

**\$6,500,000\***  
**CALIFORNIA SCHOOL FINANCE AUTHORITY (CSFA)**  
**CHARTER SCHOOL REVENUE BONDS SERIES E & F**  
**(RIVER SPRINGS CHARTER SCHOOLS – OBLIGATED GROUP)**  
**SERIES 2022E \$5,500,000 and (TAX-EXEMPT) AND SERIES 2022F \$1,000,000 (TAXABLE)**  
**ITEM # RESOLUTION 22-54**

**STAFF SUMMARY**

<b>EXECUTIVE SUMMARY</b>			
<b>Applicant/Borrower:</b>	River Springs Facilities III, LLC	<b>Par Amount Requested:</b>	Not-to-Exceed * \$6,500,000
<b>Financing Term:</b> 20-year tax-exempt bonds, maturing in 2042(8-year call provision); 1-year taxable bonds, maturing in 2023		<b>Projected Interest Rate:</b> 5.00% on the Tax-Exempt; 6.00% on the Taxable	
<b>Applicant Description:</b> River Springs Facilities III LLC is a 501(c)(3) nonprofit public benefit corporation formed for the single purpose of supporting River Springs Charter School (RSCS).			
<b>Type of Financing:</b> Tax-Exempt and Taxable Revenue Bonds			
<b>Project User:</b>	Rivers Springs Charter School (Which has one charter but serves multiple campuses and facilities)	<b>County Served:</b>	Riverside
<b>District in Which Project is Located:</b>	Murrieta Valley Unified School District, Desert Sands Unified School District, Riverside Unified School District and Temecula Valley Unified School District	<b>Charter Authorizer:</b>	Riverside County Office of Education
<b>Project Description:</b> Bond proceeds will be used to finance acquisition and installation of solar panels, upgrade lighting, and install modern thermostats.			
<b>Project Sites:</b> See Project Description section below.			
<b>Financing Team:</b>		<b>Financing Details:</b>	
Bond Counsel:	Stradling Yocca Carlson & Rauth	<b>Type of Issue:</b>	Charter School Revenue Bonds
Underwriter:	Stifel, Nicolaus & Company, Incorporated	<b>Tax Status:</b>	Tax-Exempt & Taxable
Financial Advisor:	Key Charter Advisors, LLC	<b>Maturity:</b>	2023 (Taxable) & 2042 (Tax-Exempt)
Borrower's Counsel:	Young Minney & Corr	<b>Credit Enhancement:</b>	None
Disclosure Counsel:	Stradling	<b>Credit Rating:</b>	BB
Issuer's Counsel:	Attorney General's Office	<b>Fees:</b>	See Costs of Issuance Table
Issuer:	California School Finance Authority		
Bond Trustee:	U.S. Bank Trust Company, NA		
<b>Date of CSFA Board Meeting:</b> December 15, 2022		<b>Resolution Number:</b> 22-54	
<b>Staff Recommendation:</b> Staff recommends the California School Finance Authority Board approve Resolution Number 22- authorizing the issuance of Revenue Bonds in an amount not to exceed \$6,500,000 to finance and/or refinance the acquisition, construction, installation and equipping of certain charter school educational facilities, including solar energy systems of certain educational facilities located in Riverside County for River Springs Charter School.			

## BACKGROUND AND HISTORY

River Springs Charter School (RSCS) opened in 2006 in Riverside County with a charter approved by the Riverside County Office of Education (RCOE). Their most recent charter was approved by the RCOE in 2018 and expires on June 30, 2025 (pursuant to a two-year charter extension in Assembly Bill 130). RSCS serves K-12 students throughout Riverside County primarily through a network of California-credentialed Homeschool Education Specialists and in-person academy teaching and teachers at 18 regional student centers. Based on enrollment RSCS is one of the largest charter schools in the state and is accredited by the Western Association of Schools and Colleges. The RSCS Homeschool program is exclusively nonclassroom-based, while the in-person academy program is a mix of fully classroom-based and partially classroom-based programs, with in-person instruction 2 to 5 days per week. RSCS is a single county-wide charter with a single CDS code vs. members in an obligated group or network. Because RSCS has county-wide authorization, they are able to open up academy and learning center facilities in different locations throughout Riverside County under the same charter, subject to approval by RCOE. School leadership is included as Appendix A. RSCS home-school and site-based programs include:

