

# Finance Committee Report

## December 2023

## Financial Dashboard (Summary): December 2023

AFIA's ending cash balance is expected to be \$600,000 better than planned. At a high level and in round figures this is due to:

\$200,000 - State funding per student higher than planned

\$200,000 - Grants and donations higher than planned

\$200,000 - Unfilled positions (for which we are still recruiting)

Tricia, EdOps and Finance Committee begin the budgeting process this month. As you know, we will no longer receive Federal ESSER funds (\$600,000 this year). Fortunately, strong cash position gives us some breathing room (2+ years) to sort out life after ESSER funding. The primary factors in this equation are enrollment; fundraising, and staffing.

|                                | (\$000's)              |                        |                   |
|--------------------------------|------------------------|------------------------|-------------------|
|                                | <u>Forecast</u>        | <u>Budget</u>          | <u>Variance</u>   |
| <b>Total Revenue</b>           | <b>5,546</b>           | <b>5,347</b>           | <b>199</b>        |
| <b>Total Expenses</b>          | <b><u>5,082</u></b>    | <b><u>5,283</u></b>    | <b><u>201</u></b> |
| <b>Net Income (Loss)</b>       | <b>464</b>             | <b>64</b>              | <b>400</b>        |
| <b>July 1 Cash Balance*</b>    | <b><u>1,660</u></b>    | <b><u>1,446</u></b>    | <b><u>214</u></b> |
| <b>June 30 Cash Balance</b>    | <b><u>\$ 2,124</u></b> | <b><u>\$ 1,510</u></b> | <b><u>614</u></b> |
| <b>Days Cash</b>               | <b>153</b>             | <b>104</b>             | <b>48</b>         |
|                                |                        |                        |                   |
| <b>Holding/Foundation Cash</b> | <b><u>\$ 780</u></b>   | <b><u>\$ 709</u></b>   | <b><u>71</u></b>  |

## Financial Dashboard (Detailed) : December 2023

### Highlights/Current Month Changes:

Grants/Donations: Budget is \$675. \$250 in grants received early. August forecast reduced to \$425. December forecast increased to \$600 to reflect unexpected significant grants received.

Staff-Related: There are still two positions not filled. While we are still working to fill those positions, the more time that elapses, the more we save on this expense.

Occupancy: Increased \$50k for unbudgeted security upgrades. These are completely covered by unbudgeted DESE security grant for same amount

### Details:

|                                | (\$000's)       |                 |                 |
|--------------------------------|-----------------|-----------------|-----------------|
|                                | <u>Forecast</u> | <u>Budget</u>   | <u>Variance</u> |
| <b>Revenue</b>                 |                 |                 |                 |
| Local                          | \$ 430          | \$ 381          | 49              |
| State                          | 3,327           | 3,127           | 200 C           |
| Federal                        | 557             | 545             | 12              |
| ESSER                          | 611             | 611             | 0               |
| Grants/Donations               | 600             | 675             | (75) A          |
| Earned fees                    | 21              | 8               | 13              |
| <b>Total Revenue</b>           | <b>5,546</b>    | <b>5,347</b>    | <b>199</b>      |
| <b>Expenses</b>                |                 |                 |                 |
| Staff-Related Costs            | 3,412           | 3,604           | 192 B           |
| Occupancy (inc.Rent)           | 638             | 582             | (56) D          |
| Student Direct and Indirect    | 621             | 612             | (9)             |
| Office & Business              | 229             | 217             | (12)            |
| Transportation                 | 182             | 268             | 86              |
| <b>Total Expenses</b>          | <b>5,082</b>    | <b>5,283</b>    | <b>201</b>      |
| <b>Net Income (Loss)</b>       | <b>464</b>      | <b>64</b>       | <b>400</b>      |
| <b>July 1 Cash Balance*</b>    | <b>1,660</b>    | <b>1,446</b>    | <b>214</b>      |
| <b>June 30 Cash Balance</b>    | <b>\$ 2,124</b> | <b>\$ 1,510</b> | <b>614</b>      |
| <b>Days Cash</b>               | <b>153</b>      | <b>104</b>      | <b>48</b>       |
|                                |                 |                 |                 |
| <b>Holding/Foundation Cash</b> | <b>\$ 780</b>   | <b>\$ 709</b>   | <b>71</b>       |

### Variance explanations: + or - impact on cash

**A**  
(Negative) See Above.

**B**  
Positive See above.

**C**  
Positive Higher than expected per-WADA state revenue confirmed by October's payment.

**D**  
Neutral Unbudgeted security upgrades. However, since completely funded by unbudgeted grant, impact on cash is neutral.

\$50 new, unplanned donation; \$40 accelerated pledge payment; (\$20) unplanned expense due to plumbing back up

\*When budget was approved mid-June, July 1 cash was expected to be \$1,446. \$250 in grants expected to be received in July (SY24) were received at the end of June (SY23)

AFIA Mid-Year Forecast  
In-Depth Review  
December 2023

Mid-Year Forecast In-Depth Review

**On June 22, 2023 Board approved budget.**

On June 22, 2023 AFIA's board approved the budget for the 2023-2024 school year.  
It looked like this:

|                                       | 2023-2024<br>Budget |   |
|---------------------------------------|---------------------|---|
| Beginning Cash<br>(July 1, 2023)      | \$1,446             | At the time, this was our best estimate of where we'd begin the year cash-wise. |
| plus: Income                          | \$5,347             |   |
| less: Expenses                        | <u>(\$5,283)</u>    |   |
| equal: Ending Cash<br>(June 30, 2024) | <u>\$1,510</u>      |   |


