



February 2022 Financials

PREPARED MARCH 2022 BY



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Executive Summary



- Hogan closes February with a forecasted Net Income of -11k, which is an 80k decrease from January Close. This is a 664k decrease from Board-approved Net Operating Income and a 1.79M decrease from Board-approved Net Income.
- February close financials were forecasted assuming no change to PK-12 ADA of 792. No change to WADA or per-WADA payment amount.
- The primary drivers of the change in February close are:
 - **Revenue: Net Decrease of 93.5k**
 - Local: 63k decrease to Prop C to reflect DESE calculation error; Prop C forecast does not yet reflect possible 199k Supplemental Appropriation.
 - State: 88k decrease to State Transportation Aid (subsidizes transportation provided in FY21)
 - Federal: 215k increase to ESSER III based on first draw; additional increases forthcoming. 73k increase to IDEA Part B
 - Private: Decrease to Private Grants/Donations based on timing of deposits in FY23
 - **Expenses: Net Decrease of 13k**
 - 40k decrease to wages and taxes/benefits related to recent staffing changes and one month of unfilled positions
 - 28k increase to 3rd-party SPED Tuition

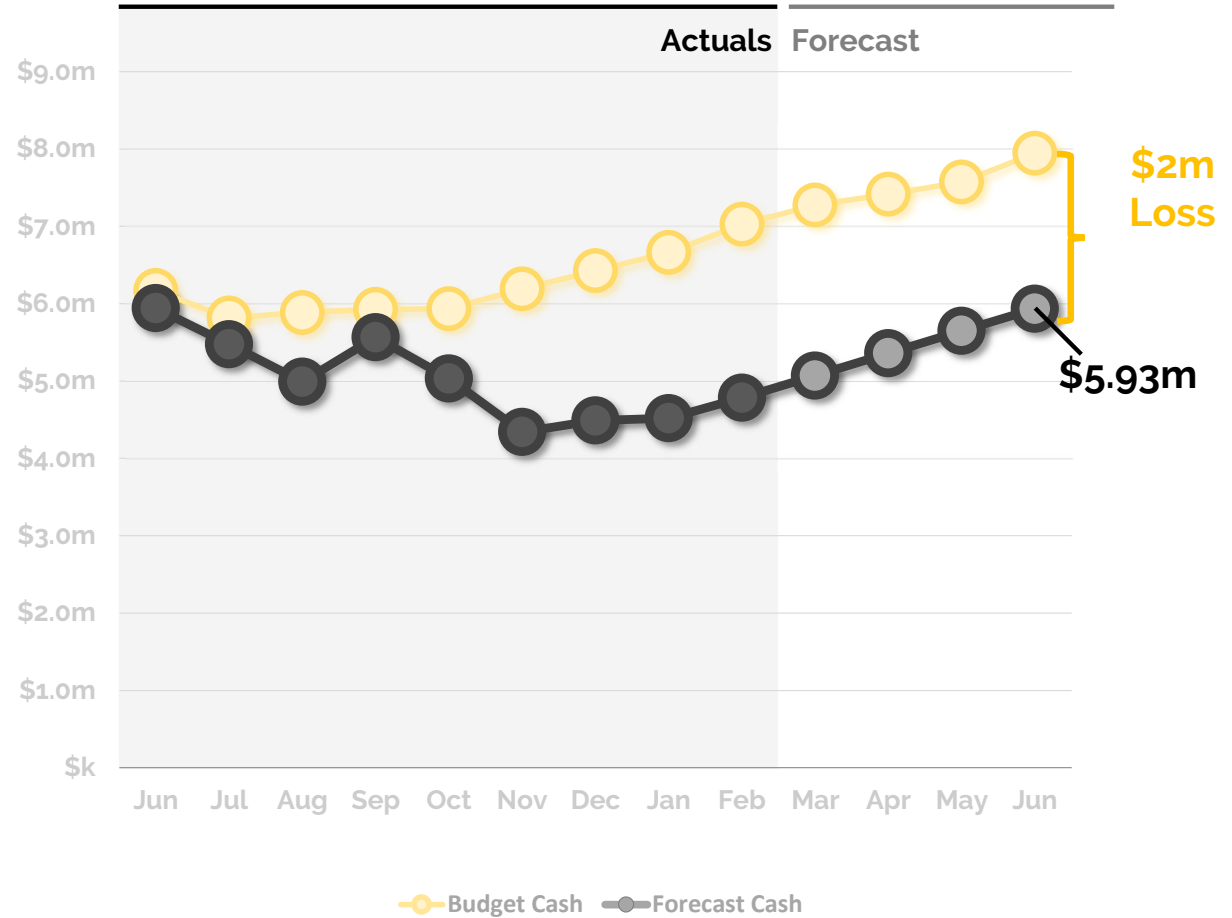
Cash Forecast



141 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$5.93m**, **\$2m** below budget.

The Board-approved budget anticipated 195 days of cash on hand. The revenue is 1.0M below the Board-Approved budget, the primary driver being the State Aid driven by enrollment/attendance. Operating Expenses are 752k higher than budget, primarily because of facility improvement payments. Net Income is projected 1.79M below budget.

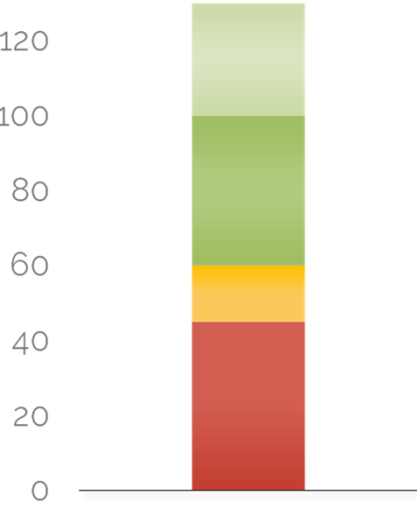


Key Performance Indicators



Days of Cash

Cash balance at year-end divided by average daily expenses

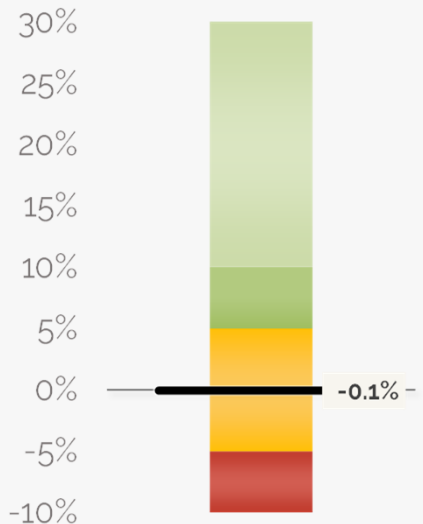


141 DAYS OF CASH AT YEAR'S END

The school will end the year with 141 days of cash. This is above the recommended 60 days

Gross Margin

Revenue less expenses, divided by revenue

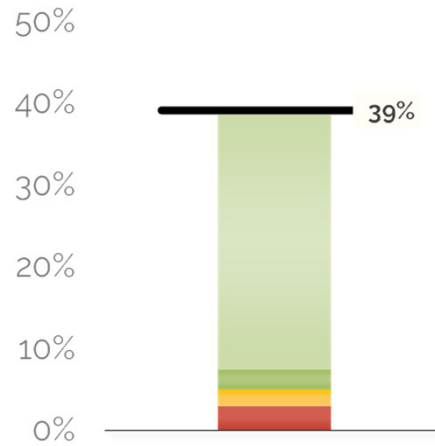


-0.1% GROSS MARGIN

The forecasted net income is -\$11k, which is \$1.8m below the budget. It yields a -0.1% gross margin.

Fund Balance %

Forecasted Ending Fund Balance / Total Expenses



39.11% AT YEAR'S END

The school is projected to end the year with a fund balance of \$6,012,934. Last year's fund balance was \$6,024,239.

