



September 2021 Financials

PREPARED OCTOBER 2021
BY



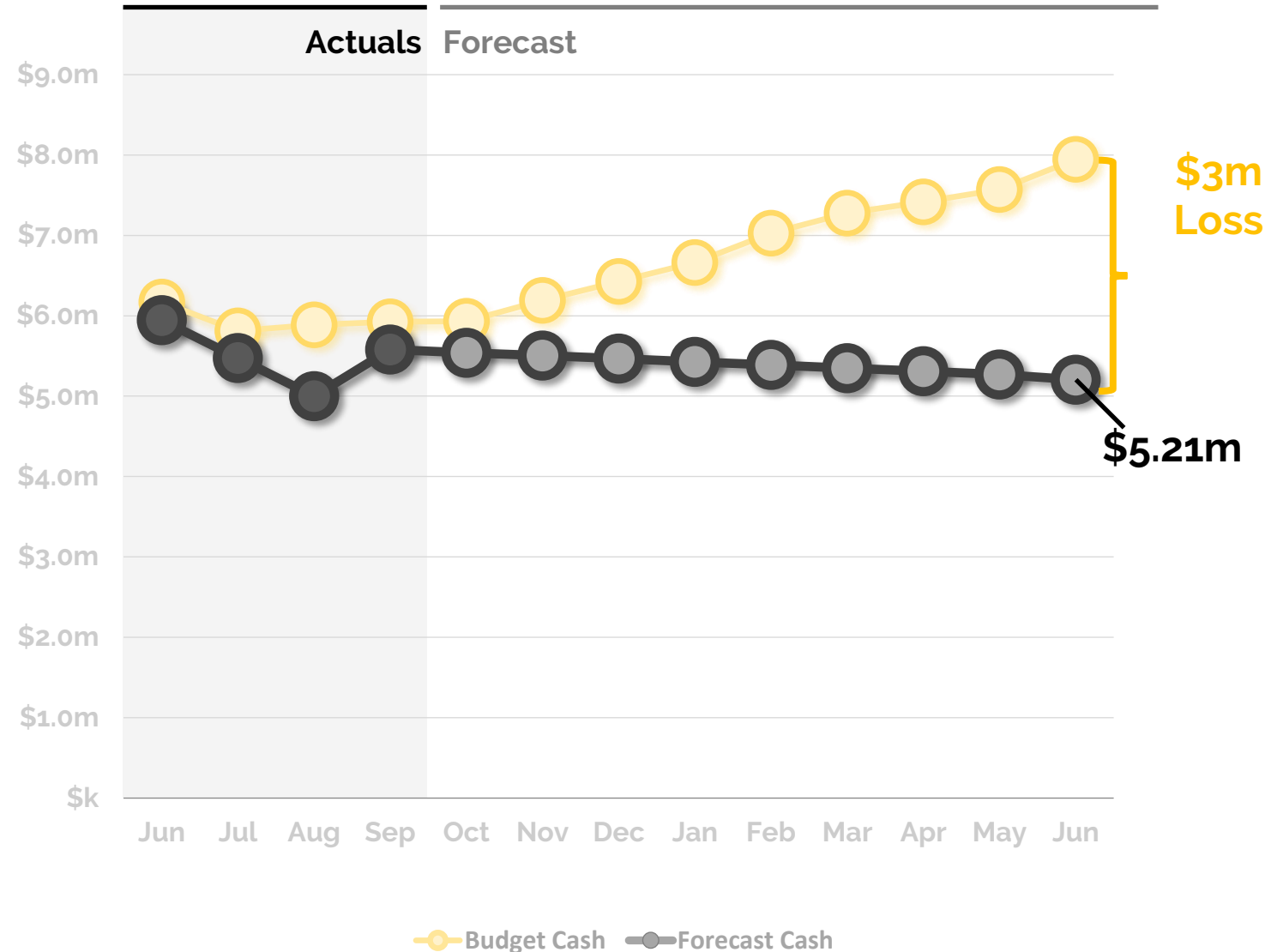
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- Hogan closes September with a forecasted Net Income of -739k, which is 1.4M lower than the Net Income forecasted during August Close.
- The primary driver of this change is State Basic Formula decrease of \$1M, which is attributed to:
 - YTD attendance rate of 82.45% whereas the August Close forecast expected the board-approved budgeted rate of 91%.
 - Decreases in attendance and enrollment drops the forecasted regular term ADA to 789 from 904
 - a decrease to the per WADA payment of \$19 which will continue to fluctuate throughout the year.
- The other primary driver of the decrease in Net Income is the forecast now reflects a 200k technology buy-down expense.

