

**Charter School Facilities Program
Prop 2 Filing Round
Staff Summary Report – October 2026
Item 6 - Resolution 26-33**

Executive Summary

Applicant/Obligor:	Tree of Life International Charter
Project School:	Tree of Life International Charter
CDS (County – District – School) Code:	45699140135624
School Address:	19415 Jacqueline St Anderson, CA 96007
Type of Project:	Rehabilitation
Type of Apportionment:	Final
County:	Shasta
District in which Project is Located:	Cascade Union Elementary School District
Charter Authorizer:	Cascade Union Elementary School District
Total OPSC Project Cost:	\$2,321,468
State Apportionment (50% Project Cost):	\$1,160,734
Total CSFP Financed Amount:	\$1,160,734
Length of CSFP Funding Agreement:	30 years
Assumed Interest Rate:	3.00%
Estimated Annual CSFP Payment:	\$59,220
First Year of Occupancy of New Project:	Currently occupied

Staff recommends that the California School Finance Authority (Authority or CSFA) Board determine that Tree of Life International Charter (School or TLIC) is financially sound for Charter School Facilities Program (Program or CSFP) Final Apportionment. This determination, as it relates to Final Apportionment, shall remain in effect for twelve months and assumes no material financial, operational, or legal findings within this period. This recommendation is contingent upon TLIC electing to have its CSFP payments intercepted at the state-level, under Sections 17199.4 and 17078.57(a)(1)(A) of the Education Code. Staff recommends that the CSFA Board direct staff to immediately notify the Office of Public School Construction (OPSC) and the State Allocation Board (SAB) regarding this determination.

Application Highlights: The table below highlights key criteria evaluated when conducting the financial soundness review for TLIC. Detailed information is contained in the body of the report:

Criteria	Comments
Demographic Information	In FY 2025-26, TLIC had a total enrollment of 424 students in grades TK-8; the average daily attendance (ADA) rate was 95.8%, and the Unduplicated Pupil Percentage (UPP) of ADA was 63.08%.
Debt Service Coverage	TLIC's debt service coverage from adjusted net income on this CSFP loan is projected to average 640.2%.
Eligibility Criteria	TLIC has met all eligibility criteria: (1) TLIC commenced operations in 2017; (2) TLIC's charter is in place through June 2030; (3) Cascade Union Elementary School District (District or CUESD) has confirmed that as of September 28, 2026, TLIC is in compliance with the terms of its Charter Agreement and has no pending or outstanding Notices of Violation or Intent to Revoke.
Student Performance	TLIC students' performance consistently met or exceeded that of peers in their local district during the period examined, based on California standardized testing (CAASPP).

Legal Status Questionnaire: Staff reviewed the applicant's responses to the questions contained in the Legal Status portion of the application. No information was disclosed that would lead staff to question the financial or legal integrity of this applicant.

Project Description: TLIC's completed project scope has rehabilitated 4 classrooms and 2 multi-stall student bathrooms. There was no increase in rooms or square footage. The classrooms were completely remodeled, including, but not limited to, electrical, plumbing, internet, walls, technology, classroom equipment, cabinetry, fire, burglary, HVAC, windows, roofing and siding.

School Organizational Information: TLIC's governance and legal compliance are structured under the oversight of the TLIC Board of Directors in conjunction with the authorizing District Board. Corporate and fiscal accountability are managed through the annual generation of a Local Control and Accountability Plan (LCAP) alongside a documented fee-for-service contract with the Shasta County Special Education Local Plan Area (SELPA) to meet federal and state special education mandates.

From an educational standpoint, TLIC implements an instructional design specifically tailored to recruit and elevate historically low-achieving, low-income, and English Language Learner (ELL) student demographics. The core pedagogy integrates three research-based frameworks: a modified 90/10 Spanish/English Dual Language Immersion (DLI) model, Project GLAD (Guided Language Acquisition Design), and schoolwide AVID (Advancement Via Individual Determination) strategies to drive college and career readiness. The curriculum directly maps to the Common Core State Standards (CCSS) and Next Generation Science Standards (NGSS), supplemented by targeted fine arts electives and a state-grant-funded Middle School Career Technical Education (CTE) pathway.

FY 2027 TLIC Board of Directors

Name	Position	Term Expiration
Wyndi Nelson	President	June 2028
Michele Anberg-Espinoza	Secretary	June 2028
Marty Bullock	Member	June 2027
Litza Lopez	Member	June 2027
Todd Goble	Member	June 2027
Calvin Robertson	Member	June 2027

School Academic Performance: The following tables represent the recent academic performance of TLIC; two similar local K-8 charter schools, Rocky Point Charter School (RPCS) and Monarch Learning Center Charter School (MLCC); and CUESD. Results are provided through the California Department of Education's CAASPP Smarter Balanced testing data. Percentages represent students who met or exceeded performance standards.

