



July 2019 Financials

PREPARED AUGUST 2019 BY

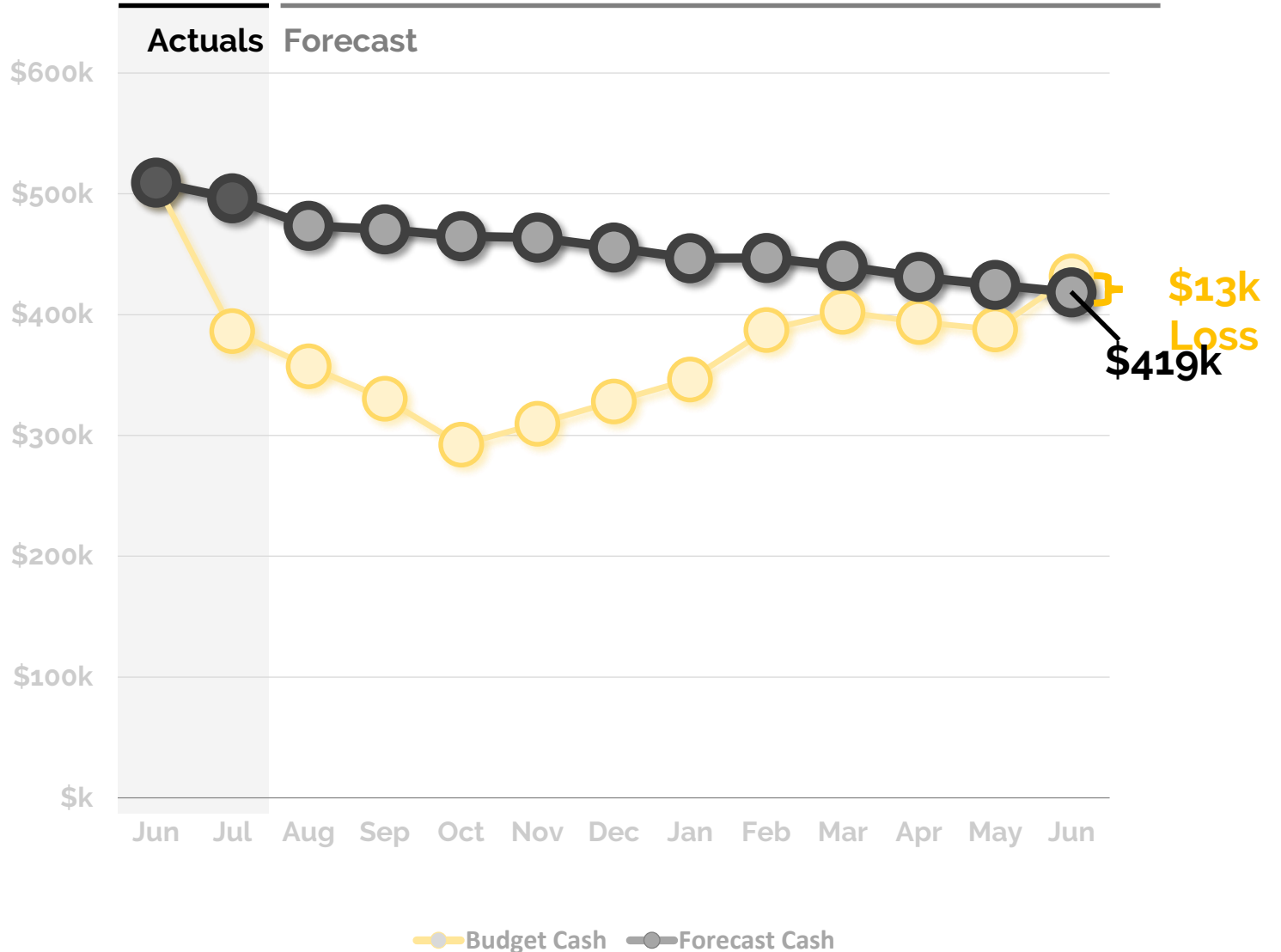


- **Cash Forecast**
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- **Monthly Financials**

