter schools approve their First Interim Budget by December 15th of each year. The First Interim Budget updates the initial July Budget, showing year-to-date actuals through October 31st, and modifying revenue and expenditure projections to reflect changes since the start of the fiscal year. The beginning balance for the First Interim Budget has been updated to reflect 2016-17 audited ending balances.
- While Encore-Riverside is showing a budget surplus for the current and two subsequent fiscal years, Encore's **reserves are very low** and **cash flow remains extremely tight**. Encore does borrow externally to meet its critical cash flow needs, but borrowing is only a temporary fix. This year, even with borrowing in place, cash flow has been uncomfortably low as expenses have exceeded budgeted revenues.
- **DMS strongly recommends that given limited ability to increase enrollment and revenues, additional reductions must be made to expenditures (over what is shown in this budget) to ensure that cash reserves are replenished to sufficient levels, allowing Encore to meet all operational costs when due.**
- **Maintaining budgetary control over expenses is equally critical. DMS is currently working closely with Encore management to fine-tune staffing and purchasing controls to ensure actual spending remains aligned closely with approved budgets.**
- While Encore's fiscal condition is improving, it is critical that the School continue to build cash reserves in preparation for an eventual statewide economic downturn. Until cash reserves approach 20% of the School's annual budget, we recommend that staffing and other expenditures be carefully aligned with current enrollment and expenses be reduced when not required to meet Encore's educational goals.

**Encore Schools - Riverside
2017-18 First Interim Budget
BUDGET SUMMARY**

	July Budget	Jul-Oct Actuals	First Interim Budget	Change From July Budget
Projected P-2 ADA:	852.31	-	793.60	(58.71)
Revenues:				
General Purpose Entitlement	\$ 7,320,843	\$ 1,428,107	\$ 6,803,892	\$ (516,951)
Federal Revenue	180,271	-	167,793	(12,478)
Other State Revenue	1,554,618	30,456	1,488,859	(65,759)
Other Local Revenue	22,000	8,705	22,000	-
TTL Revenues:	\$ 9,077,731	\$ 1,467,268	\$ 8,482,544	\$ (595,188)
Expenditures:				
Certificated Salaries	\$ 2,374,509	\$ 579,073	\$ 2,374,327	\$ (182)
Non-certificated Salaries	2,118,467	452,915	2,041,430	(77,037)
Benefits	1,430,072	315,422	1,436,023	5,951
Books/Supplies/Materials	317,081	110,165	158,904	(158,176)
Services/Operations	2,327,390	793,213	2,199,386	(128,004)
Capital Outlay	45,000	-	59,191	14,191
Other Outgo	-	-	-	-
TTL Expenditures:	\$ 8,612,518	\$ 2,250,789	\$ 8,269,262	\$ (343,256)
Net Income	\$ 465,213	\$ (783,521)	\$ 213,282	\$ (251,931)
Beginning Balance July 1	\$ (47,583)		\$ (47,583)	
Ending Balance June 30	\$ 417,631		\$ 165,699	
Ending Balance as % of Exp.:	4.8%		2.0%	



**Encore Schools - Riverside
2017-18 First Interim Budget
BUDGET DETAIL**

Description		July Budget	Jul-Oct Actuals	First Interim Budget	Change From July Budget	YTD % of Budget	Notes/Comments
P-2 ADA		852.31		793.60	(58.71)		Reflects updated enrollment projections
REVENUES							
General Purpose Entitlement							
8011 - General Purpose Block Grant	FALSE	5,751,702	1,055,703	5,299,099	(452,603)	20%	Updated to 830 enrollment
8012 - Education Protection Account	FALSE	170,462	33,089	158,720	(11,742)	21%	Updated to 830 enrollment
8019 - Prior Year Corrections/Adjustments	FALSE	-	1,247	-	-		
8096 - Funding in Lieu of Property Taxes	FALSE	1,398,679	338,068	1,346,073	(52,606)	25%	Updated to 830 enrollment
TTL General Purpose Entitlement		7,320,843	1,428,107	6,803,892	(516,951)	21%	
Federal Revenue							
8181 - Federal IDEA Special Education	FALSE	87,271	-	87,271	-	0%	Updated to latest SELPA Rates
8290 - Other Federal Revenues	FALSE	93,000	-	80,522	(12,478)	0%	End of PCSGP Startup Grant
TTL Federal Revenue		180,271	-	167,793	(12,478)	0%	
Other State Revenue							
8311 - State Special Education Revenue	FALSE	329,587	32,608	329,587	-	10%	Updated to latest SELPA Rates
8520 - NSLP State		-	-	-	-		Updated to latest rates
8550 - Mandate Block Grant	FALSE	105,643	-	116,933	11,290	0%	includes \$145/ADA one-time
8560 - State Lottery Revenue	FALSE	168,210	-	156,681	(11,529)	0%	Updated to latest rates
8590 - Add'l State Revenues	FALSE	951,178	(2,153)	885,658	(65,520)	0%	Incl. higher Faciliy Grant
TTL Other State Revenue		1,554,618	30,456	1,488,859	(65,759)	2%	
Other Local Revenue							
8634 - NSLP Local	FALSE	-	4,520	-	-		
8699 - Local Donations/Contributions/Other	FALSE	22,000	4,185	22,000	-	19%	Estimated
TTL Other Local Revenue		22,000	8,705	22,000	-	40%	
TTL REVENUES		9,077,731	1,467,268	8,482,544	(595,188)	17%	

