



**SY18-19
Budget**

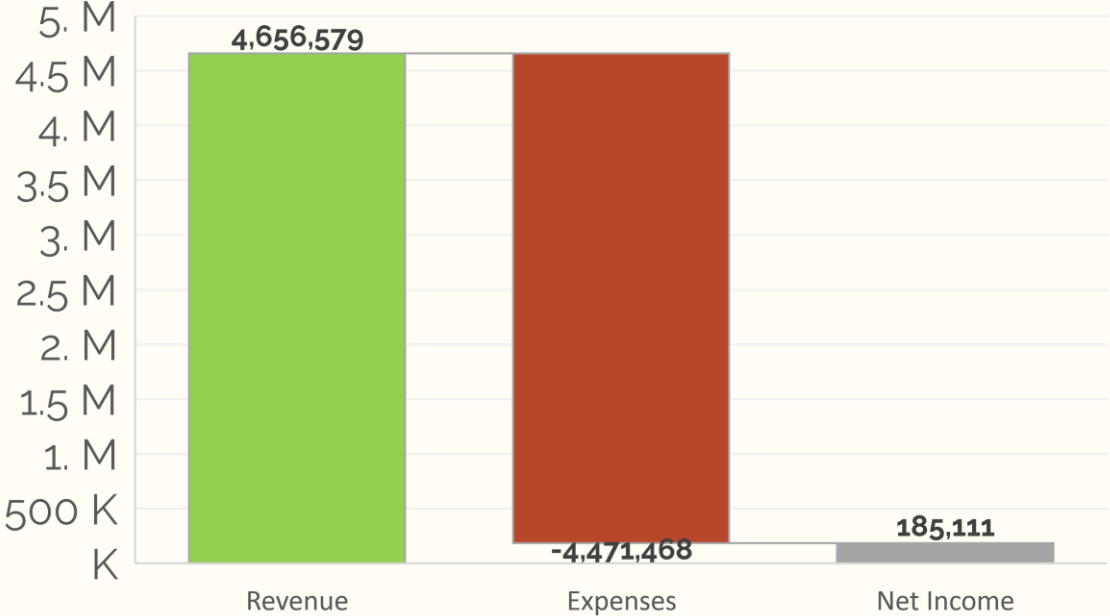
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Appendix | Profit and Loss Changes

Income Statement	SY17-18	SY18-19	Difference	Changes
Revenue				
Local Revenue	123,372	230,546	107,174	
State Revenue	1,879,560	2,927,327	1,047,767	
Federal Revenue	200,015	249,434	49,419	
Private Grants and Donations	441,405	1,002,031	560,626	
Earned Fees	207,164	247,241	40,077	
Donated Revenue	-	-	-	
Total Revenue	2,851,516	4,656,579	1,805,063	
Operating Expense				
Salaries	1,346,002	1,975,648	629,646	Staff cost increasing with enrollment increase
Benefits and Taxes	344,939	613,689	268,750	KCPSRS increasing to 10.5% 1/1/19
Contracted Staff	-	-	-	
Staff-Related Costs	5,579	14,489	8,910	Increase of PD budget to more typical levels
Rent	178,040	442,138	264,098	Most significant budget change in FY 19
Occupancy Service	264,047	299,189	35,142	Planning for increase with full utilization of 3 rd floor
Student Expense, Direct	135,663	282,912	147,249	Significant increase in SPED costs planned for FY 19
Student Expense, Indirect	154,995	224,225	69,230	Food Service increase proportionate to enrollment
Office & Business Expense	242,830	273,178	30,348	Increase in CWC Fee with increased revenue
Transportation	55,993	71,000	15,007	Transportation renegotiated
Donated Expense	-	-	-	
Contingency	-	-	-	
Depreciation and Amortization	-	-	-	
Interest	151,727	275,000	123,273	FY 19 budget includes both cash flow loan and payback
Facility Improvements	-	-	-	
Total Expenses	2,852,870	4,471,468	1,618,598	
Net Income	(1,354)	185,111	186,465	

