



Giving every Galveston child the opportunity to soar!

Moody Early Childhood Center Board of Directors
Regular Board Meeting
Friday, January 22, 2021 @ 1:00 p.m.
Moody Early Childhood Center
1110 21st Street, Galveston, Texas 77550 or Virtual *
AGENDA

- A. Call to Order
- B. Introduction and Welcome (Ms. Massey)
- C. Review & Approval of Special Board Meeting Minutes
 - a. December 3, 2020
 - b. Public Comment
- D. Committee Reports
 - a. Governance and Board Development — (Dr. Prochaska, Ms. Massey, Ms. Miller)
 - 1. Meetings scheduled 1st Thursday of each month 1:00-2:00 p.m.
 - 2. Next Meeting: February 4, 2021 1:00-2:00 p.m.
 - 3. Public Comment
 - b. Resource Development – (Ms. Massey, Ms. Adams, Mrs. Doherty)
 - 1. Meetings scheduled 3rd Thursday of each month *1:00-2:00 p.m.
**(please note proposed time change)*
 - 2. Next Meeting: February 18, 2021 2:00-3:00 p.m.
 - 3. Public Comment
 - c. Finance – (Mrs. Brown, Ms. Massey, Ms. Kinnear, Ms. Miller, and Mr. Peavy YPTC)
 - 1. Review Finance Reports
 - 2. Meetings scheduled 3rd Thursday of each month, 9:30-11:00 a.m.
 - 3. Next Meeting: February 18, 2021 9:30-11:00 a.m.
 - 4. Public Comment
 - d. Scholarship (Mr. Parker, Mrs. Doherty)
 - 1. Meeting
 - 2. Meetings scheduled 3rd Thursday of each month, 3:00-4:00 p.m.
 - 3. Next Meeting: February 18, 2021 3:00 – 4:00 p.m.
 - 4. Public Comment
 - e. Government Affairs – (Ms. Kinnear, Dr. Brown, and Ms. Adams)
 - 1. Meetings scheduled 4th Thursday of each month,
 - 2. Next Meeting February 25, 2021 Time TBD by committee
 - 3. Public Comment
 - f. Board of Advisors (Dr. Brown, Ms. Doherty)
 - 1. Next Meeting scheduled for Spring 2021
- E. Executive Director Report (Ms. Miller)
 - a. Report
- F. Adjourn to Executive Session if needed– The Board may recess into Closed Executive Session as permitted by the Texas Open Meeting Act Government Code Sections 551.071- 551.090 Subchapter D and E. Should any final action, final decision, or final vote be required in the opinion of the Board with regard to any matter considered in such closed meeting then the final action, final decision, or final vote shall be either:
 - a. in the open meeting covered by the Notice upon the reconvening of the public meeting; or
 - b. at a subsequent public meeting of the Board upon notice thereof as the Board shall determine
- G. Reconvene from Executive Session and take any action warranted.
- H. Next meeting date February 25, 2021 1:00 p.m.
- I. Adjourn

*Virtual

Join Zoom Meeting <https://us02web.zoom.us/j/83605027689>

Meeting ID: 836 0502 7689

**MOODY EARLY CHILDHOOD CENTER
Board of Directors Regular Meeting
Videoconference via Zoom
December 3, 2020**

Present: Ms. Massey, Ms. Kinnear, Ms. Brown, Dr. Prochaska, Dr. Brown, Ms. Doherty, Ms. Miller

Absent: Mr. Parker, Ms. Adams

Ms. Massey called the meeting to order at 1:01 PM.

A quorum was present.

The Board reviewed the updated draft of the strategic plan as presented. The Board discussed questions and clarifications they noted when reviewing the updates to the plan. Revisions will be made and final version will be brought to the next Board meeting for final approval and adoption.

Ms. Massey reviewed the discussion at the GISD Board meeting last night regarding the potential for MECC to offer Pre-K for all of GISD. The Board presented initial thoughts and questions they had regarding this possible opportunity, specifically around facilities (both in needed renovations in existing space as well as costs related to acquiring new space, addition of playgrounds, etc.), staffing (educational, administrative, and support staff), and financial impacts. Logistics (e.g., busing, food service, etc.) were also discussed.