121 Days of Cash at year's end

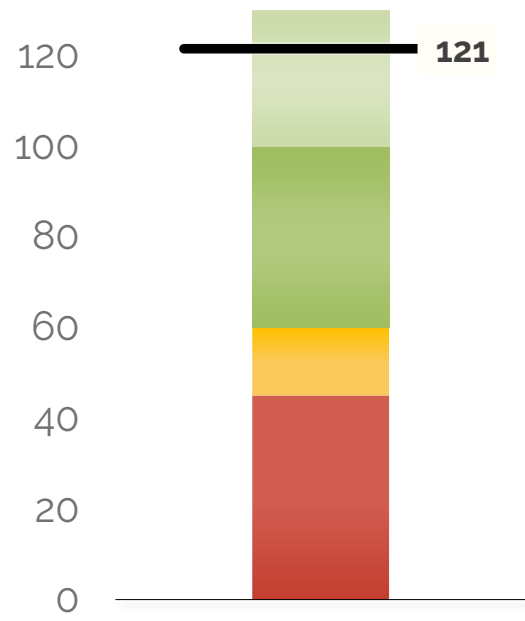
We forecast the school's year ending cash balance as **\$5.21m**, **\$3m** below budget.

WADA decrease of 115 based on actual attendance information provided and a decrease in the per WADA payment show a significant loss in revenue of approximately \$1M. This forecast also now reflects an unbudgeted ESSER-funded technology purchase and an increase to occupancy service based on year-to-date trends.



Days of Cash

Cash balance at year-end divided by average daily expenses

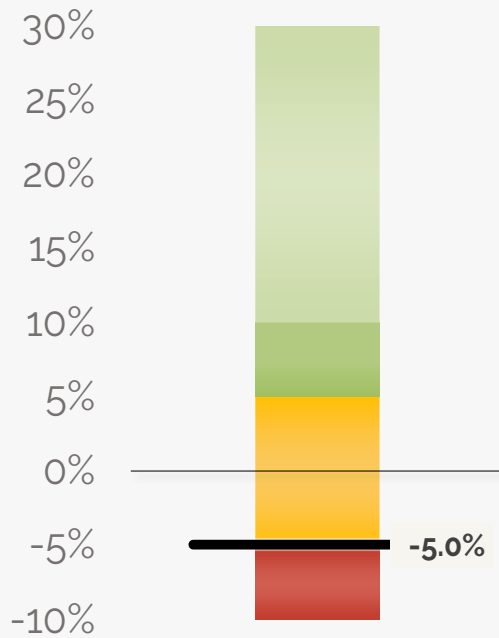


121 DAYS OF CASH AT YEAR'S END

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

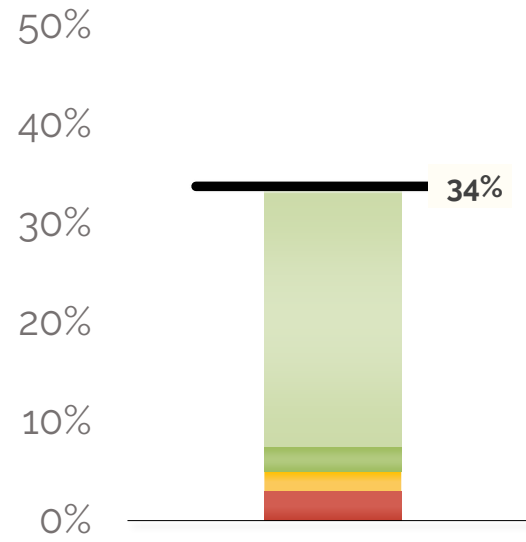


-5.0% GROSS MARGIN

The forecasted net income is -\$739k, which is \$2.5m below the budget. It yields a -5.0% gross margin.

