

**NEWTOWN BOARD OF EDUCATION
MONTHLY FINANCIAL REPORT
SEPTEMBER 30, 2013**

SUMMARY

The third financial report, or first quarter of the 2013-14 fiscal year to date, is attached. In the month of September, the Board of Education spent approximately \$5M, \$3.6M on salaries and benefits, and \$1.4M for all other objects. This is consistent with last year's rate of expenditures for the same period. Information regarding projections is limited at this time as we focused on getting all school operations up to speed in September.

All the main object accounts remain in a positive position for this quarter. The few negative balance in sub-accounts are those that will be expected to receive an excess cost grant revenue offset. Out-of-District Special Education tuition students are pushing the budget along with their required transportation before any excess cost offsets.

The "Current Transfer" column now appears because we have adjusted salary accounts to reflect turnover, position, reallocations, changes in assignments, grant charges, and salary adjustments granted to non-represented employees. None of these cross major objects codes but do appear on the sub-account detail pages.

This budget is extremely lean and needs to be carefully monitored. Forecasting anticipated obligations based on this financial appropriation will begin in October and will modify the balances required to end the fiscal year within the allotted budget.

EXPENSE CATEGORY CONDITIONS

100 SALARIES

The total salary budget is expected to be adequate to continue all the planned services for the balance of the year. The accounts need continuing review but with some teaching positions that were not filled due to enrollment, there is expected to be a reasonable balance. This will be reviewed further for next month. The Educational Assistants accounts will be insufficient in the area of Special Education and will need additional funding.

200 EMPLOYEE BENEFITS

It is expected that this budget will be adequate to handle our benefit needs. Worker's Comp salaries for the prior year have been audited and we will most likely be subjected to an additional premium due to the additional wages paid to ready Chalk Hill School. Employees hired under SERV and the additional security will affect this premium. Currently this has been anticipated and is included in the Justice grant. Should that component not be covered we may need to cover it in these accounts.

300 PROFESSIONAL SERVICES

Nothing to report.

400 PURCHASED PROPERTY SERVICES

Hawley fire alarm issue – needed to replace old smoke detectors with new to avoid repeating false alarms, cost \$9,800. The Middle School had a leak at the rear of the building along the foundation wall under the sidewalks and needed to be excavated, piped to drain, and replace the sidewalk, cost \$10,750. Also at the Middle School, the main lobby bathroom had a water problem and it was repaired by a contractor, but in the process a waste water line was damaged. It has now been fixed at a cost of \$30,304 and submitted to our insurance. A deductible of \$25,000 applies and we have given them subrogation rights. These three expenses have gone against the emergency repair account. Building and Grounds Maintenance projects are all on hold at this time.

500 OTHER PURCHASED SERVICES

Transportation and Tuition needs careful review, more out of district locations require additional expenses.

600 SUPPLIES

Nothing to report.

700 PROPERTY

Nothing to report.

800 MISCELLANOUS

Nothing to report.

The budget will continue to be carefully monitored and any subsequent issues or opportunities will be presented as necessary.

Ron Bienkowski
Director of Business
October 11, 2013

TERMS AND DEFINITIONS

The Newtown Board of Education's Monthly Financial Report provides summary financial information in the following areas:

- Object Code – a service or commodity obtained as the result of a specific expenditure defined by eight categories: Salaries, Employee Benefits, Professional Services, Purchased Property Services, Other Purchased Services, Supplies, Property, and Miscellaneous.
- Expense Category – further defines the type of expense by Object Code
- Expended 2013-14 – actual (unaudited) expenditures of the prior fiscal year
- Approved Budget – indicates the town approved financial plan used by the school district to achieve its goals and objectives.
- Current Transfers – identifies the recommended cross object codes for current month action. (No current transfers indicated)
- Current Budget – adjusts the Approved Budget calculating adjustments (+ or -) to the identified object codes.
- Year-To-Date Expended – indicates the actual amount of cumulative expenditures processed by the school district through the month-end date indicated on the monthly budget summary report.
- Encumbered – indicates approved financial obligations of the school district as a result of employee salary contracts, purchasing agreements, purchase orders, or other identified obligations not processed for payment by the date indicated on the monthly budget summary report.
- Balance – calculates object code account balances subtracting expenditures and encumbrances from the current budget amount indicating accounts with unobligated balances or shortages.

NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING SEPTEMBER 30, 2013

| OBJECT CODE | EXPENSE CATEGORY | EXPENDED 2012 - 2013 | 2013-2014 APPROVED BUDGET | CURRENT TRANSFERS | CURRENT BUDGET | YTD EXPENDITURE | ENCUMBER | BALANCE |
|-----------------------------------|--------------------------|----------------------|---------------------------|-------------------|----------------|-----------------|---------------|--------------|
| <u>GENERAL FUND BUDGET</u> | | | | | | | | |
| 100 | SALARIES | \$ 43,732,472 | \$ 45,076,226 | \$ - | \$ 45,076,226 | \$ 5,983,361 | \$ 37,409,885 | \$ 1,682,980 |
| 200 | EMPLOYEE BENEFITS | \$ 10,341,864 | \$ 10,675,831 | \$ - | \$ 10,675,831 | \$ 2,976,091 | \$ 6,339,202 | \$ 1,360,539 |
| 300 | PROFESSIONAL SERVICES | \$ 885,859 | \$ 920,517 | \$ - | \$ 920,517 | \$ 111,670 | \$ 271,417 | \$ 537,430 |
| 400 | PURCHASED PROPERTY SERV. | \$ 2,156,695 | \$ 2,393,290 | \$ - | \$ 2,393,290 | \$ 373,279 | \$ 492,799 | \$ 1,527,212 |
| 500 | OTHER PURCHASED SERVICES | \$ 6,526,747 | \$ 6,851,622 | \$ - | \$ 6,851,622 | \$ 1,645,116 | \$ 4,503,718 | \$ 702,788 |
| 600 | SUPPLIES | \$ 4,428,579 | \$ 4,554,880 | \$ - | \$ 4,554,880 | \$ 661,084 | \$ 300,209 | \$ 3,593,588 |
| 700 | PROPERTY | \$ 206,463 | \$ 497,748 | \$ - | \$ 497,748 | \$ 246,865 | \$ 90,270 | \$ 160,613 |
| 800 | MISCELLANEOUS | \$ 71,081 | \$ 75,190 | \$ - | \$ 75,190 | \$ 51,486 | \$ 2,187 | \$ 21,517 |
| TOTAL GENERAL FUND BUDGET | | \$ 68,349,760 | \$ 71,045,304 | \$ - | \$ 71,045,304 | \$ 12,048,951 | \$ 49,409,687 | \$ 9,586,666 |
| | | <i>(Unaudited)</i> | | | | | | |
| GRAND TOTAL | | \$ 68,349,760 | \$ 71,045,304 | \$ - | \$ 71,045,304 | \$ 12,048,951 | \$ 49,409,687 | \$ 9,586,666 |

| | | | | |
|--|--------|--------------|--------|--------------|
| Excess Cost Grant Reimbursement Offset | 75.00% | \$ 1,452,095 | T.B.D. | \$ 1,452,095 |
|--|--------|--------------|--------|--------------|

