

**FINANCE REPORT
MERIDIAN WORLD SCHOOL LLC**

JANUARY 24, 2022
Eileen Kuhn, CFO

BUDGET REVIEW – FIRST QUARTER 2021-22

1. BUDGET TO ACTUAL (Page 1)

Board-Approved Budget, showing Meridian **Operations** Actuals at 11-30-21
Total revenue (Line 7) at 1st quarter end is at 25% of budget.
Total expense (Line 16) at 1st quarter end is at 24% of budget.

*Net Operating Income (Line 18) is 5999% of budgeted goal.

*Net addition to Reserves (Line 22) is 170% of budgeted goal.

**See Statement of Activities for clarification*

I've included an additional column for notes on individual lines.

Line 7 – Federal Grants related to Pandemic – the School received word in December from Williamson County of a second opportunity for funding, which we took advantage of and have since received an added \$209,000 to reimburse expenses through December 31, 2021. Some reimbursements were of prior year expenses.

2. STATEMENT OF ACTIVITIES – CONSOLIDATED (Page 2)

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

In addition, this report show NON-OPERATIONAL EXPENSES related to the Refinance/Bond Refunding on November 16, 2021.

3. STATEMENT OF FINANCIAL POSITION - CONSOLIDATED (Page 3)

Includes the prior quarter (Year end 20-21) statement for comparison.

Most notable is the effect from the NON-OPERATIONAL EXPENSES noted above to the School's NET ASSETS and FUND BALANCE going forward.

4. SUPPLEMENTAL STATEMENTS - (Pages 4-5)

FUND 175 – MERIDIAN TRIPLE-A AFTER-SCHOOL PROGRAM

FUND 240 – MERIDIAN CAFÉ FOOD SERVICE PROGRAM

MERIDIAN WORLD SCHOOL
OPERATING BUDGET TO ACTUAL -
THREE MONTHS ENDED NOVEMBER 30, 2021

	FY'22
K-12th Grade Students Target	1,705
% Enrolled & Attending Projected	95.0%
Student Count for Budget Assumptions	1,620

		REVENUE	BUDGET	ACTUAL	%	
	1	State Funding	\$ 15,154,401	\$ 3,780,340	25%	<i>On target</i>
	2	State Instructional Materials Allotment	58,000	-	0%	<i>Unused</i>
	3	AAA After-School Revenue	580,000	108,600	19%	<i>Normal at this point</i>
	4	Cafeteria Revenue	595,000	241,029	41%	<i>Amendment likely</i>
	5	Local Funds	680,200	226,111	33%	<i>On target</i>
	6	Federal CARES/ESSER Funding	<u>458,000</u>	<u>100,153</u>	22%	<i>On target</i>
	7	TOTAL REVENUE	<u>\$ 17,525,601</u>	<u>\$ 4,456,233</u>	<u>25%</u>	
<u>Function code</u>		OPERATING EXPENSE				
11, 12, 13, 31, 33, 36	8	Instructional and Student Services	\$ 10,863,067	\$ 2,680,714	25%	<i>On target</i>
21, 23	9	Campus Leadership	1,381,599	379,412	27%	<i>On target</i>
41	10	General and Administrative	966,174	240,134	25%	<i>On target</i>
51	11	Facility Operations	1,506,955	419,770	28%	<i>On target</i>
53, 61, 81	12	Other Expense	144,175	36,119	25%	<i>On target</i>
61 (Fund 175)	13	AAA After School Expense	448,516	114,407	26%	<i>On target</i>
71	14	Bond Interest Expense	1,479,667	35,882	2%	<i>14 days accrued on new</i>
35	15	Cafeteria Expense	<u>577,150</u>	<u>246,958</u>	43%	<i>Amendment likely</i>
	16	TOTAL OPERATING EXPENSE	<u>17,367,303</u>	<u>4,153,396</u>	<u>24%</u>	
	17	BUDGETED CONTINGENCY	<u>153,250</u>	<u>-</u>		
	18	NET OPERATING INCOME	<u>\$ 5,048</u>	<u>\$ 302,837</u>	5999%	
		CAPITALIZED EXPENSE & LOAN PRINCIPAL				
	19	Depreciation/Amortization added back	849,885	174,927	21%	
	20	Capitalized Equipment	-	(44,125)		
	21	Long-term Principal Payments	<u>(600,000)</u>	<u>-</u>	0%	
	22	TOTAL ADDED TO RESERVES	<u>\$ 254,933</u>	<u>\$ 433,639</u>	170%	
	23	ADDED TO OPERATING RESERVE	<u>204,933</u>	<u>383,639</u>		
	24	ADDED TO MAINTENANCE RESERVE	<u>50,000</u>	<u>50,000</u>		
	25	PRIOR RESERVES	<u>\$ 4,179,271</u>	<u>\$ 4,179,271</u>		
	26	TOTAL RESERVES	<u>\$ 4,434,204</u>	<u>\$ 4,612,910</u>		
	27	DAY'S EXPENSE	<u>\$ 45,253</u>	<u>\$ 43,600</u>		
	28	Days Operating Cash Projected	97	106		
	29	Maximum Annual Debt Coverage	1.20			

