



# October 2022 Financials

PREPARED **NOV'22** BY



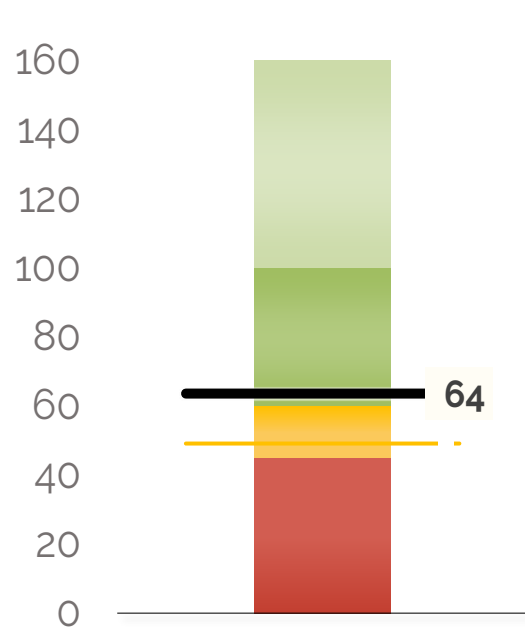
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- In October, DESE issued the FY23 funding equity WADA of \$10,492 to be applied retroactively to the start of the fiscal year. This was a \$2,192 per student improvement over the originally forecast WADA.
- As a result, KIPPKC's revenue increased significantly in October, as did year end cash projections.
  - September 2022 YE cash projection was \$797K. October's 2022 YE cash projection (with funding equity WADA) is \$2.58M, an improvement of \$1.783M.
  - More importantly, September 2022 YE Days of Cash was 20 days, well below acceptable guidelines and well below the sponsor's goal of 45 days. October 2022 YE Days of Cash is 64 days, ahead of the sponsor's goal and meeting the FY2025 goal!

- Expenses are running ahead of the original budget by almost \$1.2M or 9%. Key areas include:
  - Staffing – over headcount, resulting in total expenses exceeding budget of \$658,059, including salaries and benefits
  - Occupancy Service – facilities expenses are \$75K higher than budgeted due to extra costs associated with the new high school
  - Student Direct Expenses – we've added \$150K to the budget to cover before and after school care
  - Facility improvements – unbudgeted costs of \$31K

## Days of Cash

Cash balance at year-end divided by average daily expenses

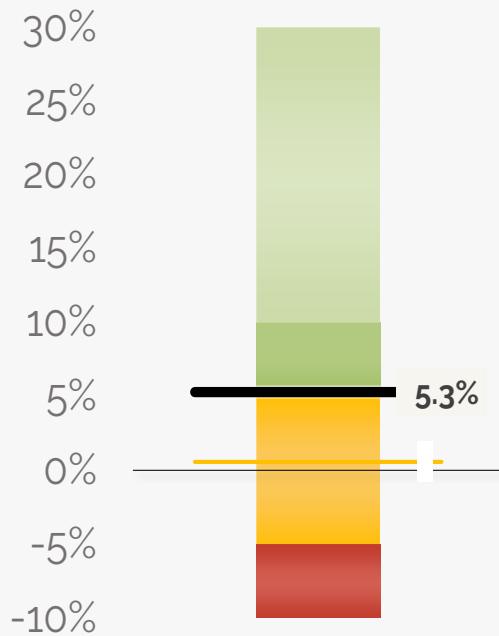


### 64 DAYS OF CASH AT YEAR'S END

The school will end the year with 64 days of cash. This is above the recommended 60 days and above the sponsor FY23 target of 45 days.