#	Name	Address	Program Type ( <b>Bold</b> = Classroom-Based)	Ownership
1	Bear River Student Center	26800 Newport Road, Meniffee	<b>Da Vinci Academy</b> , Keys	Leased from LLC (Following Proposed 2017 Bond Restructuring)
2	Flabob Airport Student Center	5580 42 <sup>nd</sup> Street, Riverside	<b>Flabob Airport Preparatory Academy</b> (classroom-based starting 2023-24)	Leased from LLC (Following Proposed 2017 Bond Restructuring)
3	Temecula Student Center	43040 Margarita Rd, Temecula	<b>Da Vinci Academy</b> (classroom-based starting 2023-24); Renaissance Real World Academy	Leased from LLC (Following Proposed 2017 Bond Restructuring)
4	iShine Student Center	42145 Lyndie Lane, Temecula	<b>iShine Mosaic Academy</b> , Homeschool Enrichment	Leased from LLC (2022CD Bonds)
5	Magnolia Student Center	4020 Jefferson St, Riverside	<b>Magnolia Academy</b>	Leased from LLC (2022CD Bonds)
6	Pathfinder Student Center	4260 Tequesquite Av, Riverside	Homeschool enrichment	Leased from LLC (2022CD Bonds)
7	Murrieta Student Center	43040 Margarita Rd, Temecula	Da Vinci Academy; Renaissance Real World Academy	Leased from LLC (2022AB Bonds)
8	Palm Academy	81840 Avenue 46, Indio	<b>Palm Academy</b>	Leased from LLC (2022AB Bonds)
9	Hemet Quest Student Center	760 W. Acacia Avenue, Hemet	<b>Quest Academy</b>	Leased
10	Renaissance Valley Academy	1091 West Esplanade, Hemet	<b>Renaissance Real World Academy</b> ; Homeschool Enrichment	Leased
11	Corona Student Center	510 West Second St, Corona	Homeschool Enrichment; Mosaic Academy	Leased
12	Del Rio – Perris	745 N. Perris Boulevard, Perris	Del Rio – Perris	Leased
13	Hemet Learning Center	105 N. Girard Street, Hemet	Homeschool Enrichment	Leased
14	Keys Corona	1861 California Ave, Corona	Keys	Leased
15	Keys Hemet	760 W. Acacia Ave, Hemet	Keys	Leased
16	Keys Temecula	27477 Enterprise Cir, Temecula	Keys	Leased
17	Riverside Student Center	3050 Chicago Ave, Riverside	Homeschool Enrichment; Mosaic Academy	Leased
18	Temecula Resource Center	27477 Enterprise Cir, Temecula	Homeschool Enrichment	Leased

The combined demographics for the schools include:

<b>Ethnicity</b>	<b>Percent</b>	<b>Subgroup</b>	<b>Percent</b>
Hispanic or Latino	43.1%	Socioeconomically Disadvantaged	56.5%
White	41.6%	Students with Disabilities	14.0%
African American	5.3%	Homeless Youth	5.4%
Other	10.0%	English Learners	4.3%

Enrollment projections for the obligated group include:

<b>RIVER SPRINGS CHARTER SCHOOL HISTORICAL &amp; PROJECTED ENROLLMENT</b>							
<b>Grade</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
<b>TK/K</b>	744	685	739	779	797	814	825
<b>1</b>	642	609	657	692	708	724	734
<b>2</b>	698	568	612	645	659	674	684
<b>3</b>	679	627	675	712	728	744	755
<b>4</b>	673	570	614	647	661	676	686
<b>5</b>	675	594	640	675	690	705	715
<b>6</b>	660	611	659	695	711	727	737
<b>7</b>	697	599	645	680	695	711	721
<b>8</b>	658	566	610	643	657	672	682
<b>9</b>	405	334	359	379	387	396	402
<b>10</b>	336	261	281	297	304	311	315
<b>11</b>	285	225	241	254	260	266	270
<b>12</b>	211	195	211	222	227	232	235
<b>Total</b>	<b>7,363</b>	<b>6,444</b>	<b>6,943</b>	<b>7,320</b>	<b>7,484</b>	<b>7,652</b>	<b>7,761</b>

