



# December 2019 Financials

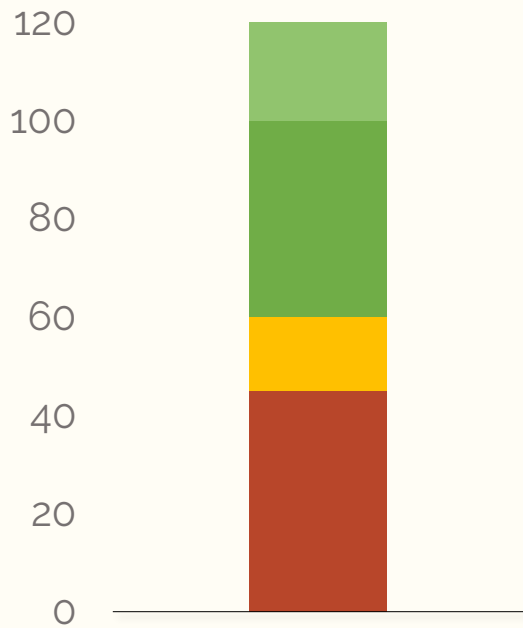
PREPARED JANUARY 2020 BY



- **Key Performance Indicators**
- **Forecast Overview**
- **Cash Forecast**
- **Forecast History**
- **Key Forecast Changes This Month**
- **Notable Forecast Variances**
- **Appendix: Financials**

## Days of Cash

Cash balance at year-end divided by average daily expenses

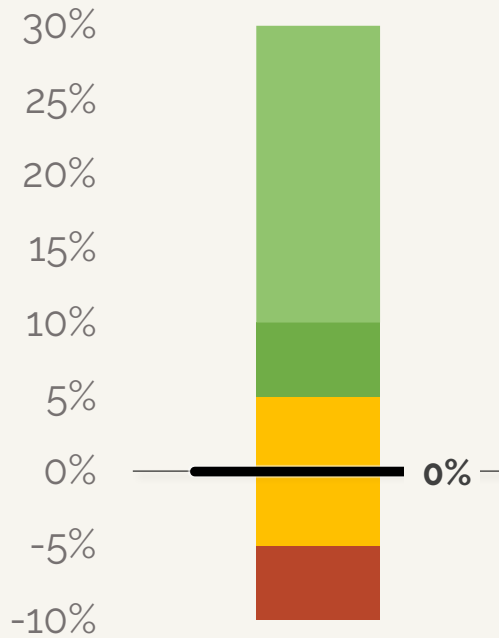


### 134 DAYS OF CASH AT YEAR'S END

The school will end the year with 134 days of cash. This is above the recommended 60 days, and 0 less day(s) than last month

## Gross Margin

Revenue less expenses, divided by revenue



### 0% GROSS MARGIN

The forecasted net income is -\$2k, which is \$8k below the budget. It yields a 0% gross margin.