## Gross Margin

Revenue less expenses, divided by revenue

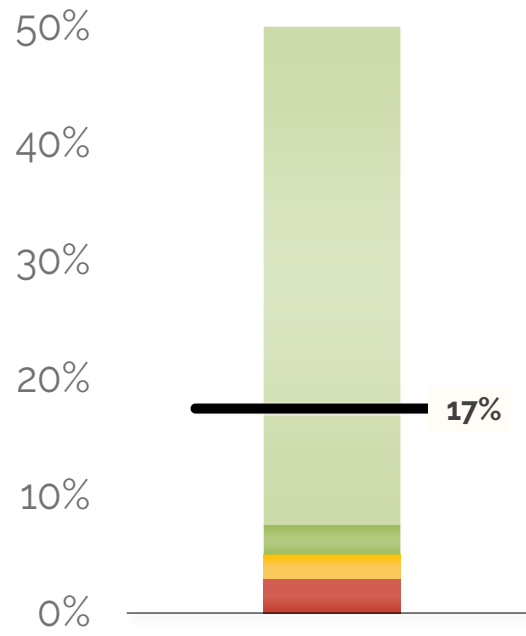


### 5.3% GROSS MARGIN

The forecasted net income is \$828k, which is \$750k above the budget. It yields a 5.3% gross margin.

## Fund Balance %

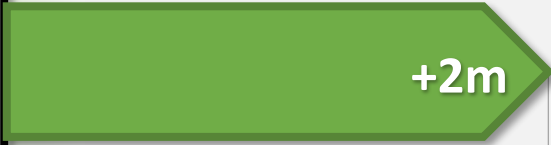
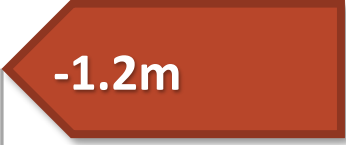
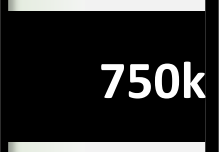

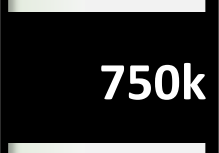
Forecasted Ending Fund Balance / Total Expenses



### 17.43% AT YEAR'S END

The school is projected to end the year with a fund balance of \$2,582,067. Last year's fund balance was \$1,753,951.

