



Academies: St. Louis

# **SY21-22 Budget**

PREPARED June 2021 BY

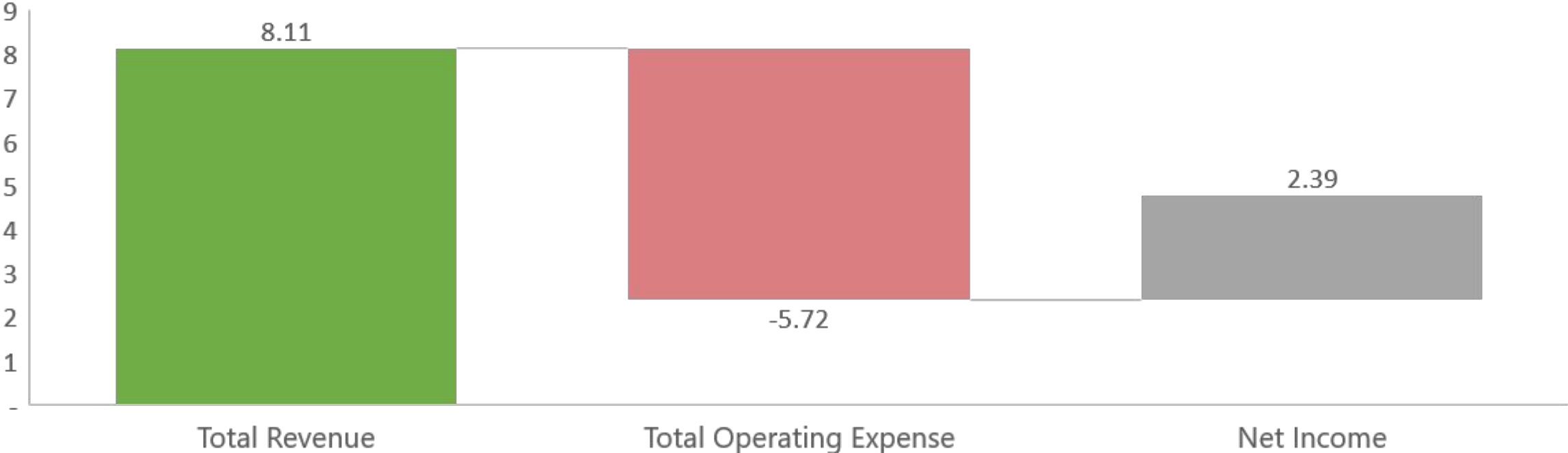


# Contents

- **Budget Summary**
- **Key Performance Indicators**
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# Budget Summary | Net Income

Net Income (\$M)



# Budget Summary | Ending Position

<b>Starting Cash (\$)</b>	<b>1,810,808</b>
Net Income	2,390,326
<b>Net Annual Cash Increase</b>	<b>2,390,326</b>
<b>Ending Cash</b>	<b>4,201,134</b>

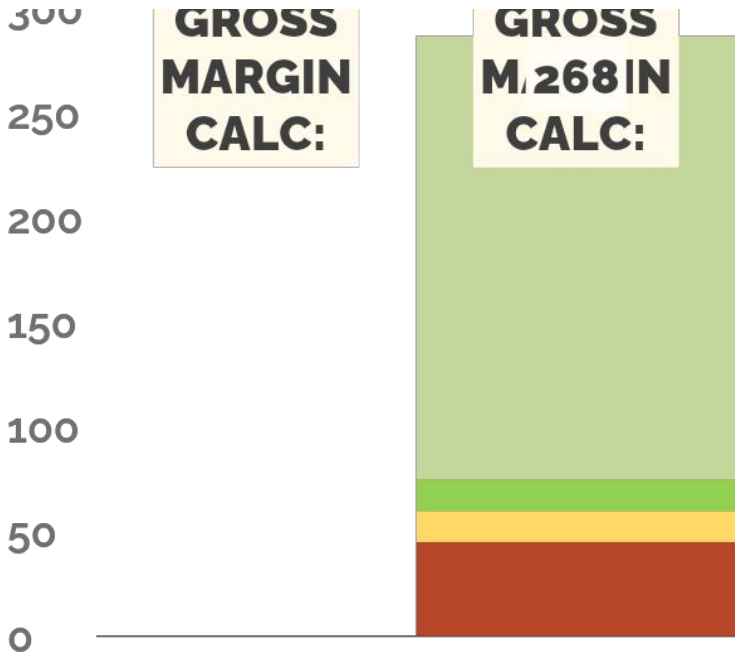
<b>Total Expense (\$)</b>	<b>5,723,591</b>
<b>Ending Cash</b>	<b>4,201,134</b>
<b>Day of Cash</b>	<b>268</b>
<b>Fund Balance</b>	<b>73%</b>

**Note:**

This high fund balance allows for Kairos to prepare for continued expenses related to expansion such as, construction, increased staffing, and/or the purchase of a school building.