45 Days of Cash at year's end

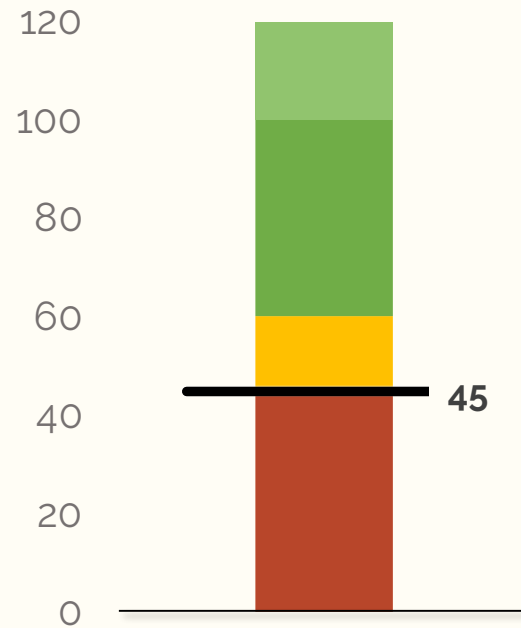
We forecast the school's year ending cash balance as **\$418.56k**, **\$13k** below budget.

Average medical benefit contribution by the school was budgeted at \$3K per FTE, while the actual average contribution in FY20 may increase up to \$4K per FTE. The expenditure forecast changes, because of this increase, will drive the ending cash balance to \$419K, \$13K below budget.



Days of Cash

Cash balance at year-end divided by average daily expenses

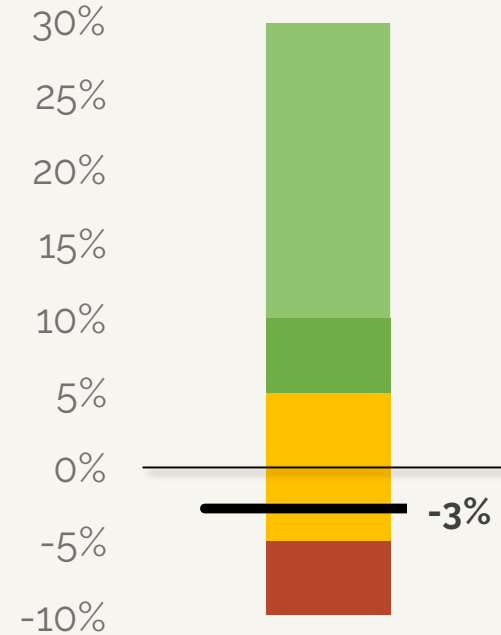


45 DAYS OF CASH AT YEAR'S END

The school will end the year with 45 days of cash. This is below the recommended 60 days.

Gross Margin

Revenue less expenses, divided by revenue



-3% GROSS MARGIN

The forecasted net income is -\$91k, which is \$106k below the budget. It yields a -3% gross margin.

Forecast Overview

	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	3,271,587	3,266,824	4,763	+5k	Driven by classroom trust fund and miscellaneous revenue. As indicated in the recent payment from DESE, annualized classroom trust fund is increased by \$3k than the budget.
Expenses	3,362,196	3,344,271	-17,925	-18k	Driven by staffs' benefits. Average medical benefit contribution by the school was budgeted at \$3K per FTE, while the actual average contribution may increase up to \$4K per FTE. This will increase the expense forecast by \$18K than the budget.
Net Income	-90,610	-77,447	-13,162	-13k	Current student enrollment is 265, including 10 PK students. If the enrollment and attendance follow the same trend as last year's, we may see an increase in WADA by 20 points from the budget. This will increase the state revenue forecast by \$170K and hence offset the negative net income variance.
Cash Flow Adjustments	0	0	0	+0k	
Change in Cash	-90,610	-77,447	-13,162	-13k	

	Year-To-Date			Annual Forecast			
	Actual	Budget	Variance	Forecast	Budget	Variance	Remaining
Revenue							
Local Revenue	56,295	19,134	37,161	549,847	548,050	1,798	493,552
State Revenue	168,425	116,947	51,478	2,247,364	2,244,398	2,965	2,078,939
Federal Revenue	-	19,885	(19,885)	474,376	474,376	(0)	474,376
Total Revenue	224,720	155,966	68,754	3,271,587	3,266,824	4,763 ①	3,046,867
Expenses							
Salaries	118,604	124,057	5,453	1,513,698	1,488,690	(25,008)	1,395,094
Benefits and Taxes	28,030	29,523	1,493	374,293	354,276	(20,018)	346,264
Staff-Related Costs	12,160	6,218	(5,942)	74,619	74,619	0	62,459
Rent	50,000	25,000	(25,000)	300,000	300,000	(0)	250,000
Occupancy Service	9,039	20,881	11,842	223,476	250,576	27,100	214,437
Student Expense, Direct	4,547	15,286	10,740	183,435	183,435	(0)	178,888
Student Expense, Indirect	3,500	17,855	14,355	214,259	214,259	0	210,759
Office & Business Expense	11,263	15,812	4,549	189,747	189,747	0	178,483
Transportation	532	24,056	23,524	288,670	288,670	(0)	288,138
Total Ordinary Expenses	237,675	278,689	41,015	3,362,196	3,344,271	(17,925)	3,124,522
Net Operating Income	(12,954)	(122,723)	109,769	(90,610)	(77,447)	(13,162)	(77,655)
Extraordinary Expenses							
Interest	-	-	-	-	-	-	-
Total Extraordinary Expenses	-	-	-	-	-	-	-
Total Expenses	237,675	278,689	41,015	3,362,196	3,344,271	(17,925) ②	3,124,522
Net Income	(12,954)	(122,723)	109,769	(90,610)	(77,447)	(13,162) ③	(77,655)
Cash Flow Adjustments	58	-	58	0	-	0	(58)
Change in Cash	(12,896)	(122,723)	109,827	(90,610)	(77,447)	(13,162) ⑤	(77,714)

