

**NEWTOWN BOARD OF EDUCATION
MONTHLY FINANCIAL REPORT
JULY 31, 2014**

SUMMARY

Information available for the first financial report in fiscal year 2014-15 is limited at this time. This is generally the case as anticipated obligations are not indicated and would be projected as the budgeted numbers until the account-by-account analysis progresses. Any event that would negatively impact our budget as the school year begins will be addressed and brought forward as soon as possible. Routine account analyses ramp up throughout the year. The first major priority is to properly encumber all regular employee salaries.

This July report correlates with the final approved budget as adjusted by the Board on June 30, 2014.

During the month of July the district spent \$4.2M for operations. The biggest area of expenditures occurred in the benefits; one for our initial self-insurance deposit of \$2.2M and the pension, workers' compensation, FICA and Medicare liability of \$570,000. The second largest expense was \$645,000 for the districts summer payroll, all other operational requirements accounted for the balance of approximately \$800,000 in expenditures.

While the 2013-2014 expended is included for reference at this early date it should be noted that these figures are currently unaudited and subject to change. The audit process continues for a number of months into the current fiscal year. You will be advised when the numbers become final. Having these numbers present helps one observe the significant lower expenses of the current budget to the year just completed. Five of the eight major object categories are lower than last year with two – Employee Benefits and Other Purchased Services representing the areas of increase in this budget. Looking further at the sub-accounts one gets a better picture of where many of the changes have occurred.

This report does not include major object code transfers, but does include sub-account recommendations for salary adjustments for non-represented employees. Adjustments for certified and non-certified balance within their respective categories. One additional transfer you may note on the detail report is for the funding of an "In School" tutors account. This \$26,000 comes from the Homebound account and is for the purpose of better categorizing the nature of required tutors.

The budget is very lean and will be monitored closely with important and or significant issues identified as quickly as we become aware of them

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.

Ron Bienkowski
Director of Business
August 8, 2014

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
- Approved Budget – indicates a town approved financial plan used by the school district to achieve its goals and objectives.
- YTD Transfers – identified specific cross object codes requiring adjustments to provide adequate funding for the fiscal period. This includes all transfers made to date.
- Current Transfers – identifies the recommended cross object codes for current month action.
- 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.

The monthly budget summary report also provides financial information on the State of Connecticut grant reimbursement programs (Excess Cost and Agency Placement Grants and Magnet Grant Transportation). These reimbursement grants/programs are used to supplement local school district budget programs as follows:

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 exceed local prior year per pupil expenditure by 4 ½. Students placed by the Department of Child and Family Services (DCF) are reimbursed after the school district has meet the prior year's per pupil expenditure. 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 and all other town submittals. Current year receipts

results from the state reporting done in December. We receive notice of what we are eligible for in early April.

Magnet Transportation Grant – provides reimbursement of \$1,300 for local students attending approved Magnet school programs. The budgeted grant is \$62,400 for this year.

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 programs 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.

NEWTOWN BOARD OF EDUCATION
BUDGET SUMMARY REPORT
 FOR THE MONTH ENDING - JULY 31, 2014

OBJECT CODE	EXPENSE CATEGORY	EXPENDED 2013 - 2014	APPROVED BUDGET	CURRENT TRANSFERS	CURRENT BUDGET	YTD EXPENDITURE	ENCUMBERED	BALANCE
GENERAL FUND BUDGET								
100	SALARIES	\$ 45,029,126	\$ 44,999,627	\$ -	\$ 44,999,627	\$ 645,425	\$ 9,085,128	\$ 35,269,074
200	EMPLOYEE BENEFITS	\$ 10,633,809	\$ 11,169,344	\$ -	\$ 11,169,344	\$ 2,776,084	\$ 6,548,927	\$ 1,844,333
300	PROFESSIONAL SERVICES	\$ 863,909	\$ 749,083	\$ -	\$ 749,083	\$ 16,425	\$ 98,667	\$ 633,991
400	PURCHASED PROPERTY SERV.	\$ 2,418,651	\$ 2,139,419	\$ -	\$ 2,139,419	\$ 184,185	\$ 437,398	\$ 1,517,836
500	OTHER PURCHASED SERVICES	\$ 6,809,463	\$ 7,197,647	\$ -	\$ 7,197,647	\$ 358,197	\$ 1,755,725	\$ 5,083,726
600	SUPPLIES	\$ 4,619,171	\$ 4,480,093	\$ -	\$ 4,480,093	\$ 130,633	\$ 499,105	\$ 3,850,355
700	PROPERTY	\$ 552,547	\$ 534,735	\$ -	\$ 534,735	\$ 73,851	\$ 80,232	\$ 380,653
800	MISCELLANEOUS	\$ 71,445	\$ 75,356	\$ -	\$ 75,356	\$ 35,889	\$ 1,012	\$ 38,455
TOTAL GENERAL FUND BUDGET		\$ 70,998,121	\$ 71,345,304	\$ -	\$ 71,345,304	\$ 4,220,689	\$ 18,506,193	\$ 48,618,422
GRAND TOTAL		\$ 70,998,121	\$ 71,345,304	\$ -	\$ 71,345,304	\$ 4,220,689	\$ 18,506,193	\$ 48,618,422