# Key Performance Indicators

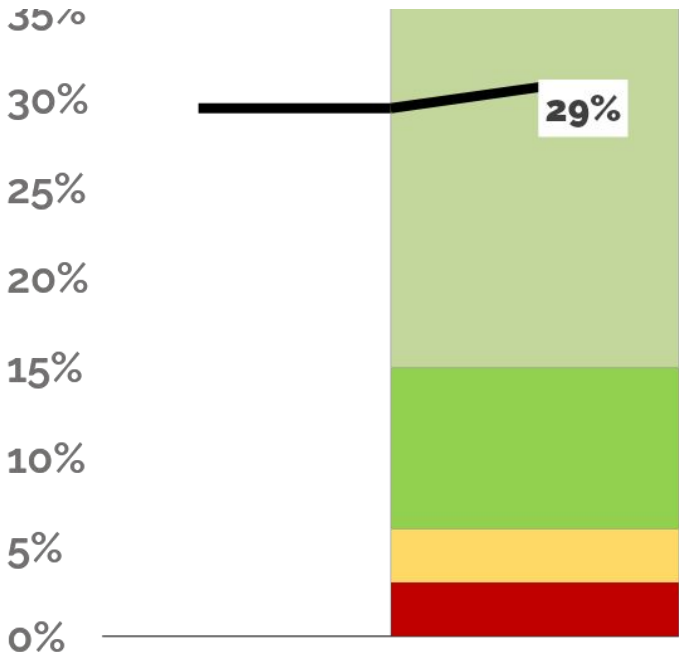
## Days of Cash



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

The school's 268 days of cash is above the recommended 60 days of cash.

