



West Virginia Academy, Ltd.
Governing Board Regular Meeting Minutes
November 28, 2022 | 7:00pm (EST)
763 Chestnut Ridge Road

Attending: J.Treu, S.Dull, C.Hassler, F.Oliverio, F.Fidler, M.Fuhriman

Public Delegations:

- 1) Brooke Campbell – Expressed concern over alleged incident involving her daughter and an employee at the school.

I - Approve Meeting Minutes to Prior Meeting(s)

MOTION: S.Dull moves to approve meeting minutes from November 3, 2022 meeting. Seconded by Curt Hassler.

DISCUSSION: none.

OUTCOME: Motion is unanimously approved by the governing board. (abstention by F.Oliverio who was not present)

MOTION: F.Oliverio moves to approve meeting minutes from November 17, 2022 meeting. Seconded by Marie Fuhriman.

DISCUSSION: none.

OUTCOME: Motion is unanimously approved by the governing board.

II - Presentation of First Quarter Financial Results

S.Dull presents first quarter results (unaudited) that were circulated (See Addendum 1, attached to these minutes). C.Hassler asks for clarification about receivables from preschool and line of credit status. S.Dull provides clarification. J.Treu notes that financials are not audited.

III - 5 Year Budget Approval

S.Dull presents proposed 5 year budget. J.Treu notes that budget incorporates actual results and updated projections as information becomes available. See Addendum 2, attached hereto.

MOTION: F.Oliverio moves to approve 5 year budget as presented. Seconded by Marie Fuhriman.

DISCUSSION: none.

OUTCOME: Motion is unanimously approved by the governing board.

C.Hassler asks whether a search committee should have a teacher on it. Discussion ensues about having teachers be able to sit down with candidates. Discussion of job postings for positions at school with WVDE.

S.Dull moves to go into executive session. Seconded by F.O. Unanimous.

Executive Session to discuss legal and employment matters.

IV - Legal Updates (discussed in Executive Session)

V - Meeting with Rebecca Bobincheck re: Employment

MOTION: F.Oliverio moves to approve indefinite administrative leave for R.Bobincheck with guarantee of teaching position upon return. Seconded by Marie Fuhriman.

DISCUSSION: none.

OUTCOME: Motion is rejected (J.Treu, S.Dull, C.Hassler, F.Oliverio, F.Fidler opposed, M.Fuhriman in favor).

VI - New/Additional Business

F.Oliverio notes that an investigation was conducted with respect to the allegations stated in the public delegations section of the meeting and, after an extensive review of video throughout the school as well as interviews with all parties present, the allegations were found to lack merit and that a report is forthcoming.

[Minutes approved on 1/19/2022]

Addendum 1 - Financial Q1 Results – Unaudited

West Virginia Academy LTD

Statement of Activity

July-September 2022

| | TOTAL |
|----------------------------------|-------------------|
| Revenue | |
| State Aid Revenue | 465,876 |
| State Benefit Revenue | 19,508 |
| Preschool & Supplemental Revenue | 29,402 |
| Contributed Income | 19,452 |
| Total Revenue | \$534,238 |
| Expenditures | |
| Payroll Expenses | |
| Salary & Wages | 369,367 |
| Employer Taxes | 39,877 |
| Worker's Compensation Insurance | 2,012. |
| Total Payroll Expenses | \$411,256 |
| Direct Student Expenses | 27,131 |
| Insurance | 9,104 |
| Interest Paid | 7,229 |
| Occupancy | 78,497 |
| Other Expense | 9,237 |
| Total Expenditures | \$542,454 |
| NET OPERATING REVENUE | \$(8,216) |
| Other Expenditures | |
| Depreciation | 8,579 |
| Amortization Expenses | 32,381 |
| Total Other Expenditures | \$40,960 |
| NET OTHER REVENUE | \$(40,960) |
| NET REVENUE | \$(49,176) |

West Virginia Academy LTD

Statement of Financial Position

As of September 2022

| | TOTAL |
|-------------------------------------|-------------------|
| ASSETS | |
| Current Assets | |
| Cash | 105,431 |
| Accounts Receivable | 35,045 |
| Inventory Asset | 4,698 |
| Prepaid Expense | 37,213 |
| Total Current Assets | \$182,387 |
| Fixed Assets | |
| Fixed Assets | 761,287 |
| Accumulated Depreciation | (8,579) |
| Accumulated Amortization | (32,381) |
| Total Fixed Assets | \$720,327 |
| Security Deposits | 28,739 |
| Total ASSETS | \$931,453 |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | 17,698 |
| Lines of Credit | 499,446 |
| Payroll Tax to Pay | 20,233 |
| PEIA & RHBT | (2,643) |
| Wages to Pay | 59,004 |
| Total Current Liabilities | \$593,738 |
| Long-Term Liabilities | |
| Other Long-Term Liabilities | 357,019 |
| Total Long-Term Liabilities | \$357,019 |
| Total Liabilities | \$950,757 |
| Equity | |
| Retained Earnings | 29,872 |
| Net Revenue | (49,176) |
| Total Equity | \$(19,304) |
| TOTAL LIABILITIES AND EQUITY | \$931,453 |