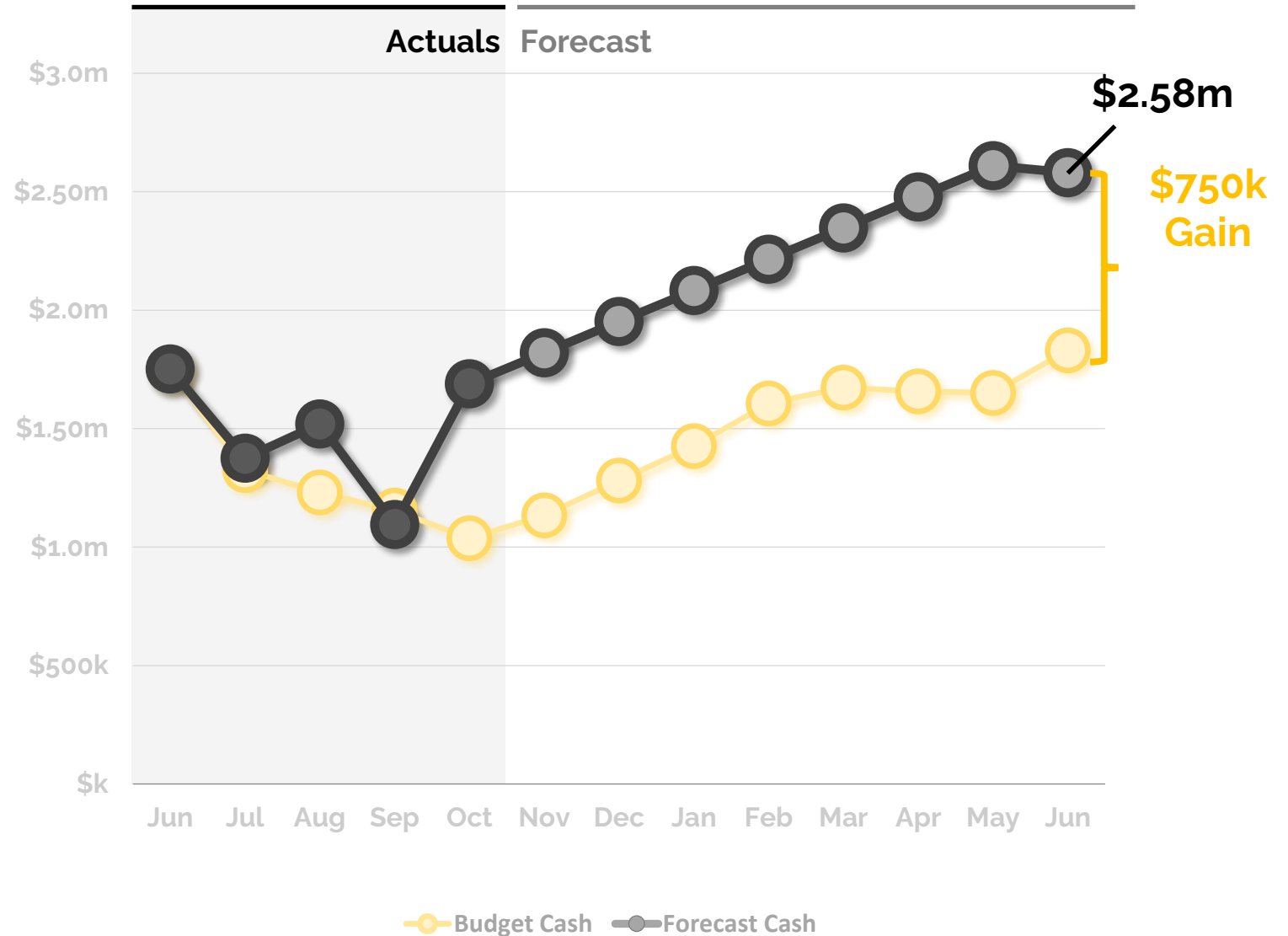
# Forecast Overview

	Forecast	Budget	Variance	Variance Graphic	Comments
Revenue	\$15.6m	\$13.7m	<b>\$2m</b>		Increases from funding equity WADA, , grants and KCPS MOU FY22 final payment.
Expenses	\$14.8m	\$13.6m	<b>-\$1.2m</b>		Staffing and benefits, occupancy service and student direct expenses all projected to end higher than originally budgeted.
<b>Net Income</b>	<b>\$828k</b>	<b>\$78k</b>	<b>\$750k</b>		
Cash Flow Adjustments	118.54	0	<b>118.54</b>		
<b>Change in Cash</b>	<b>\$828k</b>	<b>\$78k</b>	<b>\$750k</b>		

## 64 Days of Cash at year's end

We forecast the school's year ending cash balance as **\$2.6m**, **\$750k** above budget.

This is a significant improvement from September 2022 as a result of funding equity WADA.