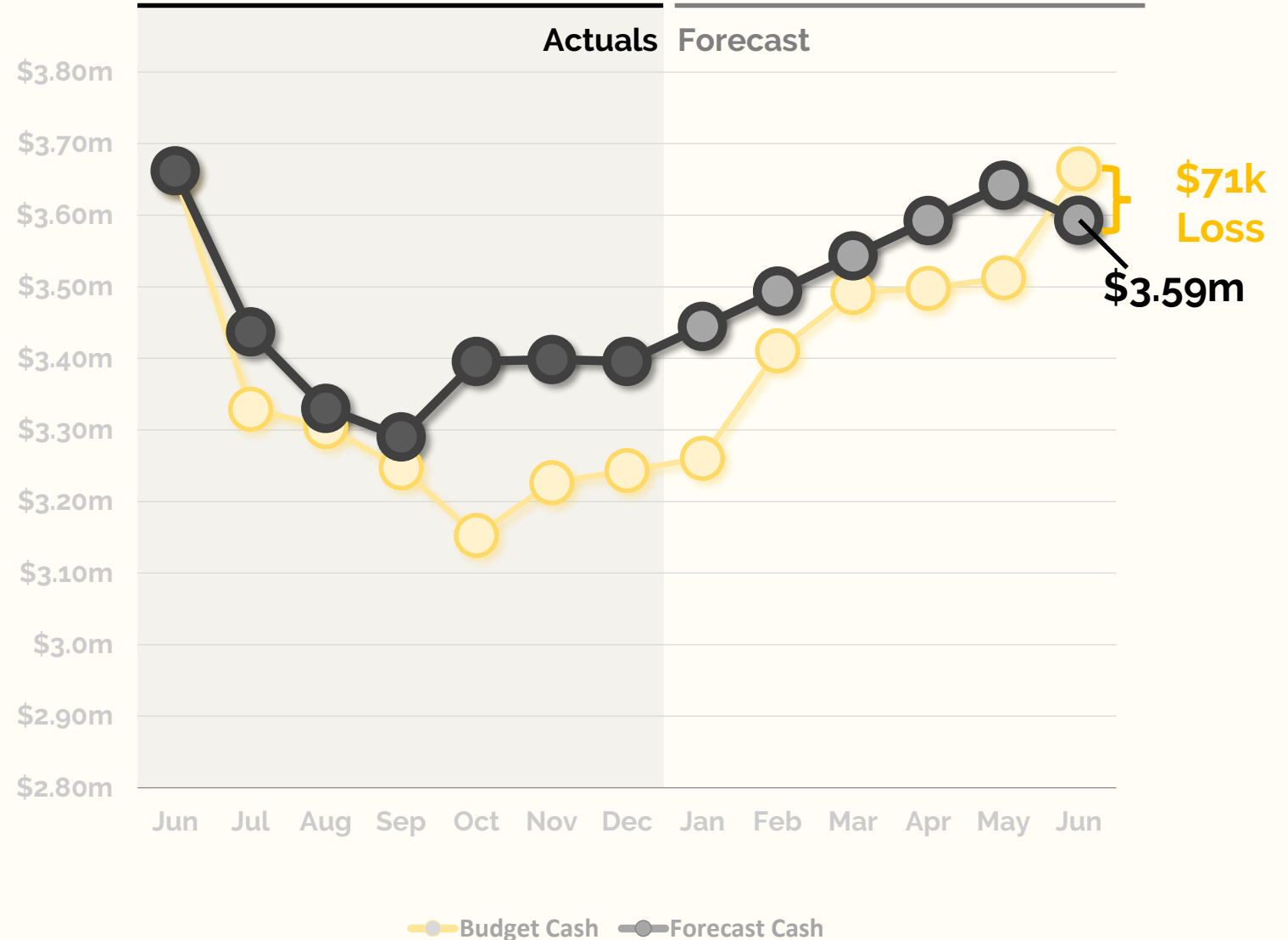
# Forecast Overview

|                       | Forecast      | Budget      | Variance      | Variance Graphic | Comments  |
|-----------------------|---------------|-------------|---------------|------------------|---|
| Revenue               | \$9.6m        | \$9.7m      | -\$62k        |                  | Revenue experienced a net increase of 7.6k in November. Increases in Misc. Revenue and Federal Food Service Equip. Grant were partially offset by a decrease in Prop C (Local) Revenue. |
| Expenses              | \$9.6m        | \$9.7m      | \$54k         |                  | From October to November, the Expenses forecast increased by 44k, of which 20k is related to to/from school transportation and 20k is for building consulting.                          |
| <b>Net Income</b>     | <b>-\$2k</b>  | <b>\$6k</b> | <b>-\$8k</b>  |                  |   |
| Cash Flow Adjustments | -\$67k        | 0           | -\$67k        |                  | Driven by ...   |
| <b>Change in Cash</b> | <b>-\$69k</b> | <b>\$6k</b> | <b>-\$74k</b> |                  |   |


## 134 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$3.59m**, **\$71k** below budget.

The school's operational budget is trending towards balance for FY 20 based on changes leadership implemented in October/November in response to revenue shortfall. Goal remains to have cash balance at 1.5M following NMTC unwinding.