## Gross Margin

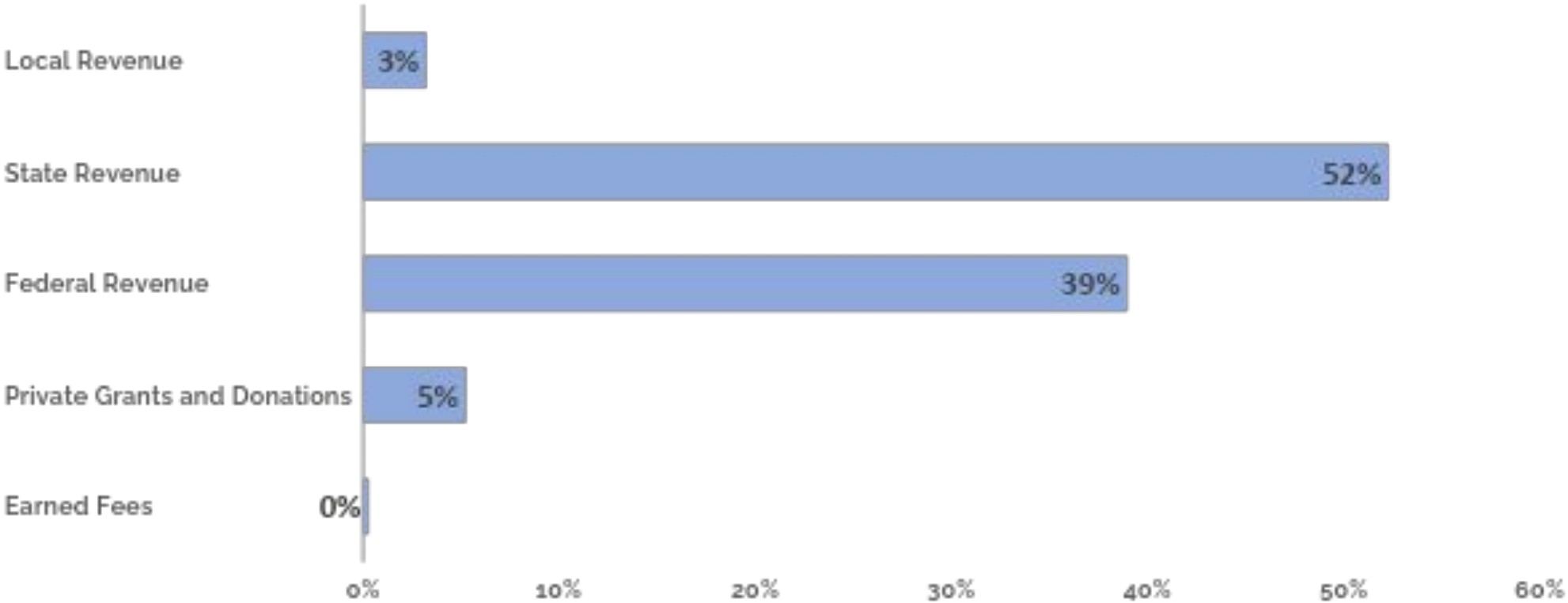


### 29.% GROSS MARGIN

The forecasted net income is \$2.4m on \$8.1 in revenue. This yields a 29.46% gross margin.