Fund Balance %

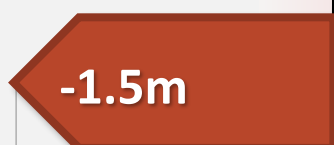


Forecasted Ending Fund Balance / Total Expenses



33.79% AT YEAR'S END

The school is projected to end the year with a fund balance of \$5,285,239. Last year's fund balance was \$6,024,239.

Forecast Overview

	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$14.9m	\$16.4m	-\$1.5m		State Revenue decrease due to WADA and Per WADA payment. KCPS MOU added to forecast.
Expenses	\$15.6m	\$14.6m	-\$1m		Facilities Improvement increase. Also, a technology improvement purchase utilizing ESSER funds.
Net Income	-\$739k	\$1.8m	-\$2.5m		

Key Forecast Changes This Month

The September forecast **decreased** the year-end cash expectation by \$1.4m. *Key changes:*

<i>Annual Change</i>	<i>Category</i>	<i>Impact On Cash</i>
1,088,103 less cash	State Revenue Decrease in regular term ADA by 115 along with a decrease to the Per WADA Payment of \$19	\$1.1m
197,733 less cash	Office & Business Expense Albert Implementation added to forecast. Will be offset using ESSER funds.	\$198k
43,505 less cash	Occupancy Service Update to janitorial services to match trends.	\$44k
38,433 less cash	Salaries Increased in-house sub expenses. Partially offset by outsourced subs (student expense, direct) and unfilled positions for the period.	\$38k
29,815 less cash	Student Expense, Direct Catapult learning added to forecast	\$30k

	Year-To-Date			Annual Forecast			Remaining
	Actual	Budget	Variance	Forecast	Budget	Variance	
Revenue							
Local Revenue	261,807	316,023	(54,216)	1,264,771	1,264,091	680	1,002,964
State Revenue	2,389,160	2,235,986	153,174	7,851,343	10,081,271	(2,229,928)	5,462,183
Federal Revenue	128,485	756,435	(627,950)	4,028,538	4,025,639	2,900	3,900,053
Private Grants and Donations	152,350	103,000	49,350	1,030,000	1,030,000	(0)	877,650
Earned Fees	338,320	-	338,320	729,058	-	729,058	390,738
Total Revenue	3,270,121	3,411,443	(141,322)	14,903,710	16,401,001	(1,497,291)	11,633,589
Expenses							
Salaries	1,708,478	1,832,544	124,066	6,858,808	7,330,177	471,369	5,150,330
Benefits and Taxes	480,227	518,815	38,588	1,909,050	2,075,259	166,209	1,428,824
Staff-Related Costs	36,350	69,475	33,125	277,900	277,900	0	241,550
Rent	61,828	50,000	(11,828)	211,828	200,000	(11,828)	150,000
Occupancy Service	218,270	262,984	44,714	1,097,316	1,051,937	(45,379)	879,046
Student Expense, Direct	366,550	282,057	(84,493)	1,189,044	1,128,229	(60,815)	822,494
Student Expense, Food	12,695	193,238	180,542	772,950	772,950	(0)	760,255
Office & Business Expense	439,052	227,326	(211,725)	1,107,108	909,305	(197,804)	668,057
Transportation	69,436	197,841	128,405	1,007,363	791,363	(216,000)	937,927
Total Ordinary Expenses	3,392,886	3,634,280	241,394	14,431,367	14,537,119	105,752	11,038,481
Net Operating Income	(122,765)	(222,837)	100,072	472,343	1,863,882	(1,391,539)	595,108
Extraordinary Expenses							
Interest	21,058	21,586	527	86,342	86,342	0	65,284
Facility Improvements	281,250	-	(281,250)	1,125,000	-	(1,125,000)	843,750
Total Extraordinary Expenses	302,308	21,586	(280,723)	1,211,342	86,342	(1,125,000)	909,034
Total Expenses	3,695,194	3,655,865	(39,329)	15,642,710	14,623,462	(1,019,248)	11,947,515
Net Income	(425,073)	(244,422)	(180,651)	(739,000)	1,777,539	(2,516,539)	(313,926)
Cash Flow Adjustments	59,213	-	59,213	0	-	0	(59,213)
Change in Cash	(365,860)	(244,422)	(121,438)	(739,000)	1,777,539	(2,516,539)	(373,139)

