

**FINANCE REPORT  
MERIDIAN WORLD SCHOOL LLC**

January 21, 2021  
Eileen Kuhn, CFO

**BUDGET REVIEW – FIRST QUARTER 2020-21**

**1. BUDGET TO ACTUAL (Page 1)**

Board-Approved Budget, showing Meridian Operations Actuals at 11-30-2020

Total revenue at 1ST quarter end is at 25% of budget.

Total expense at 1ST quarter end is at 26% of budget.

Net Operating Income is a deficit (see NOTE below)

Net addition to Reserves is 20% of budgeted goal.

*NOTE: Additional personnel expenses were projected and have been expended during the quarter, mainly due to additional staff needed to cover teachers with work from home accommodations due to the pandemic, as well as some additional support staff to adequately serve distance learners. A grant from Williamson County of federal CARES act funds of \$168,000 will cover this expense and some additional for the next few months.*

*Cafeteria revenue and expense are an additional concern, but the first quarter has not a stable indication of how the year will flow, due to variations in the program since Sept. 1.*

*Also note that our local funds are already at 45% of expected, mainly due to brisk collection of Annual Fund gifts. That fund has already well exceeded its goal for the year.*

**2. STATEMENT OF FINANCIAL POSITION - CONSOLIDATED (UNAUDITED) (Page 2)**

Includes the prior quarter statement for comparison.

**3. STATEMENT OF ACTIVITIES – CONSOLIDATED (UNAUDITED) (Page 3)**

Shows consolidated statement of Income and Expenses. This report includes ALL FUNDS: in addition to State Funding and Local Funding Budgets approved by the Board (Operating Budget, Page 1), the Consolidated Statements also include Federal Grant Funds.

**4. SUPPLEMENTAL STATEMENTS - (Pages 4-6)**

FUND 175 – TRIPLE-A AFTER-SCHOOL PROGRAM

FEDERAL FUNDS – TITLE I (FUND 211) and SPECIAL EDUCATION IDEA (FUND 224) GRANTS

FUND 240 – MERIDIAN FOOD SERVICE PROGRAM

MERIDIAN WORLD SCHOOL  
 BUDGET TO ACTUAL - STATE AND LOCAL FUNDING  
 THREE MONTHS ENDED NOVEMBER 30, 2020

	FY'21
K-12th Grade Students Target	1,694
% Enrolled & Attending Projected	96.0%
Student Count for Budget Assumptions	1,626

	<b>REVENUE</b>		<b>BUDGET</b>	<b>ACTUAL</b>	<b>%</b>
	1	State Funding	\$ 15,495,498	\$ 3,837,803	25%
	2	State Instructional Materials Allotment	150,000	22,614	15%
	3	AAA After-School Revenue	236,832	57,544	24%
	4	Cafeteria Revenue	175,011	49,346	28%
	5	Local Funds	<u>470,577</u>	<u>211,185</u>	45%
	7	<b>TOTAL REVENUE</b>	<b><u>\$ 16,527,918</u></b>	<b><u>\$ 4,178,492</u></b>	25%
<u>Function code</u>		<b>OPERATING EXPENSE</b>			
11, 12, 13, 31, 33, 36	8	Instructional and Student Services	\$ 10,557,425	\$ 2,751,095	26%
21, 23	9	Campus Leadership	1,369,075	379,740	28%
41	10	General and Administrative	912,252	215,455	24%
51	11	Facility Operations	1,499,501	439,233	29%
53, 61, 81	12	Other Expense	124,175	37,743	30%
61 (Fund 175)	13	AAA After School Expense	224,990	39,560	18%
71	14	Bond Mortgage Expense	1,474,140	375,949	26%
35	15	Cafeteria Expense	<u>173,261</u>	<u>70,767</u>	41%
	16	<b>TOTAL OPERATING EXPENSE</b>	<b><u>16,334,819</u></b>	<b><u>4,309,542</u></b>	26%
	17	<b>BUDGETED CONTINGENCY</b>	<u>148,607</u>	<u>-</u>	
	18	<b>NET OPERATING INCOME</b>	<b><u>\$ 44,492</u></b>	<b><u>\$ (131,050)</u></b>	-295%
		<b>CAPITALIZED EXPENSE &amp; LOAN PRINCIPAL</b>			
	19	Depreciation/Amortization added back	816,786	188,666	23%
	20	Capitalized Equipment	-	-	
	21	Long-term Principal Payments	<u>(575,000)</u>	<u>-</u>	0%
	22	<b>TOTAL ADDED TO RESERVES</b>	<b><u>\$ 286,278</u></b>	<b><u>\$ 57,616</u></b>	20%
	23	<b>ADDED TO OPERATING RESERVE</b>	<b>236,278</b>	<b>7,616</b>	
	24	<b>ADDED TO MAINTENANCE RESERVE</b>	<b><u>50,000</u></b>	<b><u>50,000</u></b>	
	25	<b>PRIOR RESERVES</b>	<b><u>\$ 3,892,994</u></b>	<b><u>\$ 4,064,595</u></b>	
	26	<b>TOTAL RESERVES</b>	<b><u>\$ 4,179,272</u></b>	<b><u>\$ 4,122,211</u></b>	
	27	<b>DAY'S EXPENSE</b>	<b><u>\$ 42,515</u></b>	<b><u>\$ 42,922</u></b>	
	28	Days Operating Cash Projected	98	96	
	29	Maximum Annual Debt Coverage	1.14	1.15	

