

HOGAN
PREP ACADEMY



February 2023 Financials

PREPARED MAR'23 BY



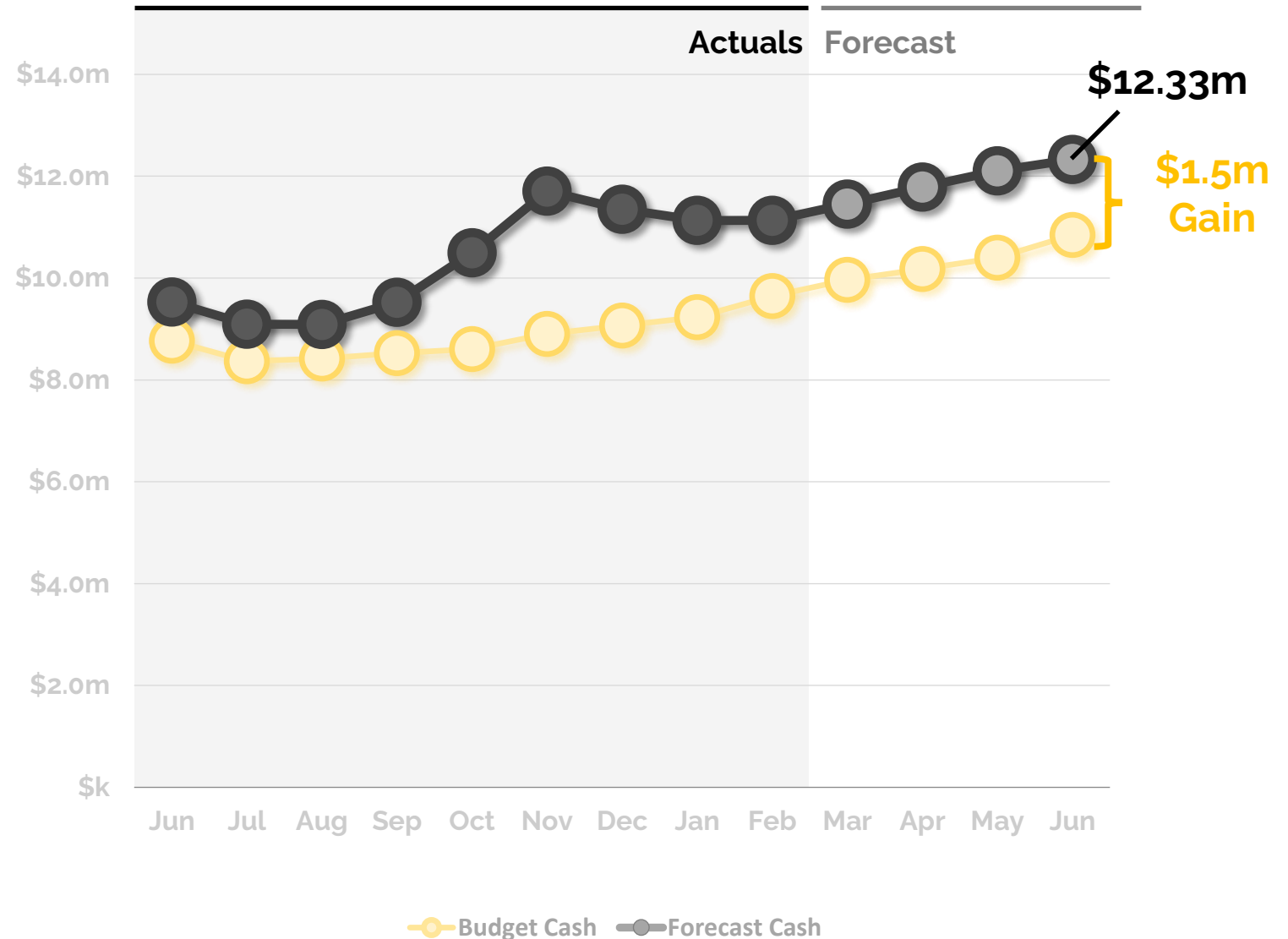
- **Executive Summary**
- **Cash Forecast**
- **Key Performance Indicators**
- **Forecast Overview**
- **Financials**
- **Monthly Projections**
- **Balance Sheet**

