

HOGAN
PREP ACADEMY



October 2023 Financials

PREPARED NOV'23 BY



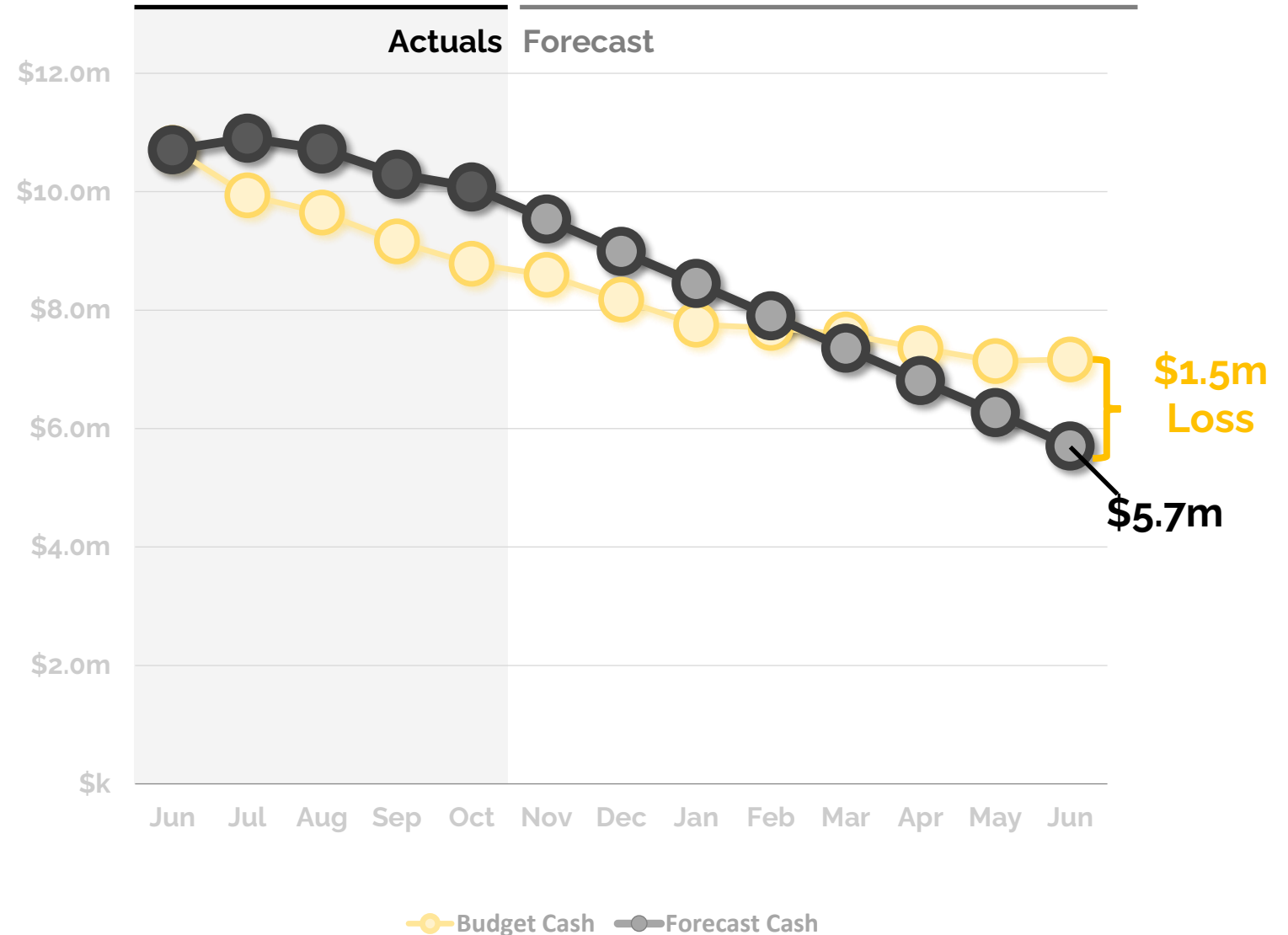
- **Executive Summary**
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- HPA ends October, 2023 with a projection of \$5.7M in cash, \$1.5M below the original budget. This is slightly ahead of where we stood at the end of September.
 - Revenue has been impacted by lower-than-expected enrollment and attendance. This month Hogan's enrollment did increase by 3 students. Student transportation, provided by First Student, continues to be a challenge. Unreliable staffing at First Student is disrupting bus routes and student pickup/dropoff, lowering attendance rates.
 - Expenses are running slightly under budget, offsetting a portion of our revenue shortfall. The PLA/HPA/EdOps team continues to review the budget and anticipates making some YE forecast adjustments which will return additional funds to the bottom line.

