



# May 2023 Financials

PREPARED JUN'23 BY

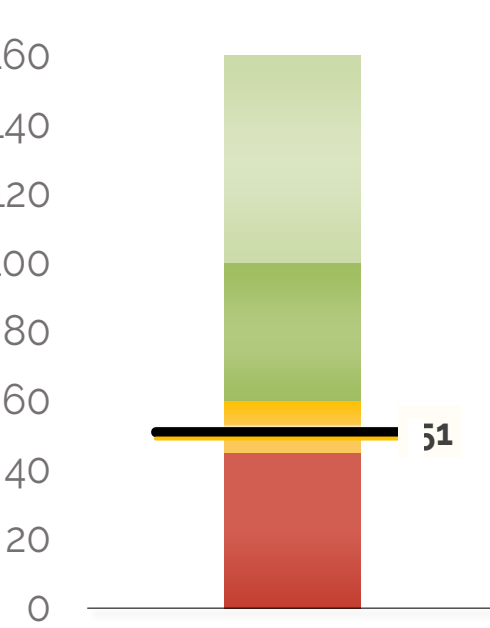


- **Executive Summary**
- **Key Performance Indicators**
- **Forecast Overview**
- **Cash Forecast**
- **Annotated Financials**
- **Income Statement**
- **Balance Sheet**

- Kipp KC ends 05/23 with a year end projected cash forecast of \$2.1M and 51 Days of cash. This is ahead of the original FY23 YE Budget by \$273K.
- While YTD revenue remains on track, several expense categories saw overages in May. Staffing and associated benefits, student direct expenses, transportation, food service, and facility repairs/improvements will all finish the year over budget.
- For the last few months, work has been underway to prepare the FY24 budget. At the May Finance Committee meeting a preliminary budget was submitted, reviewed and discussed. Using Committee input as well as FY23 experience, the draft budget was revised and presented at the June Finance Committee meeting. A final version will be recommended for full Board review & approval at this month's Board meeting. The draft budget is included for your review.

Days of Cash

Cash balance at year-end divided by average daily expenses

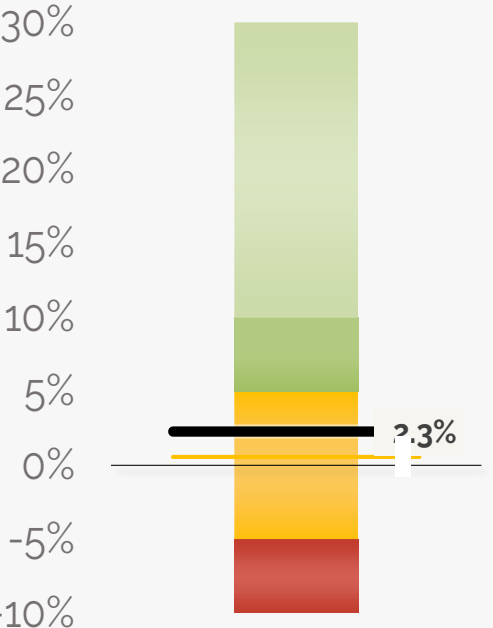


51 DAYS OF CASH AT YEAR'S END

The school will end the year with 51 days of cash. This is below the recommended 60 days

Gross Margin

Revenue less expenses, divided by revenue

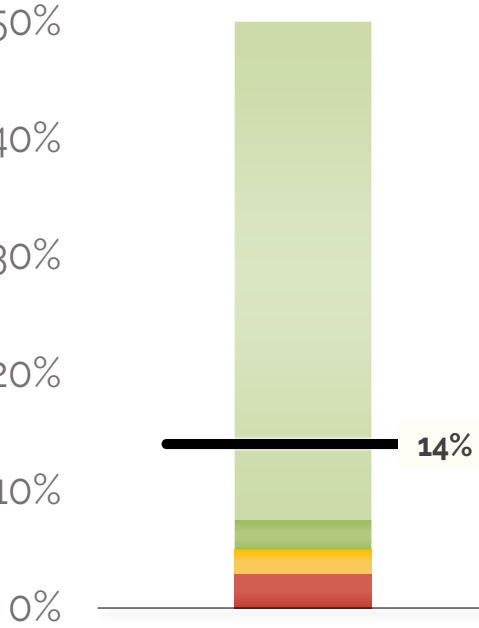


2.3% GROSS MARGIN

The forecasted net income is \$351k, which is \$272k above the budget. It yields a 2.3% gross margin.

