

**NEWTOWN BOARD OF EDUCATION
MONTHLY FINANCIAL REPORT
SEPTEMBER 30, 2012**

SUMMARY

The third financial report, or first quarter of the 2012-13 fiscal year expenditures to date, are attached. In the month of September, the Board of Education spent \$4.8M, \$3.6M on salaries and benefits and \$1.2M for all other objects. 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. Most of the 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 now at 30 while the budget was built based on 25. Additional tuition and mediations have increased these expenses by \$192,000 before any excess cost offsets.

The Professional Services balance has declined by \$249,000 due to primarily encumbrance additions for speech services of \$60,000, nursing services of \$161,000 (*these expected overages were identified last month in the Special Education update attached to the August financial*) and Business Services for our share of the audit expenses and updates for Office 2010 and the Budget at \$18,000. The balance, an additional increase, was distributed among Legal, Engineering, and Evaluation Services.

With the upcoming teacher arbitration and another law suit, the remaining balance will be insufficient to support these needs. This account (*similar to last year*) will require very close and continuing monitoring.

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.

Ron Bienkowski
Director of Business
October 12, 2012

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 (of the nine) 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
- Approved Budget – indicates a town approved financial plan used by the school district to achieve its goals and objectives.
- Current Budget – adjusts the Approved Budget calculating adjustments (+ or -) to the identified object codes via transfers.
- 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.
- Encumber – 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 anticipated deficits.

The monthly budget summary report also provides financial information on the following:

Excess Cost Grant – this State of Connecticut reimbursement grant is used to support local school districts for education costs of identified special education students whose annual education costs meet or exceed local education tuition rates by 4 ½. Students placed by the Department of Child and Family Services (DCF) are reimbursed after the school district has met the initial local education tuition rates. School districts report these costs annually in December and March of each fiscal year. State of Connecticut grant calculations are determined by reimbursing eligible costs (60%-100%) based on the SDE grant allocation. Current year detail changes will be forthcoming in future report narratives

Magnet Transportation Grant – provides reimbursement of \$1,300 for local students attending approved magnet school programs.

These reimbursement grants/programs are used to supplement local school district budget programs.

The last portion of the monthly budget summary reports school generated revenue fees that are anticipated revenue to the Town of Newtown. Fees include:

- High school fees for three identified program with the highest amount of fees anticipated from the high school sports participation fees,
- Building related fees for the use of the high school pool facility, and
- Miscellaneous fees.

Providing current financial information to the Board of Education is essential in order to remain within the allotted budget while maintaining a financial spending plan that meets the mission and goals of Newtown Board of Education.

NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING SEPTEMBER 30, 2012

OBJECT CODE	EXPENSE CATEGORY	APPROVED BUDGET	CURRENT BUDGET	YTD EXPENDITURE	ENCUMBER	BALANCE
<u>GENERAL FUND BUDGET</u>						
100	SALARIES	\$ 44,136,246	\$ 44,136,246	\$ 5,815,948	\$ 36,730,038	\$ 1,590,260
200	EMPLOYEE BENEFITS	\$ 10,425,010	\$ 10,425,010	\$ 3,085,991	\$ 5,888,708	\$ 1,450,311
300	PROFESSIONAL SERVICES	\$ 732,105	\$ 732,105	\$ 90,238	\$ 413,820	\$ 228,047
400	PURCHASED PROPERTY SERV.	\$ 1,787,285	\$ 1,787,285	\$ 470,792	\$ 373,868	\$ 942,625
500	OTHER PURCHASED SERVICES	\$ 6,299,500	\$ 6,299,500	\$ 1,188,520	\$ 4,422,837	\$ 688,143
600	SUPPLIES	\$ 4,701,512	\$ 4,701,512	\$ 629,094	\$ 245,331	\$ 3,827,087
700	PROPERTY	\$ 209,375	\$ 209,375	\$ 172,985	\$ 883	\$ 35,507
800	MISCELLANEOUS	\$ 64,761	\$ 64,761	\$ 48,865	\$ 717	\$ 15,179
TOTAL GENERAL FUND BUDGET		\$ 68,355,794	\$ 68,355,794	\$ 11,502,433	\$ 48,076,203	\$ 8,777,158
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GRAND TOTAL		\$ 68,355,794	\$ 68,355,794	\$ 11,502,433	\$ 48,076,203	\$ 8,777,158
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Excess Cost Grant Reimbursement Offset					75%	\$ 1,252,159
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Net Projected Balance						\$ 10,029,317
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OBJECT CODE	EXPENSE CATEGORY	APPROVED BUDGET	CURRENT BUDGET	YTD EXPENDITURE	ENCUMBER	BALANCE
100	SALARIES					
	Administrative Salaries	\$ 2,837,501	\$ 2,837,501	\$ 612,264	\$ 2,237,048	\$ (11,811)
	Teachers & Specialists Salaries	\$ 30,496,134	\$ 30,496,134	\$ 3,549,043	\$ 26,730,986	\$ 216,105
	Early Retirement	\$ 16,000	\$ 16,000	\$ 16,000	\$ -	\$ -
	Continuing Ed./Summer School	\$ 81,787	\$ 81,787	\$ 38,690	\$ 32,893	\$ 10,205
	Homebound & Tutors Salaries	\$ 170,998	\$ 170,998	\$ 17,207	\$ 94,595	\$ 59,196
	Certified Substitutes	\$ 586,650	\$ 586,650	\$ 14,535	\$ 152,460	\$ 419,655
	Coaching/Activities	\$ 541,749	\$ 541,749	\$ 560	\$ -	\$ 541,189
	Staff & Program Development	\$ 195,857	\$ 195,857	\$ 26,803	\$ 68,417	\$ 100,637
	CERTIFIED SALARIES	\$ 34,926,676	\$ 34,926,676	\$ 4,275,102	\$ 29,316,399	\$ 1,335,175
	Supervisors/Technology Salaries	\$ 609,577	\$ 609,577	\$ 128,350	\$ 456,729	\$ 24,498
	Clerical & Secretarial salaries	\$ 1,942,502	\$ 1,942,502	\$ 352,435	\$ 1,592,723	\$ (2,656)
	Educational Assistants	\$ 1,824,359	\$ 1,824,359	\$ 147,944	\$ 1,620,438	\$ 55,977
	Nurses & Medical advisors	\$ 680,221	\$ 680,221	\$ 108,950	\$ 591,147	\$ (19,877)
	Custodial & Maint Salaries	\$ 2,822,289	\$ 2,822,289	\$ 591,675	\$ 2,200,050	\$ 30,564
	Bus Drivers salaries	\$ -	\$ -	\$ -	\$ -	\$ -
	Career/Job salaries	\$ 101,256	\$ 101,256	\$ 19,546	\$ 80,978	\$ 732
	Special Education Svcs Salaries	\$ 760,852	\$ 760,852	\$ 116,728	\$ 749,300	\$ (105,177)
	Attendance & Security Salaries	\$ 146,750	\$ 146,750	\$ 22,754	\$ 122,273	\$ 1,722
	Extra Work - Non-Cert	\$ 68,401	\$ 68,401	\$ 31,793	\$ -	\$ 36,608
	Custodial & Maint. Overtime	\$ 210,363	\$ 210,363	\$ 20,405	\$ -	\$ 189,958
	Civic activities/Park & Rec	\$ 43,000	\$ 43,000	\$ 265	\$ -	\$ 42,735
	NON-CERTIFIED SALARIES	\$ 9,209,570	\$ 9,209,570	\$ 1,540,846	\$ 7,413,639	\$ 255,085
	SUBTOTAL SALARIES	\$ 44,136,246	\$ 44,136,246	\$ 5,815,948	\$ 36,730,038	\$ 1,590,260

NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING SEPTEMBER 30, 2012

OBJECT CODE	EXPENSE CATEGORY	APPROVED BUDGET	CURRENT BUDGET	YTD EXPENDITURE	ENCUMBER	BALANCE
200	EMPLOYEE BENEFITS					
	Medical & Dental Expenses	\$ 7,933,343	\$ 7,933,343	\$ 2,192,227	\$ 5,648,132	\$ 92,984
	Life Insurance	\$ 84,270	\$ 84,270	\$ 20,571	\$ -	\$ 63,699
	FICA & Medicare	\$ 1,357,597	\$ 1,357,597	\$ 187,604	\$ -	\$ 1,169,993
	Pensions	\$ 475,318	\$ 475,318	\$ 447,322	\$ 27,543	\$ 453
	Unemployment & Employee Assist.	\$ 128,120	\$ 128,120	\$ 5,557	\$ -	\$ 122,563
	Workers Compensation	\$ 446,362	\$ 446,362	\$ 232,711	\$ 213,033	\$ 619
	SUBTOTAL EMPLOYEE BENEFITS	\$ 10,425,010	\$ 10,425,010	\$ 3,085,991	\$ 5,888,708	\$ 1,450,311
300	PROFESSIONAL SERVICES					
	Professional Services	\$ 490,240	\$ 490,240	\$ 70,553	\$ 381,762	\$ 37,925
	Professional Educational Ser.	\$ 241,865	\$ 241,865	\$ 19,685	\$ 32,059	\$ 190,122
	SUBTOTAL PROFESSIONAL SVCS	\$ 732,105	\$ 732,105	\$ 90,238	\$ 413,820	\$ 228,047
400	PURCHASED PROPERTY SVCS					
	Buildings & Grounds Services	\$ 671,800	\$ 671,800	\$ 192,650	\$ 221,162	\$ 257,989
	Utility Services - Water & Sewer	\$ 116,600	\$ 116,600	\$ 16,185	\$ -	\$ 100,415
	Building, Site & Emergency Repairs	\$ 460,850	\$ 460,850	\$ 125,556	\$ -	\$ 335,294
	Equipment Repairs	\$ 252,403	\$ 252,403	\$ 32,927	\$ 43,342	\$ 176,133
	Rentals - Building & Equipment	\$ 285,632	\$ 285,632	\$ 103,473	\$ 109,364	\$ 72,794
	Building & Site Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -
	SUBTOTAL PUR. PROPERTY SER.	\$ 1,787,285	\$ 1,787,285	\$ 470,792	\$ 373,868	\$ 942,625