Monthly Financials

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	111,440	111,440	111,440	111,440	111,440	111,440	111,440	111,440	111,440	1,264,771
State Revenue	569,812	578,995	1,240,353	606,909	606,909	606,909	606,909	606,909	606,909	606,909	606,909	606,909	7,851,343
Federal Revenue	60,724	27,949	39,812	433,339	433,339	433,339	433,339	433,339	433,339	433,339	433,339	433,339	4,028,538
Private Grants and Donations	0	152,250	100	97,517	97,517	97,517	97,517	97,517	97,517	97,517	97,517	97,517	1,030,000
Earned Fees	14,977	53,983	269,360	43,415	43,415	43,415	43,415	43,415	43,415	43,415	43,415	43,415	729,058
Total Revenue	782,950	856,885	1,630,286	1,292,621	1,292,621	1,292,621	1,292,621	1,292,621	1,292,621	1,292,621	1,292,621	1,292,621	14,903,710
Expenses													
Salaries	592,180	564,413	551,885	572,048	569,567	569,567	569,567	569,567	569,567	569,567	569,567	591,314	6,858,808
Benefits and Taxes	141,912	202,024	136,291	156,682	156,213	156,213	159,379	159,379	159,379	159,379	159,379	162,821	1,909,050
Staff-Related Costs	1,451	969	33,930	26,839	26,839	26,839	26,839	26,839	26,839	26,839	26,839	26,839	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	67,663	81,764	97,672	97,672	97,672	97,672	97,672	97,672	97,672	97,672	97,672	1,097,316
Student Expense, Direct	162,185	74,585	129,781	91,388	91,388	91,388	91,388	91,388	91,388	91,388	91,388	91,388	1,189,044
Student Expense, Food2	12,695	0	0	0	0	0	0	0	0	0	0	0	12,695
Office & Business Expense	249,274	108,000	81,777	74,229	74,229	74,229	74,229	74,229	74,229	74,229	74,229	74,229	1,107,108
Transportation	44,396	7,402	17,638	104,214	104,214	104,214	104,214	104,214	104,214	104,214	104,214	104,214	1,007,363
Total Ordinary Expenses	1,301,430	1,041,723	1,049,732	1,139,738	1,136,788	1,136,788	1,139,954	1,139,954	1,139,954	1,139,954	1,139,954	1,165,144	13,671,113
Operating Income	-518,481	-184,838	580,554	152,883	155,833	155,833	152,667	152,667	152,667	152,667	152,667	127,477	1,232,598
Extraordinary Expenses													
Interest	7,019	7,019	7,019	7,254	7,254	7,254	7,254	7,254	7,254	7,254	7,254	7,254	86,342
Facility Improvements	0	281,250	0	93,750	93,750	93,750	93,750	93,750	93,750	93,750	93,750	93,750	1,125,000
Total Extraordinary Expenses	7,019	288,269	7,019	101,004	101,004	101,004	101,004	101,004	101,004	101,004	101,004	101,004	1,211,342
Total Expenses	1,308,450	1,329,993	1,056,752	1,240,741	1,237,792	1,237,792	1,240,958	1,240,958	1,240,958	1,240,958	1,240,958	1,266,148	14,882,455
Net Income	-525,500	-473,108	573,535	51,880	54,829	54,829	51,663	51,663	51,663	51,663	51,663	26,473	21,255
Cash Flow Adjustments	56,573	-3,156	5,796	-6,579	-6,579	-6,579	-6,579	-6,579	-6,579	-6,579	-6,579	-6,579	0
Change in Cash	-468,927	-476,263	579,330	45,300	48,250	48,250	45,084	45,084	45,084	45,084	45,084	19,894	21,255

	<i>Previous Year End</i>	<i>Current</i>
	<i>6/30/2021</i>	<i>9/30/2021</i>
Assets		
Current Assets		
Cash	5,945,002	5,579,142
Total Current Assets	5,945,002	5,579,142
Total Assets	5,945,002	5,579,142
Liabilities and Equity		
Liabilities		
Current Liabilities		
Other Current Liabilities	-79,237	-20,024
Total Current Liabilities	-79,237	-20,024
Total Long-Term Liabilities	0	0
Total Liabilities	-79,237	-20,024
Equity		
Unrestricted Net Assets	6,024,239	6,024,239
Net Income	0	-425,073
Total Equity	6,024,239	5,599,166