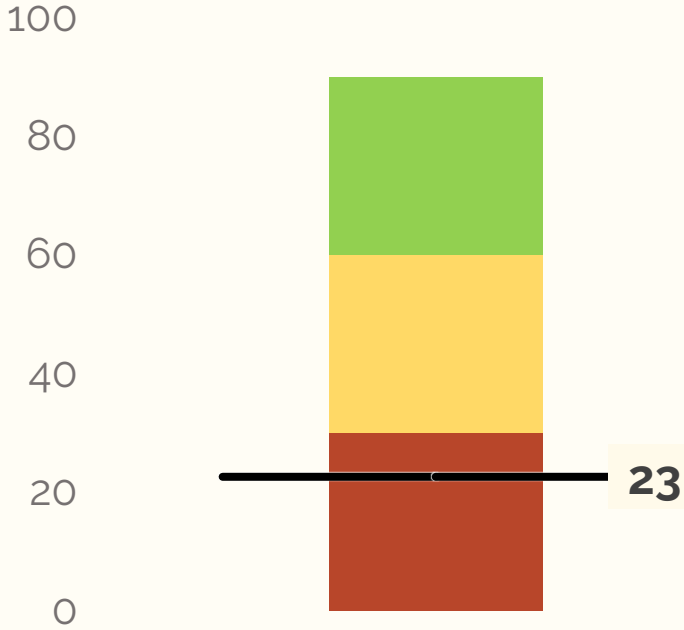
Budget Summary | Net Income



Revenue	4,656,579
Expenses	4,471,468
Net Income	185,111

Key Performance Indicators

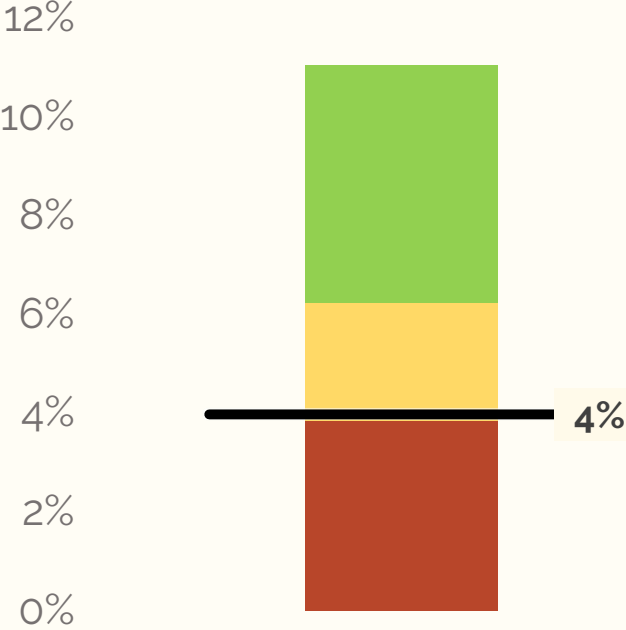
Days of Cash



62 DAYS OF CASH AT YEAR'S END

The school's 23 days of cash is below what is considered best practice of 60 days of cash.

Gross Margin



13% GROSS MARGIN

The forecasted net income is 185K with 4M in revenue. It yields a 4% gross margin.