# Forecast History of June 30, 2020 Cash Balance

| Source  | Days of Cash at 6/30/20 | Change    | Description of change  |
|---|-------------------------|-----------|--|
| Budget  | <b>136</b>              |           | From SY18-19 Budget  |
| Jul   | <b>127</b>              | -9        | Summer School moved to FY20  |
| Aug   | <b>117</b>              | -9        | Basic Formula reduced; Salaries added; FY20 Summer School moved to FY21          |
| Sep   | <b>137</b>              | 20        | Team Lead tool updates implemented ~300k; Basic Formula ADA reduced slightly,... |
| Oct   | <b>137</b>              | 0         | No significant changes: Staffing change; recode within Instructional             |
| Nov   | <b>135</b>              | -2        | Add building consulting services; increase transportation                        |
|  Dec | <b>134</b>              | <b>-1</b> | <b>revenue adjustment</b>  |
| Jan   |                         |           |  |
| Feb   |                         |           |  |
| Mar   |                         |           |  |
| Apr   |                         |           |  |
| May   |                         |           |  |
| Jun   |                         |           |  |

|                               | Year-To-Date     |                  |                | Annual Forecast  |                  |                   |                  |
|-------------------------------|------------------|------------------|----------------|------------------|------------------|-------------------|------------------|
|                               | Actual           | Budget           | Variance       | Forecast         | Budget           | Variance          | Remaining        |
| <b>Revenue</b>                |                  |                  |                |                  |                  |                   |                  |
| Local Revenue                 | 960,400          | 839,050          | 121,350        | 1,665,251        | 1,678,099        | (12,848)          | 704,852          |
| State Revenue                 | 3,225,390        | 3,145,397        | 79,993         | 6,893,786        | 6,957,943        | (64,157)          | 3,668,396        |
| Federal Revenue               | 473,769          | 447,479          | 26,289         | 1,079,628        | 1,064,605        | 15,023            | 605,859          |
| <b>Total Revenue</b>          | <b>4,659,559</b> | <b>4,431,926</b> | <b>227,633</b> | <b>9,638,666</b> | <b>9,700,647</b> | <b>(61,982)</b> ① | <b>4,979,107</b> |
| <b>Expenses</b>               |                  |                  |                |                  |                  |                   |                  |
| Salaries                      | 2,673,944        | 2,678,095        | 4,151          | 5,462,216        | 5,356,190        | (106,026)         | 2,788,272        |
| Benefits and Taxes            | 662,168          | 660,680          | (1,488)        | 1,405,348        | 1,321,360        | (83,987)          | 743,180          |
| Staff-Related Costs           | 74,026           | 90,764           | 16,738         | 135,727          | 181,527          | 45,800            | 61,701           |
| Rent                          | 227,100          | 222,600          | (4,500)        | 445,200          | 445,200          | -                 | 218,100          |
| Occupancy Service             | 245,206          | 247,500          | 2,295          | 502,600          | 495,000          | (7,600)           | 257,395          |
| Student Expense, Direct       | 347,623          | 441,705          | 94,082         | 686,972          | 883,409          | 196,437           | 339,350          |
| Student Expense, Indirect     | 102,743          | 134,050          | 31,307         | 271,526          | 268,100          | (3,426)           | 168,783          |
| Office & Business Expense     | 329,181          | 340,348          | 11,167         | 647,720          | 680,696          | 32,976            | 318,539          |
| Transportation                | 31,159           | 31,750           | 591            | 83,500           | 63,500           | (20,000)          | 52,341           |
| Total Ordinary Expenses       | 4,693,149        | 4,847,491        | 154,343        | 9,640,809        | 9,694,983        | 54,173            | 4,947,660        |
| Net Operating Income          | (33,590)         | (415,565)        | 381,975        | (2,143)          | 5,665            | (7,808)           | 31,447           |
| <b>Extraordinary Expenses</b> |                  |                  |                |                  |                  |                   |                  |
| Interest                      | -                | -                | -              | -                | -                | -                 | -                |
| Total Extraordinary Expenses  | -                | -                | -              | -                | -                | -                 | -                |
| <b>Total Expenses</b>         | <b>4,693,149</b> | <b>4,847,491</b> | <b>154,343</b> | <b>9,640,809</b> | <b>9,694,983</b> | <b>54,173</b> ②   | <b>4,947,660</b> |
| <b>Net Income</b>             | <b>(33,590)</b>  | <b>(415,565)</b> | <b>381,975</b> | <b>(2,143)</b>   | <b>5,665</b>     | <b>(7,808)</b> ③  | <b>31,447</b>    |
| Cash Flow Adjustments         | (232,614)        | -                | (232,614)      | (66,600)         | -                | (66,600)          | ④ 166,014        |
| <b>Change in Cash</b>         | <b>(266,204)</b> | <b>(415,565)</b> | <b>149,362</b> | <b>(68,743)</b>  | <b>5,665</b>     | <b>(74,408)</b> ⑤ | <b>197,461</b>   |