West Virginia Academy LTD

Statement of Cash Flows

July – September, 2022

| | TOTAL |
|---|--------------------|
| OPERATING ACTIVITES | |
| Net Revenue | \$(49,176) |
| Adjustments to reconcile Net Revenue to Net Cash provided by operations: | |
| Accounts Receivable | (35,045) |
| Inventory Asset | (4,698) |
| Prepaid Expense | (37,212) |
| Accumulated Depreciation | 8,579 |
| Accumulated Amortization | 32,381 |
| Accounts Payable | 7,698 |
| Lines of Credit | 449,446 |
| Payroll Wages and Tax to pay | 76,594 |
| Total Adjustments to reconcile Net Revenue to Net Cash provided by operations: | 497,743 |
| Net cash provided by operating activities | \$448,567 |
| INVESTING ACTIVITES | |
| Fixed Assets | (682,513) |
| Security Deposits | (28,739) |
| Net cash provided by investing activities | \$(711,252) |
| FINANCING ACTIVITES | |
| Other Long-Term Liabilities | 357,019 |
| Net cash provided by financing activities | \$357,019 |
| NET CASH INCREASE FOR PERIOD | \$94,334 |
| Cash at beginning of period | 11,097 |
| CASH AT END OF PERIOD | \$105,431 |

Addendum 2 - 5 Year Budget

West Virginia Academy, Ltd. Financial Plan & Five Year Budget

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | 5 year total |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| Revenue | | | | | | |
| Revenues | | | | | | |
| District and state revenue | \$ 2,206,643 | \$ 2,053,371 | \$ 2,483,270 | \$ 2,838,374 | \$ 3,198,697 | \$ 12,780,355 |
| Federal revenue | \$ 33,541 | \$ 119,214 | \$ 143,083 | \$ 165,072 | \$ 188,405 | \$ 649,315 |
| Other Revenue | \$ 222,972 | \$ 227,869 | \$ 248,305 | \$ 284,422 | \$ 400,959 | \$ 1,384,527 |
| Total Revenue (Excl. Fundraising) | \$ 2,463,156 | \$ 2,400,454 | \$ 2,874,658 | \$ 3,287,868 | \$ 3,788,061 | \$ 14,814,197 |
| <i>Revenue Per Student</i> | <i>\$ 8,156</i> | <i>\$ 6,505</i> | <i>\$ 6,780</i> | <i>\$ 6,821</i> | <i>\$ 6,989</i> | |
| Expenses | | | | | | |
| Compensation | | | | | | |
| Salaries | \$ 1,406,800 | \$ 1,338,648 | \$ 1,528,660 | \$ 1,691,459 | \$ 1,807,878 | \$ 7,773,445 |
| Payroll taxes and Benefits | \$ 378,694 | \$ 392,573 | \$ 443,674 | \$ 487,733 | \$ 513,412 | \$ 2,216,085 |
| Total Compensation | \$ 1,785,494 | \$ 1,731,221 | \$ 1,972,333 | \$ 2,179,193 | \$ 2,321,290 | \$ 9,989,531 |
| Net Revenue less Compensation | \$ 677,662 | \$ 669,233 | \$ 902,325 | \$ 1,108,675 | \$ 1,466,771 | \$ 4,824,667 |
| Facility | | | | | | |
| Occupancy costs | \$ 338,000 | \$ 338,000 | \$ 388,000 | \$ 438,000 | \$ 488,000 | \$ 1,990,000 |
| Leasehold Improvement Cost | \$ 138,195 | \$ 106,848 | \$ 106,848 | \$ 106,848 | \$ - | \$ 458,739 |
| Total facility expense | \$ 476,195 | \$ 444,848 | \$ 494,848 | \$ 544,848 | \$ 488,000 | \$ 2,448,739 |
| Net Revenue less Comp, Facility | \$ 201,467 | \$ 224,385 | \$ 407,477 | \$ 563,827 | \$ 978,771 | \$ 2,375,927 |
| Other Expenses | | | | | | |
| Classroom Expenses | \$ 75,110 | \$ 80,866 | \$ 91,586 | \$ 104,041 | \$ 106,122 | \$ 457,724 |
| Contracted prof. svcs.: instruction | \$ 2,500 | \$ 20,716 | \$ 23,475 | \$ 26,382 | \$ 29,389 | \$ 102,461 |
| School-related services | \$ 61,490 | \$ 81,277 | \$ 87,708 | \$ 94,418 | \$ 101,593 | \$ 426,485 |
| Operational Expenses | \$ 80,037 | \$ 81,392 | \$ 101,865 | \$ 117,038 | \$ 116,731 | \$ 497,063 |
| Contracted prof. svcs.: non-instruction | \$ 24,000 | \$ 24,480 | \$ 24,970 | \$ 25,469 | \$ 25,978 | \$ 124,897 |
| Depreciation | \$ 34,315 | \$ 42,584 | \$ 49,362 | \$ 49,091 | \$ 53,106 | \$ 228,458 |
| Interest Exp. & Dissolution Escrow | \$ 60,000 | \$ 55,000 | \$ 45,000 | \$ 40,000 | \$ 35,000 | \$ 235,000 |
| Total Other Expenses | \$ 337,452 | \$ 386,314 | \$ 423,965 | \$ 456,439 | \$ 467,919 | \$ 2,072,088 |
| Net Revenue pre-Grants/Fundraising | \$ (135,984) | \$ (161,929) | \$ (16,488) | \$ 107,388 | \$ 510,852 | \$ 303,839 |
| Grants & Donations | \$ 75,000 | \$ 208,000 | \$ 243,862 | \$ 285,480 | \$ 327,602 | \$ 1,139,943 |
| Yearly Surplus (deficit) | \$ (60,984) | \$ 46,071 | \$ 227,374 | \$ 392,868 | \$ 838,454 | \$ 1,443,782 |

Note: The above budget represents primarily projections, except that actual results from the first fiscal quarter have been incorporated into the first year budget. Occupancy cost and leasehold improvement costs are represented on a cash basis and are reflected based on the amount of the actual rent payments, which include base rent and a repayment for the leasehold improvement plus interest (these are reflected using the accrual method for financial statement purposes).