Fund Balance %

Forecasted Ending Fund Balance / Total Expenses

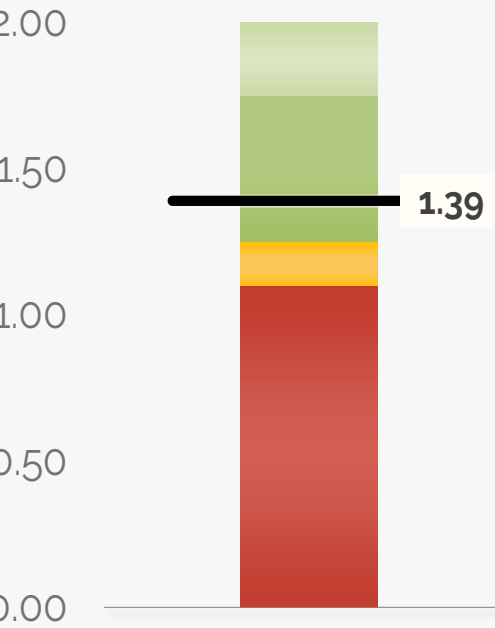


13.98% AT YEAR'S END

The school is projected to end the year with a fund balance of \$2,104,839. Last year's fund balance was \$1,753,950.

DSCR

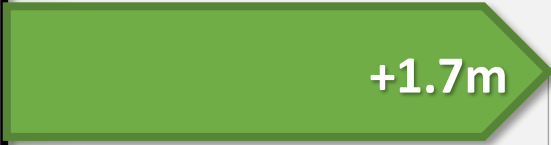
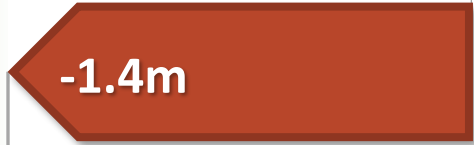



Amount of cash flow available to meet annual interest and principal payments on debt