## ① REVENUE: \$62K BEHIND

State revenue projection remains fragile as winter attendance tends to decrease ADA. Enrollment relatively steady post winter break.

## ② EXPENSES: \$54K AHEAD

By and large, expense forecasts holding steady. Expense management continues to be strength.

## ③ NET INCOME: \$8K behind

## ④ CASH ADJ:\$67K BEHIND

Driven by ...

## ⑤ NET CHANGE IN CASH: \$74K BEHIND

# Monthly Financials

|                           | Actual          |                 |                |                |                |                | Forecast       |                |                |                |                |                |                  |
|---------------------------|-----------------|-----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
| Income Statement          | Jul             | Aug             | Sep            | Oct            | Nov            | Dec            | Jan            | Feb            | Mar            | Apr            | May            | Jun            | TOTAL            |
| Revenue                   |                 |                 |                |                |                |                |                |                |                |                |                |                |                  |
| Local Revenue             | 121,301         | 260,544         | 118,712        | 95,808         | 225,369        | 138,665        | 117,475        | 117,475        | 117,475        | 117,475        | 117,475        | 117,475        | 1,665,251        |
| State Revenue             | 525,728         | 513,371         | 588,767        | 555,874        | 500,564        | 541,087        | 611,399        | 611,399        | 611,399        | 611,399        | 611,399        | 611,399        | 6,893,786        |
| Federal Revenue           | 0               | 0               | 93,204         | 153,479        | 102,541        | 124,545        | 100,977        | 100,977        | 100,977        | 100,977        | 100,977        | 100,977        | 1,079,628        |
| <b>Total Revenue</b>      | <b>647,029</b>  | <b>773,914</b>  | <b>800,684</b> | <b>805,161</b> | <b>828,473</b> | <b>804,297</b> | <b>829,851</b> | <b>829,851</b> | <b>829,851</b> | <b>829,851</b> | <b>829,851</b> | <b>829,851</b> | <b>9,638,666</b> |
| Expenses                  |                 |                 |                |                |                |                |                |                |                |                |                |                |                  |
| Salaries                  | 422,962         | 448,706         | 450,185        | 451,292        | 454,581        | 446,217        | 449,556        | 449,556        | 449,556        | 449,556        | 449,556        | 540,493        | 5,462,216        |
| Benefits and Taxes        | 104,958         | 112,944         | 111,949        | 111,794        | 112,123        | 108,400        | 122,704        | 122,704        | 122,704        | 122,704        | 122,704        | 129,661        | 1,405,348        |
| Staff-Related Costs       | 7,653           | 30,484          | 9,615          | 7,316          | 9,939          | 9,018          | 10,284         | 10,284         | 10,284         | 10,284         | 10,284         | 10,284         | 135,727          |
| Rent                      | 35,850          | 36,350          | 35,850         | 36,350         | 46,350         | 36,350         | 36,350         | 36,350         | 36,350         | 36,350         | 36,350         | 36,350         | 445,200          |
| Occupancy Service         | 37,796          | 71,079          | 34,312         | 34,738         | 34,336         | 32,944         | 42,899         | 42,899         | 42,899         | 42,899         | 42,899         | 42,899         | 502,600          |
| Student Expense, Direct   | 53,447          | 52,218          | 101,476        | 19,234         | 75,222         | 46,025         | 56,558         | 56,558         | 56,558         | 56,558         | 56,558         | 56,558         | 686,972          |
| Student Expense, Indirect | 515             | 25,265          | 1,242          | 15,769         | 56,828         | 3,122          | 28,131         | 28,131         | 28,131         | 28,131         | 28,131         | 28,131         | 271,526          |
| Office & Business Expense | 30,273          | 55,242          | 85,242         | 54,506         | 29,390         | 74,528         | 53,090         | 53,090         | 53,090         | 53,090         | 53,090         | 53,090         | 647,720          |
| Transportation            | 0               | 1,341           | 7,213          | 6,694          | 9,462          | 6,449          | 8,723          | 8,723          | 8,723          | 8,723          | 8,723          | 8,723          | 83,500           |
| Total Ordinary Expenses   | 693,455         | 833,630         | 837,084        | 737,693        | 828,231        | 763,055        | 808,294        | 808,294        | 808,294        | 808,294        | 808,294        | 906,189        | 9,640,809        |
| <b>Total Expenses</b>     | <b>693,455</b>  | <b>833,630</b>  | <b>837,084</b> | <b>737,693</b> | <b>828,231</b> | <b>763,055</b> | <b>808,294</b> | <b>808,294</b> | <b>808,294</b> | <b>808,294</b> | <b>808,294</b> | <b>906,189</b> | <b>9,640,809</b> |
| <b>Net Income</b>         | <b>-46,426</b>  | <b>-59,715</b>  | <b>-36,401</b> | <b>67,468</b>  | <b>242</b>     | <b>41,242</b>  | <b>21,557</b>  | <b>21,557</b>  | <b>21,557</b>  | <b>21,557</b>  | <b>21,557</b>  | <b>-76,337</b> | <b>-2,143</b>    |
| Cash Flow Adjustments     | -178,182        | -47,311         | -3,527         | 38,181         | 2,118          | -43,893        | 27,669         | 27,669         | 27,669         | 27,669         | 27,669         | 27,669         | -66,600          |
| <b>Change in Cash</b>     | <b>-224,607</b> | <b>-107,027</b> | <b>-39,928</b> | <b>105,649</b> | <b>2,361</b>   | <b>-2,651</b>  | <b>49,226</b>  | <b>49,226</b>  | <b>49,226</b>  | <b>49,226</b>  | <b>49,226</b>  | <b>-48,668</b> | <b>-68,743</b>   |