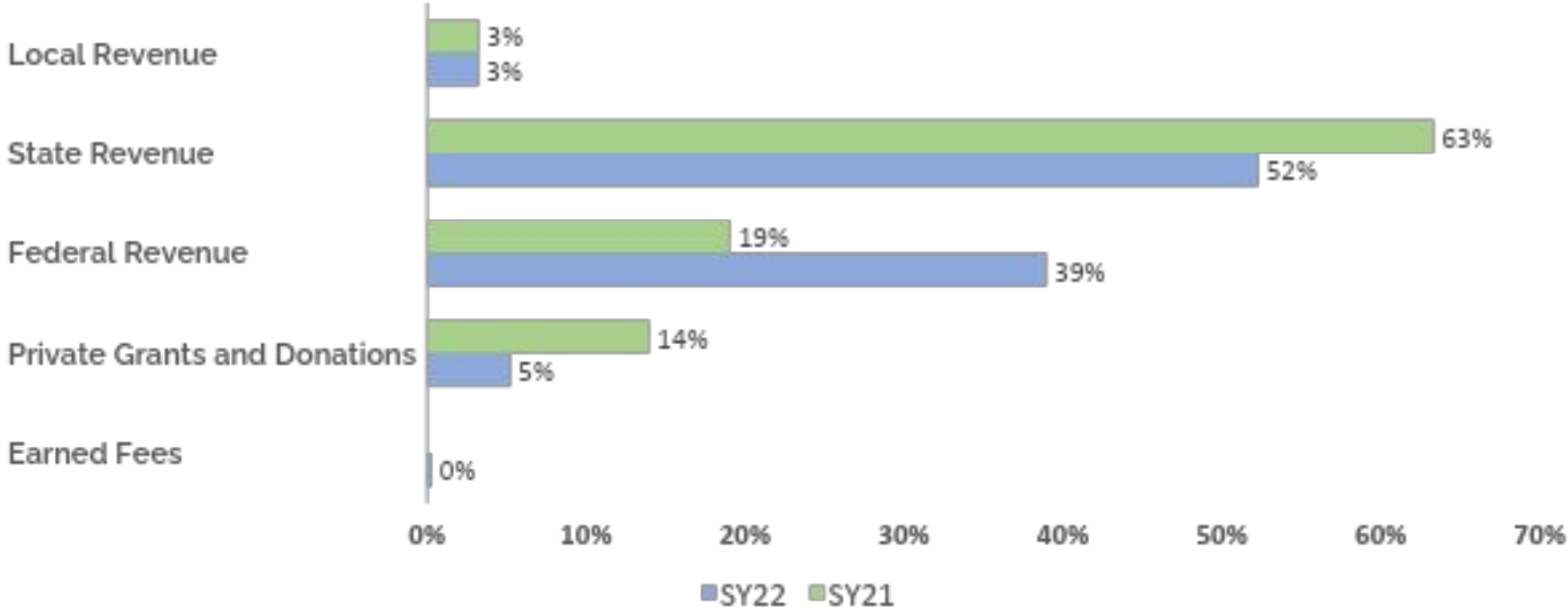
# Revenue By Source

## Distribution of Revenue



# Revenue By Source

## Revenue By Source, SY21 Vs. SY22

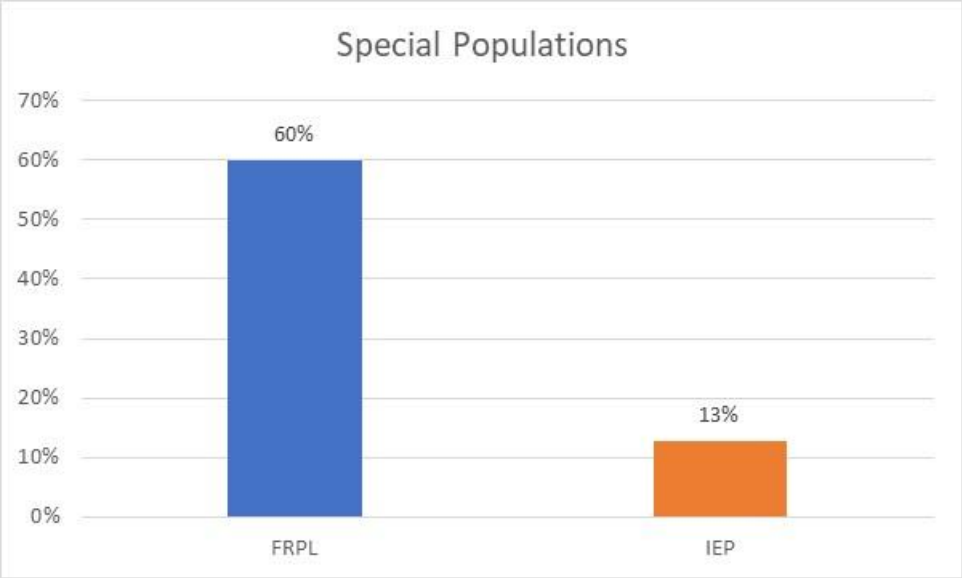
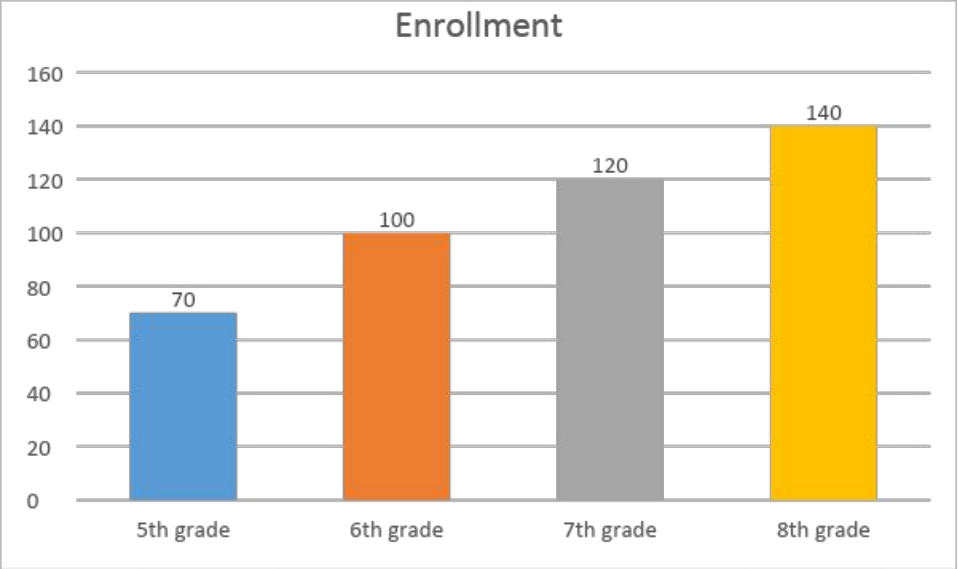


# Revenue Assumptions

Revenue Type	Description
Local	<ul style="list-style-type: none"> <li>Prop C: Local sales tax allotted at \$1047 per FY21 WADA (\$262K)</li> </ul>
Private Grants & Donations	<ul style="list-style-type: none"> <li>TOT: \$70K</li> <li>NSVF: \$227.5K</li> <li>KAV fundraising: \$128K</li> </ul>
State	<ul style="list-style-type: none"> <li>Basic Formula: \$4.1M</li> <li>Classroom Trust Fund: \$81K</li> </ul>
Federal	<p><b>Title</b></p> <ul style="list-style-type: none"> <li>Based on DESE allocations, though growing faster than WADA</li> </ul> <p><b>ESSER II + III</b></p> <ul style="list-style-type: none"> <li>Total ESSER allocation: \$2.14-3.14M               <ul style="list-style-type: none"> <li>ESSER II: \$326K</li> <li>ESSER III: \$1.8-2.8M</li> </ul> </li> <li>Total budgeted: 1.95M               <ul style="list-style-type: none"> <li>Cover cost of Vanguard</li> <li>Assume ESSER III allocation is too high</li> </ul> </li> </ul> <p><b>CSP</b></p> <ul style="list-style-type: none"> <li>Oct '22-Sep '23 Allotment: \$363.9K</li> <li>Oct '21-Sep'22 Allotment: \$388.5K</li> </ul>