	Year-To-Date			Annual Forecast			
	Actual	Budget	Variance	Forecast	Budget	Variance	Remaining
<b>Revenue</b>							
Local Revenue	359,538	322,001	37,537	976,628	975,761	867	617,090
State Revenue	3,231,350	2,269,211	962,139	9,369,583	7,759,435	1,610,148	6,138,233
Federal Revenue	346,982	1,113,062	(766,081)	3,836,709	3,814,501	22,208	3,489,727
Private Grants and Donations	403,407	112,300	291,107	1,198,000	1,123,000	75,000	794,593
Earned Fees	258,468	6,416	252,052	262,328	19,248	243,080	3,860
<b>Total Revenue</b>	<b>4,599,745</b>	<b>3,822,991</b>	<b>776,754</b>	<b>15,643,248</b>	<b>13,691,945</b>	<b>1,951,303</b> ①	<b>11,043,503</b>
<b>Expenses</b>							
Salaries	2,321,989	2,173,690	(148,300)	7,102,556	6,521,069	(581,487)	4,780,566
Benefits and Taxes	571,945	559,619	(12,326)	1,755,430	1,678,858	(76,572)	1,183,485
Staff-Related Costs	21,421	21,700	279	66,093	65,100	(993)	44,672
Rent	12,000	24,000	12,000	72,000	72,000	-	60,000
Occupancy Service	269,590	420,637	151,047	1,337,372	1,261,912	(75,460)	1,067,782
Student Expense, Direct	696,021	432,316	(263,705)	1,713,892	1,296,948	(416,944)	1,017,871
Student Expense, Food	196,132	213,333	17,201	646,000	640,000	(6,000)	449,868
Office & Business Expense	309,463	231,202	(78,260)	706,340	693,607	(12,733)	396,877
Transportation	142,141	207,667	65,526	622,999	623,000	1	480,858
Total Ordinary Expenses	4,540,703	4,284,165	(256,538)	14,022,681	12,852,494	(1,170,188)	9,481,979
Net Operating Income	59,042	(461,174)	520,216	1,620,566	839,451	781,115	1,561,524
<b>Extraordinary Expenses</b>							
Interest	141,495	253,667	112,172	761,000	761,000	(0)	619,505
Facility Improvements	31,450	-	(31,450)	31,450	-	(31,450)	-
Total Extraordinary Expenses	172,945	253,667	80,722	792,450	761,000	(31,450)	619,505
<b>Total Expenses</b>	<b>4,713,647</b>	<b>4,537,831</b>	<b>(175,816)</b>	<b>14,815,131</b>	<b>13,613,494</b>	<b>(1,201,638)</b> ②	<b>10,101,484</b>
<b>Net Income</b>	<b>(113,903)</b>	<b>(714,840)</b>	<b>600,938</b>	<b>828,116</b>	<b>78,451</b>	<b>749,665</b> ③	<b>942,019</b>
Cash Flow Adjustments	50,910	-	50,910	119	-	119	(50,791)
<b>Change in Cash</b>	<b>(62,993)</b>	<b>(714,840)</b>	<b>651,848</b>	<b>828,235</b>	<b>78,451</b>	<b>749,784</b> ⑤	<b>891,227</b>

① **REVENUE: \$2M AHEAD**  
Funding equity WADA, grants, KCPS  
FY22 MOU final payment

② **EXPENSES: \$1.2M BEHIND**  
Salaries/benefits, occupancy service,  
and student direct services