|                                  | <i>Previous Year End</i> | <i>Current</i>    |
|----------------------------------|--------------------------|-------------------|
|                                  | <i>6/30/2019</i>         | <i>12/31/2019</i> |
| <b>Assets</b>                    |                          |                   |
| Current Assets                   |                          |                   |
| Cash                             | 3,661,853                | 3,395,649         |
| Intercompany Transfers           | 0                        | 0                 |
| Accounts Receivable              | 237,652                  | 237,652           |
| Other Current Assets             | 41,257                   | 90,667            |
| <b>Total Current Assets</b>      | <b>3,940,762</b>         | <b>3,723,968</b>  |
| <b>Total Assets</b>              | <b>3,940,762</b>         | <b>3,723,968</b>  |
| <b>Liabilities and Equity</b>    |                          |                   |
| <b>Liabilities</b>               |                          |                   |
| Current Liabilities              |                          |                   |
| Other Current Liabilities        | 34,399                   | -5,634            |
| Accounts Payable                 | 384,017                  | 239,668           |
| Accrued Salaries and Benefits    | 0                        | 1,177             |
| <b>Total Current Liabilities</b> | <b>418,416</b>           | <b>235,211</b>    |
| Total Long-Term Liabilities      | 0                        | 0                 |
| <b>Total Liabilities</b>         | <b>418,416</b>           | <b>235,211</b>    |
| <b>Equity</b>                    |                          |                   |
| Unrestricted Net Assets          | 3,522,347                | 3,522,347         |
| Net Income                       | 0                        | -33,590           |
| <b>Total Equity</b>              | <b>3,522,347</b>         | <b>3,488,757</b>  |