(Unaudited)

Excess Cost Grant Reimbursement - Budgeted	75.00%	TBD	\$ 1,278,035
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NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING - JULY 31, 2014

OBJECT CODE	EXPENSE CATEGORY	EXPENDED 2013 - 2014	APPROVED BUDGET	CURRENT TRANSFERS	CURRENT BUDGET	YTD EXPENDITURE	ENCUMBERED	BALANCE
100	SALARIES							
	Administrative Salaries	\$ 3,013,832	\$ 2,969,510	\$ 5,282	\$ 2,974,792	\$ 197,180	\$ 2,461,363	\$ 316,249
	Teachers & Specialists Salaries	\$ 30,557,381	\$ 30,434,118	\$ (7,450)	\$ 30,426,668	\$ 39,791	\$ 596,632	\$ 29,790,244
	Early Retirement	\$ 16,000	\$ 32,000		\$ 32,000	\$ -	\$ -	\$ 32,000
	Continuing Ed./Summer School	\$ 85,584	\$ 89,175	\$ 763	\$ 89,938	\$ 27,414	\$ 40,964	\$ 21,560
	Homebound & Tutors Salaries	\$ 388,172	\$ 243,875	\$ 1,405	\$ 245,280	\$ 16,355	\$ 94,877	\$ 134,048
	Certified Substitutes	\$ 599,679	\$ 641,325		\$ 641,325	\$ -	\$ -	\$ 641,325
	Coaching/Activities	\$ 524,130	\$ 529,749		\$ 529,749	\$ -	\$ -	\$ 529,749
	Staff & Program Development	\$ 172,357	\$ 199,768		\$ 199,768	\$ 27,695	\$ 2,000	\$ 170,073
	CERTIFIED SALARIES	\$ 35,357,135	\$ 35,139,520	\$ -	\$ 35,139,520	\$ 308,435	\$ 3,195,836	\$ 31,635,248
	Supervisors/Technology Salaries	\$ 628,445	\$ 634,244	\$ 10,632	\$ 644,876	\$ 40,428	\$ 578,168	\$ 26,280
	Clerical & Secretarial salaries	\$ 1,961,645	\$ 2,001,381	\$ 9,090	\$ 2,010,471	\$ 76,292	\$ 1,934,841	\$ (662)
	Educational Assistants	\$ 2,007,432	\$ 1,957,487		\$ 1,957,487	\$ 12,876	\$ -	\$ 1,944,612
	Nurses & Medical advisors	\$ 647,415	\$ 658,255		\$ 658,255	\$ 1,684	\$ 49,535	\$ 607,037
	Custodial & Maint Salaries	\$ 2,807,656	\$ 2,857,565	\$ 647	\$ 2,858,212	\$ 158,321	\$ 2,662,850	\$ 37,041
	Non Certified Salary Adjustment/Tech	\$ -	\$ 66,716	\$ (30,670)	\$ 36,046	\$ -	\$ -	\$ 36,046
	Career/Job salaries	\$ 112,160	\$ 222,898	\$ 2,258	\$ 225,156	\$ 11,667	\$ 99,158	\$ 114,330
	Special Education Svcs Salaries	\$ 727,151	\$ 928,549	\$ 7,850	\$ 936,399	\$ 17,633	\$ 377,005	\$ 541,760
	Attendance & Security Salaries	\$ 381,784	\$ 209,824	\$ 193	\$ 210,017	\$ 5,814	\$ 187,734	\$ 16,469
	Extra Work - Non-Cert	\$ 76,137	\$ 69,825		\$ 69,825	\$ 9,487	\$ -	\$ 60,338
	Custodial & Maint. Overtime	\$ 280,772	\$ 210,363		\$ 210,363	\$ 2,788	\$ -	\$ 207,575
	Civic activities/Park & Rec	\$ 41,394	\$ 43,000		\$ 43,000	\$ -	\$ -	\$ 43,000
	NON-CERTIFIED SALARIES	\$ 9,671,991	\$ 9,860,107	\$ -	\$ 9,860,107	\$ 336,990	\$ 5,889,292	\$ 3,633,825
	SUBTOTAL SALARIES	\$ 45,029,126	\$ 44,999,627	\$ -	\$ 44,999,627	\$ 645,425	\$ 9,085,128	\$ 35,269,074

