

HOGAN
PREP ACADEMY



March 2023 Financials

PREPARED APR'23 BY

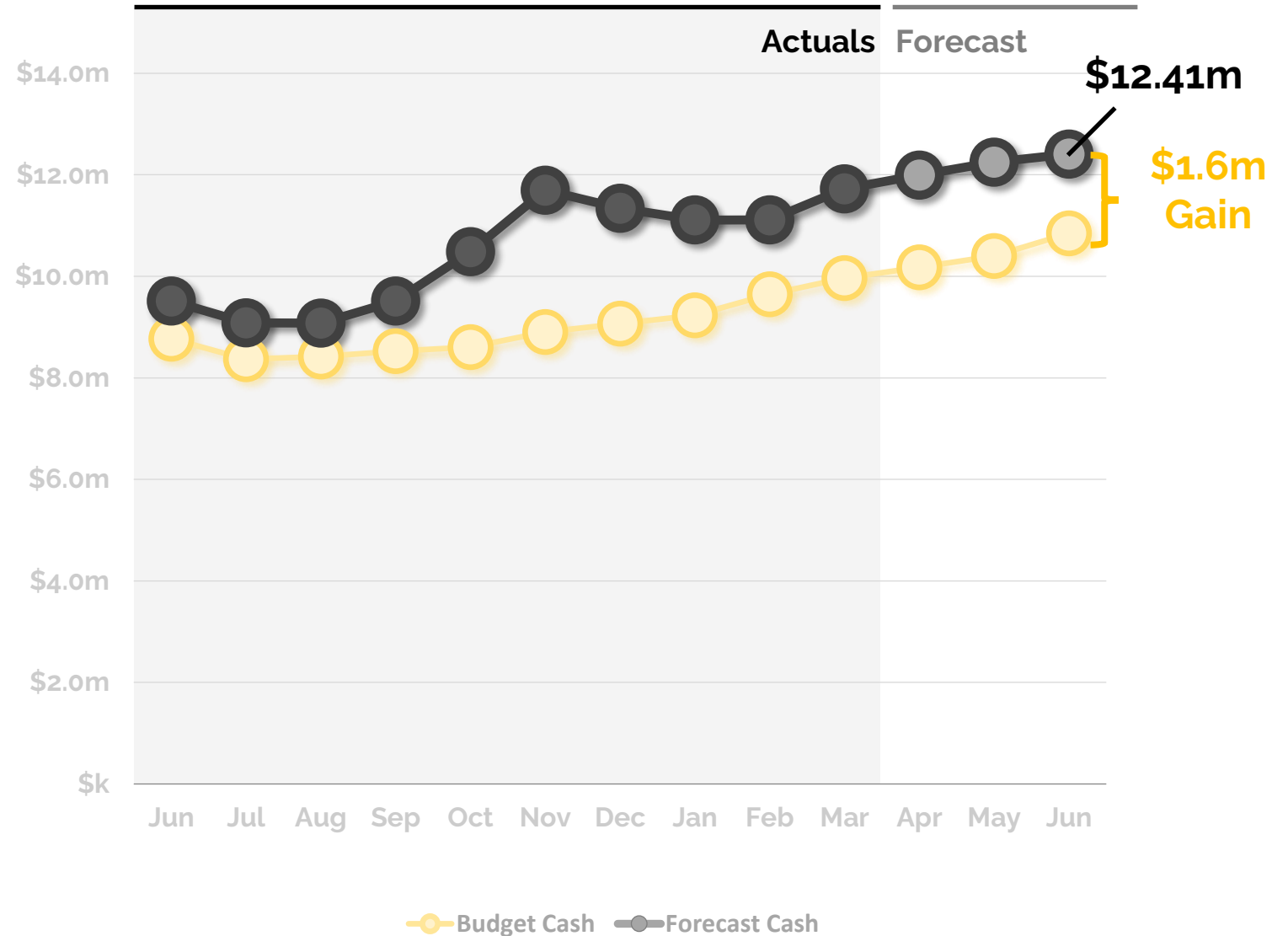


- **Executive Summary**
- **Cash Forecast**
- **Key Performance Indicators**
- **Forecast Overview**
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- **Balance Sheet**