**Encore Schools - Riverside
2017-18 First Interim Budget
BUDGET DETAIL**

Description		July Budget	Ju-Oct Actuals	First Interim Budget	Change From July Budget	YTD % of Budget	Notes/Comments
EXPENDITURES							
1000 - Certificated Salaries							
1100 - Teachers' Salaries	FALSE	1,699,174	427,890	1,846,251	147,077	23%	Reflecting latest staffing estimates
1130 - Certificated Substitutes	FALSE	31,480	2,903	15,000	(16,480)	19%	Reflecting latest staffing estimates
1150 - Teacher's Extra Duty	FALSE	31,840	9,513	7,500	(24,340)	127%	Reflecting latest staffing estimates
1200 - Certificated Support	FALSE	171,301	36,625	168,438	(2,863)	22%	Reflecting latest staffing estimates
1300 - Certificated Supervisory/Admin	FALSE	437,834	102,143	337,138	(100,696)	30%	Reflecting latest staffing estimates
1350 - Cert. Supervisory/Admin Stipends	FALSE	2,880	-	-	(2,880)		
TTL Certificated Salaries		2,374,509	579,073	2,374,327	(182)	24%	
2000 - Non-Certificated Salaries							
2100 - Instructional Aide Salaries	FALSE	677,283	131,987	698,566	21,283	19%	Reflecting latest staffing estimates
2130 - Classified Substitutes	FALSE	71,420	6,263	88,909	17,489	7%	Reflecting latest staffing estimates
2150 - Classified Extra Duty	FALSE	5,765	750	-	(5,765)		Reflecting latest staffing estimates
2160 - Classified Electives	FALSE	598,472	118,026	539,153	(59,320)	22%	Reflecting latest staffing estimates
2200 - Classified Support Salaries	FALSE	101,055	27,799	102,163	1,108	27%	Reflecting latest staffing estimates
2300 - Classified Supervisory/Admin	FALSE	356,245	98,166	351,763	(4,481)	28%	Reflecting latest staffing estimates
2400 - Clerical/Tech/Office Staff	FALSE	302,947	69,924	260,877	(42,070)	27%	Reflecting latest staffing estimates
2450 - Clerical/Office Extra Duty	FALSE	5,280	-	-	(5,280)		
TTL Non-Certificated Salaries		2,118,467	452,915	2,041,430	(77,037)	22%	
3000 - Employee Benefits							
3101 - STRS Certificated	FALSE	326,146	69,036	342,615	16,470	20%	Reflecting latest staffing estimates
3102 - STRS Classified	FALSE	12,771	1,259	-	(12,771)		Reflecting latest staffing estimates
3201 - PERS Certificated	FALSE	12,851	2,013	-	(12,851)		Reflecting latest staffing estimates
3202 - PERS Classified	FALSE	309,644	55,668	300,471	(9,172)	19%	Reflecting latest staffing estimates
3301 - Soc. Sec/Medicare Certificated	FALSE	41,518	8,689	34,428	(7,090)	25%	Reflecting latest staffing estimates
3302 - Soc. Sec/Medicare Classified	FALSE	156,576	33,654	138,470	(18,106)	24%	Reflecting latest staffing estimates
3401 - Health Insurance Benefits - Cert	FALSE	213,995	56,742	231,951	17,956	24%	Reflecting latest staffing estimates
3402 - Health Insurance Benefits - Class	FALSE	259,973	58,811	298,521	38,547	20%	Reflecting latest staffing estimates
3501 - State Employment Ins - Cert	FALSE	1,187	274	1,187	(0)	23%	Reflecting latest staffing estimates
3502 - State Employment Ins - Class	FALSE	1,059	237	905	(154)	26%	Reflecting latest staffing estimates
3601 - Workmen's Comp Certificated	FALSE	49,865	15,367	49,635	(229)	31%	Reflecting latest staffing estimates
3602 - Workmen's Comp Classified	FALSE	44,488	13,674	37,839	(6,648)	36%	Reflecting latest staffing estimates
3901 - Other Benefits - certificated	TRUE	-	-	-	-		
3902 - Other Benefits - classified	TRUE	-	-	-	-		
TTL Employee Benefits		1,430,072	315,422	1,436,023	5,951	22%	