DSCR IS 1.39

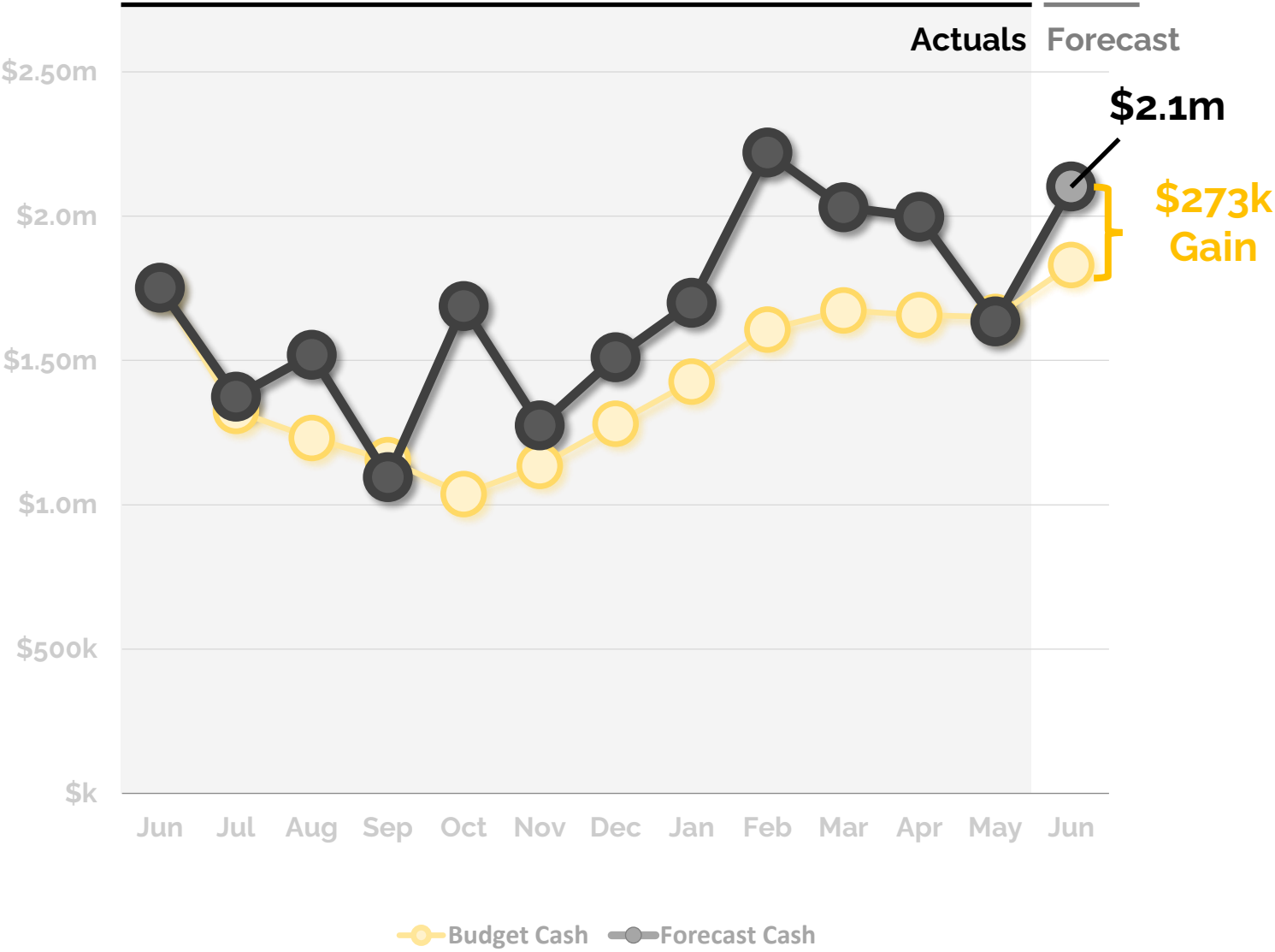
Debt Service Coverage Ratio is defined by the school's bank covenants.

# Forecast Overview

	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$15.4m	\$13.7m	<b>\$1.7m</b>		Primarily due to funding equity and Prop C revenue, not originally budgeted.
Expenses	\$15.1m	\$13.6m	<b>-\$1.4m</b>		Overages in salaries/benefits (\$506,826), student expense direct (\$365,436), food service (\$74,606), transportation (\$213,688) and facilities improvements (\$277,688).
<b>Net Income</b>	<b>\$351k</b>	<b>\$78k</b>	<b>\$272k</b>		
Cash Flow Adjustments	421.39	0	<b>421.39</b>		
<b>Change in Cash</b>	<b>\$351k</b>	<b>\$78k</b>	<b>\$273k</b>		

