

APPROVED



WESLEY
INTERNATIONAL ACADEMY

Wesley International Academy

Minutes

January 2023 Finance Committee Meeting

Date and Time

Wednesday January 18, 2023 at 8:00 AM

Committee Members Present

C. Hill (remote), E. Cater (remote), E. Moraga-Davis (remote), J. Marshall (remote), L. Price (remote), S. Williams (remote)

Committee Members Absent

None

Guests Present

D. Johnson (remote)

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

C. Hill called a meeting of the Finance Committee of Wesley International Academy to order on Wednesday Jan 18, 2023 at 8:02 AM.

C. Adopt Agenda

Agenda adopted as presented

D.

Approve Minutes of November 16, 2022 Meeting

E. Cater made a motion to approve the minutes from November Finance Meeting on 11-16-22.

L. Price seconded the motion.

The committee **VOTED** unanimously to approve the motion.

E. Review of FY 23 2Q Unaudited Financial Statements

Erline shared an update on financial activity for the first 6 months of FY 2023. The school realized \$229k in CARES 3 funding. These funds are federal funds, so these expenses have already posted and the \$229k represents reimbursement of those funds. The report does not recognize Red Thread revenue from the November event.

Compensation expenses increased over the prior quarter due to three months of employee salaries as well as end of year stipends payable for a variety of incentives and extra duties. Staff travel and training expenses are trending up as teachers and leaders resume traveling for professional development needs as well as school operational needs.

After 6 months, the school shows a positive position relative to the pro-rated FY 23 budget in total, showing a 6 month budget positive variance of \$117k. The big drivers of the variance are some revenue forecast changes made by APS after WIA approved the FY 23 budget in June 2022. APS also shares revenue based on projected enrollment.

APS adjusts revenue to actual enrollment in December and again over the summer. The original budget was based on 117 employees but the school has been operating with 112 employees which is intentional based on lower than anticipated enrollment. The school also anticipates receiving some grant funds to cover several of the recent capital expenses.

F. Update on FY 23 Midyear Budget Revision

Lisa and Erline provided a proposed revised budget for the remainder of FY 23. WIA amends the budget once per fiscal year after a midyear review of expenditures and revenues. Upon review and approval by the committee, the budget revision will go forward to the Board for approval at the February meeting.

The original budget forecast included \$14.4 million in revenues and \$14.4 million in expenditures. The enrollment goal for the budget was 800 students. This is the first year in many years when the enrollment didn't meet projections. Count Day enrollment was 748, triggering several mechanisms in the action plan that was developed as part of the original budget for an enrollment shortfall.

A variety of positive changes with local revenue have helped the school to buffer the enrollment decline. These changes have increased the per FTE funding from \$15,817 to \$16,933 per FTE student in the current fiscal year.

Based on all of the actual changes over the first 6 months of the fiscal year and projections through the end of the fiscal year, total revenue should approach \$14.7 million with expenses near \$14.5 million.

S. Williams made a motion to Recommend the FY 23 budget revision to the Board for consideration and approval at the February 2023 Board meeting.

E. Cater seconded the motion.

The committee **VOTED** unanimously to approve the motion.

II. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 9:00 AM.

Respectfully Submitted,
C. Hill

Documents used during the meeting

- Oct - Dec 2022 Unaudited Financials.pdf