Net Projected Balance

NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING SEPTEMBER 30, 2013

| OBJECT CODE | EXPENSE CATEGORY | EXPENDED 2012 - 2013 | 2013-2014 APPROVED BUDGET | CURRENT TRANSFERS | CURRENT BUDGET | YTD EXPENDITURE | ENCUMBER | BALANCE |
|-------------|---------------------------------|----------------------|---------------------------|-------------------|----------------------|---------------------|----------------------|---------------------|
| 100 | SALARIES | | | | | | | |
| | Administrative Salaries | \$ 2,905,110 | \$ 2,826,231 | \$ - | \$ 2,826,231 | \$ 588,083 | \$ 2,181,813 | \$ 56,335 |
| | Teachers & Specialists Salaries | \$ 30,174,313 | \$ 30,919,957 | \$ (10,351) | \$ 30,909,606 | \$ 3,552,778 | \$ 26,946,769 | \$ 410,059 |
| | Early Retirement | \$ 16,000 | \$ 16,000 | \$ - | \$ 16,000 | \$ 16,000 | \$ - | \$ - |
| | Continuing Ed./Summer School | \$ 74,383 | \$ 84,903 | \$ 855 | \$ 85,758 | \$ 52,034 | \$ 33,550 | \$ 174 |
| | Homebound & Tutors Salaries | \$ 249,524 | \$ 211,664 | \$ 2,245 | \$ 213,909 | \$ 39,302 | \$ 107,127 | \$ 67,480 |
| | Certified Substitutes | \$ 589,183 | \$ 645,725 | \$ - | \$ 645,725 | \$ 64,476 | \$ 256,265 | \$ 324,985 |
| | Coaching/Activities | \$ 534,475 | \$ 532,749 | \$ - | \$ 532,749 | \$ - | \$ 101,221 | \$ 431,528 |
| | Staff & Program Development | \$ 116,368 | \$ 167,891 | \$ - | \$ 167,891 | \$ 105,888 | \$ 54,406 | \$ 7,598 |
| | CERTIFIED SALARIES | \$ 34,659,356 | \$ 35,405,120 | \$ (7,251) | \$ 35,397,869 | \$ 4,418,560 | \$ 29,681,151 | \$ 1,298,158 |
| | Supervisors/Technology Salaries | \$ 612,272 | \$ 622,327 | \$ 6,347 | \$ 628,674 | \$ 131,932 | \$ 470,461 | \$ 26,281 |
| | Clerical & Secretarial salaries | \$ 1,913,153 | \$ 1,985,904 | \$ - | \$ 1,985,904 | \$ 347,910 | \$ 1,611,594 | \$ 26,401 |
| | Educational Assistants | \$ 1,783,332 | \$ 1,843,658 | \$ - | \$ 1,843,658 | \$ 163,058 | \$ 1,737,957 | \$ (57,357) |
| | Nurses & Medical advisors | \$ 665,534 | \$ 683,022 | \$ - | \$ 683,022 | \$ 95,047 | \$ 602,144 | \$ (14,168) |
| | Custodial & Maint Salaries | \$ 2,759,414 | \$ 2,898,325 | \$ (10,571) | \$ 2,887,754 | \$ 610,763 | \$ 2,256,008 | \$ 20,983 |
| | Bus Drivers salaries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Career/Job salaries | \$ 109,211 | \$ 108,501 | \$ 1,897 | \$ 110,398 | \$ 21,178 | \$ 82,506 | \$ 6,714 |
| | Special Education Svcs Salaries | \$ 659,495 | \$ 824,820 | \$ 9,578 | \$ 834,398 | \$ 89,621 | \$ 705,689 | \$ 39,087 |
| | Attendance & Security Salaries | \$ 207,942 | \$ 380,071 | \$ - | \$ 380,071 | \$ 43,001 | \$ 262,375 | \$ 74,696 |
| | Extra Work - Non-Cert | \$ 76,256 | \$ 71,115 | \$ - | \$ 71,115 | \$ 32,950 | \$ - | \$ 38,165 |
| | Custodial & Maint. Overtime | \$ 242,452 | \$ 210,363 | \$ - | \$ 210,363 | \$ 27,142 | \$ - | \$ 183,221 |
| | Civic activities/Park & Rec | \$ 44,055 | \$ 43,000 | \$ - | \$ 43,000 | \$ 2,201 | \$ - | \$ 40,799 |
| | NON-CERTIFIED SALARIES | \$ 9,073,116 | \$ 9,671,106 | \$ 7,251 | \$ 9,678,357 | \$ 1,564,801 | \$ 7,728,734 | \$ 384,821 |
| | SUBTOTAL SALARIES | \$ 43,732,472 | \$ 45,076,226 | \$ - | \$ 45,076,226 | \$ 5,983,361 | \$ 37,409,885 | \$ 1,682,980 |

NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING SEPTEMBER 30, 2013

| OBJECT CODE | EXPENSE CATEGORY | EXPENDED 2012 - 2013 | 2013-2014 APPROVED BUDGET | CURRENT TRANSFERS | CURRENT BUDGET | YTD EXPENDITURE | ENCUMBER | BALANCE |
|-------------|------------------------------------|----------------------|---------------------------|-------------------|----------------------|---------------------|---------------------|---------------------|
| 200 | EMPLOYEE BENEFITS | | | | | | | |
| | Medical & Dental Expenses | \$ 7,918,730 | \$ 8,213,013 | | \$ 8,213,013 | \$ 2,110,217 | \$ 6,050,818 | \$ 51,978 |
| | Life Insurance | \$ 83,605 | \$ 86,226 | | \$ 86,226 | \$ 20,351 | \$ - | \$ 65,875 |
| | FICA & Medicare | \$ 1,305,853 | \$ 1,359,593 | | \$ 1,359,593 | \$ 202,413 | \$ - | \$ 1,157,180 |
| | Pensions | \$ 487,540 | \$ 462,466 | | \$ 462,466 | \$ 402,679 | \$ 57,443 | \$ 2,344 |
| | Unemployment & Employee Assist. | \$ 76,081 | \$ 98,120 | | \$ 98,120 | \$ 5,672 | \$ 17,760 | \$ 74,688 |
| | Workers Compensation | \$ 470,055 | \$ 456,413 | | \$ 456,413 | \$ 234,757 | \$ 213,181 | \$ 8,475 |
| | SUBTOTAL EMPLOYEE BENEFITS | \$ 10,341,864 | \$ 10,675,831 | \$ - | \$ 10,675,831 | \$ 2,976,091 | \$ 6,339,202 | \$ 1,360,539 |
| 300 | PROFESSIONAL SERVICES | | | | | | | |
| | Professional Services | \$ 723,430 | \$ 675,542 | | \$ 675,542 | \$ 79,462 | \$ 190,934 | \$ 405,146 |
| | Professional Educational Ser. | \$ 162,429 | \$ 244,975 | | \$ 244,975 | \$ 32,208 | \$ 80,483 | \$ 132,284 |
| | SUBTOTAL PROFESSIONAL SVCS | \$ 885,859 | \$ 920,517 | \$ - | \$ 920,517 | \$ 111,670 | \$ 271,417 | \$ 537,430 |
| 400 | PURCHASED PROPERTY SVCS | | | | | | | |
| | Buildings & Grounds Services | \$ 665,863 | \$ 670,300 | | \$ 670,300 | \$ 122,604 | \$ 309,802 | \$ 237,894 |
| | Utility Services - Water & Sewer | \$ 107,302 | \$ 117,000 | | \$ 117,000 | \$ 19,990 | \$ - | \$ 97,010 |
| | Building, Site & Emergency Repairs | \$ 533,970 | \$ 460,850 | | \$ 460,850 | \$ 88,040 | \$ 15,741 | \$ 357,068 |
| | Equipment Repairs | \$ 252,231 | \$ 270,975 | | \$ 270,975 | \$ 34,528 | \$ 43,384 | \$ 193,062 |
| | Rentals - Building & Equipment | \$ 303,229 | \$ 300,165 | | \$ 300,165 | \$ 108,117 | \$ 123,871 | \$ 68,177 |
| | Building & Site Improvements | \$ 294,100 | \$ 574,000 | | \$ 574,000 | \$ - | \$ - | \$ 574,000 |
| | SUBTOTAL PUR. PROPERTY SER. | \$ 2,156,695 | \$ 2,393,290 | \$ - | \$ 2,393,290 | \$ 373,279 | \$ 492,799 | \$ 1,527,212 |