**Encore Schools - Riverside
2017-18 First Interim Budget
BUDGET DETAIL**

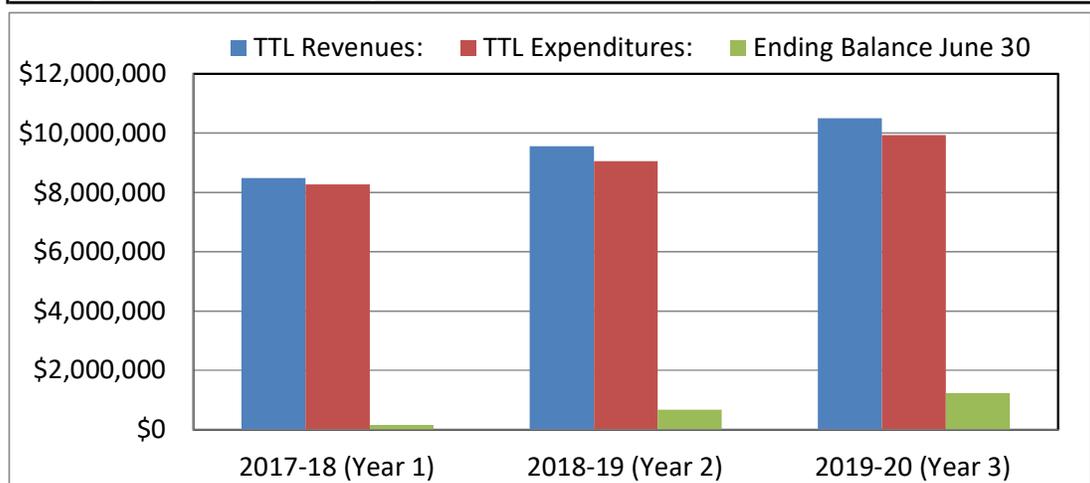
Description		July Budget	Ju-Oct Actuals	First Interim Budget	Change From July Budget	YTD % of Budget	Notes/Comments
4000 - Books/Supplies/Materials							
4310 - Student Instructional Materials	FALSE	270,864	102,677	142,704	(128,160)	72%	Reflects growth to 830 students
4320 - Office Supplies	FALSE	43,307	3,552	12,000	(31,307)	30%	Reflects growth to 830 students
4330 - Student Incentives / Events	FALSE	7,908	14	750	(7,158)	2%	Reflects growth to 830 students
4350 - Other Supplies	FALSE	-	597	1,000	1,000	60%	Reflects growth to 830 students
4390 - Add'l Instructional Spending	FALSE	(7,422)	3,325	-	7,422		Reflects growth to 830 students
4400 - Noncapitalized Equipment	FALSE	2,423	-	2,450	27	0%	Reflects growth to 830 students
TTL Books/Supplies/Materials		317,081	110,165	158,904	(158,176)	69%	
5000 - Services & Operations							
5200 - Travel and Conferences	FALSE	73,865	9,265	29,500	(44,365)	31%	Reflects drop in projected enrollment
5210 - Mileage	FALSE	2,139	1,952	5,077	2,939	38%	Reflects drop in projected enrollment
5300 - Dues and Memberships	FALSE	6,858	1,164	4,000	(2,858)	29%	Reflects drop in projected enrollment
5400 - Liability Insurance	FALSE	3,699	14,100	24,500	20,801	58%	Reflects drop in projected enrollment
5500 - Operation and Housekeeping Services	FALSE	30,927	2,372	4,500	(26,427)	53%	Reflects drop in projected enrollment
5510 - Utilities (General)	FALSE	23,674	31,983	85,000	61,326	38%	Reflects drop in projected enrollment
5516 - Utilities (Electric)	FALSE	31,070	-	-	(31,070)		Reflects drop in projected enrollment
5520 - Janitorial	FALSE	16,213	4,037	15,712	(500)	26%	Reflects drop in projected enrollment
5610 - Facility Rental	FALSE	1,066,777	409,872	1,064,351	(2,426)	39%	Reflects drop in projected enrollment
5620 - Equipment Leases	FALSE	9,816	1,453	4,360	(5,456)	33%	Reflects drop in projected enrollment
5630 - Maintenance & Repair	FALSE	61,584	51,096	153,289	91,705	33%	Reflects drop in projected enrollment
5800 - Professional/Consulting Services	FALSE	443,664	81,028	260,368	(183,297)	31%	Reflects drop in projected enrollment
5810 - Legal	FALSE	8,500	-	32,500	24,000	0%	
5820 - Audit/CPA Costs	FALSE	12,000	-	12,000	-	0%	Based on new VLS contract
5825 - Business Services	FALSE	142,520	56,180	133,176	(9,344)	42%	Reflects growth to 830 students
5830 - Facilities Consultants/Engineering	FALSE	-	14,050	42,150	42,150	33%	
5840 - Advertisement	FALSE	12,268	474	1,423	(10,845)	33%	Reflects growth to 830 students
5850 - Authorizer Oversight Fee	FALSE	73,208	7,104	68,039	(5,170)	10%	1% of LCFF revenues
5855 - Interest on Short-Term Debt	FALSE	120,781	349	105,792	(14,990)	0%	Based on Riverside portion of 2017 RANs
5860 - Bank Fees	FALSE	106,000	90,851	106,000	-	86%	Based on Riverside portion of 2017 RANs
5880 - Instructional Consultants	FALSE	30,579	5,900	17,701	(12,878)	33%	Reflects growth to 830 students
5890 - Other Services	FALSE	225	-	-	(225)		Reflects growth to 830 students
5910 - Telephone	FALSE	16,312	3,144	9,432	(6,880)	33%	Reflects growth to 830 students
5920 - Telecom/Internet	FALSE	29,124	6,408	19,225	(9,899)	33%	Reflects growth to 830 students
5930 - Postage	FALSE	5,586	431	1,292	(4,294)	33%	Reflects growth to 830 students
TTL Services & Operations		2,327,390	793,213	2,199,386	(128,004)	36%	