- **Effective with the 02/23 State revenue payment, Hogan is being paid on the FY21 WADA. This is because Hogan's current year WADA was no longer the highest (of the current or previous two fiscal years). This payment methodology was passed with funding equity in 2022.**
- **Hogan will continue to be paid on the FY21 WADA for the balance of the year, per the provisions of the legislation.**
- **Our current FY23 WADA will continue to be captured and will be a factor in determining FY24 funding for Title I and Local Revenue. Both Title I funds and Local Revenue are based on the prior year WADA. Because the FY23 WADA will likely be much lower than anticipated, we will likely see a significant reduction in these two revenue areas.**

- Because the FY23 WADA continues to need focus (in order to ensure we get it to the highest point possible), we should give attention to daily attendance and virtual school course completion.
- In the short term, the change has had a positive impact on the year's revenue forecast, improving our YE cash forecast to \$12M, \$1.5M over budget. Days of cash has improved to 275 days.
- Expenses continue to trend about \$750K under budget. Dr. Burns and Jamie will be reviewing ALL expense categories in March, with the potential to make a few adjustments to the FY23 forecast. These changes may result in additional savings.
- Net income for the year is projected at \$727K.

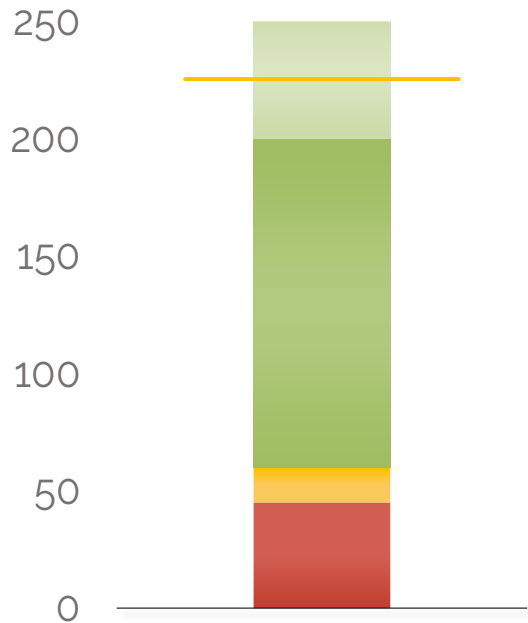
275 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$12m**, **\$1.5m** above budget.



Days of Cash

Cash balance at year-end divided by average daily expenses

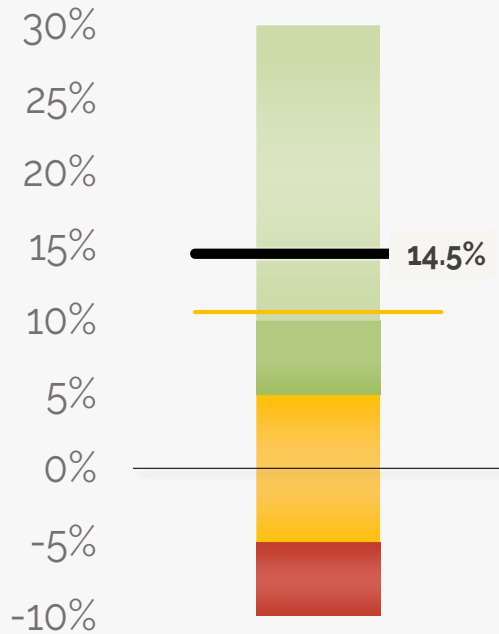


275 DAYS OF CASH AT YEAR'S END

The school will end the year with 275 days of cash. This is above the recommended 60 days

Gross Margin

Revenue less expenses, divided by revenue

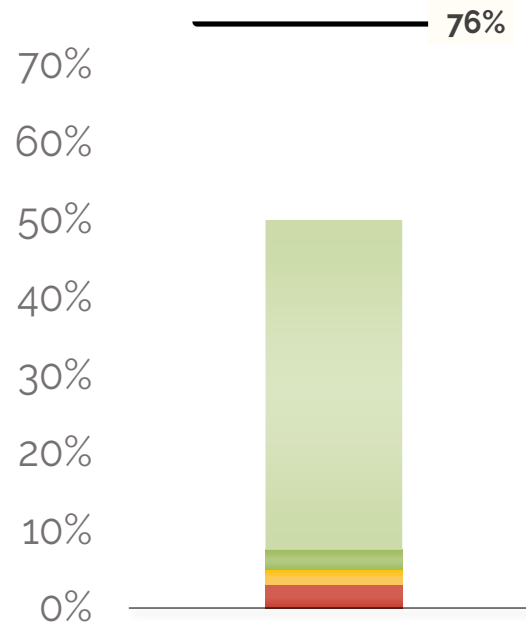


14.5% GROSS MARGIN

The forecasted net income is \$2.8m, which is \$713k above the budget. It yields a 14.5% gross margin.