Forecast Overview

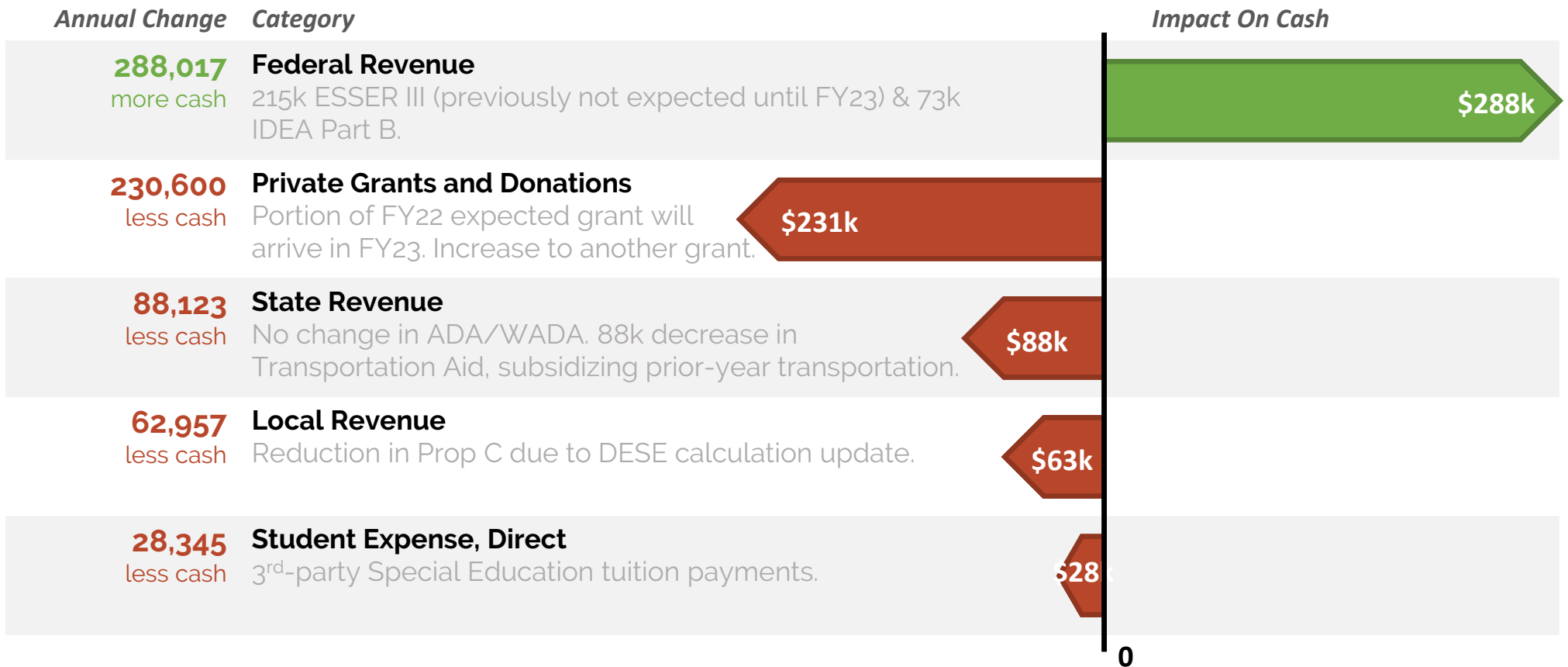


	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$15.4m	\$16.4m	-\$1m		State Revenue decrease of 2.2M is offset by 563k increase to Federal funds (predominately COVID-response) and 795k increase to Earned Fees (KCPS MOU & McKinney Vento transportation reimbursement).
Expenses	\$15.4m	\$14.6m	-\$752k		1.125M increase in facilities expenses are partially offset by 1.0M in savings in wages/taxes/benefits. Other increases include Office & Business and transportation expenses.
Net Income	-\$11k	\$1.8m	-\$1.8m		