**Encore Schools - Riverside
2017-18 First Interim Budget
BUDGET DETAIL**

Description		July Budget	Ju-Oct Actuals	First Interim Budget	Change From July Budget	YTD % of Budget		Notes/Comments
6000 - Capital Outlay								
6900 - Depreciation	FALSE	45,000	-	59,191	14,191		0%	New equipment acquisitions
TTL Capital Outlay		45,000	-	59,191	14,191		0%	
7000 - Other Outgo								
TTL Other Outgo		-	-	-	-			
TTL EXPENDITURES		8,612,518	2,250,789	8,269,262	(343,256)		27%	
Revenues less Expenditures		465,213	(783,521)	213,282	(251,931)			
Net Income after Transfers		\$ 465,213	\$ (783,521)	\$ 213,282				
Beginning Fund Balance		(47,583)		(47,583)				
Net Revenues		465,213		213,282				
ENDING BALANCE		417,631		165,699				
ENDING BALANCE AS % OF OUTGO		4.85%		2.00%				

Encore Schools - Riverside
2017-18 First Interim Budget
MULTI-YEAR PROJECTION SUMMARY

	2017-18 (Year 1)	2018-19 (Year 2)	2019-20 (Year 3)
Projected P-2 ADA:	793.60	869.35	931.86
Revenues:			
General Purpose Entitlement	\$ 6,803,892	\$ 7,792,079	\$ 8,601,139
Federal Revenue	167,793	209,268	229,116
Other State Revenue	1,488,859	1,532,824	1,645,606
Other Local Revenue	22,000	22,000	22,000
TTL Revenues:	\$ 8,482,544	\$ 9,556,171	\$ 10,497,861
Expenditures:			
Certificated Salaries	\$ 2,374,327	\$ 2,678,988	\$ 2,957,767
Non-certificated Salaries	2,041,430	2,303,376	2,543,068
Benefits	1,436,023	1,652,936	1,859,499
Books/Supplies/Materials	158,904	174,072	186,588
Services/Operations	2,199,386	2,181,903	2,324,416
Capital Outlay	59,191	59,191	59,191
Other Outgo	-	-	-
TTL Expenditures:	\$ 8,269,262	\$ 9,050,466	\$ 9,930,531
Net Income	\$ 213,282	\$ 505,705	\$ 567,330
Beginning Balance July 1	\$ (47,583)	\$ 165,699	\$ 671,404
Ending Balance June 30	\$ 165,699	\$ 671,404	\$ 1,238,734
Ending Balance as % of Exp.:	2.0%	7.4%	12.5%



Encore Schools
2017-18 First Interim Budget
ENROLLMENT AND A.D.A. ASSUMPTIONS - RIVERSIDE ONLY

ADA Ratio:	2017-18 (Year 1)		2018-19 (Year 2)		2019-20 (Year 3)	
94.7%						
	ENROLL	ADA	ENROLL	ADA	ENROLL	ADA
Total K-3 Enrollment	0	-	0	-	0	-
Total 4-6 Enrollment	0	-	0	-	0	-
Total 7-8 Enrollment	368	348.50	355	336.19	379	358.92
Total 9-12 Enrollment	470	445.10	563	533.16	605	572.94
TTL Enrollment/ADA	838	793.60	918	869.35	984	931.86
TTL Grade 7 Enrollment	154	145.84	190	179.93	195	184.67
TTL Grade 8 Enrollment	214	202.66	165	156.26	184	174.25
TTL Grade 9 Enrollment	155	146.79	192	181.82	160	151.52
TTL Grade 10 Enrollment	129	122.16	145	137.32	186	176.14
TTL Grade 11 Enrollment	111	105.12	122	115.53	141	133.53
TTL Grade 12 Enrollment	75	71.03	104	98.49	118	111.75
TOTAL:	838	793.60	918	869.35	984	931.86

**Encore Schools - Riverside
2017-18 First Interim Budget
FUNDING CALCULATIONS**

2017-18 (Year 1)	Net State Funding COLA over prior year =	1.56%
GENERAL PURPOSE ENTITLEMENT		TOTALS
	<u>\$/ADA</u> <u>ADA</u> <u>Subtotal</u>	
Total LCFF Funding (see LCFF page):	\$ 8,573.45 793.60 \$ 6,803,892	
State Aid Portion:	\$ 6,677.29 793.60	5,299,099.28
Education Protection Account Portion:	\$ 200.00 793.60	158,720.00
Local In-Lieu-Of Property Tax Portion:	\$ 1,696.16 793.60	1,346,073.00
	TOTAL GENERAL PURPOSE ENTITLEMENT	\$ 6,803,892.28
FEDERAL REVENUES		
Title I Funding		\$ 79,422.00
Title II Part A		1,100.00
Title III LEP		-
Total Federal ESEA Funding:		80,522.00
Other Federal Revenues		
PCSGP Startup/Implementation Grant		\$ -
National School Lunch Program		-
Federal IDEA Special Education		87,271.00
Other Federal Revenue		-
Total Other Federal Revenues:		87,271.00
	TOTAL FEDERAL REVENUES	\$ 167,793.00
OTHER STATE REVENUES		
Non-Prop 20 Lottery (using P-2 ADA)	\$ 144.00 829	119,376.00
Prop 20 Lottery (using P-2 ADA):	\$ 45.00 829	37,305.00
		156,681.00
Additional Other State Revenues		
State Lunch Program Revenues		-
Mandate Block Grant		19,441.00
Facility Grant Program (lesser of 75% or \$1,116/ADA)		885,657.60
State Special Education (AB602)		329,587.00
Prior Year Corrections/Adjustments		-
College Readiness Block Grant		-
One-Time Discretionary Funding		97,492.00
Prop 39 Energy Grant Funds		-
Total Additional Other State Revenues:		1,332,177.60
	TOTAL OTHER STATE REVENUES	\$ 1,488,858.60
OTHER LOCAL REVENUES		
Interest Earnings		\$ -
Local Lunch Revenues		-
Other Local Revenues		22,000.00
	TOTAL OTHER LOCAL REVENUES	\$ 22,000.00
	TOTAL REVENUES	\$ 8,482,543.88

