

February 13, 2015

From: Mitch White

To: ANCS Governing Board
Ryan Camp
David Griffin
Kari Lovell

In Re: 2/13/15

David Griffin joined the B&O committee as a community volunteer in January. As of Friday (2/13/15) I have provided four reports to you this month: 1) our regular budget to actual report with a column for the new budget we are proposing to vote on ("*January Monthly Financials with Proposed Budget Column*"; 2) our January cash balances report ("*January Cash Balances*") ; 3) the cash flow report ("*January Cash Flow*"; and 4) the January Dashboard ("*January 2015 B&O Dashboard*"). In addition, Kari or I will be providing an updated copy of the proposed budget revisions for us to vote on.

Looking at the **budget to actual**, I believe we have discussed the major variance items in December and January. We have included a column for the revised budget we are proposing, and I also compared the revised budget to the budget we originally approved. Please remember that the expected operating loss of \$149k is less than half of the \$300k we decided not to take in the form of a second mortgage (as originally planned). Like last month, I included a memo item that excludes our fixed asset expenditures and ties to our Statement of Activity, which shows that **excluding our fixed asset expenditures we would be showing an operating income of \$323k YTD.**

Looking at our **investment balances**, I note that we improved our cash position by \$167k this month, although approximately \$148k of that improvement was due to expenses we expected to pay in January that we will pay in February (\$105k to McKinneys and \$43k in NTRP expenses). **We are currently holding \$168k (\$20k adjusting for those two expenses) more in short term cash than we were at this time last year.**

Looking at the **cash flow report**, I note that our cash balance on 1/31/15 was more than \$200k higher than our projected balance from last month, driven by the \$148k in timing items and several smaller positive items in categories including curriculum and classroom, salaries and general/admin. More importantly, **we are now projecting to end the school year in May with about \$1.125 million** in money market, cash and CD accounts (up from the May projection of \$1.017m we made last month). Last month we stated that we thought our projections were conservative and hoped to end the school year closer to \$1.2 million, so this is good news.

Finally, you will be receiving an updated copy of the proposed budget we shared last month from either Kari or me as soon as we have finalized it. We plan to vote on adopting the revised budget at the Board meeting Tuesday, so please review it carefully.