



October 2021 Financials

PREPARED NOVEMBER 2021
BY



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Executive Summary



- Hogan closes October with a forecasted Net Income of -717k, which is a 22k improvement from September Close.
- The primary drivers of the change in October Close is:
 - Revenue increase of \$92k attributed to FFC Emergency Connectivity Grant, SPED and ESCE allocations update, and McKinney Vento Transportation Reimbursement.
 - Expenses increase of \$70k attributed to COVID PTO Relief and iPads funded by revenue already forecasted.
- The audit has been finalized with no concerns.

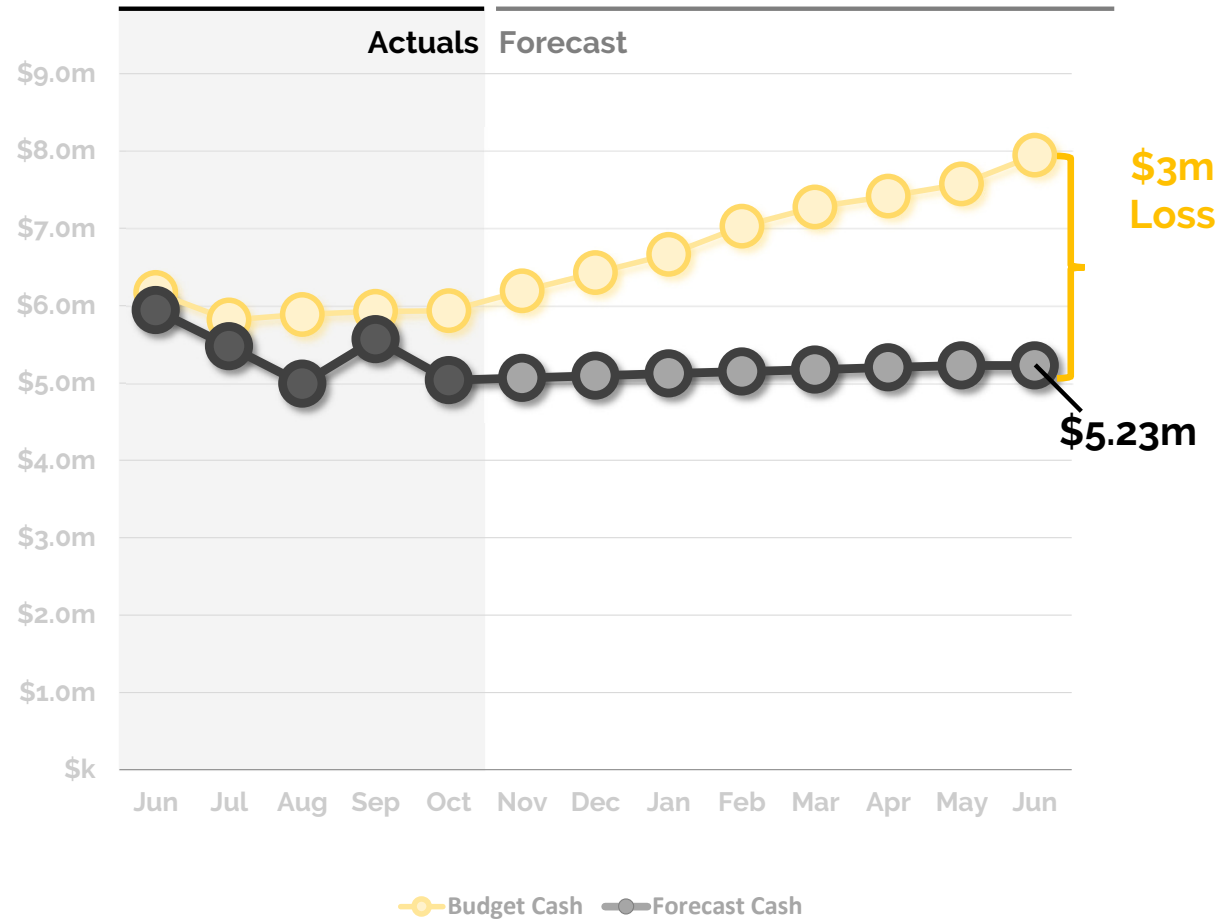
Cash Forecast



121 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$5.23m**, **\$3m** below budget.

The revenue projected for the year is down \$1.4M than budgeted, largely due to the state aid WADA decrease and the per WADA payment decrease. Expenses projected for the year is down \$1M than budgeted primarily in part to the facility improvements. The Net Income is projected at a loss of \$2.5M to budget.