Highlighted area notes will be covered in Refinance report

MERIDIAN WORLD SCHOOL
STATEMENT OF ACTIVITIES - CONSOLIDATED (UNAUDITED)
FOR THE THREE MONTHS ENDED NOVEMBER 30, 2021

REVENUE	ACTUAL
State Education Funding	\$ 3,780,340
AAA After-School Revenue	108,600
Cafeteria Revenue	241,029
Local Funds	226,111
Federal Grant Revenue (All)	<u>150,955</u>
TOTAL REVENUE	\$ <u>4,507,035</u>

OPERATING EXPENSE	
Instructional & Student Services	\$ 2,731,516
Campus Leadership	379,412
General and Administrative	240,134
Facility Operations	419,770
Other Expense	36,119
AAA After School Expense	114,407
Loan Interest Expense	35,882
Cafeteria Expense	<u>246,958</u>
TOTAL OPERATING EXPENSE	<u>4,204,198</u>

NET OPERATING INCOME **\$ 302,837**

NON-OPERATING EXPENSE	
Prepaid Bond Interest at Refinance	\$ 3,726,506
Amortization Write-off at Refinance	<u>709,242</u>
TOTAL NON-OPERATING EXPENSE	<u>4,435,748</u>
NET INCOME (LOSS)	\$ <u>(4,132,911)</u>

Highlighted area notes will be covered in Refinance report

MERIDIAN WORLD SCHOOL
STATEMENT OF FINANCIAL POSITION - CONSOLIDATED (UNAUDITED)
NOVEMBER 30, 2021 AND AUGUST 31, 2021

	11/30/21	AUDITED 8/31/2021
ASSETS		
CURRENT ASSETS		
Cash on Deposit	\$ 4,689,885	\$ 4,204,828
Due From State and Federal Agencies	1,805,771	1,826,582
Other Receivables	34,692	70,550
Deferred Expenses	66,217	51,670
TOTAL CURRENT ASSETS	<u>6,596,565</u>	<u>6,153,630</u>
CAPITALIZED ASSETS		
Land Purchase & Improvements	7,203,591	7,195,527
Buildings & Improvements	20,986,574	20,950,513
Furniture & Equipment	1,594,934	1,633,063
Library Books & Media	130,044	130,044
Accumulated Depreciation Capitalized Assets	(4,752,668)	(4,618,369)
TOTAL CAPITALIZED ASSETS	<u>25,162,475</u>	<u>25,290,778</u>
OTHER ASSETS		
Bond Trust Reserve Accounts	-	2,097,894
TOTAL OTHER ASSETS	<u>-</u>	<u>2,097,894</u>
TOTAL ASSETS	<u>\$ 31,759,040</u>	<u>\$ 33,542,302</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 419,503	\$ 439,315
Accrued Wages Payable	665,502	679,827
Deferred Revenue	25,698	12,208
Accrued Student Activity Liability	12,953	45,800
Current Portion Long-Term Debt	705,000	600,000
TOTAL CURRENT LIABILITIES	<u>1,828,656</u>	<u>1,777,150</u>
LONG-TERM LIABILITIES		
Long-term Loans (Sunflower Bank / Bond Debt)	28,163,900	25,865,758
TOTAL LONG-TERM LIABILITIES	<u>28,163,900</u>	<u>25,865,758</u>
TOTAL LIABILITIES	<u>29,992,556</u>	<u>27,642,908</u>
NET ASSETS		
Fund Balance	5,899,395	5,444,775
Current Year Net Income (Loss) (Three months/12 months)	(4,132,911)	454,620
TOTAL NET ASSETS	<u>1,766,484</u>	<u>5,899,395</u>
TOTAL LIABILITIES & NET ASSETS	<u>\$ 31,759,040</u>	<u>\$ 33,542,303</u>

