

HOGAN
PREP ACADEMY



November 2022 Financials

PREPARED DEC'22 BY



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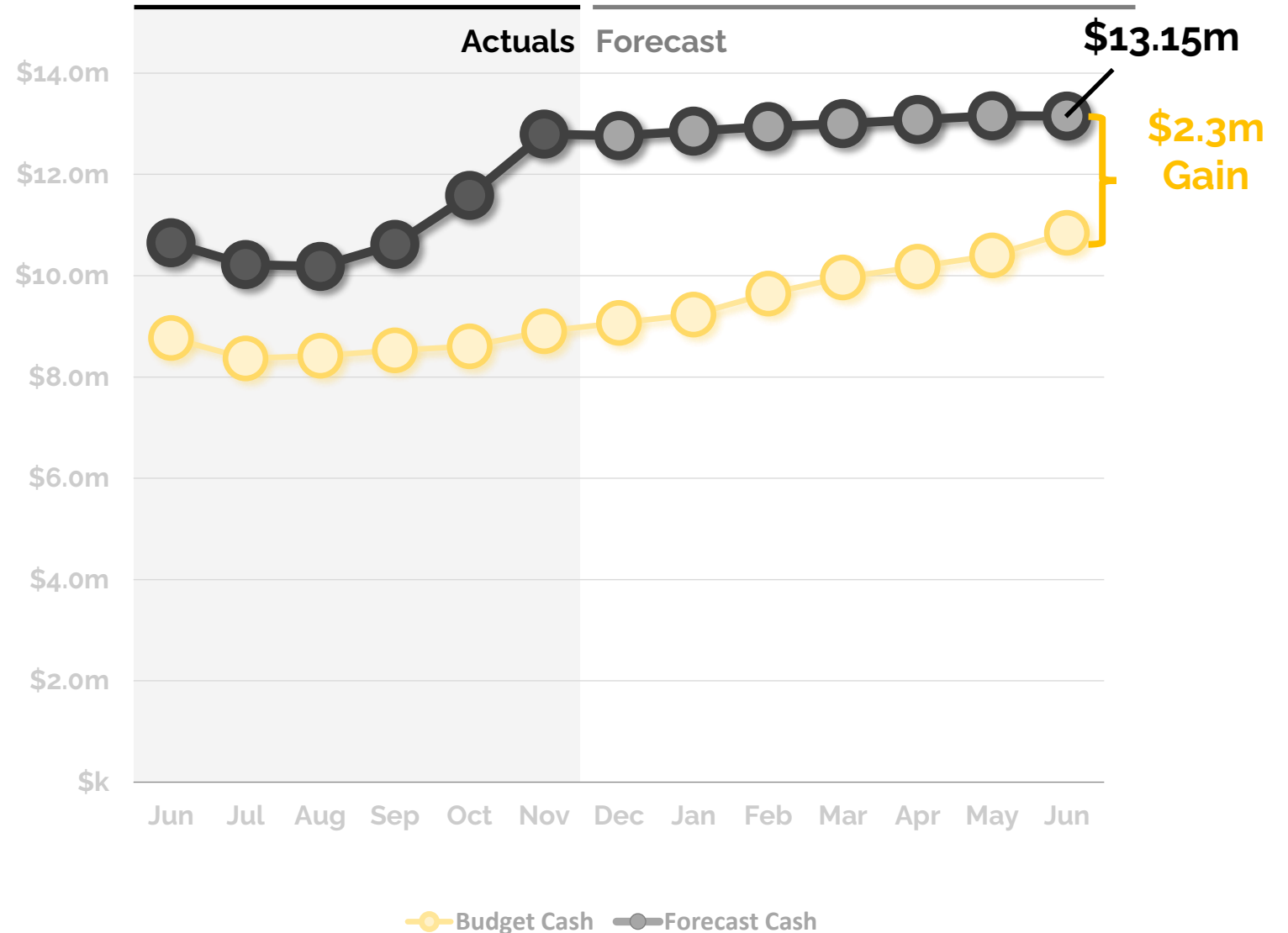
- Hogan ended November, 2022 with a projected \$13.15M in cash reserves at year end. This is \$220,000 less than the October close, resulting in 6 days less of cash on hand. That said, Hogan's cash position continues to be strong.
- Revenue this month was positively impacted by a larger than anticipated reimbursement from DESE on student transportation expenses. DESE has a larger budget for transportation this fiscal year. As a result, Hogan should see a higher rate of reimbursement. We have adjusted the full year forecast for this item to reflect some of the anticipated increase and will likely improve the forecast again in the Spring, once we see a few more months of reimbursement.
- Expenses continue to trend slightly below budget, largely due to open staffing positions. This is helping offset some of the increases we're seeing in other expense categories (security, employee benefits, facilities) and decreases in revenue due to lower enrollment and attendance.