MECC staff will be working up a draft proposal to present to the Board at a special meeting likely on or around Monday, December 21st at 1pm.

The Board discussed which stakeholders should be engaged at this point in the discussion, including donors, partner agencies, etc. Informing current GISD staff and families potentially impacted was also discussed.

Meeting adjourned at 2:14pm.

Respectfully submitted by Dr. John Prochaska, MECC Board Secretary.

MEMO

TO: Karin Miller, Executive Director
FROM: John Peavy, Your Part-Time Controller, LLC
DATE: January 12th, 2021
SUBJECT: **December 2020 Financial Reports for Moody Early Childhood Center**

Attached please find the financial reporting package for the four months ended December 31, 2020. It includes:

- Balance Sheets as of December 31, 2019 and 2020
- Income Statements & Budget Analysis for the four months ended December 31, 2019 and 2020
- Statements of Cash Flows for the four months ended December 31, 2019 and 2020
- Dashboard Report as of December 31, 2020

Executive Summary:

The Moody Contribution was received in December. GISD Allotment Revenue continued to make up for shortfalls in Tuition Revenue. Lower payroll, food service and transportation expenses resulted in Total Expenses being below budget.

The PPP Loan Application for Forgiveness is ready to be submitted. Total Payroll Costs during the Covered Period (mid-April to October) of \$1.2 million were twice the loan amount of \$633k.

Year-to-Date Financial Highlights:

- Cash on hand ended at \$1.95 million (excluding the funds set aside for scholarships). The number of months cash on hand improved to 5.50 from 1.43 a year ago.
- Total Revenue of \$2.5 million is above budgeted levels of \$1.4 million.
- GISD Allotment Revenue of \$253k exceeded budgeted levels of \$100k and represented almost half of this year's revenues (excluding the Moody Contribution). Tuition Revenue of \$160k was 70% of expected levels. Federal Child Care Subsidy Revenue (\$66k) was slightly below budget.
- Total Expenses (\$1.4 million) were \$215k under budget, primarily due to payroll expenses coming in \$172k under budget. Food services and transportation costs were a combined \$60k under budget.

If you have any questions or would like to discuss in further detail, please feel free to contact me.

Moody Early Childhood Center
Income Statements & Budget Analysis
For the four months ended December 31, 2020