Fund Balance %







Forecasted Ending Fund Balance / Total Expenses



75.56% AT YEAR'S END

The school is projected to end the year with a fund balance of \$12,388,341. Last year's fund balance was \$9,599,590.

Forecast Overview

	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$19.2m	\$19.6m	-\$448k		Revenue improvement is now largely due to a move from current year WADA to FY21 WADA, a small increase in Prop C funding, and a final ESSER II payment which was received this year instead of FY22.
Expenses	\$16.4m	\$17.6m	\$1.2m		Unfilled staff positions and the associated benefits are providing 'savings'
Net Income	\$2.8m	\$2.1m	\$713k		
Cash Flow Adjustments	\$14k	0	\$14k		
Change in Cash	\$2.8m	\$2.1m	\$727k		
					

	Year-To-Date			Annual Forecast			
	Actual	Budget	Variance	Forecast	Budget	Variance	Remaining
Revenue							
Local Revenue	1,106,548	1,014,374	92,173	1,515,028	1,491,727	23,301	408,480
State Revenue	6,789,066	6,480,079	308,987	10,163,418	10,407,630	(244,212)	3,374,352
Federal Revenue	2,175,544	4,000,347	(1,824,804)	6,540,944	6,202,728	338,217	4,365,400
Private Grants and Donations	421,669	501,750	(80,081)	557,500	557,500	-	135,831
Earned Fees	325,312	583,720	(258,408)	407,159	972,866	(565,707)	81,847
Total Revenue	10,818,138	12,580,271	(1,762,132)	19,184,049	19,632,450	(448,401) ①	8,365,911
Expenses							
Salaries	3,948,497	4,750,166	801,668	6,053,674	7,125,248	1,071,574	2,105,177
Benefits and Taxes	1,067,604	1,353,096	285,492	1,750,235	2,029,643	279,408	682,631
Staff-Related Costs	111,684	151,917	40,233	231,298	227,875	(3,423)	119,614
Rent	133,333	100,000	(33,333)	200,001	150,000	(50,001)	66,668
Occupancy Service	799,756	725,135	(74,621)	1,208,223	1,087,703	(120,520)	408,467
Student Expense, Direct	741,982	1,217,379	475,397	1,826,069	1,826,069	(0)	1,084,087
Student Expense, Food	470,185	728,663	258,478	1,092,995	1,092,995	0	622,810
Office & Business Expense	540,449	760,566	220,117	1,156,975	1,140,849	(16,126)	616,526
Transportation	467,122	627,707	160,585	941,560	941,560	(0)	474,438
Total Ordinary Expenses	8,280,613	10,414,628	2,134,016	14,461,031	15,621,943	1,160,912	6,180,418
Net Operating Income	2,537,526	2,165,643	371,883	4,723,018	4,010,508	712,511	2,185,493
Extraordinary Expenses							
Interest	596,112	56,156	(539,956)	84,233	84,233	0	(511,879)
Facility Improvements	396,390	1,233,356	836,966	1,850,034	1,850,034	0	1,453,644
Total Extraordinary Expenses	992,502	1,289,512	297,010	1,934,267	1,934,268	1	941,765
Total Expenses	9,273,114	11,704,140	2,431,026	16,395,298	17,556,210	1,160,912 ②	7,122,184
Net Income	1,545,024	876,131	668,893	2,788,751	2,076,240	712,511 ③	1,243,727
Cash Flow Adjustments	62,608	-	62,608	14,169	-	14,169	(48,439)
Change in Cash	1,607,632	876,131	731,501	2,802,920	2,076,240	726,680 ⑤	1,195,288

① REVENUE: \$448K BEHIND

As noted, a change to FY21 WADA, Prop C, and and ESSER II pmt rec'd in FY23 vs. FY22 make us this difference.

② EXPENSES: \$1.2M AHEAD

From open/unfilled staff positions and associated benefits.