**Encore Schools - Riverside
2017-18 First Interim Budget
FUNDING CALCULATIONS**

2018-19 (Year 2)	Net State Funding COLA over prior year =	2.15%
GENERAL PURPOSE ENTITLEMENT		TOTALS
	<u>\$/ADA</u> <u>ADA</u> <u>Subtotal</u>	
Total LCFF Funding (see LCFF page):	\$ 8,963.11 869.35 \$ 7,792,079	
State Aid Portion:	\$ 7,066.95 869.35	6,143,651.95
Education Protection Account Portion:	\$ 200.00 869.35	173,870.00
Local In-Lieu-Of Property Tax Portion:	\$ 1,696.16 869.35	1,474,557.00
	TOTAL GENERAL PURPOSE ENTITLEMENT	\$ 7,792,078.95
FEDERAL REVENUES		
Title I Funding	\$ 105,000	
Title II Part A	1,100	
Title III LEP	-	
Total Federal ESEA Funding:		106,100.00
Other Federal Revenues		
PCSGP Startup/Implementation Grant	\$ -	
National School Lunch Program	-	
Federal IDEA Special Education	103,168.00	
Other Federal Revenue	-	
Total Other Federal Revenues:		103,168.00
	TOTAL FEDERAL REVENUES	\$ 209,268.00
OTHER STATE REVENUES		
Non-Prop 20 Lottery (using P-2 ADA)	\$ 144.00 908 130,752.00	
Prop 20 Lottery (using P-2 ADA):	\$ 45.00 908 40,860.00	
		171,612.00
Additional Other State Revenues		
State Lunch Program Revenues	-	
Mandate Block Grant	29,971.00	
Facility Grant Program (lesser of 75% or \$1,116/ADA)	970,194.60	
State Special Education (AB602)	361,046.44	
Prior Year Corrections/Adjustments	-	
College Readiness Block Grant	-	
One-Time Discretionary Funding	-	
Prop 39 Energy Grant Funds	-	
Total Additional Other State Revenues:		1,361,212.04
	TOTAL OTHER STATE REVENUES	\$ 1,532,824.04
OTHER LOCAL REVENUES		
Interest Earnings	\$ -	
Local Lunch Revenues	-	
Other Local Revenues	22,000.00	
	TOTAL OTHER LOCAL REVENUES	\$ 22,000.00
	TOTAL REVENUES	\$ 9,556,171.00

**Encore Schools - Riverside
2017-18 First Interim Budget
FUNDING CALCULATIONS**

2019-20 (Year 3)	Net State Funding COLA over prior year =	2.35%
GENERAL PURPOSE ENTITLEMENT		TOTALS
	<u>\$/ADA</u> <u>ADA</u> <u>Subtotal</u>	
Total LCFF Funding (see LCFF page):	\$ 9,230.08 931.86 \$ 8,601,139	
State Aid Portion:	\$ 7,333.92 931.86	6,834,183.39
Education Protection Account Portion:	\$ 200.00 931.86	186,372.00
Local In-Lieu-Of Property Tax Portion:	\$ 1,696.16 931.86	1,580,584.00
	TOTAL GENERAL PURPOSE ENTITLEMENT	\$ 8,601,139.39
FEDERAL REVENUES		
Title I Funding		\$ 115,000
Title II Part A		1,100
Title III LEP		-
Total Federal ESEA Funding:		116,100.00
Other Federal Revenues		
PCSGP Startup/Implementation Grant		\$ -
National School Lunch Program		-
Federal IDEA Special Education		113,015.50
Other Federal Revenue		-
Total Other Federal Revenues:		113,015.50
	TOTAL FEDERAL REVENUES	\$ 229,115.50
OTHER STATE REVENUES		
Non-Prop 20 Lottery (using P-2 ADA)	\$ 144.00 973	140,112.00
Prop 20 Lottery (using P-2 ADA):	\$ 45.00 973	43,785.00
		183,897.00
Additional Other State Revenues		
State Lunch Program Revenues		-
Mandate Block Grant		34,746.00
Facility Grant Program (lesser of 75% or \$1,116/ADA)		1,039,955.76
State Special Education (AB602)		387,007.24
Prior Year Corrections/Adjustments		-
College Readiness Block Grant		-
One-Time Discretionary Funding		-
Prop 39 Energy Grant Funds		-
Total Additional Other State Revenues:		1,461,709.00
	TOTAL OTHER STATE REVENUES	\$ 1,645,606.00
OTHER LOCAL REVENUES		
Interest Earnings		\$ -
Local Lunch Revenues		-
Other Local Revenues		22,000.00
	TOTAL OTHER LOCAL REVENUES	\$ 22,000.00
	TOTAL REVENUES	\$ 10,497,860.88