	ACTUALS		BUDGET COMPARATIVE		PRIOR YEAR COMPARATIVE	
	Current Month	Year-To-Date	Year-to-Date	\$ Variance Favorable/ (Unfavorable)	Year-To-Date	\$ Variance Favorable/ (Unfavorable)
REVENUES						
Tuition	\$ 44,715	\$ 160,642	\$ 228,360	\$ (67,718)	\$ 189,582	\$ (28,940)
Contributions	12,673	40,430	201,000	(160,570)	152,468	(112,038)
Contributions - Moody	1,966,667	1,966,667	734,000	1,232,667	-	1,966,667
Grants	-	-	-	-	-	-
GISD Allotment	47,678	252,268	100,000	152,268	215,841	36,427
Title Funds	-	-	-	-	36,502	(36,502)
Federal Food Services	1,466	3,477	20,000	(16,523)	15,994	(12,518)
Federal Child Care Subsidy	14,262	66,502	83,333	(16,831)	43,733	22,768
Interest Income	195	-	-	-	-	-
Federal Head Start Contract	-	-	64,333	(64,333)	-	-
Other Income	428	348	7,133	(6,785)	2,667	(2,319)
TOTAL REVENUES	2,088,084	2,490,334	1,438,159	1,052,175	656,788	1,833,545
EXPENSES						
Payroll and Related Expenses	396,816	1,197,963	1,370,726	172,763	950,810	(247,152)
Food Services	7,990	12,879	47,667	34,788	31,472	18,593
Transportation	-	-	25,333	25,333	25,333	25,333
Family Engagement	-	-	1,000	1,000	381	381
Occupancy	-	-	-	-	-	-
Professional Development Charges	720	2,393	-	(2,393)	5,698	3,305
Board Expenses	-	-	400	400	1,087	1,087
Contract Services and Professional Fees	25,355	74,005	68,333	(5,672)	129,389	55,385
Supplies	465	23,011	22,667	(344)	11,353	(11,658)
Repairs and Maintenance	829	1,926	3,333	1,407	24,021	22,095
COVID-19 Expenses	557	16,842	20,000	3,158	-	(16,842)
Depreciation	19,491	48,519	-	(48,519)	30,191	(18,328)
Insurance	3,590	14,354	13,333	(1,021)	22,088	7,735
Fundraising	-	99	-	(99)	-	(99)
Interest Expense	-	-	6,000	6,000	5,490	5,490
Printing and Postage	622	2,129	3,333	1,204	3,234	1,104
Dues and Subscriptions	200	1,166	5,417	4,251	5,761	4,595
Bank Fees	397	2,766	4,333	1,567	8,065	5,299
Utilities	4,000	16,000	33,083	17,083	16,644	644
Travel	-	-	1,667	1,667	5,688	5,688
Information Technology	193	687	-	(687)	885	198
Marketing	-	300	4,167	3,867	40	(260)
Other Expenses	-	2,839	3,833	994	10,781	7,942
TOTAL EXPENSES	461,225	1,417,877	1,634,625	216,748	1,288,412	(129,465)
TOTAL NET INCOME (LOSS)	\$ 1,626,859	\$ 1,072,456	\$ (196,466)	\$ 1,268,922	\$ (631,624)	\$ 1,704,080

Moody Early Childhood Center
Balance Sheets
As of December 31, 2019 and 2020

ASSETS	December 31, 2019	December 31, 2020
Cash - Operating	\$ 380,371	\$ 299,035
Cash - Professional Development	73,553	800
Cash - Scholarship	636	100,000
Cash - Capital	6,699	-
Cash - Special Projects	-	-
Cash - Money Market	-	1,650,974
Accounts Receivable	22,092	38,819
Prepaid Expenses	-	-
Other Assets	42,555	16,425
Total Current Assets	525,906	2,106,052
Property and Equipment		
Fixed Assets	933,778	1,063,242
Accumulated Depreciation	(228,512)	(347,646)
Total Property and Equipment, Net	705,266	715,597
TOTAL ASSETS	\$ 1,231,172	\$ 2,821,649
 LIABILITIES AND NET ASSETS		
Liabilities		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 20,821	\$ 25,477
Payroll Liabilities	105,041	105,147
Line of Credit	300,000	288,269
Refundable Advance	-	633,100
Total Current Liabilities	425,862	1,051,992
Total Liabilities	425,862	1,051,992
 Net Assets		
Net Assets With Donor Restrictions	202,633	202,633
Net Assets Without Donor Restrictions	602,676	1,567,023
Total Net Assets	805,310	1,769,656
TOTAL LIABILITIES AND NET ASSETS	\$ 1,231,172	\$ 2,821,649

Moody Early Childhood Center**Statements of Cash Flows**

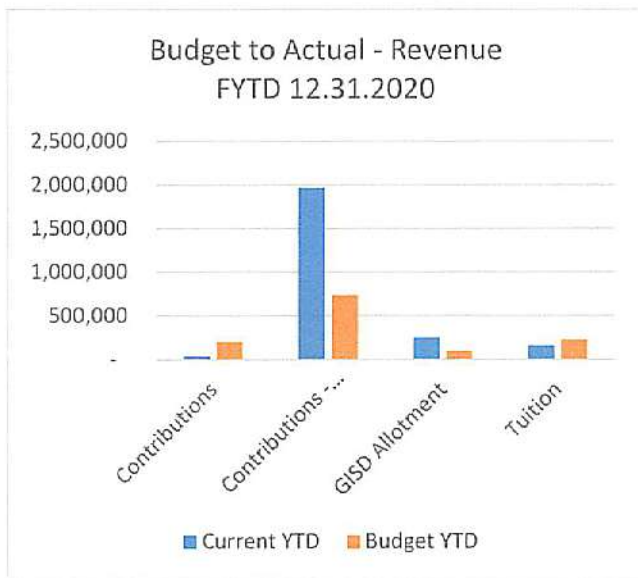
For the four months ended December 31, 2020 and December 31, 2019