- Hogan ends March, 2023 ahead of budget for the YE cash forecast. We are projected to end the year with \$12.49M, \$1.6M ahead of budget. YE Days of Cash is projected at 278.
- Expenses continue to trend under budget, primarily due to staffing/benefit 'savings'. Dr. Burns and Jamie will review expense categories in April, with the goal of finalizing the year end outlook.
- Net income for the year is projected at \$803K.
- As noted last month, Hogan finds itself in a unique position due to DESE's current funding equation legislation. We are being paid on FY21 WADA for the balance of the year, per the provisions of the legislation. That benefits us greatly this year, given our enrollment and academic performance issues. However, the FY23 WADA will drop by about 50% this year, impacting next year's Title funding. We estimate that impact to be between \$250 - \$500K.

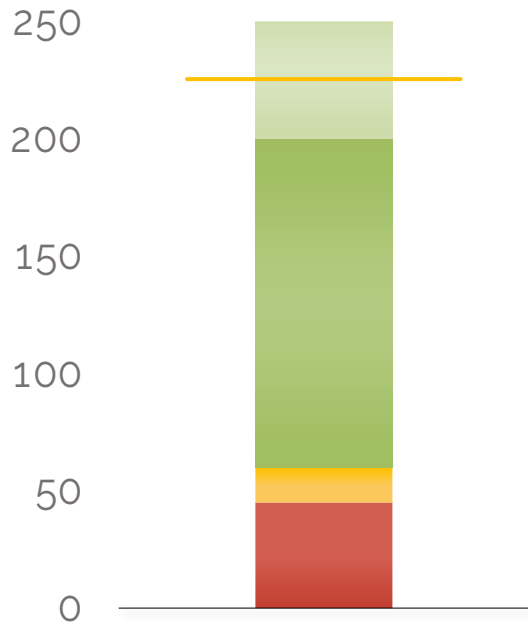
278 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$12m**, **\$1.6m** above budget.



Days of Cash

Cash balance at year-end divided by average daily expenses

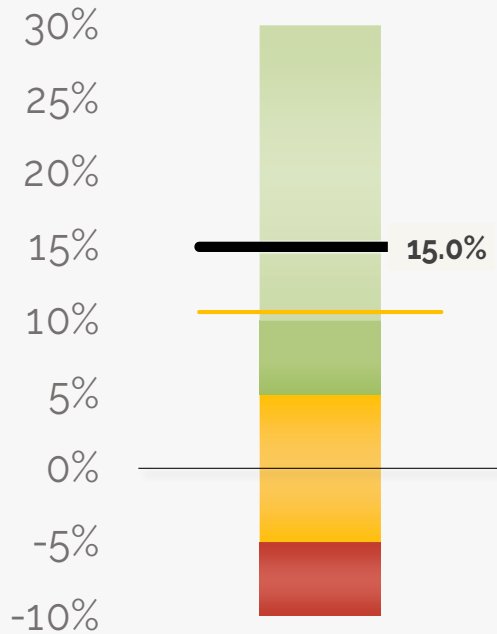


278 DAYS OF CASH AT YEAR'S END

The school will end the year with 278 days of cash. This is above the recommended 60 days

Gross Margin

Revenue less expenses, divided by revenue

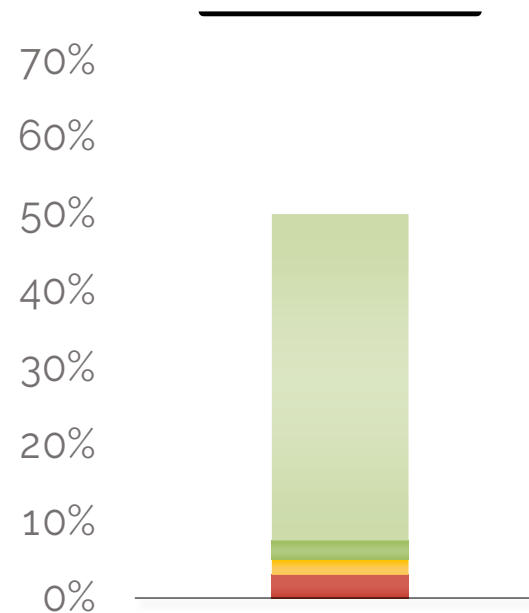


15.0% GROSS MARGIN

The forecasted net income is \$2.9m, which is \$803k above the budget. It yields a 15.0% gross margin.