# Revenue | Enrollment Assumptions

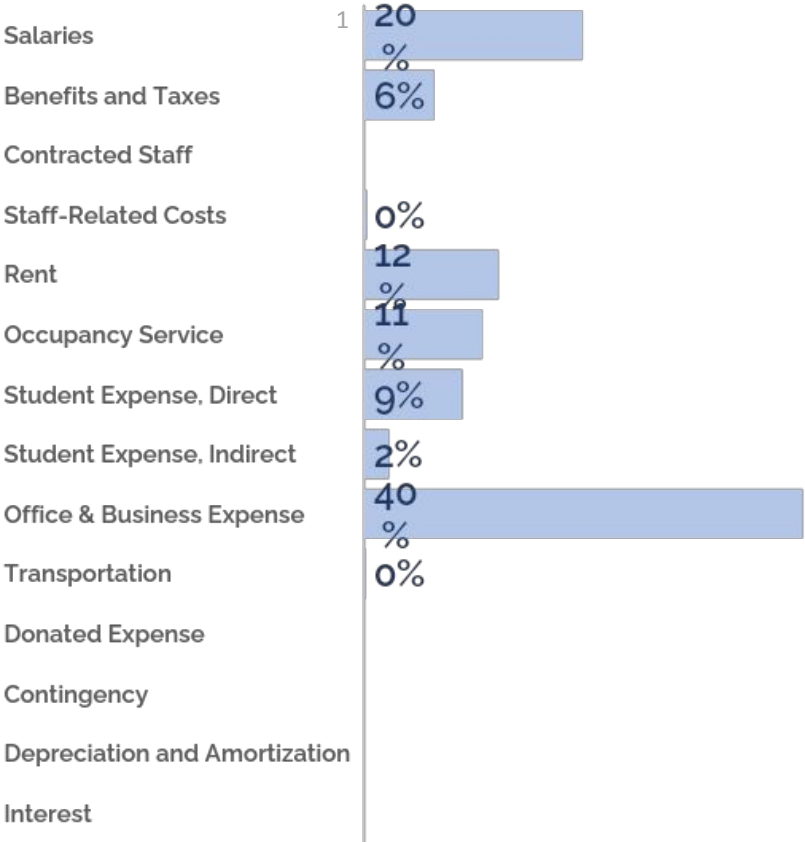


Attendance: **92%**

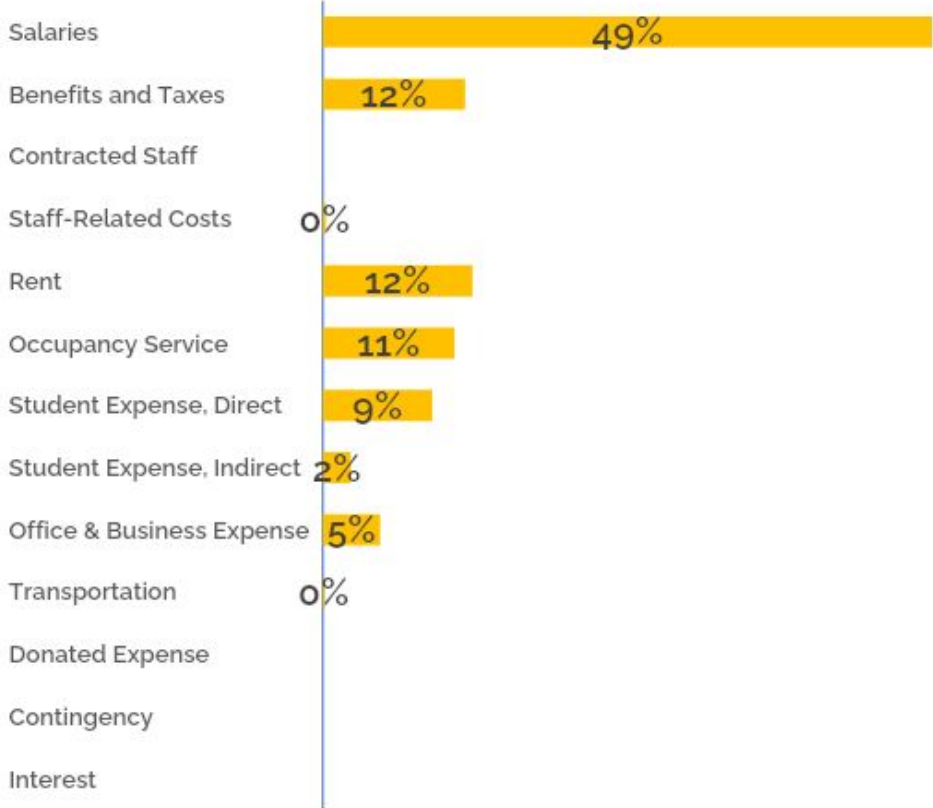
Attrition: **6%**

# Expenses By Category

## Expense by category (ASBR)



## Expense by category (For Salaries)

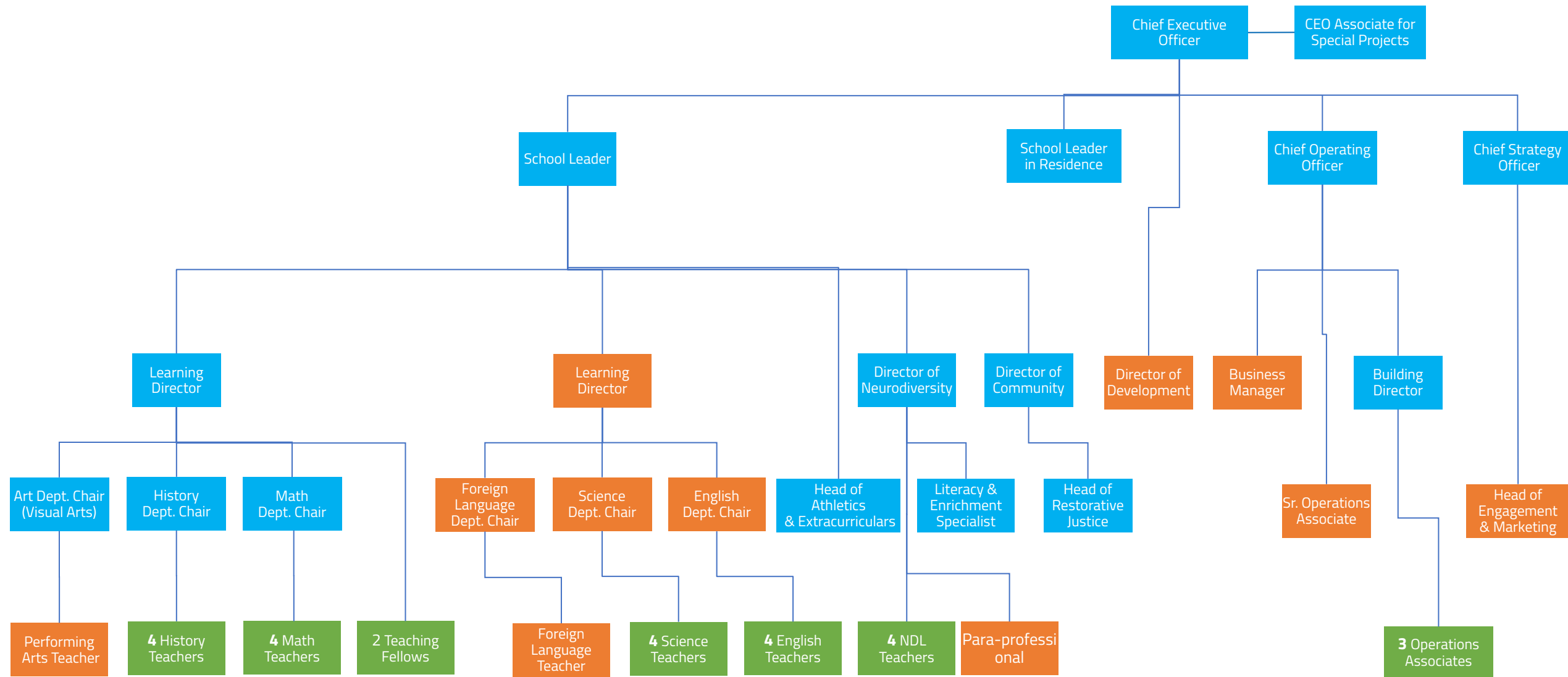


(1) Inclusive of Kairos Academies, not Kairos Vanguard. See upcoming page Kairos Academies | SY21-22 Budget