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200	EMPLOYEE BENEFITS							
	Medical & Dental Expenses	\$ 8,206,890	\$ 8,736,119		\$ 8,736,119	\$ 2,171,807	\$ 6,200,481	\$ 363,831
	Life Insurance	\$ 87,200	\$ 87,337		\$ 87,337	\$ 6,909	\$ -	\$ 80,428
	FICA & Medicare	\$ 1,357,437	\$ 1,335,674		\$ 1,335,674	\$ 38,296	\$ -	\$ 1,297,378
	Pensions	\$ 458,311	\$ 441,667		\$ 441,667	\$ 421,947	\$ 5,000	\$ 14,720
	Unemployment & Employee Assist.	\$ 61,034	\$ 83,560		\$ 83,560	\$ 600	\$ -	\$ 82,960
	Workers Compensation	\$ 462,937	\$ 484,987		\$ 484,987	\$ 136,526	\$ 343,446	\$ 5,015
	SUBTOTAL EMPLOYEE BENEFITS	\$ 10,633,809	\$ 11,169,344	\$ -	\$ 11,169,344	\$ 2,776,084	\$ 6,548,927	\$ 1,844,333
300	PROFESSIONAL SERVICES							
	Professional Services	\$ 660,280	\$ 540,851		\$ 540,851	\$ 15,953	\$ 53,211	\$ 471,687
	Professional Educational Ser.	\$ 203,629	\$ 208,232		\$ 208,232	\$ 472	\$ 45,456	\$ 162,304
	SUBTOTAL PROFESSIONAL SVCS	\$ 863,909	\$ 749,083	\$ -	\$ 749,083	\$ 16,425	\$ 98,667	\$ 633,991
400	PURCHASED PROPERTY SVCS							
	Buildings & Grounds Services	\$ 653,697	\$ 651,600		\$ 651,600	\$ 76,357	\$ 235,214	\$ 340,028
	Utility Services - Water & Sewer	\$ 113,321	\$ 117,000		\$ 117,000	\$ 225	\$ -	\$ 116,775
	Building, Site & Emergency Repairs	\$ 503,610	\$ 460,850		\$ 460,850	\$ 5,829	\$ -	\$ 455,022
	Equipment Repairs	\$ 275,163	\$ 270,433		\$ 270,433	\$ 659	\$ 25,166	\$ 244,608
	Rentals - Building & Equipment	\$ 300,843	\$ 305,536		\$ 305,536	\$ 51,115	\$ 177,018	\$ 77,403
	Building & Site Improvements	\$ 572,017	\$ 334,000		\$ 334,000	\$ 50,000	\$ -	\$ 284,000
	SUBTOTAL PUR. PROPERTY SER.	\$ 2,418,651	\$ 2,139,419	\$ -	\$ 2,139,419	\$ 184,185	\$ 437,398	\$ 1,517,836