Key Performance Indicators | Calculation

Calculating Days of Cash

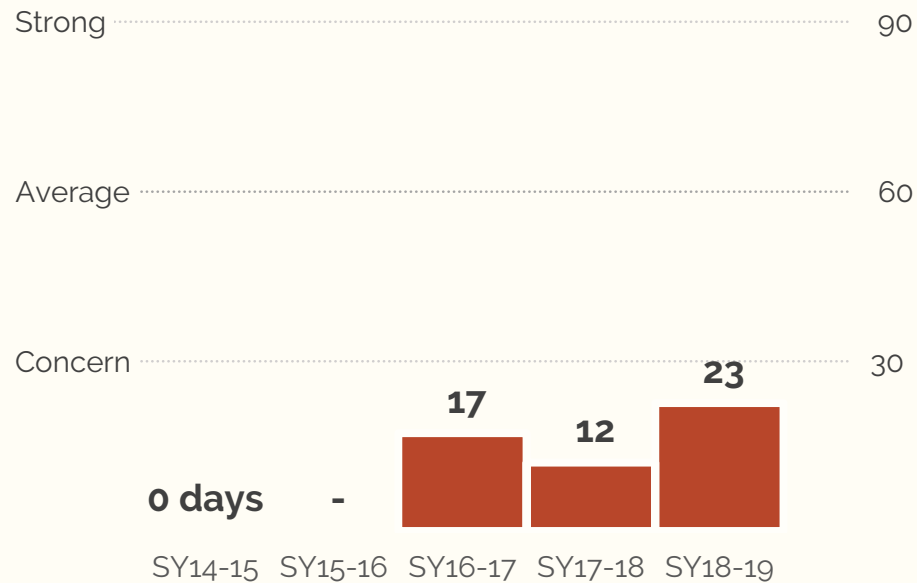
Total Expenses	4,471,468
Day of Year	365
Daily Expenses	12,421
Ending Cash Balance	280,806
Days of Cash*	23

Calculating Gross Margin

Revenue	4,656,579
Expenses	4,471,468
Net Income	185,111
Revenue	4,656,579
Gross Margin*	4%

Key Performance Indicators | In Context

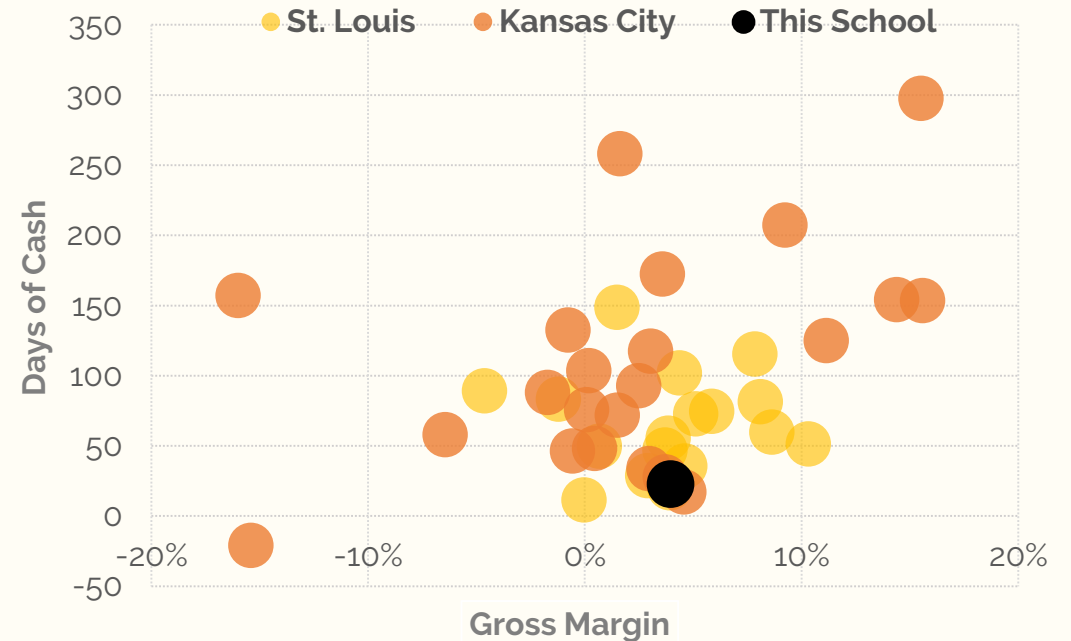
Historical Context: Days of Cash



23 DAYS OF CASH AT YEAR'S END

The budget expects that CWCKC will end the year with 23 days of cash, which is 11 days better than the cash forecast for 6/30/18. All other factors notwithstanding, a 3 year financial goal might include increasing days of cash on hand to 60 days.