## 51 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$2.1m**, **\$273k** above budget.



	Year-To-Date			Annual Forecast			
	Actual	Budget	Variance	Forecast	Budget	Variance	Remaining
<b>Revenue</b>							
Local Revenue	920,914	887,943	32,971	1,000,436	975,761	24,675	79,522
State Revenue	8,339,648	6,990,790	1,348,859	9,108,328	7,759,435	1,348,893	768,680
Federal Revenue	2,483,095	3,386,661	(903,566)	3,823,119	3,814,501	8,618	1,340,024
Private Grants and Donations	924,577	1,094,925	(170,348)	1,198,000	1,123,000	75,000	273,424
Earned Fees	272,145	17,644	254,501	272,145	19,248	252,897	-
<b>Total Revenue</b>	<b>12,940,378</b>	<b>12,377,962</b>	<b>562,416</b>	<b>15,402,028</b>	<b>13,691,945</b>	<b>1,710,083</b>	<b>2,461,650</b>
<b>Expenses</b>							
Salaries	6,289,451	5,977,646	(311,805)	6,998,615	6,521,069	(477,546)	709,164
Benefits and Taxes	1,541,005	1,538,953	(2,052)	1,708,138	1,678,858	(29,280)	167,133
Staff-Related Costs	71,745	59,675	(12,070)	74,078	65,100	(8,978)	2,334
Rent	34,500	66,000	31,500	72,000	72,000	-	37,500
Occupancy Service	944,115	1,156,753	212,638	1,226,784	1,261,912	35,128	282,670
Student Expense, Direct	1,555,362	1,188,869	(366,493)	1,662,384	1,296,948	(365,436)	107,022
Student Expense, Food	637,906	586,667	(51,239)	714,606	640,000	(74,606)	76,700
Office & Business Expense	642,766	635,806	(6,960)	719,157	693,607	(25,550)	76,391
Transportation	548,852	571,083	22,231	836,688	623,000	(213,688)	287,836
Total Ordinary Expenses	12,265,702	11,781,452	(484,249)	14,012,451	12,852,494	(1,159,958)	1,746,750
Net Operating Income	674,676	596,510	78,166	1,389,577	839,451	550,125	714,901
<b>Extraordinary Expenses</b>							
Interest	565,096	697,583	132,487	761,000	761,000	(0)	195,904
Facility Improvements	277,688	-	(277,688)	277,688	-	(277,688)	-
Total Extraordinary Expenses	842,784	697,583	(145,201)	1,038,688	761,000	(277,688)	195,904
<b>Total Expenses</b>	<b>13,108,486</b>	<b>12,479,036</b>	<b>(629,450)</b>	<b>15,051,139</b>	<b>13,613,494</b>	<b>(1,437,646)</b>	<b>1,942,654</b>
<b>Net Income</b>	<b>(168,108)</b>	<b>(101,074)</b>	<b>(67,034)</b>	<b>350,889</b>	<b>78,451</b>	<b>272,437</b>	<b>518,996</b>
Cash Flow Adjustments	51,497	-	51,497	421	-	421	(51,075)
<b>Change in Cash</b>	<b>(116,611)</b>	<b>(101,074)</b>	<b>(15,538)</b>	<b>351,310</b>	<b>78,451</b>	<b>272,859</b>	<b>467,921</b>

**① REVENUE: \$1.7M AHEAD**

Primarily due to funding equity and Prop C revenue not budgeted.

**② EXPENSES: \$1.4M BEHIND**

Salaries/benefits, student expense direct, food service, transportation and facilities repairs/impvmts