**RSCS Issuances Include:**

<b>Issuance</b>	<b>Year</b>	<b>Amount</b>	<b>Final Maturity</b>
River Springs	2015	\$28,350,000	Refinanced by 2022 C&D Bonds
River Springs	2017	\$23,995,000	7/1/2052 – proposed restructuring in Dec 2022 to lease structure
River Springs A&B	2022	\$10,845,000	7/1/2061
River Springs C&D (Cinderella Bonds)	2022	\$25,285,000	7/1/2046
River Springs E&F (Proposed)	2022	\$6,500,000	TBD

This will be the 5<sup>th</sup> RSCS CSFA issuance and the third this year. The 2015 bonds, used to finance facilities for RSCS, were refinanced with the 2022 C&D issuance. The December 2017 issuance (currently proposed for restructuring in a separate agenda item) also financed the acquisition of facilities, as did the 2022 A&B bonds. This proposed series (2022 E&F) would finance the acquisition and installation of solar power and energy efficiency equipment for eleven RSCS learning centers.

## PROJECT DESCRIPTION

The proceeds of the bonds will be used to: (1) finance and/or refinance the acquisition, construction, expansion, rehabilitation, renovation, furnishing and equipping of certain charter school educational facilities, including energy-efficient solar energy equipment, lighting controls, and thermostats and related and appurtenant facilities, to be located at eleven facilities owned or leased by River Springs Charter School, (2) to pay certain expenses incurred in connection with the issuance of the Bonds, and (4) to fund all or a portion of a debt service reserve fund, capitalized interest, related working capital and a repair and replacement fund in connection with the Bonds.

Estimated Project Breakdown				
Site	Landlord	Location	Purpose	Amount
Multiple	River Springs Facilities III LLC	Multiple	Solar Panels & Energy Efficiency Upgrades	\$6,500,000
<b>Total Estimated Project Costs</b>				<b>\$6,500,000</b>

RSCS has entered into a preliminary agreement with Centrica Business Solutions, a global sustainable energy corporation, to provide solar panels and energy upgrades at eleven student centers and administrative offices. RSCS has been exploring the potential for a solar project for years and finally identified an appropriate and affordable project scope. According to information provided by the RSCS financial advisor Key Charter Advisors and based on energy savings estimates provided by Centrica Business Solutions, over 25 years, and allowing for bond repayments, the project will save RSCS around \$2.6 million.

Additionally, RSCS is eligible for a federal Investment Tax Credit of at least \$608,109 for their solar and energy upgrades. The Investment Tax Credit was introduced as part of the pandemic stimulus but was only recently expanded to nonprofit corporations like RSCS. As the IRS is currently heavily backlogged, and consequently it could be months before the credit is received, and as the final guidance for the Investment Tax Credit is still being prepared by the US Treasury, presently RSCS is planning to finance the gross project amount of the \$4,177,926 total cost. Amongst other options RSCS is considering using a special optional redemption period from proceeds of any Investment Tax Credit receipts, in advance of the standard 8-year optional redemption from any source of funds.

A breakout of preliminary project cost estimates by location and designation can be found in the table below.

RIVER SPRINGS CHARTER SCHOOL  
2022 REVENUE BONDS, SERIES E/F  
(2022 Green Energy Solar Project)