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500	OTHER PURCHASED SERVICES					
	Contracted Services	\$ 408,667	\$ 408,667	\$ 152,683	\$ 64,580	\$ 191,403
	Transportation Services	\$ 3,819,431	\$ 3,819,431	\$ 363,606	\$ 2,228,278	\$ 1,227,547
	Insurance - Property & Liability	\$ 291,066	\$ 291,066	\$ 162,707	\$ 150,009	\$ (21,650)
	Communications	\$ 127,369	\$ 127,369	\$ 22,770	\$ 81,618	\$ 22,981
	Printing Services	\$ 50,697	\$ 50,697	\$ 2,764	\$ 3,968	\$ 43,965
	Tuition - Out of District	\$ 1,392,548	\$ 1,392,548	\$ 475,294	\$ 1,873,318	\$ (956,064)
	Student Travel & Staff Mileage	\$ 209,722	\$ 209,722	\$ 8,696	\$ 21,066	\$ 179,961
	SUBTOTAL OTHER PURCHASED SI	\$ 6,299,500	\$ 6,299,500	\$ 1,188,520	\$ 4,422,837	\$ 688,143
600	SUPPLIES					
	Instructional & Library Supplies	\$ 1,002,246	\$ 1,002,246	\$ 321,830	\$ 113,866	\$ 566,550
	Software, Medical & Office Sup.	\$ 165,988	\$ 165,988	\$ 14,052	\$ 66,755	\$ 85,181
	Plant Supplies	\$ 361,100	\$ 361,100	\$ 116,990	\$ 38,616	\$ 205,494
	Electric	\$ 1,442,763	\$ 1,442,763	\$ 114,618	\$ -	\$ 1,328,145
	Propane & Natural Gas	\$ 358,287	\$ 358,287	\$ 12,420	\$ -	\$ 345,867
	Fuel Oil	\$ 617,123	\$ 617,123	\$ -	\$ -	\$ 617,123
	Fuel For Vehicles & Equip.	\$ 565,019	\$ 565,019	\$ -	\$ -	\$ 565,019
	Textbooks	\$ 188,986	\$ 188,986	\$ 49,185	\$ 26,094	\$ 113,707
	SUBTOTAL SUPPLIES	\$ 4,701,512	\$ 4,701,512	\$ 629,094	\$ 245,331	\$ 3,827,087

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700	PROPERTY					
	Capital Improvements (Sewers)	\$ 124,177	\$ 124,177	\$ 124,177	\$ -	\$ 0
	Technology Equipment	\$ 51,602	\$ 51,602	\$ 44,181	\$ -	\$ 7,421
	Other Equipment	\$ 33,596	\$ 33,596	\$ 4,627	\$ 883	\$ 28,085
	SUBTOTAL PROPERTY	\$ 209,375	\$ 209,375	\$ 172,985	\$ 883	\$ 35,507
800	MISCELLANEOUS					
	Memberships	\$ 64,761	\$ 64,761	\$ 48,865	\$ 717	\$ 15,179
	SUBTOTAL MISCELLANEOUS	\$ 64,761	\$ 64,761	\$ 48,865	\$ 717	\$ 15,179
	TOTAL LOCAL BUDGET	\$ 68,355,794	\$ 68,355,794	\$ 11,502,433	\$ 48,076,203	\$ 8,777,158

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OBJECT CODE	EXPENSE CATEGORY	APPROVED BUDGET	CURRENT BUDGET	YTD EXPENDITURE	ENCUMBER	BALANCE
			2012-13			
			APPROVED			
			BUDGET	RECEIVED	BALANCE	% RECEIVED
	<u>SCHOOL GENERATED FEES</u>					
	<u>HIGH SCHOOL FEES</u>					
	NURTURY PROGRAM		\$8,000	\$0.00	\$8,000.00	0.00%
	PARKING PERMITS		\$20,000	\$0.00	\$20,000.00	0.00%
	PAY FOR PARTICIPATION IN SPORTS		\$84,800	\$0.00	\$84,800.00	0.00%
			\$112,800	\$0.00	\$112,800.00	0.00%
	<u>BUILDING RELATED FEES</u>					
	ENERGY - ELECTRICITY		\$313	\$0.00	\$313	0.00%
	HIGH SCHOOL POOL - OUTSIDE USAGE		\$500	\$0.00	\$500	0.00%
			\$813	\$0.00	\$813	0.00%
	MISCELLANEOUS FEES		\$150	\$0.00	\$150	0.00%
	TOTAL SCHOOL GENERATED FEES		\$113,763	\$0.00	\$113,763	0.00%