English Language Arts Achievement

	FY22	FY23	FY24	FY25
TLIC	44.61%	47.13%	43.71%	48.36%
RPCS	27.37%	34.31%	30.27%	40.56%
MLCC	24.00%	22.64%	24.07%	24.00%
CUESD	31.35%	30.81%	31.89%	34.03%

Mathematics Achievement

	FY22	FY23	FY24	FY25
TLIC	46.92%	34.17%	33.69%	46.36%
RPCS	22.10%	26.47%	37.62%	47.17%
MLCC	18.00%	12.96%	11.32%	18.00%
CUESD	22.74%	26.30%	25.23%	24.48%

Enrollment Trends and Projections: The tables below present enrollment and average daily attendance information for TLIC from FY 2023 through FY 2031. The assumptions made in the projected years are considered reasonable by staff and consistent with historical data. The school is organized to achieve full capacity by the 2027–28 school year, targeting a maximum annual enrollment of 450-475 students.

TLIC Student Enrollment and Average Daily Attendance

Year (FY)	2023	2024	2025	2026	2027	2028	2029	2030	2031
Enrollment	326	359	402	424	439	454	454	454	454

ADA (%)	92.3%	94.7%	94.0%	95.8%	96.8%	96.9%	96.9%	96.9%	96.9%
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Financial Analysis

Financial Data Sources: This financial analysis is based on the consideration and review of the following for TLIC: (1) audited financial statements for FY 2023 through 2025; (2) budget projections for FYs 2026 through 2031 along with assumptions.

Assumptions: Staff's financial analysis of TLIC is based upon the following assumptions: (1) occupancy of the project facilities in FY 2026-27; (2) the repayment of TLIC's CSFP matching share loan in the amount of \$1,160,734 at 3.0% interest commencing in FY 2027-28; (3) school enrollment and ADA projections as provided above under Enrollment Trends and Projections.

Long-Term Liabilities: Based on available data, staff are not aware of any foreseeable long-term liabilities at this time. Additionally, obligors are required to notify the Authority before taking on additional debt that exceeds certain thresholds.

Benchmark Summary and Analysis: The following table and summary listing set forth the results of staff's analysis regarding TLIC's financial soundness. Where a threshold has been established based on industry standards or practice, the listing indicates whether or not the threshold was met.