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## Mid-Year Forecast In-Depth Review

### **The last week in June 2023 AFIA received significant grants "early."**

These grants were included in the 2023-2024 budget. That, along with some other minor differences, had an immediate impact.

|                                       | 2023-2024<br>Budget | Impact of grants<br>received early | Minor differences<br>between estimate<br>and actual cash<br>balance | 2023-2024<br>Forecast as of<br>July 1, 2023 |
|---------------------------------------|---------------------|------------------------------------|---|---|
| Beginning Cash<br>(July 1, 2023)      | \$1,446             | \$250                              | (\$36)  | \$1,660                                     |
| plus: Income                          | \$5,347             | (\$250)                            |   | \$5,097                                     |
| less: Expenses                        | (\$5,283)           |                                    |   | (\$5,283)                                   |
| equal: Ending Cash<br>(June 30, 2024) | \$1,510             | \$0                                | (\$36)  | \$1,474                                     |



You can see that while the grants received early impacted 2023-2024 Income, they did not impact our June 30, 2024 cash balance (what we refer to as a timing difference).

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Mid-Year Forecast In-Depth Review

**October Forecast (the last one you have seen)**

In the fall, we had three situations to address: per student state funding, unfilled staff positions, and transportation.

The forecast was adjusted for the first two. We held off adjusting transportation until we had more actual data to inform our decision.

|                                       | 2023-2024<br>Forecast<br>reflecting<br>early grants | State Revenue:<br>Per student<br>funding higher<br>than expected | Staff-Related:<br>Two unfilled<br>positions | Other minor<br>line item<br>adjustments | 2023-2024<br>Forecast as of<br>October 2023 |
|---------------------------------------|---|--|---|---|---|
| Beginning Cash<br>(July 1, 2023)      | \$1,660   |  |   |   | \$1,660                                     |
| plus: Income                          | \$5,097   | \$250  |   | \$69                                    | \$5,416                                     |
| less: Expenses                        | (\$5,283)   |  | \$160                                       | \$11                                    | (\$5,112)                                   |
| equal: Ending Cash<br>(June 30, 2024) | \$1,474   | \$250  | \$160                                       | \$80                                    | \$1,964                                     |

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## Mid-Year Forecast In-Depth Review

### December update

AFIA has received unbudgeted grants. The most significant are:

Garney - \$100,000; DESE Security Grant - \$50,000; SSKC Teacher Retention - \$33,000.

We also have a pending grant of \$140,000 from DESE for a literacy partnership with Turn the Page KC

These grants impacted the forecast as follows:

Garney: this grant does not have any specific spending requirements; so that is a full boost to the revenue forecast.

DESE Security: this grant will cover security upgrades that were not in our budget. So while Revenue increases by \$50k, so too will our expenses.

KC Educator Retention Fund: this grant will cover expenses not originally in our budget. So while Revenue increases by \$33k, so too will our expenses.

In addition, the Transportation forecast has been updated based on actual activity through December.

|                                       | 2023-2024<br>Forecast as of<br>October 2023 | Garney | DESE<br>Security | KC<br>Educator | Transport-<br>ation | Other minor line<br>item<br>adjustments | 2023-2024<br>Forecast as of<br>December 2024 |
|---------------------------------------|---|--------|------------------|----------------|---------------------|---|--|
| Beginning Cash<br>(July 1, 2023)      | \$1,660                                     |        |                  |                |                     |   | \$1,660                                      |
| plus: Income                          | \$5,416                                     | \$100  | \$50             | \$33           |                     | (\$53)                                  | \$5,546                                      |
| less: Expenses                        | (\$5,112)                                   |        | (\$50)           | (\$33)         | \$86                | \$27                                    | (\$5,082)                                    |
| equal: Ending Cash<br>(June 30, 2024) | \$1,964                                     | \$100  | \$0              | \$0            | \$86                | (\$26)                                  | \$2,124                                      |

To note: as you can see from the agenda, we have another grant from DESE relating to a Literacy Partnership with Turn the Page KC. We will receive \$140k. We know that there will be some fairly significant unbudgeted expense incurred relating to this partnership. We will adjust both Income and Expense line items when we have a better understanding of unbudgeted expenses.

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Mid-Year Forecast In-Depth Review

December update

Below updated based on actual results through December.

|                                    | Approved Budget | Impact of grants received early | State Revenue: Per student funding higher than expected | Staff-Related: Two unfilled positions | Garney | DESE Security | KC Educator | Transportation | Other minor line item adjustments | Forecast as of December 2024 |
|------------------------------------|-----------------|---------------------------------|---|---------------------------------------|--------|---------------|-------------|----------------|-----------------------------------|------------------------------|
| Beginning Cash (July 1, 2023)      | \$1,446         | \$250                           |   |                                       |        |               |             |                | (\$36)                            | \$1,660                      |
| plus: Income                       | \$5,347         | (\$250)                         | \$200   |                                       | \$100  | \$50          | \$33        |                | \$66                              | \$5,546                      |
| less: Expenses                     | (\$5,283)       |                                 |   | \$192                                 |        | (\$50)        | (\$33)      | \$86           | \$6                               | (\$5,082)                    |
| equal: Ending Cash (June 30, 2024) | <u>\$1,510</u>  | \$0                             | \$200   | \$192                                 | \$100  | \$0           | \$0         | \$86           | \$36                              | \$2,124                      |