Industry Context: Days of Cash vs Gross Margin

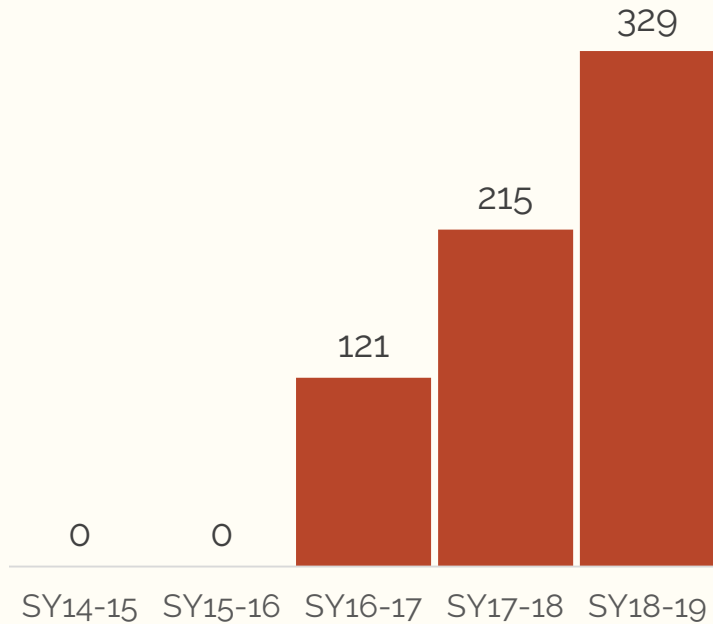


LONG TERM GOAL: IMPROVE DAYS OF CASH ON HAND

The budget predicts a gross margin of 4% and an ending cash balance that will provide 23 days of cash. Amongst the almost 40 charter schools in Missouri, CWCKC is one of the youngest, which is reflected by its days of cash on hand. This graph shows that CWCKC's days of cash on hand is low relative to FY17 industry data. However, its FY18 Gross Margin will lead that figure to improve.

Enrollment Assumptions

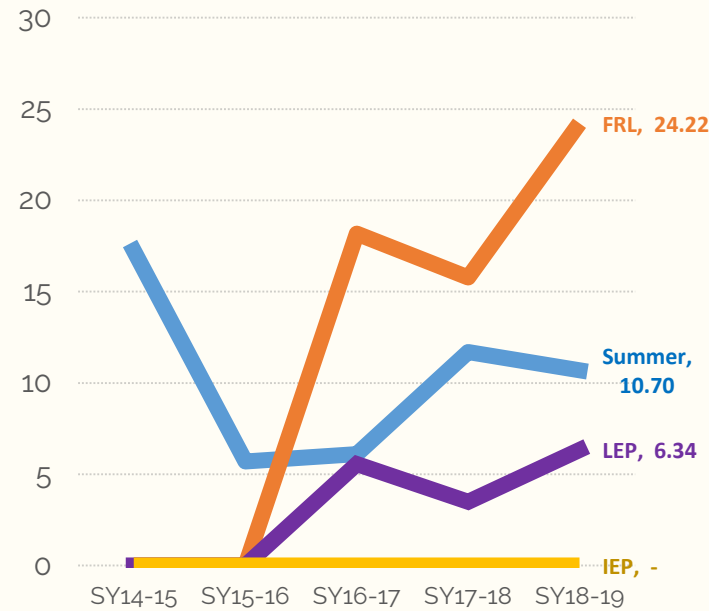
Enrollment



INCREASING ENROLLMENT

Whether distributed through the state of Missouri, or the federal government, all gov't revenue, is driven by student enrollment. The remaining sources include 1M in fundraising.