Facility Name	FIM Description	Total FIM Cost (\$)	Total Annual Cost Savings (\$/yr)	Simple Payback (years)
Bear River Student Center	Solar Photovoltaics	\$534,885	\$23,184	23.1
Bear River Student Center	Interior Lighting Upgrades	\$149,091	\$19,352	7.7
Bear River Student Center	Transformer Replacements	\$100,755	\$5,635	17.9
Bear River Student Center	Exterior Lighting Upgrades	\$66,165	\$6,833	9.7
Bear River Student Center	Networkable Thermostats	\$28,601	\$0	N/A
<b>TOTAL Bear River Student Center</b>		<b>\$879,498</b>	<b>\$55,003</b>	<b>16.0</b>
Temecula Resource Center	Interior Lighting Upgrades	\$107,148	\$31,026	3.5
Temecula Resource Center	Transformer Replacements	\$54,472	\$4,779	11.4
Temecula Resource Center	Networkable Thermostats	\$0	\$0	N/A
<b>TOTAL Temecula Resource Center</b>		<b>\$161,620</b>	<b>\$35,805</b>	<b>4.5</b>
Hemet Quest Student Center	Interior Lighting Upgrades	\$111,913	\$17,986	6.2
Hemet Quest Student Center	Networkable Thermostats	\$20,635	\$0	N/A
<b>TOTAL Hemet Quest Student Center</b>		<b>\$132,547</b>	<b>\$17,986</b>	<b>7.4</b>
iShine Student Center	Networkable Thermostats	\$22,831	\$0	N/A
iShine Student Center	Exterior Lighting Upgrades	\$18,827	\$8,262	2.3
<b>TOTAL iShine Student Center</b>		<b>\$41,658</b>	<b>\$8,262</b>	<b>5.0</b>
Magnolia Student Center	Solar Photovoltaics	\$416,358	\$35,897	11.6
Magnolia Student Center	Networkable Thermostats	\$39,829	\$0	N/A
Magnolia Student Center	Interior Lighting Upgrades	\$22,176	\$4,172	5.3
<b>TOTAL Magnolia Student Center</b>		<b>\$478,363</b>	<b>\$40,069</b>	<b>11.9</b>
Murrieta Student Center	Solar Photovoltaics	\$212,171	\$5,714	37.1
Murrieta Student Center	Interior Lighting Upgrades	\$62,162	\$5,865	10.6
Murrieta Student Center	Exterior Lighting Upgrades	\$62,160	\$2,985	20.8
Murrieta Student Center	Networkable Thermostats	\$19,953	\$0	N/A
<b>TOTAL Murrieta Student Center</b>		<b>\$356,446</b>	<b>\$14,565</b>	<b>24.5</b>
Palm Academy	Solar Photovoltaics	\$519,667	\$13,423	38.7
Palm Academy	Networkable Thermostats	\$38,167	\$0	N/A
Palm Academy	Exterior Lighting Upgrades	\$6,275	\$2,788	2.3
Palm Academy	Interior Lighting Upgrades	\$5,365	\$2	2682.3
<b>TOTAL Palm Academy</b>		<b>\$569,474</b>	<b>\$16,214</b>	<b>35.1</b>
Pathfinder Student Center	Solar Photovoltaics	\$234,168	\$16,359	14.3
Pathfinder Student Center	Networkable Thermostats	\$15,862	\$0	N/A
<b>TOTAL Pathfinder Student Center</b>		<b>\$250,030</b>	<b>\$16,359</b>	<b>15.3</b>
Renaissance Valley Academy	Solar Photovoltaics	\$525,774	\$17,239	30.5
Renaissance Valley Academy	Networkable Thermostats	\$32,588	\$0	N/A
Renaissance Valley Academy	Exterior Lighting Upgrades	\$22,740	\$10,474	2.2
<b>TOTAL Renaissance Valley Academy</b>		<b>\$581,102</b>	<b>\$27,713</b>	<b>21.0</b>
Temecula Student Center	Solar Photovoltaics	\$597,524	\$10,311	58.0
Temecula Student Center	Networkable Thermostats	\$29,177	\$0	N/A
<b>TOTAL Temecula Student Center (Temecula Facility)</b>		<b>\$626,701</b>	<b>\$10,311</b>	<b>60.8</b>
Jefferson Admin	Interior Lighting Upgrades	\$86,133	\$10,182	8.5
Jefferson Admin	Transformer Replacements	\$14,354	\$770	18.6
<b>TOTAL Jefferson Admin</b>		<b>\$100,487</b>	<b>\$10,952</b>	<b>9.2</b>

