Resurgence Hall Monthly Financial Update

24 MAY 2018

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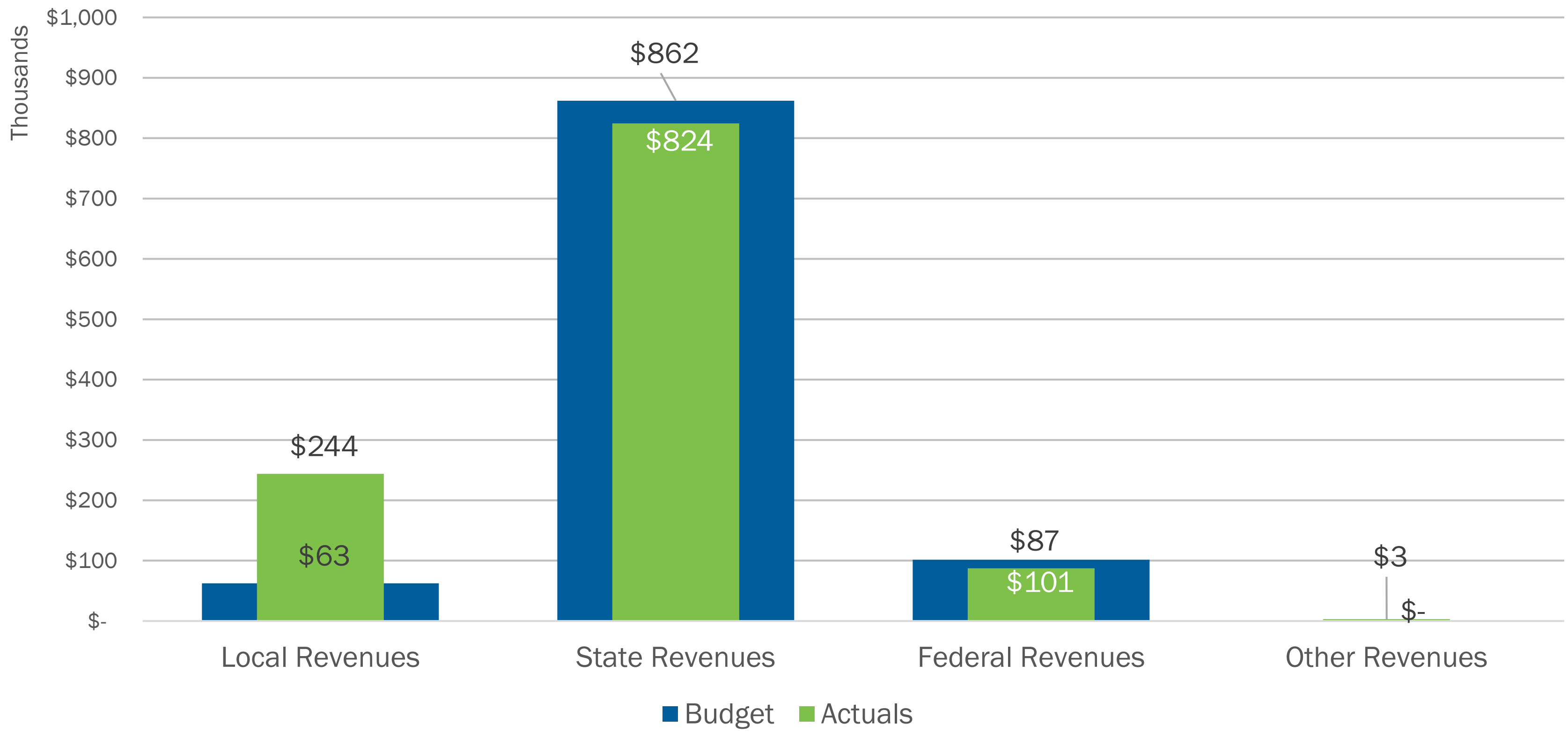
Contents