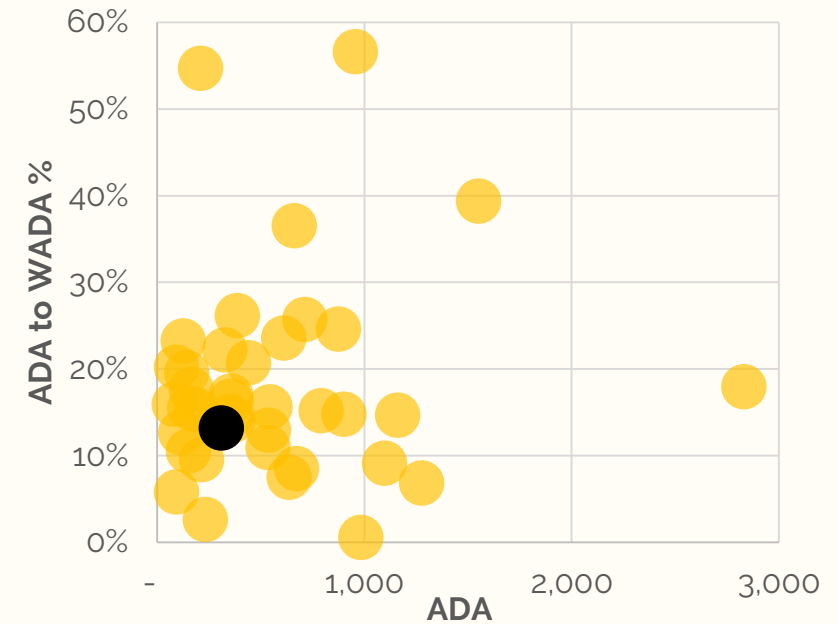
Special Populations WADA



WADA

CWCKC WADA includes weights for summer school. Free and Reduced Lunch, and English Language Learners. Student demographics also drive public revenue.

ADA TO WADA Ratio

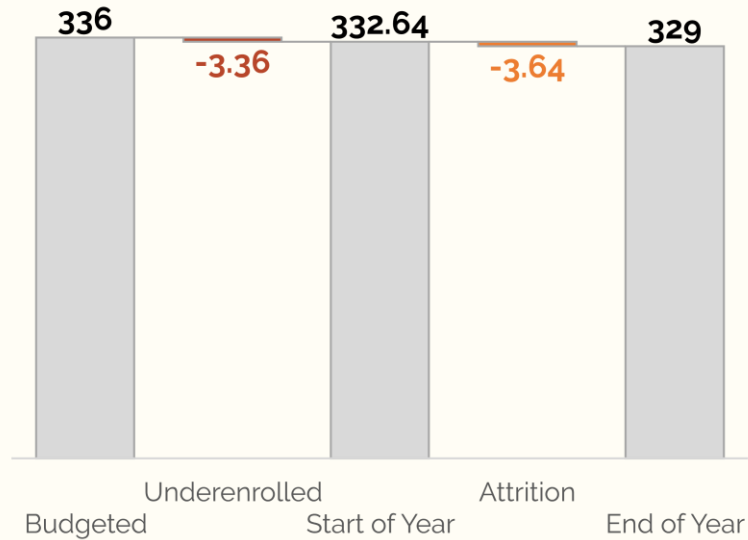


LOWER THAN AVERAGE STATE REVENUE/ADA

ADA makes up 87% of WADA, which is lower than average. This reflects the school's commitment to being deliberately diverse.