**TOTAL**

**\$4,177,926    \$253,238    16.5**

## FINANCING

The bonds will be issued in two series – Series 2022E Bonds (tax-exempt) that will be approximately \$4,705,000 (not to exceed \$6,000,000), and Series 2022F Bonds (taxable) that will be approximately \$325,000 (not to exceed \$500,000). The tax-exempt series will be issued to finance items eligible for use of tax-exempt bond proceeds. The taxable series will be used to finance costs of issuance in excess of 2% of the tax-exempt series. The tax-exempt series are expected to consist of two term bonds maturing on July 1, 2032, and July 1, 2042. The taxable series is expected to be issued as one term bond, maturing on July 1, 2023. The Bonds will be repaid through lease payments received pursuant to leases between River Springs Facilities III LLC (RSF) and RSCS.

**Borrower:** RSF is a California limited liability company. RSF's sole purpose is supporting RSCS. RSCS is the sole member of RSF, which is formed for the single purpose of acquiring and leasing facilities for RSCS.

**Security and Source of Payment:** The Bonds will be issued as Additional Bonds under the restructured 2017 Bond Amended and Restated Indenture, and will be secured by lease payments made by lessee RSCS, operating certain charter facilities, to RSF, and a deed of trust on two properties, the Temecula Student Center at 43040 Margarita Road, Temecula, and the Bear River Student Center at 26800 Newport Road, Menifee, as well as a leasehold deed of trust on the Flabob Airport Student Center property at 5580 42<sup>nd</sup> Street, Riverside. The lease payments will be paid directly to the Bond Trustee via the intercept mechanism set forth in Education Code 17199.4. As additional security and in connection with the issuance of the Bonds, the lessee will provide instructions to the State Controller's Office (SCO) to make an apportionment to U.S. Bank Trust Company, N.A., as Collateral Agent, with respect to RSCS in the amounts and on the dates provided in a written notice sufficient in the aggregate to repay the Bonds and pay necessary and incidental costs. Funds received by the Collateral Agent pursuant to such Intercept paid to the Trustee and then will be held in trust and will be disbursed, allocated and applied solely for the uses and purposes set forth in the Indenture, including the payment of debt service on the Bonds. Under the laws of the State of California, no party, including the lessee, the Borrower or any of their respective creditors will have any claim to the money apportioned or to be apportioned to the Collateral Agent by the SCO pursuant to the Intercept.

*The amount subject to intercept from the School's apportionment on a given periodic payment date may be reduced to reflect offsets under State law (e.g., offsets to reflect corrections to past payments following an audit). The Loan Agreement includes a covenant requiring a revised intercept notice by the School, as necessary or appropriate, to specify transfers necessary to pay the amounts due under the Loan Agreement and other costs necessary or incidental to the financing relating to the Bonds, as the same become due, and to cure any delinquency in payment of such amounts.*

**Preliminary Sources and Uses and Preliminary Costs of Issuance:** Below are the preliminary estimated sources and uses, and detailed information about the expected costs of issuance for board consideration. Please note these figures are subject to change between the time the board packets are distributed and the time the board meets and are further subject to final pricing. Members will be provided updated figures should significant changes occur before the board meeting date.

### Sources and Uses

Sources:	Series 2022E (Tax-Exempt)	Series 2022F (Taxable)	Total
<b>Bond Proceeds:</b>			
Par Amount	\$4,705,000	\$325,000	\$5,030,000
<b>Total:</b>	<b>\$4,705,000</b>	<b>\$325,000</b>	<b>\$5,030,000</b>
Uses:	Series 2022E (Tax-Exempt)	Series 2022F (Taxable)	Total
<b>Project Fund Deposits:</b>			
Project Fund	\$4,177,926	\$0	\$4,177,926
	<b>\$4,177,926</b>	<b>\$0</b>	<b>\$4,177,926</b>
<b>Other Fund Deposits:</b>			
Reserve Fund	\$433,885	\$31,815	\$465,700
	<b>\$433,885</b>	<b>\$31,815</b>	<b>\$465,700</b>
<b>Delivery Date Expenses:</b>			
Cost of Issuance	\$60,874	\$191,408	\$252,282
Underwriter's Discount	\$28,226	<u>\$98,025</u>	<u>\$126,251</u>
	<b>\$89,100</b>	<b>\$289,433</b>	<b>\$378,533</b>
<b>Other Uses of Funds:</b>			
Additional Proceeds	\$4,089	\$3,752	\$7,841
<b>Total:</b>	<b>\$4,705,000</b>	<b>\$325,000</b>	<b>\$5,030,000</b>