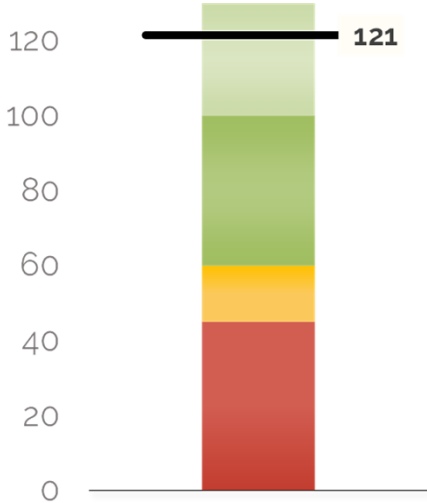


Key Performance Indicators



Days of Cash

Cash balance at year-end divided by average daily expenses

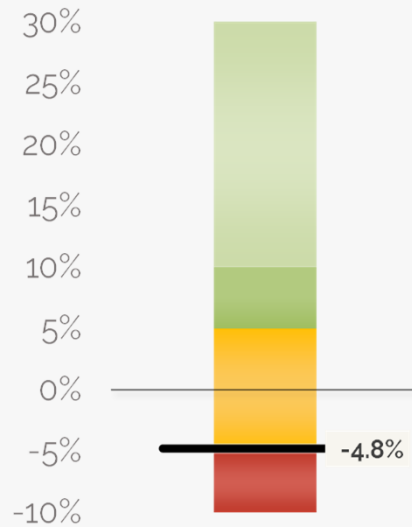


121 DAYS OF CASH AT YEAR'S END

The school will end the year with 121 days of cash. This is above the recommended 60 days

Gross Margin

Revenue less expenses, divided by revenue

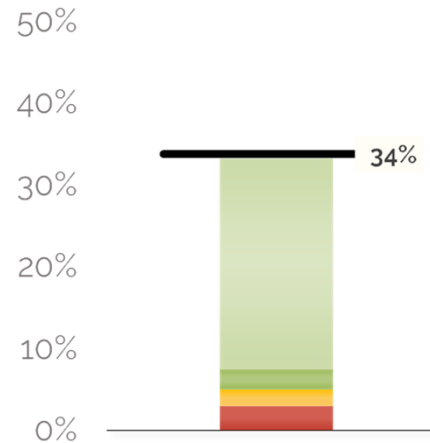


-4.8% GROSS MARGIN

The forecasted net income is - \$717k, which is \$2.5m below the budget. It yields a -4.8% gross margin.

Fund Balance %

Forecasted Ending Fund Balance / Total Expenses



33.77% AT YEAR'S END

The school is projected to end the year with a fund balance of \$5,306,838. Last year's fund balance was \$6,024,239.