MERIDIAN WORLD SCHOOL  
STATEMENT OF FINANCIAL POSITION - CONSOLIDATED (UNAUDITED)  
NOVEMBER 30, 2020, AND AUGUST 31, 2020

<b>ASSETS</b>	<u>11/30/20</u>	<u>8/31/20</u>
<b>CURRENT ASSETS</b>		
Cash on Deposit	\$ 3,850,242	\$ 3,535,575
CD -Bancorp South	367,668	367,668
Due From State and Federal Agencies	1,700,141	1,921,302
Other Receivables	63,618	125,355
Deferred Expenses	<u>23,901</u>	<u>17,073</u>
<b>TOTAL CURRENT ASSETS</b>	<b><u>6,005,570</u></b>	<b><u>5,966,973</u></b>
<b>CAPITALIZED ASSETS</b>		
Land Purchase & Improvements	7,195,527	7,195,527
Buildings & Improvements	20,950,496	20,950,496
Furniture & Equipment	1,359,336	1,359,336
Library Books & Media	130,044	130,044
Accumulated Depreciation Capitalized Assets	<u>(4,061,126)</u>	<u>(3,879,873)</u>
<b>TOTAL CAPITALIZED ASSETS</b>	<b><u>25,574,277</u></b>	<b><u>25,755,530</u></b>
<b>OTHER ASSETS</b>		
Bond Trust Reserve Accounts	<u>2,459,366</u>	<u>2,117,769</u>
<b>TOTAL OTHER ASSETS</b>	<b><u>2,459,366</u></b>	<b><u>2,117,769</u></b>
<b>TOTAL ASSETS</b>	<b><u>\$ 34,039,213</u></b>	<b><u>\$ 33,840,272</u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 433,236	\$ 477,505
Accrued Wages Payable	656,742	656,742
Deferred Revenue	25,743	25,932
Accrued Bond Interest	398,190	29,655
Accrued Student Activity Liability	57,310	46,242
BBVA Note Payable - PPP	148,318	148,318
Current Portion Long-Term Debt	<u>575,000</u>	<u>575,000</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b><u>2,294,539</u></b>	<b><u>1,959,394</u></b>
<b>LONG-TERM LIABILITIES</b>		
Bond Mortgage Debt	<u>26,428,689</u>	<u>26,436,103</u>
<b>TOTAL LONG-TERM LIABILITIES</b>	<b><u>26,428,689</u></b>	<b><u>26,436,103</u></b>
<b>TOTAL LIABILITIES</b>	<b><u>28,723,228</u></b>	<b><u>28,395,497</u></b>
<b>NET ASSETS</b>		
Fund Balance	5,444,775	4,849,484
Current Year Net Income	<u>(128,790)</u>	<u>595,291</u>
<b>TOTAL NET ASSETS</b>	<b><u>5,315,985</u></b>	<b><u>5,444,775</u></b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b><u>\$ 34,039,213</u></b>	<b><u>\$ 33,840,272</u></b>

MERIDIAN WORLD SCHOOL  
 STATEMENT OF ACTIVITIES - CONSOLIDATED (UNAUDITED)  
 FOR THE THREE MONTHS ENDED NOVEMBER 30, 2020

<b>REVENUE</b>	<b>ACTUAL</b>
State Funding	\$ 3,860,417
Federal Grant Revenue	88,668
AAA After-School Revenue	57,544
Cafeteria Revenue	51,520
Local Funds	<u>211,185</u>
<b>TOTAL REVENUE</b>	<b><u>\$ 4,269,334</u></b>
<b>OPERATING EXPENSE</b>	
Instructional & Student Services	\$ 2,839,763
Campus Leadership	379,740
General and Administrative	215,455
Facility Operations	439,233
Other Expense	37,743
AAA After School Expense	39,560
Bond Expense	375,949
Cafeteria Expense	<u>70,681</u>
<b>TOTAL OPERATING EXPENSE</b>	<b><u>4,398,124</u></b>
 <b>NET OPERATING INCOME</b>	 <b><u>\$ (128,790)</u></b>

**Income Statement**  
**Fund 175 - Triple A Program**  
**11-30-2020**

**Parameters:**

District(s): 246801-Meridian World School LLC  
 Date Range: THIS FISCAL YEAR  
 Account Mask: AND ( ([Fund] = '175'))  
 Effective Date: 11/30/2020  
 Include Encumbrance: No  
 Add Encum. To Totals: No  
 Show History: No