Enrollment Assumptions: Underenrollment & Attrition

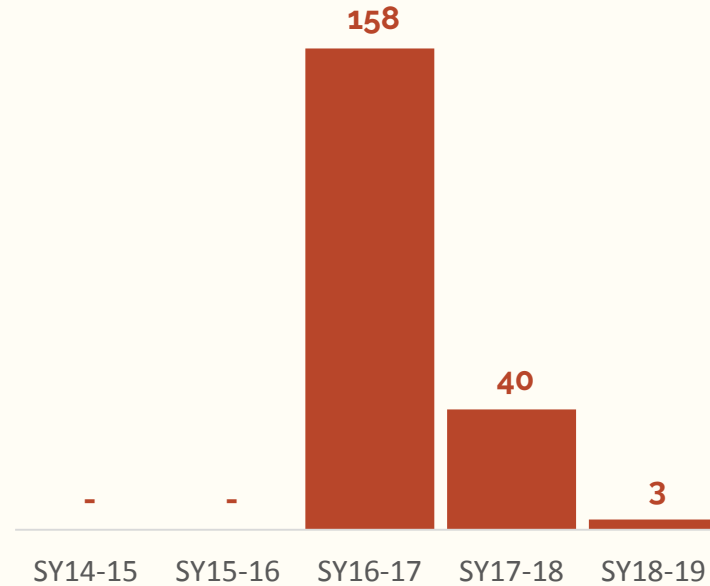
SY18-19 Student Adjustments



FY 19 Budget Optimistic About Enrollment

FY 19 Budget has incorporated analysis of prior years under-enrollment and attrition, but is not incorporating those trends based on EOY FY 18 and where FY 19 enrollment currently stands.

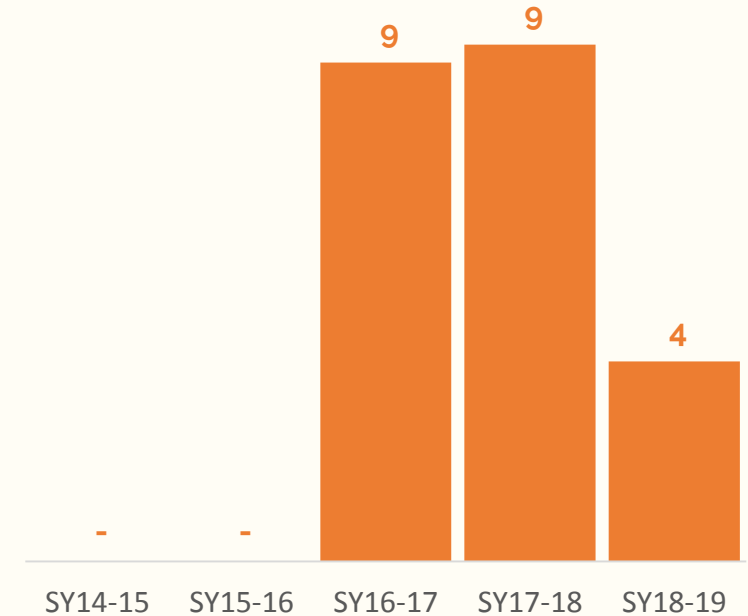
Historic Underenrollment



Impact of Historic Underenrollment

In last 2 years, CWCKC has not met its budgeted enrollment target.