Budget vs. Actuals - Revenues

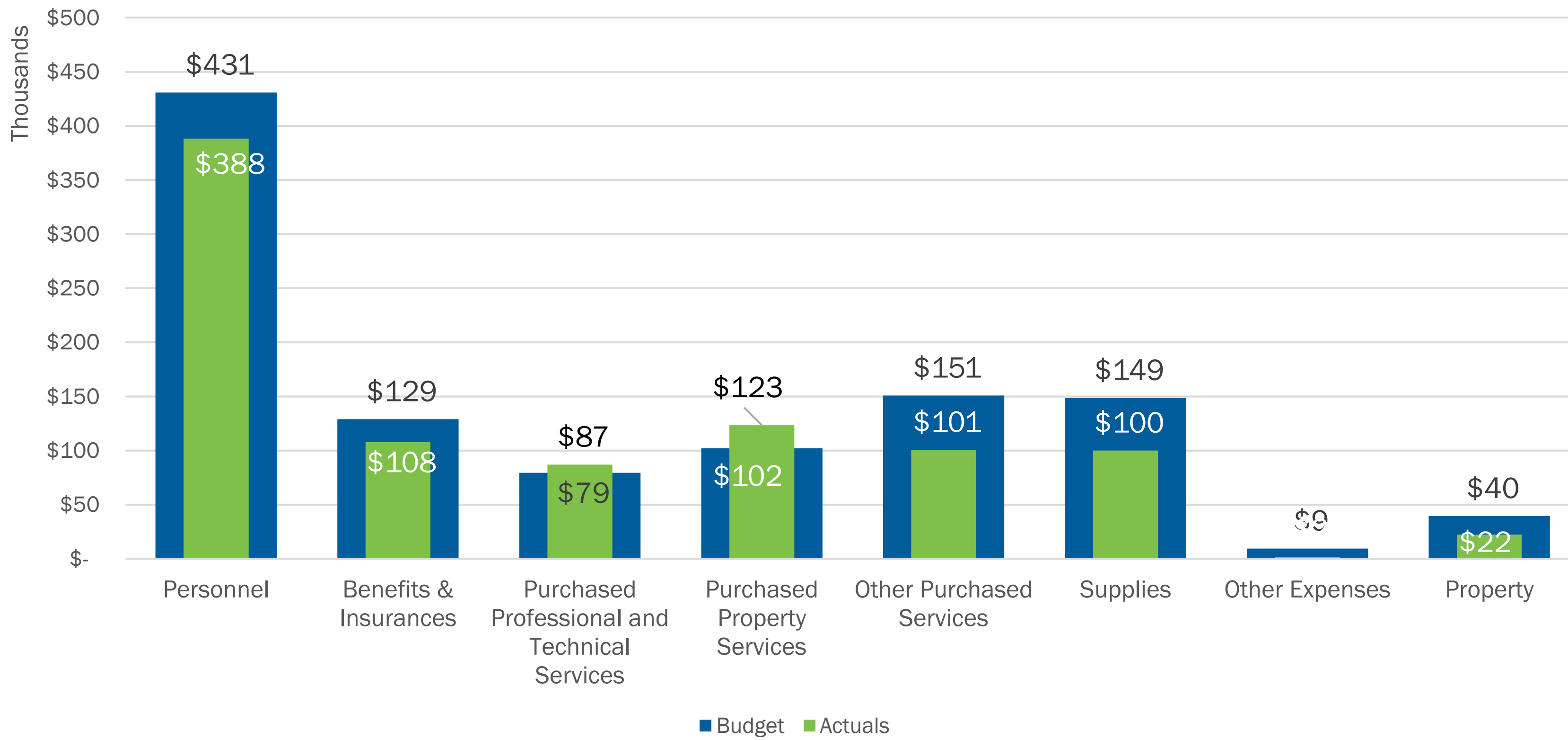
Actual revenues currently outpace budgeted revenues by $132K.



Revenues on the year are expected to be $2K more than budgeted.