- As we approach the holiday break and move towards the second half of the school year, focus should be on those areas which positively impact Hogan for the long term. We anticipate seeing increased spending on security, staffing, and culture throughout the second half. Hopefully, we can also see enrollment maintained and attendance improving to help offset these additional costs.
- Finally, it is important to note that Hogan ended November with enrollment at 1073 students. This is slightly below the 1075 threshold set by KLS, the provider of our capital project loan. If enrollment continues to slip, notification should be made to KLS in January.

281 Days of Cash at year's end

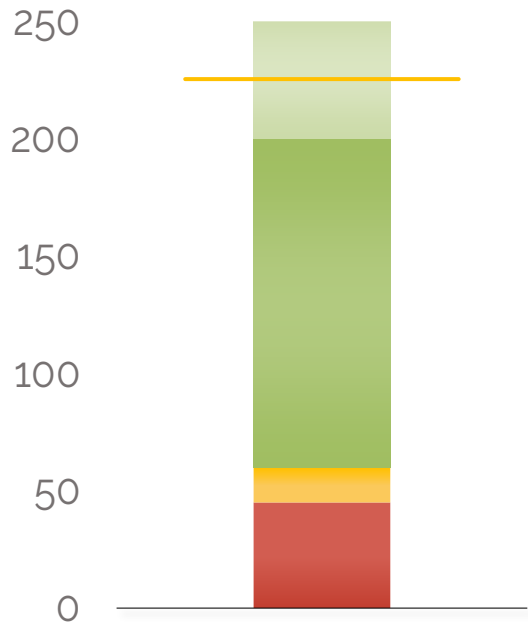
We forecast the school's year ending cash balance as **\$13m**, **\$2.3m** above budget.

As compared to the October, 2022 close where the forecast was \$13,37M and 287 days of cash.



Days of Cash

Cash balance at year-end divided by average daily expenses

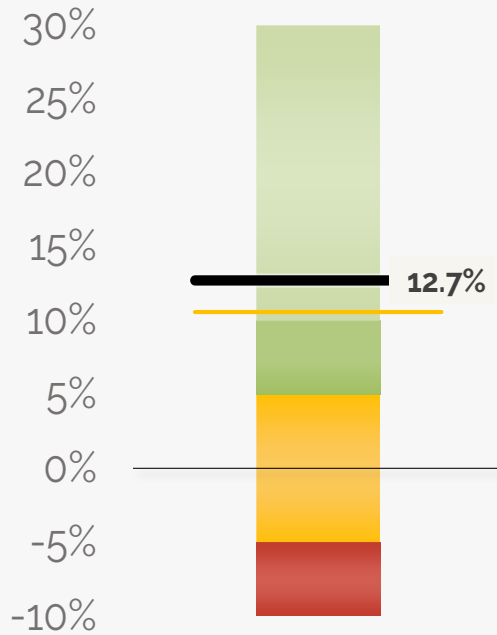


281 DAYS OF CASH AT YEAR'S END

The school will end the year with 281 days of cash. This is above the recommended 60 days

Gross Margin

Revenue less expenses, divided by revenue

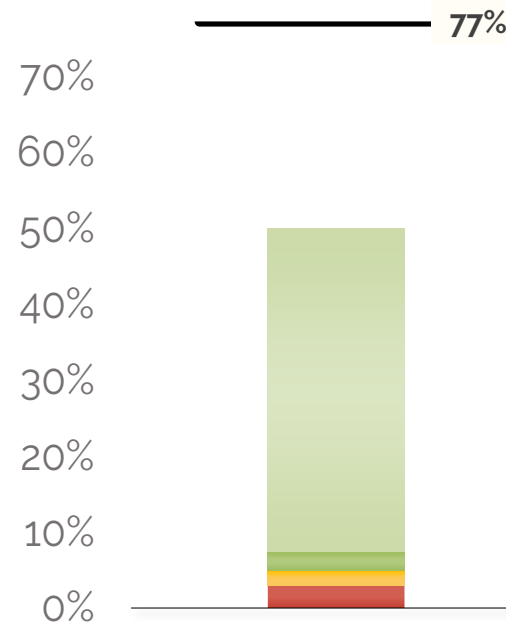


12.7% GROSS MARGIN

The forecasted net income is \$2.5m, which is \$415k above the budget. It yields a 12.7% gross margin.