OPERATIONAL, FINANCIAL & STUDENT PERFORMANCE M												
	Actual FY 2023	Actual FY 2024	Actual FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031	AVERAGE	THRESHOLD LEVEL	
OPERATIONAL & FINANCIAL												
Enrollment	326	359	402	424	439	454	454	454	454	418	< 94.0%	
Average Daily Attendance (ADA)	301	340	378	406	425	440	440	440	440	401		
Average Daily Attendance (%)	92.3%	94.7%	94.0%	95.8%	96.8%	96.9%	96.9%	96.9%	96.9%	95.7%		
FTE Teachers	16	18	22	24	25	26	26	25	25	23		
Pupil-Teacher Ratio	21.0	19.9	18.3	17.7	17.6	17.5	17.5	18.2	18.2	18.4	> 25.0	
LCFF Sources/ADA	\$ 11,534	\$ 12,485	\$ 12,847	\$ 13,270	\$ 13,695	\$ 14,103	\$ 14,556	\$ 15,010	\$ 15,460	\$ 13,662		
% Change		8.2%	2.9%	3.3%	3.2%	3.0%	3.2%	3.1%	3.0%	3.7%		
Operating Revenues/ADA	\$ 19,260	\$ 17,456	\$ 23,898	\$ 20,221	\$ 19,308	\$ 16,923	\$ 17,769	\$ 18,283	\$ 18,794	\$ 19,101		
% Change		-9.4%	36.9%	-15.4%	-4.5%	-12.4%	5.0%	2.9%	2.8%	0.7%		
Operating Expenses plus CSFP Loan/ADA	\$ 12,634	\$ 13,152	\$ 16,172	\$ 17,123	\$ 16,270	\$ 16,369	\$ 17,249	\$ 17,951	\$ 18,728	\$ 16,183		
% Change		4.1%	23.0%	5.9%	-5.0%	0.6%	5.4%	4.1%	4.3%	5.3%		
Free Cash Flow/ADA	\$ 6,626	\$ 4,304	\$ 7,726	\$ 3,098	\$ 3,038	\$ 554	\$ 520	\$ 332	\$ 66	\$ 2,918		
	Actual FY 2023	Actual FY 2024	Actual FY 2025	Projected FY 2026	Projected FY 2027	Projected FY 2028	Projected FY 2029	Projected FY 2030	Projected FY 2031	AVERAGE	THRESHOLD LEVEL	
DEBT SERVICE COVERAGE												
Total Operating Revenues	\$ 5,794,847	\$ 5,934,925	\$ 9,028,426	\$ 8,215,343	\$ 8,205,934	\$ 7,445,963	\$ 7,818,578	\$ 8,044,382	\$ 8,269,416		< 0	
Total Operating Expenses	3,801,297	4,471,641	5,962,454	6,809,721	6,708,593	6,996,005	7,383,302	7,691,970	8,033,989			
Total Other Sources/Uses	-	-	-	-	-	-	-	-	-			
Net Income Available for CSFP Loan Payment	\$ 1,993,550	\$ 1,463,284	\$ 3,065,972	\$ 1,405,622	\$ 1,497,341	\$ 449,958	\$ 435,276	\$ 352,412	\$ 235,427			
Add Back Capital Outlay	-	-	-	-	-	-	-	-	-	-	< 0	
Add Back Depreciation	-	-	-	-	-	-	-	-	-	-		
Adjusted Net Income Available for CSFP Loan Payment	\$ 1,993,550	\$ 1,463,284	\$ 3,065,972	\$ 1,405,622	\$ 1,497,341	\$ 449,958	\$ 435,276	\$ 352,412	\$ 235,427			
CSFP Loan Payments	-	-	147,040	147,040	206,260	206,260	206,260	206,260	206,260			
Free Cash Flow	\$ 1,993,550	\$ 1,463,284	\$ 2,918,932	\$ 1,258,582	\$ 1,291,081	\$ 243,698	\$ 229,016	\$ 146,152	\$ 29,167	\$ 1,063,718	< 0	
DSC from Adj. Net Income			2085.1%	955.9%	725.9%	218.2%	211.0%	170.9%	114.1%	640.2%	< 110.0%	
DSC from LCFF Sources subject to CSFA Intercept			2667.2%	3666.6%	2821.9%	3008.4%	3105.2%	3201.9%	3298.0%	3109.9%	> 15.0%	
CSFP Loan Payments/Oper. Revenues	0.0%	0.0%	1.6%	1.8%	2.5%	2.8%	2.6%	2.6%	2.5%	2.3%	> 15.0%	
FUNDRAISING												
Fundraising for Operations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	> 15.0%	
Fundraising/Oper. Revenues	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		
DSC without Fundraising			2085.1%	955.9%	725.9%	218.2%	211.0%	170.9%	114.1%	640.2%		< 100.0%
% of Fundraising Required for 100% DSC												> 50.0%
LIQUIDITY												
Current Assets	\$ 2,962,642	\$ 6,377,169	\$ 4,600,320								< 5.0%	
Current Liabilities	483,592	4,481,255	1,701,623									
Net Working Capital	\$ 2,479,050	\$ 1,895,914	\$ 2,898,697									
Net Working Capital/Oper. Expenses	65.2%	42.4%	48.6%							52.1%		
Unrestricted Cash & Cash Equivalents	\$ 2,511,797	\$ 5,747,073	\$ 3,634,419								< 90	
Unrest. Cash & CE/Oper. Expenses (Days)	241	469	222									
Unrest. Cash & CE/All Expenses (Days)	241	469	217							309		

Benchmark Summary:

- Enrollment – Average ADA rate consistently exceeds threshold at 95.7%.
- Free Cash Flow and/or per ADA – TLIC operates with positive cash flow at \$2,918 per student.
- Debt Service Coverage from Adj. Net Income – Estimated average debt service coverage is 640.2%.
- CSFP Lease Payment relative to Operational Revenues: Representing an estimated 2.3% of annual operating revenues, projected CSFP lease payments are unlikely to create any financial hardship.
- Net Working Capital relative to Operating Expenses – TLIC liquidity metrics are strong with a ratio of Net Working Capital to Operational Expenses slightly over 52.1% with 309 days of unrestricted cash on hand.

Staff Recommendation: Staff recommends that the California School Finance Authority (CSFA) Board determine that TLIC is financially sound for the purposes of Charter School Facilities Program (CSFP) Final Apportionment. This determination, as it relates to Final Apportionment, is in place for twelve months and assumes no material financial, operational, or legal findings within this time period. This recommendation is contingent upon TLIC electing to have its CSFP payments intercepted at the state-level, pursuant to Sections 17199.4 and 17078.57(a)(1)(A) of the Education Code. Staff recommends that the

CSFA Board direct staff to immediately notify the Office of Public School Construction and the State Allocation Board regarding this determination.