Budget vs. Actuals - Expenses

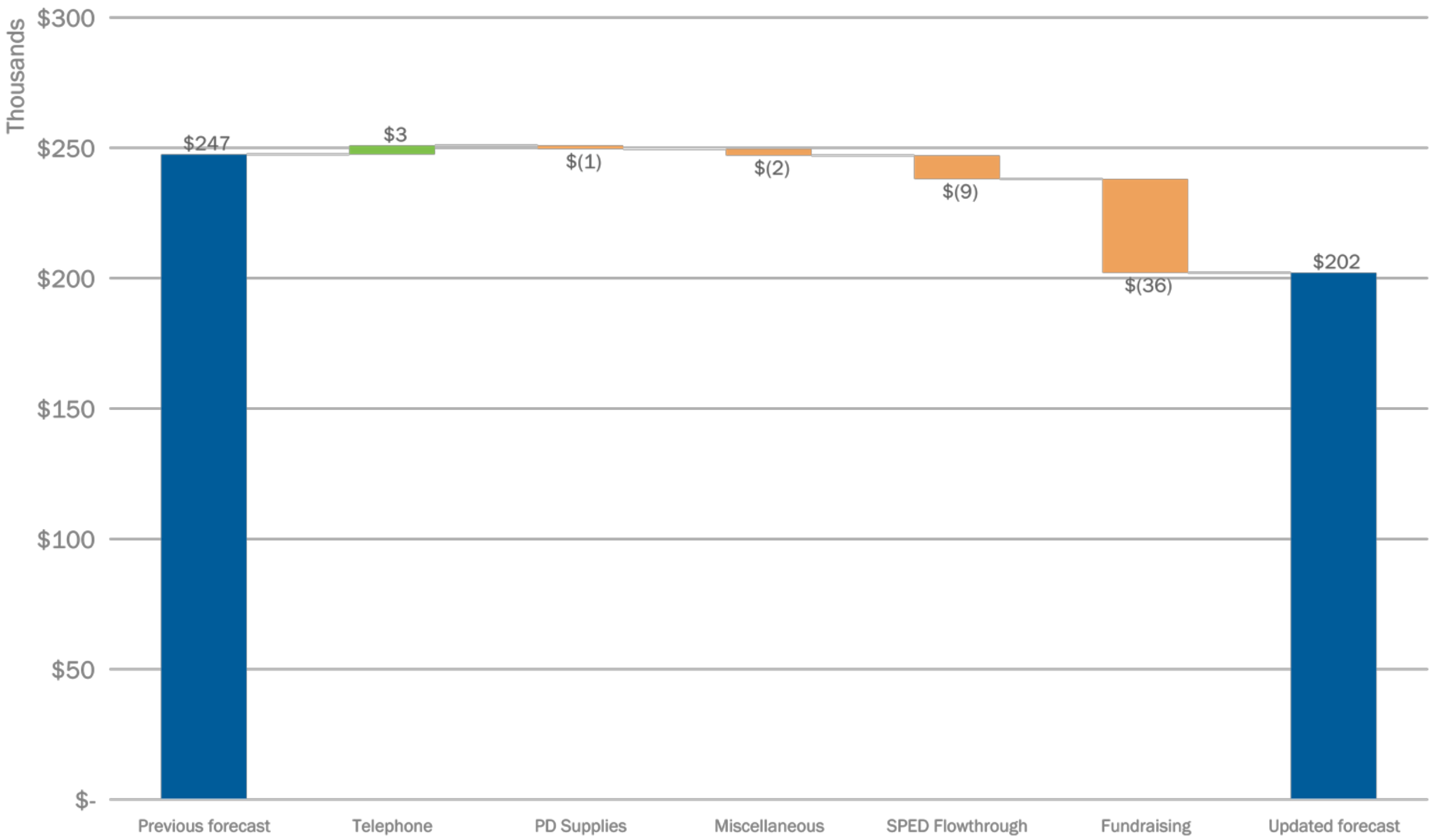
Actual spending is currently $158K behind budget.



Expenses on the year are expected to be $149K less than budgeted, for a projected net income of $202K.