Historic Attrition

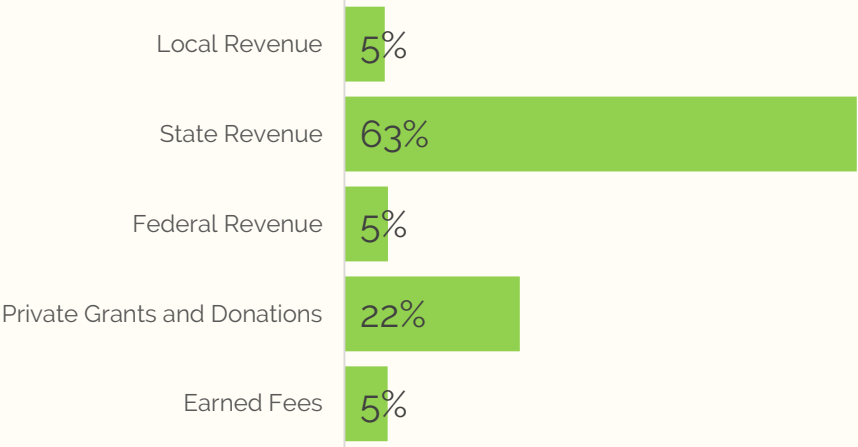


Average of 4 Students Lost To Attrition

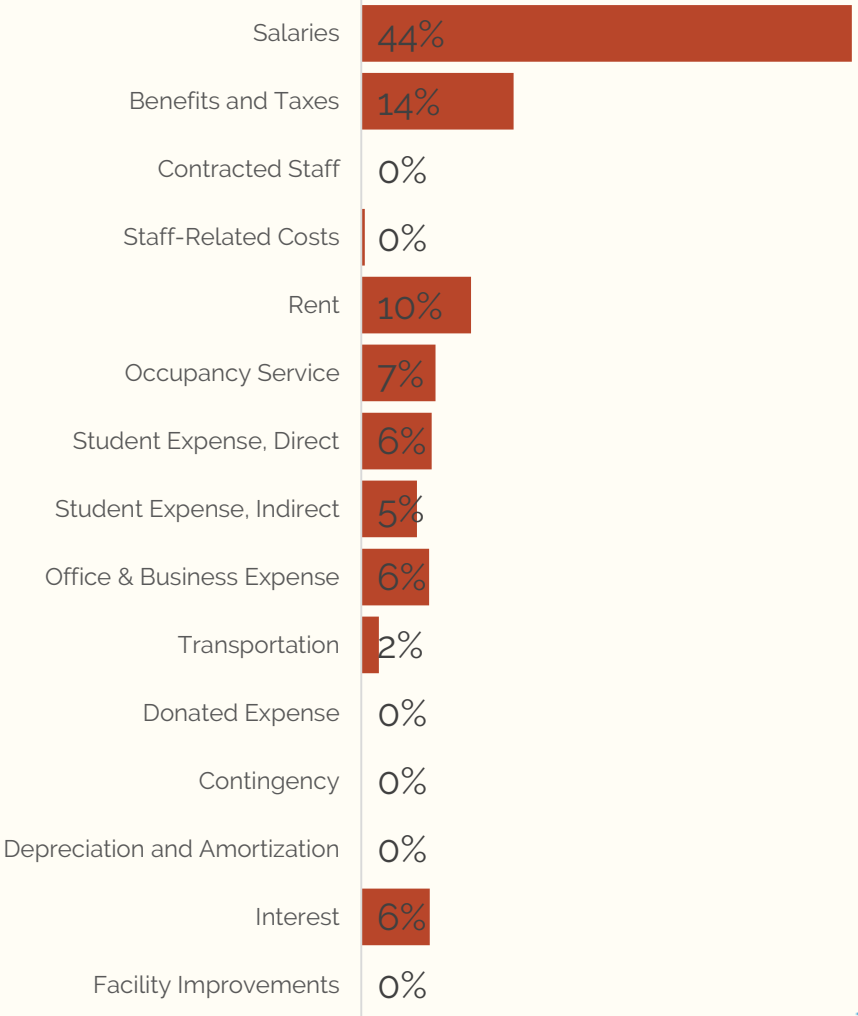
Attrition did decrease as a % of ADA in 17-18 compared to 16-17.

Revenue And Expenses






Categories of Revenue






Categories of Expense



Revenue | Detail & Benchmarking

Revenue		SY18-19	\$ Over Median
Local Revenue		230,546	-\$87k
State Revenue		2,927,327	-\$192k
Federal Revenue		249,434	-\$272k
Private Grants and Donations		1,002,031	\$454k
Earned Fees		247,241	\$201k