		Budget	Encumbrance	Actual 09/01 - 08/31	FY to 11/30/2020	Percent
<b>Revenues &amp; Other Sources</b>						
5748	Triple A Program Revenue	-\$ 236,832.00		-\$ 57,544.16	-\$ 57,544.16	24.30%
5749	Local Sources Revenue	\$ 0.00		\$ 0.00	\$ 0.00	0.00%
<b>Total Revenues &amp; Other Sources</b>		-\$ 236,832.00		-\$ 57,544.16	-\$ 57,544.16	
<b>Expenditures &amp; Other Uses</b>						
6100	Payroll Costs	\$ 201,814.00		\$ 36,030.23	\$ 36,030.23	17.85%
6200	Professional & Contracted Services	\$ 6,360.00		\$ 140.44	\$ 140.44	2.21%
6300	Supplies & Materials	\$ 6,656.00		\$ 1,107.54	\$ 1,107.54	16.64%
6400	Other Operating Costs	\$ 10,160.00		\$ 2,282.24	\$ 2,282.24	22.46%
<b>Total Expenditures &amp; Other Uses</b>		\$ 224,990.00		\$ 39,560.45	\$ 39,560.45	
<b>Overall Total</b>		-\$ 11,842.00		-\$ 17,983.71	-\$ 17,983.71	

**Income Statement**  
**Funds 211, 224 & 255 - Federal Grants**  
**11-30-2020**

**Parameters:**

District(s): 246801-Meridian World School LLC  
 Date Range: THIS FISCAL YEAR  
 Account Mask: AND ( ([Fund] = '211') OR ([Fund] = '212') OR ([Fund] = '224') OR ([Fund] = '225') OR ([Fund] = '226') OR ([Fund] = '255') )  
 Effective Date: 11/30/2020  
 Include Encumbrance: No  
 Add Encum. To Totals: No  
 Show History: No

		Budget	Encumbrance	Actual 09/01 - 08/31	FY to 11/30/2020	Percent
<b>Revenues &amp; Other Sources</b>						
5929	Federal Rev Distributed by TEA	-\$ 248,332.00		-\$ 88,668.05	-\$ 88,668.05	35.71%
<b>Total Revenues &amp; Other Sources</b>		-\$ 248,332.00		-\$ 88,668.05	-\$ 88,668.05	
<b>Expenditures &amp; Other Uses</b>						
6100	Payroll Costs	\$ 20,000.00		\$ 6,098.64	\$ 6,098.64	30.49%
6200	Professional & Contracted Services	\$ 173,628.00		\$ 74,518.46	\$ 74,518.46	42.92%
6300	Supplies & Materials	\$ 28,195.00		\$ 7,275.95	\$ 7,275.95	25.81%
6400	Other Operating Costs	\$ 26,509.00		\$ 775.00	\$ 775.00	2.92%
<b>Total Expenditures &amp; Other Uses</b>		\$ 248,332.00		\$ 88,668.05	\$ 88,668.05	
<b>Overall Total</b>		<b>\$ 0.00</b>		<b>\$ 0.00</b>	<b>\$ 0.00</b>	

**Income Statement**  
**Fund 240 - Cafeteria Program**  
**11-30-2020**

**Parameters:**

District(s): 246801-Meridian World School LLC  
 Date Range: THIS FISCAL YEAR  
 Account Mask: AND ( ([Fund] = '240'))  
 Effective Date: 11/30/2020  
 Include Encumbrance: No  
 Add Encum. To Totals: No  
 Show History: No

		Budget	Encumbrance	Actual 09/01 - 08/31	FY to 11/30/2020	Percent
<b>Revenues &amp; Other Sources</b>						
5751	Food Service Activity	-\$ 135,011.00		-\$ 27,577.77	-\$ 27,577.77	20.43%
5756	Cafe Non-Program Food Revenue	\$ 0.00		-\$ 4,379.88	-\$ 4,379.88	0.00%
5829	State Program Revenues Distributed by TEA	-\$ 1,000.00		-\$ 2,173.91	-\$ 2,173.91	217.39%
5921	School Breakfast Program	-\$ 4,000.00		-\$ 4,026.64	-\$ 4,026.64	100.67%
5922	National School Lunch Program	-\$ 35,000.00		-\$ 13,361.94	-\$ 13,361.94	38.18%
<b>Total Revenues &amp; Other Sources</b>		<b>-\$ 175,011.00</b>		<b>-\$ 51,520.14</b>	<b>-\$ 51,520.14</b>	
<b>Expenditures &amp; Other Uses</b>						
6100	Payroll Costs	\$ 114,915.00		\$ 35,904.09	\$ 35,904.09	31.24%
6200	Professional & Contracted Services	\$ 750.00		\$ 770.00	\$ 770.00	102.67%
6300	Supplies & Materials	\$ 54,096.00		\$ 33,886.78	\$ 33,886.78	62.64%
6400	Other Operating Costs	\$ 3,500.00		\$ 120.00	\$ 120.00	3.43%
<b>Total Expenditures &amp; Other Uses</b>		<b>\$ 173,261.00</b>		<b>\$ 70,680.87</b>	<b>\$ 70,680.87</b>	
<b>Overall Total</b>		<b>-\$ 1,750.00</b>		<b>\$ 19,160.73</b>	<b>\$ 19,160.73</b>	