Fund Balance %






Forecasted Ending Fund Balance / Total Expenses



76.41% AT YEAR'S END

The school is projected to end the year with a fund balance of \$12,466,060. Last year's fund balance was \$9,586,948.

Forecast Overview

	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$19.2m	\$19.6m	-\$438k		<Enter data here>
Expenses	\$16.3m	\$17.6m	\$1.2m		<Enter data here>
Net Income	\$2.9m	\$2.1m	\$803k		
Cash Flow Adjustments	\$14k	0	\$14k		<Enter data here>
Change in Cash	\$2.9m	\$2.1m	\$817k		

	Year-To-Date			Annual Forecast			
	Actual	Budget	Variance	Forecast	Budget	Variance	Remaining
Revenue							
Local Revenue	1,206,422	1,133,713	72,709	1,518,858	1,491,727	27,131	312,436
State Revenue	7,635,439	7,511,075	124,364	10,166,191	10,407,630	(241,439)	2,530,752
Federal Revenue	3,365,227	4,524,382	(1,159,154)	6,544,290	6,202,728	341,563	3,179,063
Private Grants and Donations	421,769	515,688	(93,919)	557,500	557,500	0	135,731
Earned Fees	329,332	681,006	(351,674)	407,159	972,866	(565,707)	77,827
Total Revenue	12,958,189	14,365,863	(1,407,674)	19,193,998	19,632,450	(438,453) ①	6,235,809
Expenses							
Salaries	4,391,797	5,343,936	952,139	5,983,925	7,125,248	1,141,323	1,592,129
Benefits and Taxes	1,197,289	1,522,233	324,944	1,737,997	2,029,643	291,646	540,708
Staff-Related Costs	130,274	170,906	40,632	232,873	227,875	(4,998)	102,599
Rent	150,000	112,500	(37,500)	200,001	150,000	(50,001)	50,001
Occupancy Service	943,783	815,777	(128,006)	1,208,223	1,087,703	(120,520)	264,440
Student Expense, Direct	826,042	1,369,552	543,510	1,826,069	1,826,069	(0)	1,000,027
Student Expense, Food	511,630	819,746	308,116	1,092,995	1,092,995	0	581,365
Office & Business Expense	626,141	855,637	229,495	1,156,975	1,140,849	(16,126)	530,833
Transportation	590,734	706,170	115,436	941,560	941,560	(0)	350,826
Total Ordinary Expenses	9,367,690	11,716,457	2,348,767	14,380,619	15,621,943	1,241,324	5,012,929
Net Operating Income	3,590,499	2,649,406	941,093	4,813,379	4,010,508	802,871	1,222,880
Extraordinary Expenses							
Interest	1,013,734	63,175	(950,559)	84,233	84,233	0	(929,501)
Facility Improvements	433,640	1,387,526	953,886	1,850,034	1,850,034	0	1,416,394
Total Extraordinary Expenses	1,447,374	1,450,701	3,327	1,934,267	1,934,268	1	486,893
Total Expenses	10,815,064	13,167,158	2,352,094	16,314,886	17,556,210	1,241,324 ②	5,499,822
Net Income	2,143,125	1,198,705	944,420	2,879,112	2,076,240	802,872 ③	735,987
Cash Flow Adjustments	63,690	-	63,690	14,138	-	14,138	(49,551)
Change in Cash	2,206,815	1,198,705	1,008,110	2,893,250	2,076,240	817,010 ⑤	686,436

① REVENUE: \$438K BEHIND

Due to elimination of KCPS MOU and adjustments to basic formula calculations.