Fund Balance %

Forecasted Ending Fund Balance / Total Expenses



77.35% AT YEAR'S END

The school is projected to end the year with a fund balance of \$13,216,301. Last year's fund balance was \$10,724,590.

Forecast Overview

	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$19.6m	\$19.6m	-\$54k		Lower attendance and enrollment decreased revenue by \$371K. This was offset for the most part by increased student transportation reimbursement.
Expenses	\$17.1m	\$17.6m	\$469k		As noted, 'savings' from open staffing positions continue to result in lower than anticipated expenses.
Net Income	\$2.5m	\$2.1m	\$415k		
Cash Flow Adjustments	\$7k	0	\$7k		
Change in Cash	\$2.5m	\$2.1m	\$423k		

	Year-To-Date			Annual Forecast			
	Actual	Budget	Variance	Forecast	Budget	Variance	Remaining
Revenue							
Local Revenue	684,551	641,443	43,109	1,504,135	1,491,727	12,408	819,583
State Revenue	4,504,068	3,976,388	527,680	10,570,326	10,407,630	162,696	6,066,258
Federal Revenue	1,984,881	2,428,245	(443,364)	6,543,306	6,202,728	340,578	4,558,425
Private Grants and Donations	355,700	111,500	244,200	557,500	557,500	0	201,800
Earned Fees	263,406	291,860	(28,454)	403,617	972,866	(569,249)	140,211
Total Revenue	7,792,607	7,449,436	343,171	19,578,883	19,632,450	(53,567) ①	11,786,276
Expenses							
Salaries	2,458,608	2,968,853	510,245	6,587,572	7,125,248	537,676	4,128,964
Benefits and Taxes	668,517	845,685	177,168	1,911,019	2,029,643	118,624	1,242,503
Staff-Related Costs	71,349	94,948	23,599	229,037	227,875	(1,161)	157,687
Rent	83,333	62,500	(20,833)	200,002	150,000	(50,002)	116,669
Occupancy Service	471,469	453,210	(18,259)	1,208,223	1,087,703	(120,520)	736,754
Student Expense, Direct	450,572	760,862	310,290	1,826,069	1,826,069	(0)	1,375,497
Student Expense, Food	339,745	455,415	115,670	1,092,995	1,092,995	0	753,250
Office & Business Expense	322,576	475,354	152,778	1,156,428	1,140,849	(15,579)	833,852
Transportation	254,326	392,317	137,991	941,560	941,560	(0)	687,234
Total Ordinary Expenses	5,120,495	6,509,143	1,388,647	15,152,906	15,621,943	469,037	10,032,410
Net Operating Income	2,672,112	940,293	1,731,819	4,425,978	4,010,508	415,470	1,753,866
Extraordinary Expenses							
Interest	164,450	35,097	(129,353)	84,233	84,233	0	(80,217)
Facility Improvements	379,210	770,848	391,638	1,850,034	1,850,034	0	1,470,824
Total Extraordinary Expenses	543,660	805,945	262,285	1,934,267	1,934,268	0	1,390,607
Total Expenses	5,664,156	7,315,088	1,650,932	17,087,173	17,556,210	469,038 ②	11,423,017
Net Income	2,128,451	134,348	1,994,103	2,491,711	2,076,240	415,470 ③	363,259
Cash Flow Adjustments	12,957	-	12,957	7,437	-	7,437	(5,520)
Change in Cash	2,141,408	134,348	2,007,060	2,499,148	2,076,240	422,907 ⑤	357,739

① **REVENUE: \$54K BEHIND**
Reduced revenue due to lower enrollment and attendance