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500	OTHER PURCHASED SERVICES							
	Contracted Services	\$ 363,526	\$ 427,574		\$ 427,574	\$ 130,932	\$ 96,198	\$ 200,445
	Transportation Services	\$ 3,714,217	\$ 3,891,158		\$ 3,891,158	\$ -	\$ -	\$ 3,891,158
	Insurance - Property & Liability	\$ 297,870	\$ 319,261		\$ 319,261	\$ 84,205	\$ 208,605	\$ 26,451
	Communications	\$ 120,492	\$ 118,143		\$ 118,143	\$ 6,702	\$ 72,969	\$ 38,472
	Printing Services	\$ 32,365	\$ 39,782		\$ 39,782	\$ 1,574	\$ 1,769	\$ 36,439
	Tuition - Out of District	\$ 2,074,030	\$ 2,177,958		\$ 2,177,958	\$ 133,766	\$ 1,364,969	\$ 679,223
	Student Travel & Staff Mileage	\$ 206,963	\$ 223,771		\$ 223,771	\$ 1,018	\$ 11,215	\$ 211,537
	SUBTOTAL OTHER PURCHASED SEI	\$ 6,809,463	\$ 7,197,647	\$ -	\$ 7,197,647	\$ 358,197	\$ 1,755,725	\$ 5,083,726
600	SUPPLIES							
	Instructional & Library Supplies	\$ 906,748	\$ 911,614		\$ 911,614	\$ 52,157	\$ 237,121	\$ 622,336
	Software, Medical & Office Sup.	\$ 175,444	\$ 210,966		\$ 210,966	\$ 7,643	\$ 101,540	\$ 101,783
	Plant Supplies	\$ 351,501	\$ 375,100		\$ 375,100	\$ 51,091	\$ 50,503	\$ 273,505
	Electric	\$ 1,406,552	\$ 1,406,127		\$ 1,406,127	\$ 18,484	\$ -	\$ 1,387,643
	Propane & Natural Gas	\$ 319,537	\$ 338,737		\$ 338,737	\$ -	\$ -	\$ 338,737
	Fuel Oil	\$ 662,339	\$ 528,038		\$ 528,038	\$ -	\$ -	\$ 528,038
	Fuel For Vehicles & Equip.	\$ 531,906	\$ 452,503		\$ 452,503	\$ -	\$ -	\$ 452,503
	Textbooks	\$ 265,144	\$ 257,008		\$ 257,008	\$ 1,259	\$ 109,941	\$ 145,809
	SUBTOTAL SUPPLIES	\$ 4,619,171	\$ 4,480,093	\$ -	\$ 4,480,093	\$ 130,633	\$ 499,105	\$ 3,850,355

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700	PROPERTY							
	Capital Improvements (Sewers)	\$ 124,177	\$ 124,177		\$ 124,177	\$ -	\$ -	\$ 124,177
	Technology Equipment	\$ 329,592	\$ 378,900		\$ 378,900	\$ 73,851	\$ 80,232	\$ 224,818
	Other Equipment	\$ 98,778	\$ 31,658		\$ 31,658	\$ -	\$ -	\$ 31,658
	SUBTOTAL PROPERTY	\$ 552,547	\$ 534,735	\$ -	\$ 534,735	\$ 73,851	\$ 80,232	\$ 380,653
800	MISCELLANEOUS							
	Memberships	\$ 71,445	\$ 75,356		\$ 75,356	\$ 35,889	\$ 1,012	\$ 38,455
	SUBTOTAL MISCELLANEOUS	\$ 71,445	\$ 75,356	\$ -	\$ 75,356	\$ 35,889	\$ 1,012	\$ 38,455
	TOTAL LOCAL BUDGET	\$ 70,998,121	\$ 71,345,304	\$ -	\$ 71,345,304	\$ 4,220,689	\$ 18,506,193	\$ 48,618,422

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SCHOOL GENERATED FEES								
<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	\$313.00	0.00%
	HIGH SCHOOL POOL - OUTSIDE USAGE				\$500	\$0.00	\$500.00	0.00%
					\$813	\$0.00	\$813.00	0.00%
	MISCELLANEOUS FEES				\$150	\$0.00	\$150.00	0.00%
TOTAL SCHOOL GENERATED FEES					\$113,763	\$0.00	\$113,763.00	0.00%