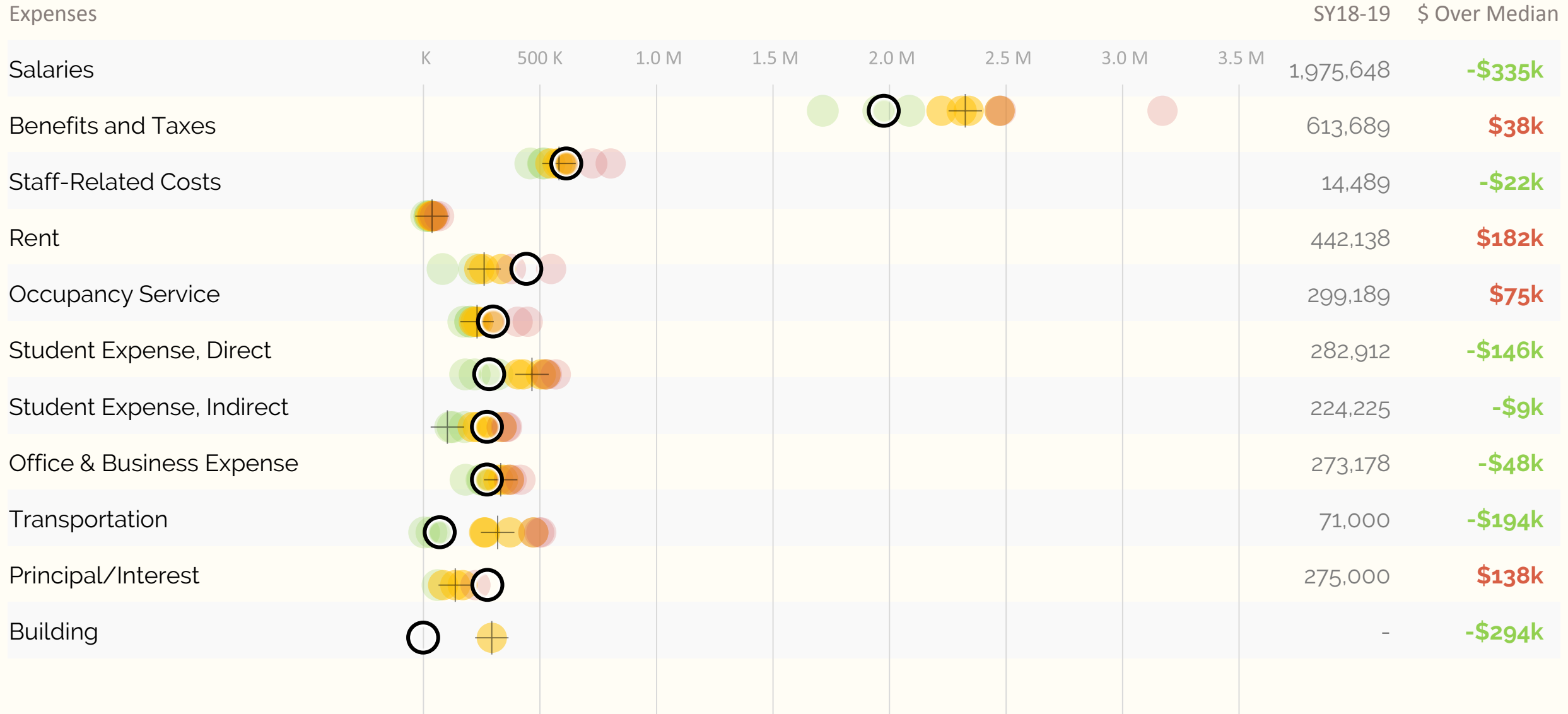
Legend

-  This School
-  Industry, if they had your population
-  Industry Median

Revenue | Key Assumptions

- Per WADA payment set at \$8,485, down from \$8,600 in FY 18
- 1M in fundraising, including
 - 90K MS Principal Grant
 - 75K Hall Grant
 - 150K anonymous Grant
 - 500K Growth Grant
 - 189K/5% Rev Fundraising Target
- Cash Flow Plan dependent on consistent fundraising stream, which is to say 25%/quarter
- Federal Revenue projections straight from DESE publicized initial allocation

Expenses | Detail & Benchmarking



Expenses | Key Assumptions

- Rent now set at 442K
- Staffing at 40 FTE
- 150K Loan Repayment due May 1, 2019
- Will payback cash flow loan as efficiently as possible, but likely not before March 2019
- SPED costs account for known needs, and include allocation for new needs to be determined
- Expense management has been strength these first two years. FY 19 budget process has been highly collaborative and thorough, which would suggest this trend will continue

Appendix | Monthly Cash