### Total Costs of Issuance\*

Expense	Amount
Bond Counsel	\$60,000
Borrower's Counsel	\$50,000
Underwriter's Counsel	\$50,000
CSFA Issuance Fee	\$7,575
CSFA Issuer Fee - 1st Admin Fee	\$758
CSFA Issuer Fee - PFD Fee	\$4,000
Issuer's Counsel	\$8,000
Trustee & Master Trustee	\$10,000
Financial Advisor	\$50,000
Printer & Roadshow	\$4,000
CDLAC Fee	\$4,000
Contingency	\$3,949
Underwriter's Discount	\$126,251
<b>Total</b>	<b>\$378,533</b>

*\*Estimates based on a not-to-exceed of \$6,500,000*

### SALES RESTRICTIONS

The following sales restrictions will apply to the financing given the expected below-investment grade rating. The Authority's sales restrictions may be viewed at:

<http://treasurer.ca.gov/csfa/financings/guidelines.pdf>.

1. Bonds will be in minimum denominations of \$100,000;
2. Bonds will be privately placed or publicly offered initially to Qualified Institutional Buyers (QIBs) and Accredited Investors (AIs).
3. Initial Bond purchasers will be required to execute an Investor Letter;
4. Subsequent transfers of Bonds will be limited to QIBs and AIs;
5. Sales restrictions will be conspicuously noted on bond and described in detail in offering materials, if any, as well as in the bond documents;
6. One or more of the following will be required depending on the transaction, as requested by the financing team and approved by the Authority:
  - a. Traveling Investor Letter; or
  - b. Higher minimum denominations of \$250,000; or
  - c. Physical Delivery; or
  - d. Limited initial sale to QIBs, with subsequent transfers limited to QIBs as well; or
  - e. Other investor protection measures
7. Bond payments will be made via the intercept mechanism outlined in Section 17199.4 of the Education Code.

## OTHER PROJECT DATA

**Tax Equity and Fiscal Responsibility Act (TEFRA):** The TEFRA Notice was published on the CSFA Webpage on November 23, 2022. The TEFRA hearing took place on December 1, 2022. No comments were received.

**Due Diligence Undertaken to Date:** The financial, operating and other information concerning the Borrower, the Project and related matters presented in this Staff Summary was provided by the Borrower, Lessee, and Underwriter. The analysis contained herein was prepared by Authority Staff for the limited purpose of determining financial feasibility pursuant to Section 17183.5 of the CSFA Act and providing the Authority Board with information concerning certain aspects of the Project. The review undertaken by Authority staff, the recommendation of Authority Staff to the Authority Board to approve the financing, or any approval by the Authority Board are not intended to, and did not, include all of the due diligence activities and other investigations necessary or desirable for the purpose of making an investment decision relating to the purchase of the Bonds by investors, and should not be relied on by any party for such purpose.

**Borrower Financial Data:** The Borrower (RSF) is a California limited liability company, the sole member of which is RSCS, a nonprofit public benefit corporation and an entity described in Section 501(c)(3) of the Code. The Borrower was formed as a support organization for charter schools and facilities formed and controlled by RSCS. RSCS has received a determination letter from the Internal Revenue Service recognizing it as an entity described in Section 501(c)(3) of the Code. For federal tax purposes, the Borrower is treated as a "disregarded entity" of RSCS.

The Borrower is a single purpose entity with no assets other than the applicable facilities and its rights under the Leases, which will be assigned to the Trustee. The Borrower was formed for the purpose of owning facilities and is not expected to have any other assets or revenue available to it to make payments due under the Master Indenture and, in turn, for the Borrower to make payments due under the Loan Agreement.