100 Days of Cash at year's end

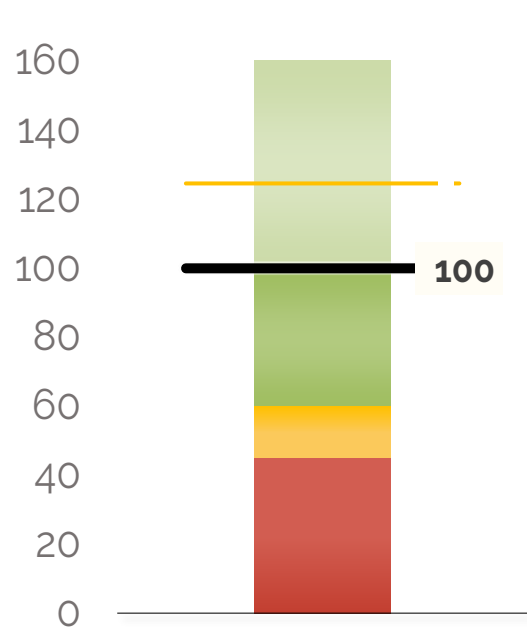
We forecast the school's year ending cash balance as **\$5.7m**, **\$1.5m** below budget.

This is a slight improvement over the 09/23 outlook.



Days of Cash

Cash balance at year-end divided by average daily expenses

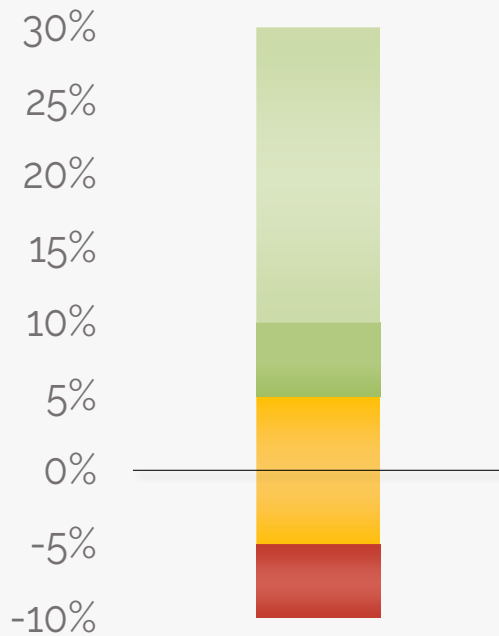


100 DAYS OF CASH AT YEAR'S END

The school will end the year with 100 days of cash. This is above the recommended 60 days

Gross Margin

Revenue less expenses, divided by revenue

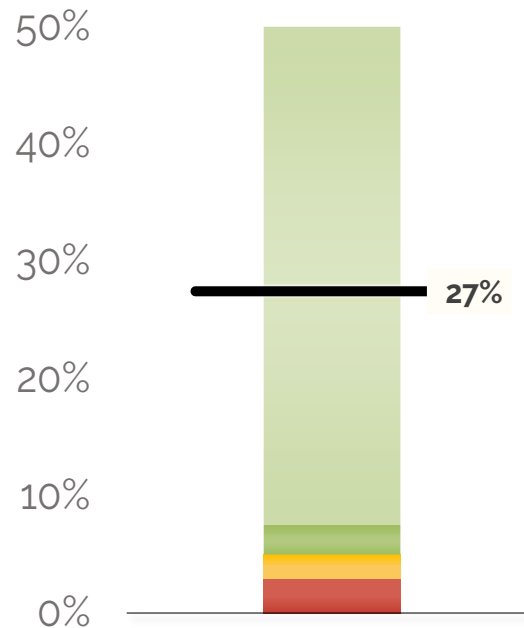


-31.6% GROSS MARGIN

The forecasted net income is -\$5.0m, which is \$1.4m below the budget. It yields a -31.6% gross margin.

Fund Balance %

Forecasted Ending Fund Balance / Total Expenses

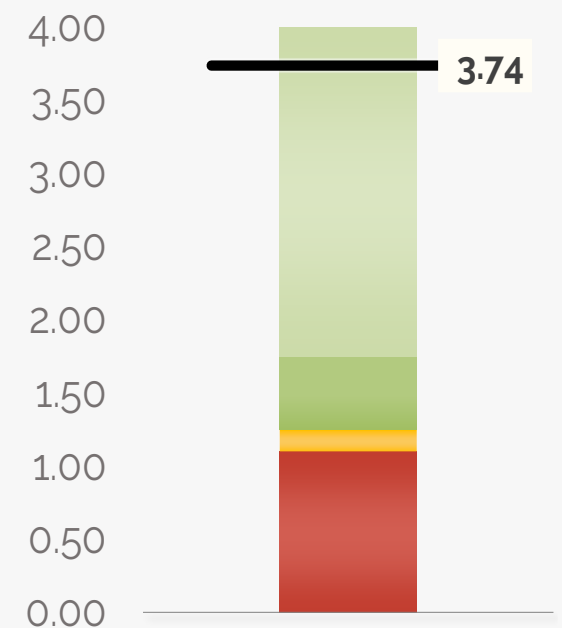


27.43% AT YEAR'S END

The school is projected to end the year with a fund balance of \$5,722,020. Last year's fund balance was \$10,725,056.