Income Statement
Fund 175 - Triple A After-School Program
November 30, 2021

Parameters:

Level: Line Item
 Format: Rollup
 District(s): 246801-Meridian World School LLC
 Date Range: THIS FISCAL YEAR
 Account Mask: AND (([Fund] = '175'))
 Effective Date: 11/30/2021
 Include Encumbrance: No
 Add Encum. To Totals: No
 Show History: No

		Budget	Encumbrance	Actual 09/01 - 08/31	FY to 11/30/2021	Percent
Revenues & Other Sources						
5748	Triple A Program Revenue	-\$ 580,000.00		-\$ 108,868.96	-\$ 108,868.96	18.77%
5749	Local Sources Revenue	\$ 0.00		\$ 268.94	\$ 268.94	0.00%
Total Revenues & Other Sources		-\$ 580,000.00		-\$ 108,600.02	-\$ 108,600.02	
Expenditures & Other Uses						
6100	Payroll Costs	\$ 436,861.00		\$ 108,125.80	\$ 108,125.80	24.75%
6200	Professional & Contracted Services	\$ 13,839.00		\$ 0.00	\$ 0.00	0.00%
6300	Supplies & Materials	\$ 13,656.00		\$ 2,185.49	\$ 2,185.49	16.00%
6400	Other Operating Costs	\$ 20,160.00		\$ 4,096.11	\$ 4,096.11	20.32%
Total Expenditures & Other Uses		\$ 484,516.00		\$ 114,407.40	\$ 114,407.40	
Overall Total		-\$ 95,484.00		\$ 5,807.38	\$ 5,807.38	

Income Statement
Fund 240 - Cafe Food Service Program
November 30, 2021

Parameters:

Level:	Line Item
Format:	Rollup
District(s):	246801-Meridian World School LLC
Date Range:	THIS FISCAL YEAR
Account Mask:	AND (([Fund] = '240'))
Effective Date:	11/30/2021
Include Encumbrance:	No
Add Encum. To Totals:	No
Show History:	No

		Budget	Encumbrance	Actual 09/01 - 08/31	FY to 11/30/2021	Percent
Revenues & Other Sources						
5751	Food Service Activity	-\$ 105,011.00		-\$ 16,983.26	-\$ 16,983.26	16.17%
5756	Cafe Non-Program Food Revenue	\$ 0.00		-\$ 3,971.37	-\$ 3,971.37	0.00%
5829	State Program Revenues Distributed by TEA	-\$ 5,000.00		\$ 0.00	\$ 0.00	0.00%
5839	State Rev from State of Texas Government Agencies (Other than TEA)	\$ 0.00		-\$ 614.00	-\$ 614.00	0.00%
5921	School Breakfast Program	-\$ 85,539.00		-\$ 25,445.00	-\$ 25,445.00	29.75%
5922	National School Lunch Program	-\$ 399,450.00		-\$ 194,015.48	-\$ 194,015.48	48.57%
Total Revenues & Other Sources		-\$ 595,000.00		-\$ 241,029.11	-\$ 241,029.11	
Expenditures & Other Uses						
6100	Payroll Costs	\$ 275,553.00		\$ 81,884.58	\$ 81,884.58	29.72%
6200	Professional & Contracted Services	\$ 1,950.00		\$ 2,138.24	\$ 2,138.24	109.65%
6300	Supplies & Materials	\$ 282,147.00		\$ 155,956.55	\$ 155,956.55	55.27%
6400	Other Operating Costs	\$ 7,500.00		\$ 0.00	\$ 0.00	0.00%
6600	Capital Outlay - Land, Building & Equipment	\$ 10,000.00		\$ 6,978.68	\$ 6,978.68	69.79%
Total Expenditures & Other Uses		\$ 577,150.00		\$ 246,958.05	\$ 246,958.05	
Overall Total		-\$ 17,850.00		\$ 5,928.94	\$ 5,928.94	