Forecast Overview

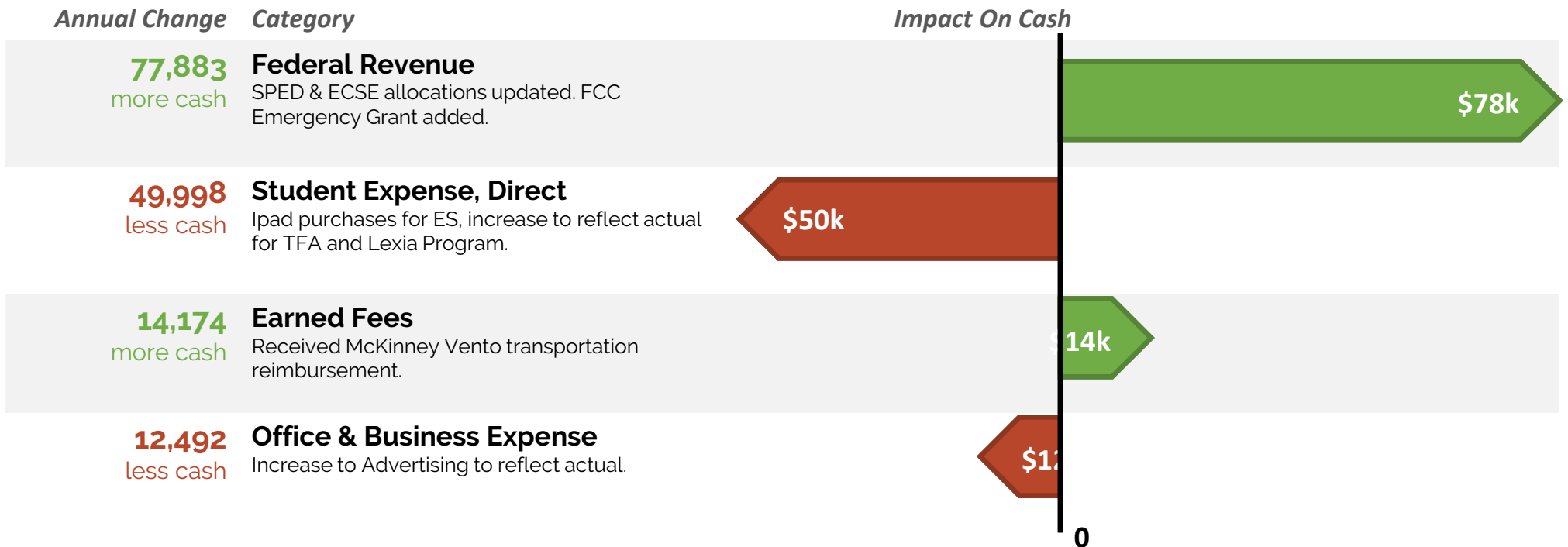


	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$15m	\$16.4m	-\$1.4m		State Revenue decrease due to WADA and Per WADA payment. KCPS MOU added to forecast. Added FFC Emergency grant and updated SPED allocations.
Expenses	\$15.7m	\$14.6m	-\$1.1m		Addition of 1.1M in Facility Improvement payments; COVID Relief PTO mitigated by the open positions, iPad purchases for the ES funded by revenue already forecasted, and increase to reflect actual for TFA, Lexia Program, and Advertising.
Net Income	-\$717k	\$1.8m	-\$2.5m		

Key Forecast Changes This Month



The October forecast **increased** the year-end cash expectation by **\$22k**. Key changes:



	Year-To-Date			Annual Forecast			Remaining
	Actual	Budget	Variance	Forecast	Budget	Variance	
Revenue							
Local Revenue	339,537	417,150	(77,613)	1,264,987	1,264,091	896	925,450
State Revenue	3,165,893	2,949,722	216,172	7,851,343	10,081,271	(2,229,928)	4,685,450
Federal Revenue	305,697	1,168,564	(862,866)	4,099,153	4,025,639	73,514	3,793,456
Private Grants and Donations	164,850	103,000	61,850	1,030,000	1,030,000	0	865,150
Earned Fees	367,440	-	367,440	750,501	-	750,501	383,061
Total Revenue	4,343,417	4,638,436	(295,018)	14,995,984	16,401,001	(1,405,017) ①	10,652,567
Expenses							
Salaries	2,245,102	2,443,392	198,291	6,860,638	7,330,177	469,539	4,615,536
Benefits and Taxes	624,453	691,753	67,300	1,910,316	2,075,259	164,943	1,285,862
Staff-Related Costs	47,326	92,633	45,307	277,900	277,900	0	230,574
Rent	78,495	66,667	(11,828)	211,828	200,000	(11,828)	133,333
Occupancy Service	305,208	350,646	45,438	1,102,406	1,051,937	(50,469)	797,198
Student Expense, Direct	547,712	376,076	(171,636)	1,239,042	1,128,229	(110,813)	691,330
Student Expense, Food	127,664	257,650	129,986	772,950	772,950	(0)	645,286
Office & Business Expense	510,025	303,102	(206,923)	1,119,600	909,305	(210,295)	609,576
Transportation	185,220	263,788	78,568	1,007,363	791,363	(216,000)	822,143
Total Ordinary Expenses	4,671,204	4,845,706	174,502	14,502,043	14,537,119	35,076	9,830,839
Net Operating Income	(327,787)	(207,271)	(120,516)	493,941	1,863,882	(1,369,941)	821,728
Extraordinary Expenses							
Interest	28,078	28,781	703	86,342	86,342	0	58,264
Facility Improvements	562,500	-	(562,500)	1,125,000	-	(1,125,000)	562,500
Total Extraordinary Expenses	590,578	28,781	(561,797)	1,211,342	86,342	(1,125,000)	620,764
Total Expenses	5,261,782	4,874,487	(387,295)	15,713,385	14,623,462	(1,089,924)	10,451,603
Net Income	(918,365)	(236,052)	(682,313)	(717,401)	1,777,539	(2,494,941)	200,964
Cash Flow Adjustments	10,222	-	10,222	(0)	-	(0)	(10,222)
Change in Cash	(908,143)	(236,052)	(672,091)	(717,401)	1,777,539	(2,494,941)	190,741

① **REVENUE: \$1.4M BEHIND**
Decrease in WADA and per WADA payment.

② **EXPENSES: \$1.1M BEHIND**
1.1M increase in contributions to Facilities Improvements. Unfilled positions mitigated by the increase in transportation and technology purchases.

