

Narrative for December 2021 Monthly Reporting Package

The period ending December 31, 2021 represents six months or 50% of the fiscal year.

Revenues

- The proposed final budgeted revenues are \$11,918,239 (includes \$2.92m PY carryover)
- Revenues collected to-date are \$10,762,549. This amount represents 90.3% of the total budgeted revenue and in line with budget.
- During the month of December the following receipts were received:

○ <u>Local Funds</u>	\$1017,521
○ <u>Donations</u>	\$9,600
○ School Activities	\$4,376
○ Standards and Assessments	\$400
○ <u>Federal Funds</u>	<u>\$22,275</u>
Total December Receipts	\$1,054,172
- Material Revenue Outstanding with Expected Date of Receipt:

○ State Funding	\$631,836	Feb 2021
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Expenses

- The proposed final budgeted expenses are \$10,197,909.
- Expenses to-date are \$4,943,841 with outstanding encumbrances of \$57,627 the total of which represents 49.04% of the budgeted expenditures.
- The annual Debt Service of \$764,340 was paid in July. If this amount is normalized over the twelve months of the year expenses are 48% year-to-date and in line with budget.

General

- Local Revenue has been finalized.
- State Revenue will be determined after all staff is in place and credentialed.
- The year-end projection for net income is affected by a reduction in students from 625 to 600

Reserves

- The current school reserve accounts held in the state finance system (FSF):

○ Summer Pay Reserve	\$941,468
○ Project Reserve	\$200,000
○ Maintenance/Building Reserve	<u>\$125,000</u>

TOTAL RESERVES \$1,266,468

- In addition to the reserve funds in FSF there is a \$100,000 Repair and Replacement Reserve held by the bond investors.
- Final Budget Reserves are expected to be increased \$101,498 for summer deferred pay and building reserves for a total of \$1,367,966 reducing operating cash and increasing restricted cash.

Operating Surplus/Deficit

- The school began the fiscal year with \$2,216,563 in operating cash and is projecting a fiscal year end cash balance of \$2,285,231 (assuming contingency is not spent) when compared to the updated budget.
- A tuition tax billing has been sent to DEDOE in the amount of \$241,416. The cash flow report assumes \$70,000 of the tuition bill is collected this fiscal year.
- In the cash flow report deferred pay is not included in the year end cash projection. On the covenant page the deferred pay is added in and increases the debt service covenant calculation to 1.20, which meets the requirement.