Key Forecast Changes This Month



The February forecast **decreased** the year-end cash expectation by \$80k. Key changes:



	Year-To-Date			Annual Forecast			Remaining
	Actual	Budget	Variance	Forecast	Budget	Variance	
Revenue							
Local Revenue	993,721	859,582	134,139	1,242,546	1,264,091	(21,545)	248,825
State Revenue	5,239,597	6,278,553	(1,038,956)	7,813,783	10,081,271	(2,267,487)	2,574,186
Federal Revenue	1,342,324	2,540,743	(1,198,419)	4,588,501	4,025,639	562,862	3,246,177
Private Grants and Donations	709,651	927,000	(217,349)	924,400	1,030,000	(105,600)	214,749
Earned Fees	504,092	-	504,092	795,146	-	795,146	291,053
Total Revenue	8,789,386	10,605,878	(1,816,492)	15,364,376	16,401,001	(1,036,625) ①	6,574,990
Expenses							
Salaries	4,391,348	4,886,785	495,436	6,547,855	7,330,177	782,322	2,156,507
Benefits and Taxes	1,193,489	1,383,506	190,017	1,819,472	2,075,259	255,787	625,983
Staff-Related Costs	88,150	185,267	97,117	277,900	277,900	0	189,750
Rent	145,161	133,333	(11,828)	211,828	200,000	(11,828)	66,667
Occupancy Service	721,193	701,291	(19,902)	1,131,661	1,051,937	(79,724)	410,468
Student Expense, Direct	952,829	752,152	(200,677)	1,270,387	1,128,229	(142,158)	317,558
Student Expense, Food	345,841	515,300	169,459	772,950	772,950	(0)	427,109
Office & Business Expense	749,070	606,203	(142,866)	1,124,922	909,305	(215,617)	375,853
Transportation	489,976	527,575	37,600	1,007,363	791,363	(216,000)	517,387
Total Ordinary Expenses	9,077,058	9,691,413	614,355	14,164,338	14,537,119	372,781	5,087,280
Net Operating Income	(287,672)	914,465	(1,202,137)	1,200,038	1,863,882	(663,844)	1,487,709
Extraordinary Expenses							
Interest	56,156	57,562	1,406	86,342	86,342	0	30,187
Facility Improvements	843,750	-	(843,750)	1,125,000	-	(1,125,000)	281,250
Total Extraordinary Expenses	899,906	57,562	(842,344)	1,211,342	86,342	(1,125,000)	311,437
Total Expenses	9,976,963	9,748,974	(227,989)	15,375,681	14,623,462	(752,219) ②	5,398,717
Net Income	(1,187,577)	856,904	(2,044,481)	(11,305)	1,777,539	(1,788,844) ③	1,176,273
Cash Flow Adjustments	26,049	-	26,049	0	-	0	(26,049)
Change in Cash	(1,161,528)	856,904	(2,018,432)	(11,305)	1,777,539	(1,788,844)	1,150,223

① REVENUE: \$1M BEHIND

State Revenue decrease of 2.2M is offset by 563k increase to Federal funds (predominately COVID-response) and 795k increase to Earned Fees (KCPS MOU & McKinney Vento transportation reimbursement).

② EXPENSES: \$752K BEHIND

1.125M increase in facilities expenses are partially offset by 1.0M in savings in wages/taxes/benefits. Other increases include Office & Business and transportation expenses.