② EXPENSES: \$1.2M AHEAD

Unfilled staff positions and the associated benefits are providing 'savings' against this year's expense budget

③ NET INCOME: \$803K ahead

④ CASH ADJ: \$14K AHEAD

⑤ NET CHANGE IN CASH: \$817K 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	99,874	104,145	104,145	104,145	1,518,858	
State Revenue	652,434	768,164	702,991	1,594,362	786,116	630,606	1,044,735	609,658	846,373	843,584	843,584	843,584	10,166,191	
Federal Revenue	76,426	9,573	0	467,609	1,431,274	54,903	56,034	79,725	1,189,683	1,059,688	1,059,688	1,059,688	6,544,290	
Private Grants and Donations	1,000	40,700	314,000	1,000	1,500	3,530	5,939	54,000	100	45,244	45,244	45,244	557,500	
Earned Fees	95,428	30,018	168,852	4,997	1,741	4,523	10,656	9,096	4,021	25,942	25,942	25,942	407,159	
Total Revenue	984,737	993,353	1,311,540	2,200,437	2,342,670	818,824	1,252,405	914,172	2,140,051	2,078,603	2,078,603	2,078,603	19,193,998	
Expenses														
Salaries	538,677	442,981	479,855	468,479	528,616	598,260	468,720	422,909	443,299	492,543	505,943	593,643	5,983,925	
Benefits and Taxes	139,145	131,021	127,291	134,063	136,996	137,468	138,405	123,215	129,685	177,316	178,341	185,051	1,737,997	
Staff-Related Costs	6,252	14,263	11,701	17,932	22,305	6,216	26,114	8,146	17,345	34,200	34,200	34,200	232,873	
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	92,584	113,471	143,777	88,147	88,147	88,147	1,208,223	
Student Expense, Direct	58,017	220,061	38,835	55,145	79,158	76,968	139,889	73,982	83,987	333,342	333,342	333,342	1,826,069	
Student Expense, Food	226,775	0	30,401	0	82,569	42,085	39,759	48,596	41,445	193,788	193,788	193,788	1,092,995	
Office & Business Expense	60,090	65,864	64,370	88,349	47,495	56,727	110,286	51,775	81,184	176,944	176,944	176,944	1,156,975	
Transportation	3,325	5,136	8,353	138,316	99,196	161,709	38,171	15,915	120,612	116,942	116,942	116,942	941,560	
Total Ordinary Expenses	1,130,222	969,140	869,735	1,018,636	1,138,351	1,218,334	1,053,928	891,343	1,078,002	1,629,890	1,644,315	1,738,724	14,380,619	
Operating Income	-145,485	24,213	441,805	1,181,802	1,204,319	-399,510	198,477	22,829	1,062,049	448,713	434,288	339,879	4,813,379	
Extraordinary Expenses														
Interest	7,019	7,019	7,019	136,372	7,019	7,019	417,622	7,019	417,622	-309,834	-309,834	-309,834	84,233	
Facility Improvements	281,250	28,750	0	69,210	0	0	0	17,180	37,250	472,131	472,131	472,131	1,850,034	
Total Extraordinary Expenses	288,269	35,769	7,019	205,582	7,019	7,019	417,622	24,199	454,872	162,298	162,298	162,298	1,934,267	
Total Expenses	1,418,491	1,004,909	876,754	1,224,218	1,145,370	1,225,354	1,471,551	915,543	1,532,874	1,792,187	1,806,613	1,901,022	16,314,886	
Net Income	-433,754	-11,556	434,786	976,219	1,197,300	-406,529	-219,145	-1,371	607,177	286,415	271,990	177,581	2,879,112	
Cash Flow Adjustments	2,750	5,162	94	-3,325	13,079	51,905	-9,950	2,893	1,082	-16,517	-16,517	-16,517	14,138	
Change in Cash	-431,005	-6,394	434,880	972,895	1,210,378	-354,624	-229,096	1,522	608,259	269,898	255,473	161,064	2,893,250	

	<i>Previous Year End</i>	<i>Current</i>	<i>Year End</i>
	<i>6/30/2022</i>	<i>3/31/2023</i>	<i>6/30/2023</i>
Assets			
Current Assets			
Cash	9,514,997	11,721,812	12,408,248
Total Current Assets	9,514,997	11,721,812	12,408,248
Total Assets	9,514,997	11,721,812	12,408,248
Liabilities and Equity			
Liabilities			
Current Liabilities			
Other Current Liabilities	-71,951	-8,261	-57,813
Total Current Liabilities	-71,951	-8,261	-57,813
Total Long-Term Liabilities	0	0	
Total Liabilities	-71,951	-8,261	
Equity			
Unrestricted Net Assets	9,586,948	9,586,948	9,586,948
Net Income	0	2,143,125	2,879,112
Total Equity	9,586,948	11,730,073	12,466,060