LCFF Calculator Universal Assumptions					
Encore High School for the Arts -					
Summary of Funding					
	2017-18	2018-19	2019-20	2020-21	2021-22
Target Components:					
Base Grant	6,497,734	7,326,530	8,039,449	8,246,018	8,457,820
Grade Span Adjustment	101,038	123,160	135,787	139,224	142,662
Supplemental Grant	452,279	515,965	560,331	574,724	589,133
Concentration Grant	-	-	-	-	-
Add-ons	-	-	-	-	-
Total Target	7,051,051	7,965,655	8,735,567	8,959,966	9,189,615
Transition Components:					
Target	\$ 7,051,051	\$ 7,965,655	\$ 8,735,567	\$ 8,959,966	\$ 9,189,615
Funded Based on Target Formula <i>(based on prio</i>	FALSE	FALSE	FALSE	FALSE	TRUE
Floor	6,615,989	7,453,329	8,352,364	8,601,143	8,959,965
<i>Remaining Need after Gap (informational only)</i>	247,159	173,576	134,428	-	-
Current Year Gap Funding	187,903	338,750	248,775	358,823	-
Miscellaneous Adjustments	-	-	-	-	-
Economic Recovery Target	-	-	-	-	-
Additional State Aid	-	-	-	-	-
Total Phase-In Entitlement	\$ 6,803,892	\$ 7,792,079	\$ 8,601,139	\$ 8,959,966	\$ 9,189,615
Components of LCFF By Object Code					
	2017-18	2018-19	2019-20	2020-21	2021-22
8011 - State Aid	\$ 5,299,099	\$ 6,143,652	\$ 6,834,183	\$ 7,193,010	\$ 7,422,659
8011 - Fair Share	-	-	-	-	-
8311 & 8590 - Categoricals	-	-	-	-	-
EPA (for LCFF Calculation purposes)	158,720	173,870	186,372	186,372	186,372
Local Revenue Sources:					
8021 to 8089 - Property Taxes	-	-	-	-	-
8096 - In-Lieu of Property Taxes	1,346,073	1,474,557	1,580,584	1,580,584	1,580,584
<i>Property Taxes net of in-lieu</i>	-	-	-	-	-
TOTAL FUNDING	\$ 6,803,892	\$ 7,792,079	\$ 8,601,139	\$ 8,959,966	\$ 9,189,615
<i>Basic Aid Status</i>	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Less: Excess Taxes</i>	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Less: EPA in Excess to LCFF Funding</i>	\$ -	\$ -	\$ -	\$ -	\$ -
Total Phase-In Entitlement	\$ 6,803,892	\$ 7,792,079	\$ 8,601,139	\$ 8,959,966	\$ 9,189,615
<i>8012 - EPA Receipts (for budget & cashflow)</i>	\$ 158,720	\$ 173,870	\$ 186,372	\$ 186,372	\$ 186,372
Summary of Student Population					
	2017-18	2018-19	2019-20	2020-21	2021-22
Unduplicated Pupil Population					
Agency Unduplicated Pupil Count	287.00	315.00	337.00	337.00	337.00
COE Unduplicated Pupil Count	-	-	-	-	-
Total Unduplicated pupil Count	287.00	315.00	337.00	337.00	337.00
Rolling %, Supplemental Grant	34.2700%	34.6300%	34.2700%	34.2700%	34.2500%
Rolling %, Concentration Grant	34.2700%	34.6300%	34.2700%	34.2700%	34.2500%
FUNDED ADA					
ACTUAL ADA (Current Year Only)					
Grades TK-3	-	-	-	-	-
Grades 4-6	-	-	-	-	-
Grades 7-8	348.50	336.19	358.92	358.92	358.92
Grades 9-12	445.10	533.16	572.94	572.94	572.94
Total Actual ADA	793.60	869.35	931.86	931.86	931.86
<i>Funded Difference (Funded ADA less Actual ADA)</i>	-	-	-	-	-
LCAP Percentage to Increase or Improve Services					
	2017-18	2018-19	2019-20	2020-21	2021-22
Current year estimated supplemental and concer	\$ 452,279	\$ 515,965	\$ 560,331	\$ 574,724	\$ 589,133
Current year Percentage to Increase or Improve S	7.12%	7.09%	6.97%	6.85%	6.85%

Encore Schools - Riverside 2017-18 First Interim Budget Education Protection Account Spending Summary
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2017-18 Fiscal Year:

Estimated Education Protection Account (EPA) Revenues:	158,720.00
EPA Expenditures on Teacher Salaries & Benefits:	<u>158,720.00</u>
Unspent 2017-18 EPA Revenues:	-

2018-19 Fiscal Year:

Estimated Education Protection Account (EPA) Revenues:	173,870.00
EPA Expenditures on Teacher Salaries & Benefits:	<u>173,870.00</u>
Unspent 2018-19 EPA Revenues:	-