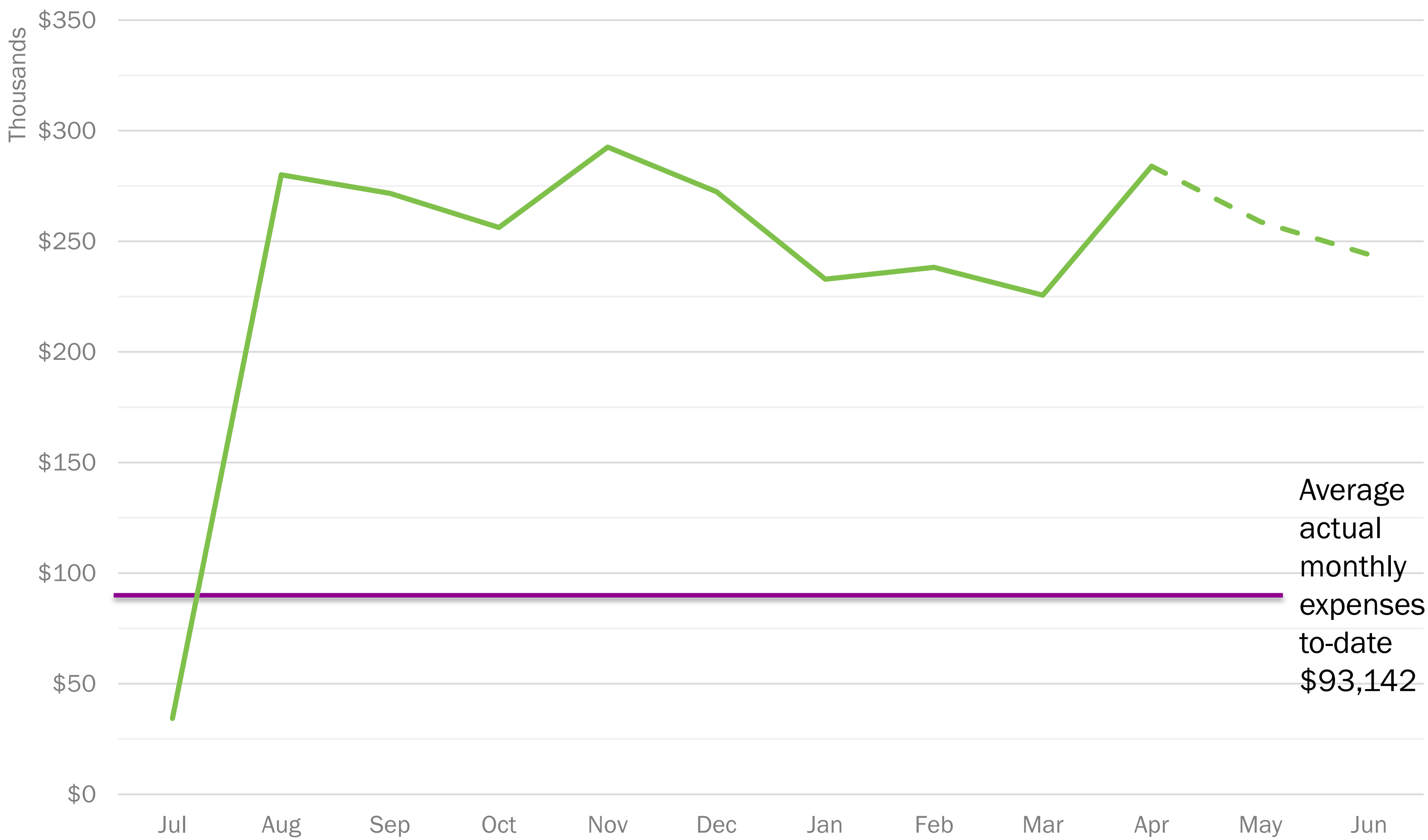
Forecast Updates

Expected net income decreased by $45K based on forecast changes.



Monthly Cash Balance

Cash is expected to remain positive through fiscal year-end.



SCSC Financial Performance Indicators

Resurgence is on-track to receive 90/100 financial performance points.

Measure	Value	SCSC Rating
Current Ratio	15	• Exceeds Standards - Current ratio is greater than 3 • 20/20 points
Unrestricted Days Cash	91 • Based on expense forecast for year	• Exceeds Standard – Days Cash is greater than 75 • 20/20 points
Enrollment Variance	-20% • Based on 145 reported to state and 116 at count day	• Does Not Meet Standard – Enrollment variance is great than 8 percent; • 0/10 points
Default	• School is not in default of current loan covenant	• Meets Standard • 10/10 points
Efficiency Margin	17% • Based on change in equity June 2017 through April and forecast FY18 revenues whereas SCSC measures three-year aggregate	• Exceeds Standard– Efficiency Margin is 10% or greater • 20/20 points
Debt to Asset Ratio	5%	• Exceeds Standard; debt to asset ratio is less than 25% • 20/20 points
Total		• 100 pts Exceeds Financial Standards • 75 – 99 pts Meets Financial Standards • 50 – 74 pts Does Not Meet Standards • 0 – 49 pts Falls Far Below Standards

Monthly Financial Summary

Accomplishments

- Multi-year budget through end of charter term submitted to Reinvestment Fund for review
- One-time accounting adjustment to agree FY18 actuals to 990

Next Steps

- Post FY19 budget on website,
- Schedule public hearings in consecutive weeks in May/June
- Call a special meeting to formally adopt FY19 budget
- Approve Board meeting calendar schedule for next fiscal year
- Review/sign audit engagement letter

Goals & Horizon Issues

- Evaluation of financing options following Reinvestment Fund review
- June 2018 actuals will be presented at August Board meeting

Appendix

SCSC Financial Indicator Definitions

Measure	Definition
Current Ratio	Current assets / current liabilities – assesses ability to cover short-term financial obligations
Unrestricted Days Cash	Unrestricted days cash / (total expenses/365) – assesses the schools ability to maintain an appropriate balance of cash on hand
Enrollment Variance	(Actual enrollment – projected enrollment) / projected enrollment
Default	Assesses whether school is repaying debts in a timely manner
Efficiency Margin	Change in net assets / total revenues – assesses whether the school manages costs appropriately
Debt to Asset Ratio	Total liabilities / total assets – assesses whether the school maintains an appropriate balance between assets and liabilities over time