③ NET INCOME: \$713K ahead

④ CASH ADJ: \$14K AHEAD

⑤ NET CHANGE IN CASH: \$727K 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	125,263	135,041	161,692	102,120	102,120	102,120	102,120	1,515,028
State Revenue	652,434	768,164	702,991	1,594,362	786,116	630,606	1,044,735	609,658	843,588	843,588	843,588	843,588	10,163,418
Federal Revenue	76,426	9,573	0	467,609	1,431,274	54,903	56,034	79,725	1,091,350	1,091,350	1,091,350	1,091,350	6,540,944
Private Grants and Donations	1,000	40,700	314,000	1,000	1,500	3,530	5,939	54,000	33,958	33,958	33,958	33,958	557,500
Earned Fees	95,428	30,018	168,852	4,997	1,741	4,523	10,656	9,096	20,462	20,462	20,462	20,462	407,159
Total Revenue	984,737	993,353	1,311,540	2,200,437	2,342,670	818,824	1,252,405	914,172	2,091,478	2,091,478	2,091,478	2,091,478	19,184,049
Expenses													
Salaries	538,677	442,981	479,855	468,479	528,616	598,260	468,720	422,909	509,472	493,735	507,135	594,835	6,053,674
Benefits and Taxes	139,145	131,021	127,291	134,063	136,996	137,468	138,405	123,215	169,371	168,167	169,192	175,901	1,750,235
Staff-Related Costs	6,252	14,263	11,701	17,932	22,305	6,216	24,870	8,146	29,903	29,903	29,903	29,903	231,298
Rent	16,667	16,667	16,667	16,667	16,667	16,667	0	33,333	16,667	16,667	16,667	16,667	200,001
Occupancy Service	81,274	73,148	92,261	99,684	125,349	122,234	92,334	113,471	102,117	102,117	102,117	102,117	1,208,223
Student Expense, Direct	58,017	220,061	38,835	55,145	79,158	76,968	136,817	76,982	271,022	271,022	271,022	271,022	1,826,069
Student Expense, Food	226,775	0	30,401	0	82,569	42,085	39,759	48,596	155,703	155,703	155,703	155,703	1,092,995
Office & Business Expense	60,090	65,864	64,370	88,349	47,495	56,727	106,331	51,221	154,131	154,131	154,131	154,131	1,156,975
Transportation	3,325	5,136	8,353	138,316	99,196	161,709	38,171	12,915	118,610	118,610	118,610	118,610	941,560
Total Ordinary Expenses	1,130,222	969,140	869,735	1,018,636	1,138,351	1,218,334	1,045,406	890,790	1,526,996	1,510,054	1,524,479	1,618,888	14,461,031
Operating Income	-145,485	24,213	441,805	1,181,802	1,204,319	-399,510	206,999	23,382	564,482	581,423	566,998	472,589	4,723,018
Extraordinary Expenses													
Interest	7,019	7,019	7,019	136,372	7,019	7,019	417,622	7,019	-127,970	-127,970	-127,970	-127,970	84,233
Facility Improvements	281,250	28,750	0	69,210	0	0	0	17,180	363,411	363,411	363,411	363,411	1,850,034
Total Extraordinary Expenses	288,269	35,769	7,019	205,582	7,019	7,019	417,622	24,199	235,441	235,441	235,441	235,441	1,934,267
Total Expenses	1,418,491	1,004,909	876,754	1,224,218	1,145,370	1,225,354	1,463,028	914,989	1,762,437	1,745,496	1,759,921	1,854,330	16,395,298
Net Income	-433,754	-11,556	434,786	976,219	1,197,300	-406,529	-210,623	-817	329,041	345,982	331,557	237,148	2,788,751
Cash Flow Adjustments	2,750	5,162	94	-3,325	13,079	51,905	-9,950	2,893	-12,110	-12,110	-12,110	-12,110	14,169
Change in Cash	-431,005	-6,394	434,880	972,895	1,210,378	-354,624	-220,573	2,076	316,931	333,872	319,447	225,038	2,802,920

	<i>Previous Year End</i>	<i>Current</i>	<i>Year End</i>
	<i>6/30/2022</i>	<i>2/28/2023</i>	<i>6/30/2023</i>
Assets			
Current Assets			
Cash	9,527,639	11,135,271	12,330,559
Total Current Assets	9,527,639	11,135,271	12,330,559
Total Assets	9,527,639	11,135,271	12,330,559
Liabilities and Equity			
Liabilities			
Current Liabilities			
Other Current Liabilities	-71,951	-9,344	-57,783
Total Current Liabilities	-71,951	-9,344	-57,783
Total Long-Term Liabilities	0	0	
Total Liabilities	-71,951	-9,344	
Equity			
Unrestricted Net Assets	9,599,590	9,599,590	9,599,590
Net Income	0	1,545,024	2,788,751
Total Equity	9,599,590	11,144,614	12,388,341