	<u>Year-to-Date</u> <u>November 30, 2020</u>	<u>Year-to-Date</u> <u>November 30, 2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Total Net Income (Loss)	\$ 1,076,678	\$ (631,624)
Adjustments to Reconcile Total Net Income (Loss) to Net Cash (Used)/Provided by Operating Activities:		
Depreciation	48,519	30,191
Changes in Operating Assets and Liabilities:		
Accounts Receivable	129,666	(11,559)
Contributions Receivable	-	800,000
Prepaid	7,111	(1,093)
Accounts Payable and Accrued Expenses	<u>(96,258)</u>	<u>(129,511)</u>
Net Cash (Used)/Provided by Operating Activities	<u>1,165,715</u>	<u>56,405</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of Fixed Assets	<u>-</u>	<u>(11,159)</u>
Net Cash Provided/(Used) by Investing Activities	<u>-</u>	<u>(11,159)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Refundable Advance	-	-
Line of Credit Draw	(7,542)	100,000
Unrestricted Net Assets	<u>0</u>	<u>30</u>
Net Cash Provided/(Used) by Financing Activities	<u>(7,542)</u>	<u>100,030</u>
CHANGE IN CASH [increase/(decrease)]	<u>1,158,174</u>	<u>145,276</u>
Cash, Beginning of Period	<u>934,633</u>	<u>316,633</u>
Cash, End of Period	<u>\$ 2,092,807</u>	<u>\$ 461,909</u>

**Moody Early Childhood Center
Dashboard
For the four months ended December 31, 2020**

Months Cash on Hand (including Restricted)

	<u>YTD</u>	<u>Prior YTD</u>
Total cash on hand (1)	\$ 1,950,809	\$ 461,259
Average monthly operating expenditures	\$ 354,469	\$ 322,103
Number of months cash on hand	5.50	1.43
Total cash on hand (Less: Money Market)	\$ 299,835	
Average monthly operating expenditures	\$ 354,469	
Number of months cash on hand	0.85	
<i>Recommended benchmark is 3-6 months.</i>		



The above shows revenue over/under budget for each major revenue category except for Contributions - Moody.

The above shows expenses under\over budget for major expense items.

(1) Excluding \$100,000 set aside for scholarships



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**MECC: Executive Director
Board Report
January 22, 2021**

- A. Finance
 - i. Audit – Still in Process
 - 1. Special Board Meeting to approve
 - 2. Presentation to GISD 2/20/21
 - ii. PPP Loan
 - 1. Forgiveness
 - 2. 2nd Draw Application
- B. Quarterly Report
 - i. GISD – February 20, 2021 Presentation
- C. Community Partners
 - i. UHCL
 - 1. Intern for Spring started
 - ii. Early Head Start/Head Start
 - 1. CLASS Training (PK)
 - Assessors - February
 - 2. Family Coordinator hired (?)
- D. Enrollment
 - i. As of 1/19/21
 - 1. 1 GISD
 - 2. 23 ASC
 - 3. 101 PK
 - 4. 6 virtual PK
 - 5. 65 IT
- E. GISD
 - i. PK Meeting 1/14/21
 - ii. Utility and Transportation Bills
 - 1. Emailed April 1/15/21
 - iii. Curriculum
 - 1. PK Adoption
 - 2. Review
 - iv. Site Visit
 - 1. GISD Task Force to visit MECC
 - 2. Trip to Marshall ISD to visit Marshall Early Childhood Center