① REVENUE: \$5K AHEAD

We may see an increase in state revenue by \$170K, driven by student enrollment. State revenue was budgeted at a starting enrollment of 243, and as of 08/22/2019 the actual student enrollment is 256, an increase in number from budget by 13.

② EXPENSES: \$18K BEHIND

Driven by medical benefits of the staffs.

Note: In our budget, salary for custodian was included within the category "Occupancy Service". To reflect the expenditure in the correct category, changes have been made in the forecast. Essentially, in expense forecast, custodian's salary has been taken off "Occupancy Service" and been added to "Salaries".

③ NET INCOME: \$13K behind

④ CASH ADJ:\$0K AHEAD

⑤ NET CHANGE IN CASH: \$13K BEHIND

Monthly Financials

	Actual	Forecast											
Income Statement	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Revenue													
Local Revenue	56,295	48,103	46,300	43,562	48,290	41,198	41,198	50,654	43,562	41,198	43,562	45,926	549,847
State Revenue	168,425	188,994	188,994	188,994	188,994	188,994	188,994	188,994	188,994	188,994	188,994	188,994	2,247,364
Federal Revenue	0	43,125	43,125	43,125	43,125	43,125	43,125	43,125	43,125	43,125	43,125	43,125	474,376
Total Revenue	224,720	280,223	278,419	275,681	280,410	273,317	273,317	282,774	275,681	273,317	275,681	278,045	3,271,587
Expenses													
Salaries	118,604	145,759	124,778	124,778	124,778	124,778	124,778	124,778	124,778	124,778	124,778	126,334	1,513,698
Benefits and Taxes	28,030	31,435	30,908	30,908	30,908	30,908	31,847	31,847	31,847	31,847	31,847	31,966	374,293
Staff-Related Costs	12,160	5,678	5,678	5,678	5,678	5,678	5,678	5,678	5,678	5,678	5,678	5,678	74,619
Rent	50,000	22,727	22,727	22,727	22,727	22,727	22,727	22,727	22,727	22,727	22,727	22,727	300,000
Occupancy Service	9,039	19,494	19,494	19,494	19,494	19,494	19,494	19,494	19,494	19,494	19,494	19,494	223,476
Student Expense, Direct	4,547	16,263	16,263	16,263	16,263	16,263	16,263	16,263	16,263	16,263	16,263	16,263	183,435
Student Expense, Indirect	3,500	19,160	19,160	19,160	19,160	19,160	19,160	19,160	19,160	19,160	19,160	19,160	214,259
Office & Business Expense	11,263	16,226	16,226	16,226	16,226	16,226	16,226	16,226	16,226	16,226	16,226	16,226	189,747
Transportation	532	26,194	26,194	26,194	26,194	26,194	26,194	26,194	26,194	26,194	26,194	26,194	288,670
Total Ordinary Expenses	237,675	302,936	281,428	281,428	281,428	281,428	282,367	282,367	282,367	282,367	282,367	284,042	3,362,196
Total Expenses	237,675	302,936	281,428	281,428	281,428	281,428	282,367	282,367	282,367	282,367	282,367	284,042	3,362,196
Net Income	-12,954	-22,714	-3,008	-5,746	-1,018	-8,110	-9,049	407	-6,685	-9,049	-6,685	-5,996	-90,610
Cash Flow Adjustments	58	-5	-5	-5	-5	-5	-5	-5	-5	-5	-5	-5	0
Change in Cash	-12,896	-22,719	-3,014	-5,752	-1,023	-8,116	-9,055	402	-6,690	-9,055	-6,690	-6,002	-90,610