# Expense Assumptions

Expense Category	Expense Details
<b>Salaries</b>	<ul style="list-style-type: none"> <li>• \$2.8M for 52 staff</li> </ul>
<b>Benefits</b>	<ul style="list-style-type: none"> <li>• \$660K, assuming \$3,375 per KA employee and \$4570 per KAV employee</li> </ul>
<b>Rent</b>	<ul style="list-style-type: none"> <li>• \$695K for Floors 1, expanded Floor 2, and Floor 5</li> </ul>
<b>Occupancy Service</b>	<ul style="list-style-type: none"> <li>• \$341K in construction</li> <li>• \$205K in furniture, for SY22 and 40% of SY23</li> <li>• \$50K for recess equipment (e.g. jungle gym)</li> </ul>
<b>Student Direct</b>	<ul style="list-style-type: none"> <li>• \$246K in SY22 + SY23 computers</li> <li>• \$74K in club contractors</li> <li>• \$67K in Miriam</li> </ul>

# SY22 Budget Organizational Chart



# Risks & Potential Upsides

## Risks

- Due to one-time ESSER funds, failing to hit enrollment and FRL targets would have an outsized impact on funding
- Construction always brings unknowns, which have been more significant than projected to date
  - Though expect that most unforeseen costs have been identified at the start of construction
- Hitting \$130K in fundraising will be more difficult without a Development Director
- Long-term, as federal dollars decrease, additional focus will need to be placed on fundraising

## Upside

- Potential to gain state IEP dollars, including for a high-needs student
- Total health coverage may be high, especially for Vanguard staff
- Title and ESSER funds are projected conservatively. Potential to increase revenue by ~\$1M

# Profit, Loss Changes, % Increase

<u>Income Statement</u>	<u>SY20-21</u>	<u>SY21-22</u>	<u>% Increase</u>
Revenue			
Local Revenue	127,779	262,269	105%
State Revenue	2,491,583	4,242,455	70%
Federal Revenue	312,255	3,161,383	912%
Private Grants and Donations	549,593	425,500	-23%
Earned Fees	453,288	22,310	-95%
Donated Revenue	-	-	
<b>Total Revenue</b>	<b>3,934,497</b>	<b>8,113,917</b>	<b>106%</b>
Operating Expense			
Salaries	584,622	1,128,807	93%
Benefits and Taxes	162,665	363,546	123%
Contracted Staff	-	-	
Staff-Related Costs	3,846	14,639	281%
Rent	366,699	694,753	89%
Occupancy Service	134,067	611,691	356%
Student Expense, Direct	224,768	508,133	126%
Student Expense, Indirect	17,556	129,089	635%
Office & Business Expense	1,232,904	2,264,182	84%
Transportation	5,000	8,752	75%
Donated Expense	-	-	
Contingency	-	-	
<b>Total Operating Expense</b>	<b>2,732,128</b>	<b>5,723,591</b>	<b>109%</b>
<b>Net Income</b>	<b>1,202,369</b>	<b>2,390,326</b>	<b>99%</b>

# Appendix | Profit and Loss Changes

<u>Income Statement</u>	<u>SY20-21</u>	<u>SY21-22</u>
Revenue		
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Donated Expense	-	-
Contingency	-	-
<b>Total Operating Expense</b>	<b>2,732,128</b>	<b>5,723,591</b>
<b>Net Income</b>	<b>1,202,369</b>	<b>2,390,326</b>

# Appendix | KPI Calculation

## Calculating Days of Cash

Non-Depr Expenses	5,723,591
Day of Year	365
<b>Daily Expenses</b>	<b>15,681</b>
Ending Cash Balance	4,201,134
<b>Days of Cash</b>	<b>268</b>

## Calculating Gross Margin

Revenue	8,113,917
Expenses	5,723,591
<b>Net Income</b>	<b>2,390,326</b>
Revenue	8,113,917
<b>Gross Margin</b>	<b>29%</b>





# QUESTIONS?

Please contact your EdOps Finance Specialist:

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