## STAFF RECOMMENDATION

Staff recommends the California School Finance Authority's (CSFA) Board approve Resolution Number 22-54 authorizing the issuance of Revenue Bonds in an amount not to exceed \$6,500,000 to finance working capital and finance and/or refinance the acquisition, construction, installation and equipping of certain charter school educational facilities, including solar energy systems located in Riverside County California for use by River Springs Charter School.

1. **Applicant / Borrower:** River Springs Facilities III LLC
2. **Project:** Acquisition and Construction
3. **Amount of Financing:** Not to exceed \$6,500,000
4. **Maturity:** June 1, 2042\*
5. **Repayment/Security:** Intercept of Lease Payments and Deeds of Trust on Real Property
6. **Preliminary Interest Rate:** 5.0% on tax-exempt bonds and 6.0% on taxable bonds
7. **Preliminary Cost of Issuance:** \$404,752 is the total estimated Costs of Issuance.
8. **Not an Unconditional Commitment:** The CSFA resolution shall not be construed as unconditional commitment to finance the Project, but rather CSFA's approval pursuant to the resolution conditioned upon entry by CSFA and the Borrower into a loan agreement, in form and substance satisfactory to CSFA and its counsel.
9. **Limited Time:** The Board's approval expires 12 months from the date of its adoption. Thus, CSFA must issue the bonds no later than 12 months from such date. Once the approval has expired, the item must return to the Board for new approval.

\* *Preliminary, subject to change.*

**APPENDIX A:  
SCHOOL GOVERNANCE**

***Board of Directors***

Rachel Couch	Board Chair
Jamie Thompson	Vice Chair
Louis Fetherolf	Treasurer
Steffany Johnson	Secretary
Reginald Wadlington	Board Member
Stevie Heiliger	Board Member
Jenny Adamo	Board Member

***Executive Staff***

Kathleen Hermsmeyer	Superintendent
Tanya Rogers	Asst. Superintendent, Business
Amy Podratz	Asst. Superintendent, Administrative Operations
Dr. Vivian Price	Asst. Superintendent, Education
Debbie Daniel	Asst. Superintendent, Pupil Services