② **EXPENSES: \$469K AHEAD**
Salaries/benefits from unfilled positions

③ **NET INCOME: \$415K ahead**

④ **CASH ADJ: \$7K AHEAD**

⑤ **NET CHANGE IN CASH: \$423K AHEAD**

Monthly Financials

Income Statement	Actual					Forecast							TOTAL
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Revenue													
Local Revenue	159,450	144,898	125,697	132,468	122,039	117,083	117,083	117,083	117,083	117,083	117,083	117,083	1,504,135
State Revenue	652,434	768,164	702,991	1,594,362	786,116	866,608	866,608	866,608	866,608	866,608	866,608	866,608	10,570,326
Federal Revenue	76,426	9,573	0	467,609	1,431,274	651,204	651,204	651,204	651,204	651,204	651,204	651,204	6,543,306
Private Grants and Donations	1,000	40,700	314,000	0	0	28,829	28,829	28,829	28,829	28,829	28,829	28,829	557,500
Earned Fees	95,176	0	168,230	0	0	20,030	20,030	20,030	20,030	20,030	20,030	20,030	403,617
Total Revenue	984,485	963,335	1,310,918	2,194,440	2,339,429	1,683,754	1,683,754	1,683,754	1,683,754	1,683,754	1,683,754	1,683,754	19,578,883
Expenses													
Salaries	538,677	442,981	479,855	468,479	528,616	665,290	554,865	554,865	580,352	564,615	570,265	638,715	6,587,572
Benefits and Taxes	139,145	131,021	127,291	134,063	136,996	182,941	174,436	174,436	176,386	175,182	176,207	182,916	1,911,019
Staff-Related Costs	6,252	14,263	11,701	17,932	21,201	22,527	22,527	22,527	22,527	22,527	22,527	22,527	229,037
Rent	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	16,667	200,002
Occupancy Service	81,274	73,148	92,261	99,684	125,101	105,251	105,251	105,251	105,251	105,251	105,251	105,251	1,208,223
Student Expense, Direct	58,017	220,061	38,835	55,145	78,515	196,500	196,500	196,500	196,500	196,500	196,500	196,500	1,826,069
Student Expense, Food	226,775	0	30,401	0	82,569	107,607	107,607	107,607	107,607	107,607	107,607	107,607	1,092,995
Office & Business Expense	60,090	63,614	64,370	88,149	46,352	119,122	119,122	119,122	119,122	119,122	119,122	119,122	1,156,428
Transportation	3,325	5,136	8,353	138,316	99,196	98,176	98,176	98,176	98,176	98,176	98,176	98,176	941,560
Total Ordinary Expenses	1,130,222	966,890	869,735	1,018,436	1,135,213	1,514,079	1,395,149	1,395,149	1,422,587	1,405,645	1,412,320	1,487,479	15,152,906
Operating Income	-145,737	-3,555	441,183	1,176,004	1,204,216	169,674	288,604	288,604	261,167	278,108	271,433	196,274	4,425,978
Extraordinary Expenses													
Interest	7,019	7,019	7,019	136,372	7,019	-11,460	-11,460	-11,460	-11,460	-11,460	-11,460	-11,460	84,233
Facility Improvements	281,250	28,750	0	69,210	0	210,118	210,118	210,118	210,118	210,118	210,118	210,118	1,850,034
Total Extraordinary Expenses	288,269	35,769	7,019	205,582	7,019	198,658	198,658	198,658	198,658	198,658	198,658	198,658	1,934,267
Total Expenses	1,418,491	1,002,659	876,754	1,224,018	1,142,233	1,712,737	1,593,808	1,593,808	1,621,245	1,604,303	1,610,979	1,686,138	17,087,173
Net Income	-434,006	-39,324	434,164	970,422	1,197,196	-28,984	89,946	89,946	62,509	79,450	72,775	-2,384	2,491,711
Cash Flow Adjustments	2,750	3,124	94	-6,089	13,079	-789	-789	-789	-789	-789	-789	-789	7,437
Change in Cash	-431,257	-36,201	434,258	964,333	1,210,275	-29,772	89,158	89,158	61,720	78,662	71,987	-3,172	2,499,148

	<i>Previous Year End</i>	<i>Current</i>	<i>Year End</i>
	<i>6/30/2022</i>	<i>11/30/2022</i>	<i>6/30/2023</i>
Assets			
Current Assets			
Cash	10,652,639	12,794,047	13,151,786
Total Current Assets	10,652,639	12,794,047	13,151,786
Total Assets	10,652,639	12,794,047	13,151,786
Liabilities and Equity			
Liabilities			
Current Liabilities			
Other Current Liabilities	-71,951	-58,994	-64,514
Total Current Liabilities	-71,951	-58,994	-64,514
Total Long-Term Liabilities	0	0	
Total Liabilities	-71,951	-58,994	
Equity			
Unrestricted Net Assets	10,724,590	10,724,590	10,724,590
Net Income	0	2,128,451	2,491,711
Total Equity	10,724,590	12,853,041	13,216,301