**③ NET INCOME: \$272K ahead****④ CASH ADJ:\$0K AHEAD****⑤ NET CHANGE IN CASH: \$273K AHEAD**

Income Statement	Actual											Forecast	
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Revenue													
Local Revenue	99,145	95,971	80,396	84,026	77,063	78,912	85,439	102,866	62,804	77,185	77,106	79,522	1,000,436
State Revenue	513,810	718,615	637,366	1,361,559	657,207	905,113	1,087,014	415,469	801,629	801,627	440,239	768,680	9,108,328
Federal Revenue	63,986	13,706	10,815	258,475	188,977	147,886	127,571	1,154,046	182,005	121,619	214,009	1,340,024	3,823,119
Private Grants and Donations	5,623	363,561	10,000	24,223	25,344	254,294	3,835	10,259	2,651	116,887	107,901	273,424	1,198,000
Earned Fees	227,862	22,529	2,588	5,489	1,951	365	7,591	2,147	970	414	239	0	272,145
Total Revenue	910,426	1,214,383	741,165	1,733,771	950,542	1,386,570	1,311,451	1,684,786	1,050,059	1,117,732	839,493	2,461,650	15,402,028
Expenses													
Salaries	591,923	560,000	599,328	570,738	555,594	581,745	546,819	554,478	594,785	557,227	576,814	709,164	6,998,615
Benefits and Taxes	142,086	136,114	140,282	153,463	137,411	135,802	139,419	134,883	139,970	142,935	138,639	167,133	1,708,138
Staff-Related Costs	4,934	9,021	4,677	2,790	4,675	3,576	7,272	7,413	21,946	4,033	1,408	2,334	74,078
Rent	0	0	6,500	5,500	0	9,000	0	0	4,500	4,500	4,500	37,500	72,000
Occupancy Service	77,446	77,261	96,009	18,874	242,960	80,575	82,150	62,197	100,800	53,631	52,212	282,670	1,226,784
Student Expense, Direct	279,799	144,494	110,824	162,218	99,999	134,461	69,117	93,210	102,913	67,515	290,812	107,022	1,662,384
Student Expense, Food	21,607	6,000	79,600	88,926	40,426	77,358	17,190	90,213	85,780	52,966	77,842	76,700	714,606
Office & Business Expense	88,492	105,012	73,711	40,933	39,389	80,579	65,572	45,812	39,091	177,430	-113,255	76,391	719,157
Transportation	71,048	11,662	25,609	33,822	67,803	26,660	64,913	100,651	56,179	27,046	63,460	287,836	836,688
Total Ordinary Expenses	1,277,336	1,049,564	1,136,540	1,077,262	1,188,256	1,129,755	992,452	1,088,857	1,145,965	1,087,283	1,092,431	1,746,750	14,012,451
Operating Income	-366,910	164,819	-395,375	656,508	-237,714	256,815	318,999	595,929	-95,906	30,449	-252,938	714,901	1,389,577
Extraordinary Expenses													
Interest	0	40,759	40,759	59,977	40,759	52,878	58,023	60,197	55,916	63,362	92,466	195,904	761,000
Facility Improvements	1,614	38,943	-6,960	-2,148	130,513	-29,758	71,659	15,363	36,949	6,383	15,129	0	277,688
Total Extraordinary Expenses	1,614	79,702	33,799	57,829	171,272	23,120	129,682	75,560	92,865	69,746	107,594	195,904	1,038,688
Total Expenses	1,278,950	1,129,266	1,170,340	1,135,091	1,359,529	1,152,875	1,122,135	1,164,416	1,238,830	1,157,029	1,200,025	1,942,654	15,051,139
Net Income	-368,525	85,117	-429,175	598,680	-408,987	233,695	189,316	520,370	-188,771	-39,296	-360,532	518,996	350,889
Cash Flow Adjustments	-8,565	59,997	4,905	-5,427	-4,591	2,133	-430	391	-1,455	6,460	-1,922	-51,075	421
Change in Cash	-377,089	145,114	-424,270	593,253	-413,577	235,829	188,886	520,761	-190,226	-32,837	-362,455	467,921	351,310

	Previous Year End	Current	Year End
	6/30/2022	5/31/2023	6/30/2023
<b>Assets</b>			
Current Assets			
Cash	1,751,900	1,635,289	2,103,210
Total Current Assets	1,751,900	1,635,289	2,103,210
<b>Total Assets</b>	<b>1,751,900</b>	<b>1,635,289</b>	<b>2,103,210</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Current Liabilities			
Other Current Liabilities	-2,050	49,446	-1,629
Total Current Liabilities	-2,050	49,446	-1,629
Total Long-Term Liabilities	0	0	
<b>Total Liabilities</b>	<b>-2,050</b>	<b>49,446</b>	
<b>Equity</b>			
Unrestricted Net Assets	1,753,950	1,753,950	1,753,950
Net Income	0	-168,108	350,889
<b>Total Equity</b>	<b>1,753,950</b>	<b>1,585,842</b>	<b>2,104,839</b>