DSCR

Amount of cash flow available to meet annual interest and principal payments on debt



DSCR IS 3.74

Debt Service Coverage Ratio is defined by the school's bank covenants.

Forecast Overview



	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$15.9m	\$17.4m	-\$1.6m	-1.6m	Enrollment is lower than budgeted (942 vs. 1192) as is attendance (79.89% vs. 85%)
Expenses	\$20.9m	\$21m	\$162k	+162k	Staffing adjustments and spending oversight has resulted in YTD savings which will help offset the revenue deficit.
Net Income	-\$5m	-\$3.6m	-\$1.4m	-1.4m	
Cash Flow Adjustments	-0	0	-0	-0k	
Change in Cash	-\$5m	-\$3.6m	-\$1.4m	-1.4m	

	Year-To-Date			Annual Forecast			
	Actual	Budget	Variance	Forecast	Budget	Variance	Remaining
Revenue							
Local Revenue	482,148	400,165	81,983	1,226,803	1,212,621	14,183	744,656
State Revenue	3,638,339	3,679,537	(41,198)	10,926,199	12,532,413	(1,606,214)	7,287,860
Federal Revenue	61,102	885,925	(824,822)	3,218,230	3,218,230	(0)	3,157,127
Private Grants and Donations	-	15,000	(15,000)	150,000	150,000	-	150,000
Earned Fees	-	66,526	(66,526)	332,630	332,630	-	332,630
Total Revenue	4,181,589	5,047,152	(865,564)	15,853,862	17,445,894	(1,592,032)	11,672,273
Expenses							
Salaries	2,081,815	2,106,884	25,068	6,200,455	6,320,652	120,197	4,118,639
Benefits and Taxes	537,390	614,691	77,301	1,703,775	1,844,073	140,298	1,166,384
Staff-Related Costs	12,366	31,625	19,259	95,875	94,875	(1,000)	83,509
Rent	-	11,111	11,111	33,334	33,334	(0)	33,334
Occupancy Service	568,432	423,574	(144,858)	1,270,722	1,270,722	(0)	702,290
Student Expense, Direct	426,000	554,256	128,256	1,671,281	1,662,767	(8,514)	1,245,281
Student Expense, Food	30,056	370,270	340,214	1,140,866	1,110,810	(30,056)	1,110,810
Office & Business Expense	1,070,104	1,384,297	314,193	4,180,799	4,152,892	(27,907)	3,110,695
Transportation	50,069	317,088	267,019	982,404	951,265	(31,139)	932,335
Total Ordinary Expenses	4,776,234	5,813,797	1,037,563	17,279,511	17,441,391	161,880	12,503,277
Interest	28,078	28,078	-	84,233	84,233	(0)	56,156
Facility Improvements	8,573	1,164,385	1,155,812	3,493,154	3,493,154	0	3,484,581
Total Extraordinary Expenses	36,651	1,192,462	1,155,812	3,577,387	3,577,387	0	3,540,737
Total Expenses	4,812,884	7,006,259	2,193,375	20,856,898	21,018,778	161,880	16,044,014
Net Income	(631,296)	(1,959,107)	1,327,812	(5,003,036)	(3,572,884)	(1,430,152)	(4,371,740)
Cash Flow Adjustments	6,264	-	6,264	(0)	-	(0)	(6,264)
Change in Cash	(625,031)	(1,959,107)	1,334,076	(5,003,036)	(3,572,884)	(1,430,152)	(4,378,004)