## APPENDIX B: ESTIMATED BUDGET PROJECTIONS AND ENROLLMENT

### River Springs Charter School Financial Projections - 2022 Solar Project

	Projected 2022-23	Projected 2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27
<b>Enrollment</b>					
Grades Served	TK-12	TK-12	TK-12	TK-12	TK-12
<b>Enrollment</b>	<b>6,943</b>	<b>7,320</b>	<b>7,484</b>	<b>7,652</b>	<b>7,761</b>
ADA %	98.9%	98.0%	98.0%	98.0%	98.0%
<b>Average Daily Attendance ("ADA")</b>	<b>6,870.0</b>	<b>7,173.6</b>	<b>7,334.3</b>	<b>7,499.0</b>	<b>7,605.8</b>
<b>Revenue</b>					
Local Control Funding Formula (LCFF)	\$ 77,158,217	\$ 84,933,484	\$ 90,328,351	\$ 95,792,117	\$ 100,523,960
Federal Revenue	10,519,548	11,117,646	5,192,500	5,468,335	5,712,614
Other State Revenue	8,182,840	9,020,755	9,296,396	9,583,287	6,886,677
Other Local Revenue	5,077,333	4,433,537	4,668,858	4,916,876	5,136,520
<b>Total Revenue</b>	<b>\$ 100,937,938</b>	<b>\$ 109,505,422</b>	<b>\$ 109,486,105</b>	<b>\$ 115,760,615</b>	<b>\$ 118,259,771</b>
<b>Expenditures</b>					
Certificated Salaries	\$ 33,128,473	\$ 35,508,435	\$ 37,261,841	\$ 38,945,424	\$ 40,868,549
Non-Cert Salaries	12,958,303	14,092,783	14,788,684	15,456,874	16,220,135
Employee Benefits	17,193,820	20,346,115	21,159,960	21,918,333	22,893,474
Books & Materials	12,583,722	11,389,587	7,175,146	7,421,523	5,854,420
Services & Ops	15,058,052	17,914,299	18,909,938	21,119,299	21,509,396
Other Outgo	744,391	791,480	838,623	888,673	934,086
Depreciation	678,490	664,920	651,622	638,589	625,818
2017 Bond Interest	475,052	-	-	-	-
Base Rent - 2017 Bond Restructure	858,667	1,475,000	1,472,000	1,473,250	1,473,500
Base Rent - 2022AB Bonds	634,250	634,500	634,500	634,250	638,750
Base Rent - 2022CD Bonds	1,872,438	1,885,518	1,880,768	1,886,400	1,891,472
Base Rent - 2022EF Bonds	247,331	463,375	464,275	464,525	464,125
<b>Total Expenditures</b>	<b>\$ 96,432,989</b>	<b>\$ 105,166,012</b>	<b>\$ 105,237,356</b>	<b>\$ 110,847,140</b>	<b>\$ 113,373,724</b>
<b>Net Income</b>	<b>\$ 4,504,949</b>	<b>\$ 4,339,410</b>	<b>\$ 4,248,749</b>	<b>\$ 4,913,475</b>	<b>\$ 4,886,047</b>
Add Back: Depreciation	678,490	664,920	651,622	638,589	625,818
Add Back: 2017 Bond Interest	475,052	-	-	-	-
Add Back: Base Rent - 2017 Bond Restructure	858,667	1,475,000	1,472,000	1,473,250	1,473,500
Add Back: Base Rent - 2022AB Bonds	634,250	634,500	634,500	634,250	638,750
Add Back: Base Rent - 2022CD Bonds	1,872,438	1,885,518	1,880,768	1,886,400	1,891,472
Add Back: Base Rent - 2022EF Bonds	247,331	463,375	464,275	464,525	464,125
<b>Net Income Available For Debt Service/Rent</b>	<b>\$ 9,271,177</b>	<b>\$ 9,462,723</b>	<b>\$ 9,351,913</b>	<b>\$ 10,010,489</b>	<b>\$ 9,979,711</b>
Debt Service - 2017 Bonds	800,052	-	-	-	-
Base Rent - 2017 Bond Restructure	858,667	1,475,000	1,472,000	1,473,250	1,473,500
Base Rent - 2022AB Bonds	634,250	634,500	634,500	634,250	638,750
Base Rent - 2022CD Bonds	1,872,438	1,885,518	1,880,768	1,886,400	1,891,472
Base Rent - 2022EF Bonds	247,331	463,375	464,275	464,525	464,125
<b>Total Debt Service + Base Rent</b>	<b>\$ 4,412,738</b>	<b>\$ 4,458,393</b>	<b>\$ 4,451,543</b>	<b>\$ 4,458,425</b>	<b>\$ 4,467,847</b>
<b>Consolidated Coverage Ratio</b>	<b>2.10x</b>	<b>2.12x</b>	<b>2.10x</b>	<b>2.25x</b>	<b>2.23x</b>
	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>
Beginning Cash Balance	33,856,213	24,065,012	29,299,842	34,369,048	40,099,759
Plus: Net Income	4,504,949	4,339,410	4,248,749	4,913,475	4,886,047
Net Cash Flow from Other Operating Activities	(12,398,287)	230,500	168,836	178,646	188,987
Net Cash Flow from Financing Activities	(2,576,353)	-	-	-	-
<b>Ending Cash Balance</b>	<b>24,065,012</b>	<b>29,299,842</b>	<b>34,369,048</b>	<b>40,099,759</b>	<b>45,800,610</b>
Total Expenditures	96,432,989	105,166,012	105,237,356	110,847,140	113,373,724
Less: Depreciation	(678,490)	(664,920)	(651,622)	(638,589)	(625,818)
Less: Debt Service + Base Rent	(4,412,738)	(4,458,393)	(4,451,543)	(4,458,425)	(4,467,847)
Plus: Maximum Annual Base Rent + DS	4,620,625	4,620,625	4,620,625	4,620,625	4,620,625
<b>Operating Expenses</b>	<b>95,962,386</b>	<b>104,663,324</b>	<b>104,754,817</b>	<b>110,370,521</b>	<b>112,900,685</b>
<b>Days Cash On Hand</b>	<b>92 days</b>	<b>102 days</b>	<b>120 days</b>	<b>133 days</b>	<b>148 days</b>