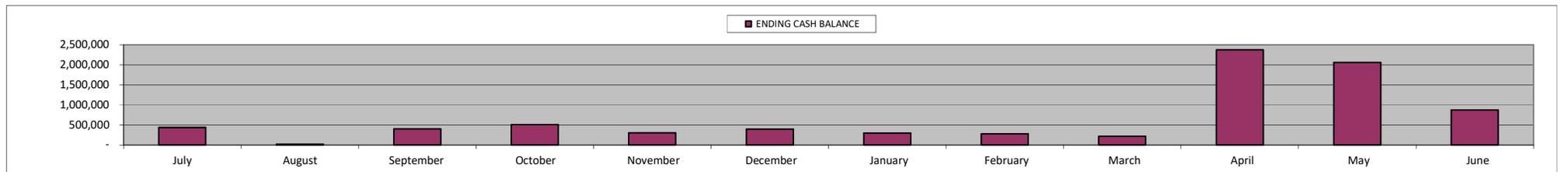
2019-20 Fiscal Year:

Estimated Education Protection Account (EPA) Revenues:	186,372.00
EPA Expenditures on Teacher Salaries & Benefits:	<u>186,372.00</u>
Unspent 2019-20 EPA Revenues:	-

EPA Requirements Met in Each Year?	YES
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Encore Schools - Riverside
2017-18 First Interim Budget
2017-18 Projected Monthly Cash Flow Statement

Description	2017-18 Budget	ACTUALS	ACTUALS	ACTUALS	ACTUALS										
		July	August	September	October	November	December	January	February	March	April	May	June	Accruals	Total For Year
BEGINNING CASH		347,081	436,865	19,246	401,258	510,870	304,374	393,033	299,918	277,326	215,462	2,375,689	2,061,670	869,351	347,081
CASH INFLOWS															
REVENUES															
General Purpose Block Grant	5,299,099	-	218,981	442,556	394,166	394,166	383,593	383,593	383,593	539,690	539,690	539,690	539,690	539,690	5,299,099
Education Protection Account	158,720	-	-	33,089	-	-	33,089	-	-	33,089	-	-	59,454	-	158,720
In-Lieu-Of Property Taxes	1,346,073	-	73,434	134,696	129,938	89,797	89,797	89,797	89,797	216,272	108,136	108,136	108,136	108,136	1,346,073
Prior Year Corrections	-	-	-	-	1,247	-	(1,247)	-	-	-	-	-	-	-	-
Federal Revenues	167,793	-	-	-	-	32,012	45,068	-	-	45,068	-	25,753	-	19,893	167,793
Other State Revenues	1,488,859	-	-	32,608	(2,153)	307,598	103,681	103,681	174,203	174,203	174,203	174,203	174,203	72,430	1,488,859
Other Local Revenues	22,000	1,000	4,310	2,015	1,381	1,287	2,000	2,000	2,000	2,000	2,000	2,000	-	8	22,000
TTL CASH INFLOWS	8,482,544	1,000	296,725	644,964	524,579	823,613	657,227	579,071	649,593	1,010,321	824,029	849,782	881,483	740,157	8,482,544
EXPENDITURES															
All Certificated Salaries	2,374,327	117,259	55,453	207,740	198,622	218,517	198,622	198,622	198,622	198,622	198,622	198,622	198,622	186,386	2,374,327
All Classified Salaries	2,041,430	50,211	71,153	158,655	172,897	242,161	172,897	172,897	172,897	172,897	172,897	172,897	172,897	136,078	2,041,430
All Benefits	1,436,023	32,514	40,310	124,580	118,019	145,889	118,019	118,019	118,019	118,019	118,019	118,019	118,019	148,582	1,436,023
All Materials & Supplies	158,904	10,524	3,459	31,102	65,080	4,950	4,950	4,950	4,950	4,950	4,950	4,950	4,950	9,139	158,904
All Services and Operations	2,199,386	147,085	147,367	239,445	169,315	198,298	169,315	169,315	169,315	169,315	169,315	169,315	169,315	112,672	2,199,386
All Capital Outlay	59,191	-	-	-	-	-	-	-	-	-	-	-	-	59,191	59,191
All Other Outgo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TTL CASH OUTFLOWS	8,269,262	357,593	317,742	761,522	723,932	809,814	663,802	663,802	663,802	663,802	663,802	663,802	663,802	652,048	8,269,262
	213,282														
Accounts Receivable (net change)		732,449	-	60,228	736,786	32,012	103,618	-	-	-	-	-	-	-	1,665,093
Loan Proceeds		-	-	-	-	-	-	-	-	-	2,500,000	-	-	-	2,500,000
Loan Repayment (Principal Only)		-	-	-	(8,333)	(8,384)	(8,384)	(8,384)	(8,384)	(8,384)	-	-	-	(50,253)	
Net Change in Payables		(233,179)	(283,665)	677,760	(140,801)	(191,504)	-	-	-	-	-	-	(560,000)	(731,388)	
Fixed Asset Acquisitions		(41,992)	(62,937)	(39,418)	(28,688)	(2,419)	-	-	-	-	-	-	-	(175,454)	
Other Cash Inflows/Outflows		(10,900)	(50,000)	(200,000)	(250,000)	(50,000)	-	-	-	(400,000)	(500,000)	(500,000)	(850,000)	(2,810,900)	
NET INFLOWS/OUTFLOWS	446,378	(396,602)	498,570	308,964	(220,294)	95,234	(8,384)	(8,384)	(8,384)	(408,384)	2,000,000	(500,000)	(1,410,000)		
ENDING CASH BALANCE		436,865	19,246	401,258	510,870	304,374	393,033	299,918	277,326	215,462	2,375,689	2,061,670	869,351		