1 REVENUE: \$1.6M BEHIND

Lower enrollment & attendance

2 EXPENSES: \$162K AHEAD

Staffing adjustments and focus on spending

3 NET INCOME: \$1.4M behind

4 CASH ADJ: \$0K BEHIND

5 NET CHANGE IN CASH: \$1.4M BEHIND

Monthly Financials

Income Statement	Actual				Forecast								TOTAL
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Revenue													
Local Revenue	214,626	41,800	113,114	112,607	93,082	93,082	93,082	93,082	93,082	93,082	93,082	93,082	1,226,803
State Revenue	923,510	892,452	907,991	914,386	910,983	910,983	910,983	910,983	910,983	910,983	910,983	910,983	10,926,199
Federal Revenue	16,099	16,858	28,145	0	394,641	394,641	394,641	394,641	394,641	394,641	394,641	394,641	3,218,230
Private Grants and Donations	0	0	0	0	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	150,000
Earned Fees	0	0	0	0	41,579	41,579	41,579	41,579	41,579	41,579	41,579	41,579	332,630
Total Revenue	1,154,235	951,111	1,049,250	1,026,992	1,459,034	1,459,034	1,459,034	1,459,034	1,459,034	1,459,034	1,459,034	1,459,034	15,853,862
Expenses													
Salaries	389,577	487,543	698,533	506,162	512,630	512,630	512,630	512,630	512,630	512,630	512,630	530,230	6,200,455
Benefits and Taxes	114,968	140,507	141,796	140,119	144,807	144,807	145,835	145,835	145,835	145,835	145,835	147,598	1,703,775
Staff-Related Costs	4,718	6,500	216	932	10,439	10,439	10,439	10,439	10,439	10,439	10,439	10,439	95,875
Rent	0	0	0	0	4,167	4,167	4,167	4,167	4,167	4,167	4,167	4,167	33,334
Occupancy Service	139,943	151,650	102,901	173,939	87,786	87,786	87,786	87,786	87,786	87,786	87,786	87,786	1,270,722
Student Expense, Direct	84,740	109,015	109,531	122,714	155,660	155,660	155,660	155,660	155,660	155,660	155,660	155,660	1,671,281
Student Expense, Food	863	0	0	29,194	138,851	138,851	138,851	138,851	138,851	138,851	138,851	138,851	1,140,866
Office & Business Expense	209,705	238,317	384,892	237,190	388,837	388,837	388,837	388,837	388,837	388,837	388,837	388,837	4,180,799
Transportation	4,265	1,500	12,928	31,376	116,542	116,542	116,542	116,542	116,542	116,542	116,542	116,542	982,404
Total Ordinary Expenses	948,778	1,135,032	1,450,798	1,241,625	1,559,718	1,559,718	1,560,746	1,560,746	1,560,746	1,560,746	1,560,746	1,580,109	17,279,511
Operating Income	205,457	-183,921	-401,548	-214,633	-100,684	-100,684	-101,712	-101,712	-101,712	-101,712	-101,712	-121,075	-1,425,649
Extraordinary Expenses													
Interest	7,019	7,019	7,019	7,019	7,019	7,019	7,019	7,019	7,019	7,019	7,019	7,019	84,233
Facility Improvements	0	560	1,350	6,663	435,573	435,573	435,573	435,573	435,573	435,573	435,573	435,573	3,493,154
Total Extraordinary Expenses	7,019	7,579	8,369	13,682	442,592	442,592	442,592	442,592	442,592	442,592	442,592	442,592	3,577,387
Total Expenses	955,798	1,142,611	1,459,167	1,255,308	2,002,310	2,002,310	2,003,338	2,003,338	2,003,338	2,003,338	2,003,338	2,022,701	20,856,898
Net Income	198,437	-191,500	-409,917	-228,315	-543,276	-543,276	-544,304	-544,304	-544,304	-544,304	-544,304	-563,667	-5,003,036
Cash Flow Adjustments	-1,845	9,359	-19,466	18,215	-783	-783	-783	-783	-783	-783	-783	-783	0
Change in Cash	196,593	-182,141	-429,383	-210,100	-544,059	-544,059	-545,087	-545,087	-545,087	-545,087	-545,087	-564,450	-5,003,036
Ending Cash	10,903,801	10,721,660	10,292,277	10,082,177	9,538,117	8,994,058	8,448,971	7,903,884	7,358,797	6,813,709	6,268,622	5,704,172	

	<i>Previous Year End</i>	<i>Current</i>	<i>Year End</i>
Assets			
Current Assets			
Cash	10,707,208	10,082,177	5,704,172
Total Current Assets	10,707,208	10,082,177	5,704,172
Total Assets	10,707,208	10,082,177	5,704,172
Liabilities and Equity			
Liabilities			
Current Liabilities			
Other Current Liabilities	-17,847	-11,583	-17,847
Total Current Liabilities	-17,847	-11,583	-17,847
Total Long-Term Liabilities	0	0	
Total Liabilities	-17,847	-11,583	-17,847
Equity			
Unrestricted Net Assets	10,725,056	10,725,056	10,725,056
Net Income	0	-631,296	-5,003,036
Total Equity	10,725,056	10,093,760	5,722,020
Total Liabilities and Equity	10,707,208	10,082,177	5,704,172



QUESTIONS?

Please contact your EdOps Finance Team:

Jamie Berry

jamie@ed-ops.com

816-444-1530

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