③ **NET OPERATING INCOME: \$1.3M behind**

Income Statement	Actual				Forecast								TOTAL
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Revenue													
Local Revenue	137,437	43,709	80,661	77,730	115,681	115,681	115,681	115,681	115,681	115,681	115,681	115,681	1,264,987
State Revenue	569,812	578,995	1,240,353	776,734	585,681	585,681	585,681	585,681	585,681	585,681	585,681	585,681	7,851,343
Federal Revenue	60,724	27,949	32,543	184,481	474,182	474,182	474,182	474,182	474,182	474,182	474,182	474,182	4,099,153
Private Grants and Donations	0	152,250	100	12,500	108,144	108,144	108,144	108,144	108,144	108,144	108,144	108,144	1,030,000
Earned Fees	14,977	53,983	276,629	21,851	47,883	47,883	47,883	47,883	47,883	47,883	47,883	47,883	750,501
Total Revenue	782,950	856,885	1,630,286	1,073,296	1,331,571	1,331,571	1,331,571	1,331,571	1,331,571	1,331,571	1,331,571	1,331,571	14,995,984
Expenses													
Salaries	592,180	564,413	551,885	536,623	574,092	574,092	574,092	574,092	574,092	574,092	575,292	595,690	6,860,638
Benefits and Taxes	141,912	202,024	136,291	144,227	157,920	157,920	161,083	161,083	161,083	161,083	161,175	164,514	1,910,316
Staff-Related Costs	1,451	1,589	33,930	10,356	28,822	28,822	28,822	28,822	28,822	28,822	28,822	28,822	277,900
Rent	28,495	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	211,828
Occupancy Service	68,843	67,726	81,363	87,275	99,650	99,650	99,650	99,650	99,650	99,650	99,650	99,650	1,102,406
Student Expense, Direct	162,185	79,517	134,114	171,897	86,416	86,416	86,416	86,416	86,416	86,416	86,416	86,416	1,239,042
Student Expense, Food2	12,695	0	0	114,969	80,605	80,605	80,605	80,605	80,605	80,605	80,605	80,605	772,950
Office & Business Expense	249,274	109,492	83,446	67,813	76,197	76,197	76,197	76,197	76,197	76,197	76,197	76,197	1,119,600
Transportation	44,396	7,402	17,638	115,784	102,768	102,768	102,768	102,768	102,768	102,768	102,768	102,768	1,007,363
Total Ordinary Expenses	1,301,430	1,048,831	1,055,333	1,265,610	1,142,532	1,142,532	1,145,695	1,145,695	1,145,695	1,145,695	1,146,987	1,170,723	13,856,757
Operating Income	-518,481	-191,946	574,953	-192,314	189,039	189,039	185,876	185,876	185,876	185,876	184,584	160,848	1,139,227
Extraordinary Expenses													
Interest	7,019	7,019	7,019	7,019	7,283	7,283	7,283	7,283	7,283	7,283	7,283	7,283	86,342
Facility Improvements	0	281,250	0	281,250	70,313	70,313	70,313	70,313	70,313	70,313	70,313	70,313	1,125,000
Total Extraordinary Expenses	7,019	288,269	7,019	288,269	77,596	77,596	77,596	77,596	77,596	77,596	77,596	77,596	1,211,342
Total Expenses	1,308,450	1,337,100	1,062,353	1,553,880	1,220,127	1,220,127	1,223,290	1,223,290	1,223,290	1,223,290	1,224,582	1,248,319	15,068,099
Net Income	-525,500	-480,215	567,934	-480,583	111,444	111,444	108,280	108,280	108,280	108,280	106,989	83,252	-72,115
Cash Flow Adjustments	56,573	-3,156	5,796	-48,991	-1,278	-1,278	-1,278	-1,278	-1,278	-1,278	-1,278	-1,278	0
Change in Cash	-468,927	-483,371	573,730	-529,574	110,166	110,166	107,003	107,003	107,003	107,003	105,711	81,974	-72,115

	<i>Previous Year End</i>	<i>Current</i>
	<i>6/30/2021</i>	<i>10/31/2021</i>
Assets		
Current Assets		
Cash	5,945,002	5,036,859
Total Current Assets	5,945,002	5,036,859
Total Assets	5,945,002	5,036,859
Liabilities and Equity		
Liabilities		
Current Liabilities		
Other Current Liabilities	-79,237	-69,015
Total Current Liabilities	-79,237	-69,015
Total Long-Term Liabilities	0	0
Total Liabilities	-79,237	-69,015
Equity		
Unrestricted Net Assets	6,024,239	6,024,239
Net Income	0	-918,365
Total Equity	6,024,239	5,105,874