③ NET INCOME: \$1.8M behind

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	77,730	275,658	112,078	134,898	131,551	62,206	62,206	62,206	62,206	1,242,546
State Revenue	569,812	578,995	1,240,353	776,734	119,943	654,846	669,684	629,231	643,547	643,547	643,547	643,547	7,813,783
Federal Revenue	60,724	27,949	32,543	184,481	82,895	258,930	147,386	547,417	811,544	811,544	811,544	811,544	4,588,501
Private Grants and Donations	0	152,938	264,800	12,500	2,500	263,143	13,650	120	53,687	53,687	53,687	53,687	924,400
Earned Fees	14,977	53,295	11,929	21,851	21,031	1,147	330,584	49,278	72,763	72,763	72,763	72,763	795,146
Total Revenue	782,950	856,885	1,630,286	1,073,296	502,027	1,290,143	1,296,201	1,357,598	1,643,747	1,643,747	1,643,747	1,643,747	15,364,376
Expenses													
Salaries	592,180	564,413	551,885	536,623	557,543	558,330	514,085	516,289	540,962	535,962	537,162	542,420	6,547,855
Benefits and Taxes	141,912	202,024	136,291	144,227	140,898	145,836	142,751	139,552	157,066	156,083	156,175	156,658	1,819,472
Staff-Related Costs	1,451	1,589	33,930	10,356	21,153	7,924	8,639	3,108	47,438	47,438	47,438	47,438	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	75,548	67,726	81,363	87,275	123,392	117,249	97,915	70,724	102,617	102,617	102,617	102,617	1,131,661
Student Expense, Direct	162,185	79,517	134,114	174,388	157,101	55,828	72,435	117,262	79,389	79,389	79,389	79,389	1,270,387
Student Expense, Food	12,695	0	0	114,969	74,895	97,339	45,944	0	106,777	106,777	106,777	106,777	772,950
Office & Business Expense	242,569	109,492	83,446	67,813	64,753	48,157	77,902	54,939	93,963	93,963	93,963	93,963	1,124,922
Transportation	44,396	7,402	17,638	115,784	95,329	96,686	60,928	51,813	129,347	129,347	129,347	129,347	1,007,363
Total Ordinary Expenses	1,301,430	1,048,831	1,055,333	1,268,102	1,251,731	1,144,015	1,037,264	970,353	1,274,226	1,268,244	1,269,535	1,275,276	14,164,338
Operating Income	-518,481	-191,946	574,953	-194,805	-749,704	146,129	258,937	387,245	369,521	375,504	374,212	368,472	1,200,038
Extraordinary Expenses													
Interest	7,019	7,019	7,019	7,019	7,019	7,019	7,019	7,019	7,547	7,547	7,547	7,547	86,342
Facility Improvements	0	281,250	0	281,250	0	0	281,250	0	70,313	70,313	70,313	70,313	1,125,000
Total Extraordinary Expenses	7,019	288,269	7,019	288,269	7,019	7,019	288,269	7,019	77,859	77,859	77,859	77,859	1,211,342
Total Expenses	1,308,450	1,337,100	1,062,353	1,556,371	1,258,750	1,151,034	1,325,534	977,372	1,352,085	1,346,103	1,347,395	1,353,135	15,375,681
Net Income	-525,500	-480,215	567,934	-483,075	-756,724	139,109	-29,332	380,226	291,662	297,645	296,353	290,613	-11,305
Cash Flow Adjustments	56,573	-3,156	5,796	-48,991	62,965	9,979	61,307	-118,425	-6,512	-6,512	-6,512	-6,512	0
Change in Cash	-468,927	-483,371	573,730	-532,066	-693,758	149,088	31,975	261,801	285,150	291,132	289,841	284,100	-11,305

	<i>Previous Year End</i>	<i>Current</i>
	<i>6/30/2021</i>	<i>2/28/2022</i>
Assets		
Current Assets		
Cash	5,945,002	4,783,474
Total Current Assets	5,945,002	4,783,474
Total Assets	5,945,002	4,783,474
Liabilities and Equity		
Liabilities		
Current Liabilities		
Other Current Liabilities	-79,237	-53,188
Total Current Liabilities	-79,237	-53,188
Total Long-Term Liabilities	0	0
Total Liabilities	-79,237	-53,188
Equity		
Unrestricted Net Assets	6,024,239	6,024,239
Net Income	0	-1,187,577
Total Equity	6,024,239	4,836,662