③ **NET INCOME: \$750K ahead**

④ **CASH ADJ: \$0K AHEAD**

⑤ **NET CHANGE IN CASH:  
\$750K AHEAD**



# Monthly Financials

Income Statement	Actual				Forecast								TOTAL
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
<b>Revenue</b>													
Local Revenue	99,145	95,971	80,396	84,026	77,136	77,136	77,136	77,136	77,136	77,136	77,136	77,136	976,628
State Revenue	513,810	718,615	637,366	1,361,559	767,279	767,279	767,279	767,279	767,279	767,279	767,279	767,279	9,369,583
Federal Revenue	63,986	13,706	10,815	258,475	436,216	436,216	436,216	436,216	436,216	436,216	436,216	436,216	3,836,709
Private Grants and Donations	5,623	363,561	10,000	24,223	99,324	99,324	99,324	99,324	99,324	99,324	99,324	99,324	1,198,000
Earned Fees	227,862	22,529	2,588	5,489	482	482	482	482	482	482	482	482	262,328
<b>Total Revenue</b>	<b>910,426</b>	<b>1,214,383</b>	<b>741,165</b>	<b>1,733,771</b>	<b>1,380,438</b>	<b>1,380,438</b>	<b>1,380,438</b>	<b>1,380,438</b>	<b>1,380,438</b>	<b>1,380,438</b>	<b>1,380,438</b>	<b>1,380,438</b>	<b>15,643,248</b>
<b>Expenses</b>													
Salaries	591,923	560,000	599,328	570,738	578,821	578,821	578,821	578,821	578,821	578,821	578,821	728,821	7,102,556
Benefits and Taxes	142,086	136,114	140,282	153,463	146,501	146,501	146,501	146,501	146,501	146,501	146,501	157,976	1,755,430
Staff-Related Costs	4,934	9,021	4,677	2,790	5,584	5,584	5,584	5,584	5,584	5,584	5,584	5,584	66,093
Rent	0	0	6,500	5,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	72,000
Occupancy Service	77,446	77,261	96,009	18,874	133,473	133,473	133,473	133,473	133,473	133,473	133,473	133,473	1,337,372
Student Expense, Direct	279,799	143,180	110,824	162,218	127,234	127,234	127,234	127,234	127,234	127,234	127,234	127,234	1,713,892
Student Expense, Food	21,607	6,000	79,600	88,926	56,233	56,233	56,233	56,233	56,233	56,233	56,233	56,233	646,000
Office & Business Expense	88,492	106,326	73,711	40,933	49,610	49,610	49,610	49,610	49,610	49,610	49,610	49,610	706,340
Transportation	71,048	11,662	25,609	33,822	60,107	60,107	60,107	60,107	60,107	60,107	60,107	60,107	622,999
Total Ordinary Expenses	1,277,336	1,049,564	1,136,540	1,077,262	1,165,063	1,165,063	1,165,063	1,165,063	1,165,063	1,165,063	1,165,063	1,326,538	14,022,681
Operating Income	-366,910	164,819	-395,375	656,508	215,375	215,375	215,375	215,375	215,375	215,375	215,375	53,900	1,620,566
<b>Extraordinary Expenses</b>													
Interest	0	40,759	40,759	59,977	77,438	77,438	77,438	77,438	77,438	77,438	77,438	77,438	761,000
Facility Improvements	1,614	38,943	-6,960	-2,148	0	0	0	0	0	0	0	0	31,450
Total Extraordinary Expenses	1,614	79,702	33,799	57,829	77,438	77,438	77,438	77,438	77,438	77,438	77,438	77,438	792,450
<b>Total Expenses</b>	<b>1,278,950</b>	<b>1,129,266</b>	<b>1,170,340</b>	<b>1,135,091</b>	<b>1,242,501</b>	<b>1,242,501</b>	<b>1,242,501</b>	<b>1,242,501</b>	<b>1,242,501</b>	<b>1,242,501</b>	<b>1,242,501</b>	<b>1,403,976</b>	<b>14,815,131</b>
<b>Net Income</b>	<b>-368,525</b>	<b>85,117</b>	<b>-429,175</b>	<b>598,680</b>	<b>137,937</b>	<b>137,937</b>	<b>137,937</b>	<b>137,937</b>	<b>137,937</b>	<b>137,937</b>	<b>137,937</b>	<b>-23,538</b>	<b>828,116</b>
Cash Flow Adjustments	-8,565	59,997	4,905	-5,427	-6,349	-6,349	-6,349	-6,349	-6,349	-6,349	-6,349	-6,349	119
<b>Change in Cash</b>	<b>-377,089</b>	<b>145,114</b>	<b>-424,270</b>	<b>593,253</b>	<b>131,588</b>	<b>131,588</b>	<b>131,588</b>	<b>131,588</b>	<b>131,588</b>	<b>131,588</b>	<b>131,588</b>	<b>-29,887</b>	<b>828,235</b>

	<i>Previous Year End</i>	<i>Current</i>	<i>Year End</i>
	<i>6/30/2022</i>	<i>10/31/2022</i>	<i>6/30/2023</i>
<b>Assets</b>			
Current Assets			
Cash	1,751,900	1,688,908	2,580,135
Total Current Assets	1,751,900	1,688,908	2,580,135
<b>Total Assets</b>	<b>1,751,900</b>	<b>1,688,908</b>	<b>2,580,135</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Current Liabilities			
Other Current Liabilities	-2,050	48,860	-1,932
Total Current Liabilities	-2,050	48,860	-1,932
Total Long-Term Liabilities	0	0	
<b>Total Liabilities</b>	<b>-2,050</b>	<b>48,860</b>	
<b>Equity</b>			
Unrestricted Net Assets	1,753,951	1,753,951	1,753,951
Net Income	0	-113,903	828,116
<b>Total Equity</b>	<b>1,753,951</b>	<b>1,640,048</b>	<b>2,582,067</b>