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BUDGET SUMMARY REPORT

FOR THE MONTH ENDING SEPTEMBER 30, 2013

| OBJECT CODE | EXPENSE CATEGORY | EXPENDED 2012 - 2013 | 2013-2014 APPROVED BUDGET | CURRENT TRANSFERS | CURRENT BUDGET | YTD EXPENDITURE | ENCUMBER | BALANCE |
|-------------|-------------------------------------|----------------------|---------------------------|-------------------|---------------------|---------------------|---------------------|---------------------|
| 500 | OTHER PURCHASED SERVICES | | | | | | | |
| | Contracted Services | \$ 401,159 | \$ 360,504 | | \$ 360,504 | \$ 120,532 | \$ 49,888 | \$ 190,084 |
| | Transportation Services | \$ 3,606,577 | \$ 3,640,547 | | \$ 3,640,547 | \$ 427,006 | \$ 2,177,005 | \$ 1,036,536 |
| | Insurance - Property & Liability | \$ 291,106 | \$ 299,135 | | \$ 299,135 | \$ 170,380 | \$ 129,498 | \$ (743) |
| | Communications | \$ 121,183 | \$ 129,209 | | \$ 129,209 | \$ 25,702 | \$ 62,951 | \$ 40,557 |
| | Printing Services | \$ 32,447 | \$ 42,382 | | \$ 42,382 | \$ 6,105 | \$ 19 | \$ 36,257 |
| | Tuition - Out of District | \$ 1,897,321 | \$ 2,152,926 | | \$ 2,152,926 | \$ 872,287 | \$ 2,065,368 | \$ (784,729) |
| | Student Travel & Staff Mileage | \$ 176,954 | \$ 226,919 | | \$ 226,919 | \$ 23,103 | \$ 18,990 | \$ 184,826 |
| | SUBTOTAL OTHER PURCHASED SER | \$ 6,526,747 | \$ 6,851,622 | \$ - | \$ 6,851,622 | \$ 1,645,116 | \$ 4,503,718 | \$ 702,788 |
| 600 | SUPPLIES | | | | | | | |
| | Instructional & Library Supplies | \$ 934,107 | \$ 939,666 | | \$ 939,666 | \$ 298,775 | \$ 140,457 | \$ 500,433 |
| | Software, Medical & Office Sup. | \$ 144,536 | \$ 184,465 | | \$ 184,465 | \$ 20,034 | \$ 58,303 | \$ 106,127 |
| | Plant Supplies | \$ 337,919 | \$ 376,100 | | \$ 376,100 | \$ 91,448 | \$ 60,551 | \$ 224,102 |
| | Electric | \$ 1,357,320 | \$ 1,401,255 | | \$ 1,401,255 | \$ 169,645 | \$ - | \$ 1,231,610 |
| | Propane & Natural Gas | \$ 291,923 | \$ 326,370 | | \$ 326,370 | \$ 17,251 | \$ - | \$ 309,119 |
| | Fuel Oil | \$ 619,965 | \$ 575,466 | | \$ 575,466 | \$ - | \$ - | \$ 575,466 |
| | Fuel For Vehicles & Equip. | \$ 554,631 | \$ 486,739 | | \$ 486,739 | \$ - | \$ - | \$ 486,739 |
| | Textbooks | \$ 188,178 | \$ 264,819 | | \$ 264,819 | \$ 63,930 | \$ 40,897 | \$ 159,992 |
| | SUBTOTAL SUPPLIES | \$ 4,428,579 | \$ 4,554,880 | \$ - | \$ 4,554,880 | \$ 661,084 | \$ 300,209 | \$ 3,593,588 |

NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING SEPTEMBER 30, 2013

| OBJECT CODE | EXPENSE CATEGORY | EXPENDED 2012 - 2013 | 2013-2014 APPROVED BUDGET | CURRENT TRANSFERS | CURRENT BUDGET | YTD EXPENDITURE | ENCUMBER | BALANCE |
|-------------|-------------------------------|----------------------|---------------------------|-------------------|----------------------|----------------------|----------------------|---------------------|
| 700 | PROPERTY | | | | | | | |
| | Capital Improvements (Sewers) | \$ 124,177 | \$ 124,177 | | \$ 124,177 | \$ 124,177 | \$ - | \$ 0 |
| | Technology Equipment | \$ 51,953 | \$ 325,559 | | \$ 325,559 | \$ 122,688 | \$ 78,654 | \$ 124,217 |
| | Other Equipment | \$ 30,333 | \$ 48,012 | | \$ 48,012 | \$ - | \$ 11,616 | \$ 36,396 |
| | SUBTOTAL PROPERTY | \$ 206,463 | \$ 497,748 | \$ - | \$ 497,748 | \$ 246,865 | \$ 90,270 | \$ 160,613 |
| 800 | MISCELLANEOUS | | | | | | | |
| | Memberships | \$ 71,081 | \$ 75,190 | | \$ 75,190 | \$ 51,486 | \$ 2,187 | \$ 21,517 |
| | SUBTOTAL MISCELLANEOUS | \$ 71,081 | \$ 75,190 | \$ - | \$ 75,190 | \$ 51,486 | \$ 2,187 | \$ 21,517 |
| | TOTAL LOCAL BUDGET | \$ 68,349,760 | \$ 71,045,304 | \$ - | \$ 71,045,304 | \$ 12,048,951 | \$ 49,409,687 | \$ 9,586,666 |

NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING SEPTEMBER 30, 2013

| OBJECT CODE | EXPENSE CATEGORY | EXPENDED 2012 - 2013 | 2013-2014 APPROVED BUDGET | CURRENT TRANSFERS | CURRENT BUDGET | YTD EXPENDITURE | ENCUMBER | BALANCE |
|------------------------------|------------------------------------|--|---------------------------------|----------------------|--|--------------------|----------------|-----------------------|
| <u>SCHOOL GENERATED FEES</u> | | <u>2012-13 RECEIVED BUDGET</u> | | | <u>2013-14 APPROVED BUDGET</u> | <u>RECEIVED</u> | <u>BALANCE</u> | <u>% RECEIVED</u> |
| <u>HIGH SCHOOL FEES</u> | | | | | | | | |
| | NURTURY PROGRAM | \$8,000 | | | \$8,000 | \$0.00 | \$8,000.00 | 0.00% |
| | PARKING PERMITS | \$20,000 | | | \$20,000 | \$0.00 | \$20,000.00 | 0.00% |
| | PAY FOR PARTICIPATION IN SPORTS | \$84,800 | | | \$84,800 | \$0.00 | \$84,800.00 | 0.00% |
| | | \$112,800 | | | \$112,800 | \$0.00 | \$112,800.00 | 0.00% |
| <u>BUILDING RELATED FEES</u> | | | | | | | | |
| | ENERGY - ELECTRICITY | \$0 | | | \$313 | \$0.00 | \$313.00 | 0.00% |
| | HIGH SCHOOL POOL - OUTSIDE USAGE | \$1,100 | | | \$1,100 | \$0.00 | \$8,000.00 | 0.00% |
| | | \$1,100 | | | \$1,413 | \$0.00 | \$8,313.00 | 0.00% |
| | MISCELLANEOUS FEES | \$185 | | | \$75 | \$174.00 | \$26.00 | 87.00% |
| | TOTAL SCHOOL GENERATED FEES | \$114,085 | | | \$114,288 | \$174.00 | \$121,139.00 | 0.14% |