

Narrative for January 2022 Monthly Reporting Package

The period ending January 2022 represents seven months or 58.33% of the fiscal year.

Revenues

- The proposed final budgeted revenues are \$11,602,870 (includes \$2.92m PY carryover)
- Revenues collected to-date are \$11,485,627 This amount represents 99% of the total budgeted revenue and in line with budget.
- During the month of January the following receipts were received:
 - State Funds \$631,836
 - Donations \$6,833
 - School Activities \$722
 - Education Sustainment \$8,483
 - Mental Health Services \$29,433
 - Mental Health Contingency \$14,716
 - Federal Funds \$31,055
 - Total January Receipts \$723,078
- There is no material Revenue Outstanding.

Expenses

- The proposed final budgeted expenses are \$9,505,389.
- Expenses to-date are \$5,545,660 with outstanding encumbrances of \$53,769 the total of which represents 58.91% 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 55.55% year-to-date and in line with budget.

General

- Local Revenue has been finalized.
- State Revenue has increased by \$34,602

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 \$2,388,728 (assuming contingency is not spent) when compared to the updated budget. There is potential for savings in various line items in the budget but it is too early to recognize them.
- 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 1.35, which meets the requirement.