Encore Schools - Riverside
2017-18 First Interim Budget
2018-19 Projected Monthly Cash Flow Statement

Description	2018-19 Budget	July	August	September	October	November	December	January	February	March	April	May	June	Accruals	Total For Year
BEGINNING CASH		869,351	1,008,510	879,668	951,804	837,219	814,865	901,893	907,293	902,693	504,989	1,933,786	1,362,584	807,091	869,351
CASH INFLOWS															
REVENUES															
General Purpose Block Grant	5,299,099	264,955	264,955	476,919	476,919	476,919	476,919	476,919	476,919	476,919	476,919	476,919	476,919	-	5,299,099
Education Protection Account	158,720	-	-	39,680	-	-	39,680	-	-	39,680	-	-	39,680	-	158,720
In-Lieu-Of Property Taxes	1,346,073	-	67,348	134,696	89,797	89,797	89,797	89,797	89,797	231,681	115,840	115,840	115,840	115,840	1,346,073
Prior Year Corrections	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal Revenues	167,793	-	-	20,974	-	-	41,948	-	-	41,948	23,970	23,970	-	14,982	167,793
Other State Revenues	1,488,859	74,443	74,443	133,997	133,997	133,997	133,997	133,997	123,997.27	123,997	123,997	123,997	123,997	50,000	1,488,859
Other Local Revenues	22,000	550	550	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	900	22,000
TTL CASH INFLOWS	8,482,544	339,948	407,296	808,266	702,714	702,714	784,342	702,714	692,714	916,225	742,727	742,727	758,436	181,722	8,482,544
EXPENDITURES															
All Certificated Salaries	2,374,509	-	196,240	196,240	196,240	196,240	196,240	196,240	196,240	196,240	196,240	196,240	196,240	215,864	2,374,509
All Classified Salaries	2,118,467	172,936	172,936	172,936	172,936	172,936	172,936	172,936	172,936	172,936	172,936	172,936	172,936	43,234	2,118,467
All Benefits	1,430,072	29,390	40,143	124,064	117,529	145,284	117,529	117,529	117,529	117,529	117,529	117,529	117,529	150,956	1,430,072
All Materials & Supplies	317,081	15,854	6,902	62,061	129,862	9,877	9,877	9,877	9,877	9,877	9,877	9,877	9,877	23,383	317,081
All Services and Operations	2,327,390	192,346	192,346	192,346	192,346	192,346	192,346	192,346	192,346	192,346	192,346	192,346	192,346	19,235	2,327,390
All Capital Outlay	45,000	-	-	-	-	-	-	-	-	-	-	-	-	45,000	45,000
All Other Outgo	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TTL CASH OUTFLOWS	8,612,518	410,526	608,567	747,648	808,914	716,684	688,930	688,930	688,930	688,930	688,930	688,930	688,930	497,672	8,612,518
Accounts Receivable (net change)		1,002,593	72,430	19,901			-								1,094,924
Loan Proceeds			-							-	2,000,000		-		2,000,000
Loan Repayment (Principal Only)				(8,384)	(8,384)	(8,384)	(8,384)	(8,384)	(8,384)	(625,000)	(625,000)	(625,000)	(625,000)		
Net Change in Payables		(592,857)													(592,857)
Fixed Asset Acquisitions														-	-
Other Cash Inflows/Outflows		(200,000)													(200,000)
NET INFLOWS/OUTFLOWS	209,737	72,430	11,517	(8,384)	(8,384)	(8,384)	(8,384)	(8,384)	(8,384)	(625,000)	1,375,000	(625,000)	(625,000)		
ENDING CASH BALANCE	1,008,510	879,668	951,804	837,219	814,865	901,893	907,293	902,693	504,989	1,933,786	1,362,584	807,091			

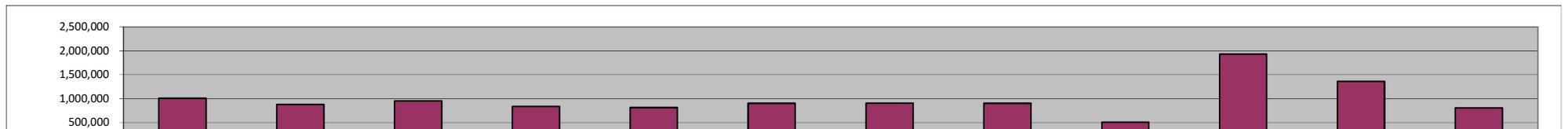




Exhibit
7.2

December 14,
2017

Encore Education Corporation

Phone: (760) 949-2036

Fax (760) 956-3338

www.encorehighschool.com

Sites:

16955 Lemon Street, Hesperia, CA 92345

3800 Main Street, 3rd Floor, Riverside, CA 92501

Meeting Site Location:

16955 Lemon Street, Hesperia, CA 92345

3800 Main Street, 3rd Floor, Riverside, CA 92501

Board Members:

Lenny Esposito, Board
President

Kelly Ahmed, Board
Secretary/Treasurer

Suzanne Cherry,
Member

Kathy Nielson, Member

Rob Gabler, Member

Annual Audited Actuals