

**NEWTOWN BOARD OF EDUCATION
MONTHLY FINANCIAL REPORT
OCTOBER 31, 2011**

SUMMARY

This fourth financial report for the fiscal year 2011-12 has taken on the detail of the anticipated obligations column, which represents the first prediction for this year. The point of this estimate is to identify areas of concern that have the likelihood of impacting our budget outcome one way or the other.

The Education Jobs Fund was pointed out last month, and the non-certified salary and tuition accounts that were referenced previously continue to be carried as accounts in need.

Overall, the current balance account (third from the left) indicates we spent \$1.5M since the September report. All major object codes are in a positive balance situation at month's end. The projected balance column indicates we are expecting to be at a break-even position, assuming the excess cost reimbursement grant comes in as budgeted.

This budget is extremely lean and will be monitored very closely in order to identify any important issues that may impact our financial condition in the weeks and months ahead.

Continued forecasting of anticipated obligations will cause modifications in these balances with the objective to remain in a positive position within the overall budget allocation.

EXPENSE CATEGORY CONDITIONS

100 SALARIES

The total salary budget is indicating a \$340,000 need. The areas of educational assistants, nurses and Special Education Services have been previously detailed as related to the need for additional Special Education aides at the high school, the nurse for Project Starr to be reimbursed, and the trainers to be partially covered by excess cost grant revenue.

The estimates for most other salary accounts are at budget, the teacher mid-year adjustment is not encumbered, but accounted for and homebound and staff development may go over as a result of expulsions and needs for work program development.

200 EMPLOYEE BENEFITS

Current estimates look positive. Worker's comp is \$13,000-\$16,000 to the good with a reserve for audit adjustments if necessary, unemployment is projecting positive, but is very hard to predict due to the Department of Labor's lag in processing and billing. Medical and dental balance comes primarily from dental at this time.

300 PROFESSIONAL SERVICES

This is an area that needs to be watched closely. An unbudgeted service for transition of a special education student to age 21 requires \$55,000 to the Kennedy Center. Special Education legal expenses will exceed its allocation, while speech and hearing services are programmed to go \$70,000 beyond budget due to additional hearing impaired children. This can include services required for birth to three in addition to pre-school and regular age children. Legal fees for the district will also be stressed due to scheduled mediations for educational assistants, secretaries and custodians, along with unanticipated expenses expected for the owner/operator's Labor Board hearing.

400 PURCHASED PROPERTY SERVICES

No concerns presently. Expenses estimated at budget.

500 OTHER PURCHASED SERVICES

A large shortage related to Special Education's tuition and transportation needs exists. The final budget was adjusted to handle 23 out of district students. Included in this report are accommodations for 27 with the threat of a few more in the pipeline. It is expected that Excess Cost revenue will cover a majority of this cost as represented below the line. The Magnet School transportation realities could exceed that budget by \$26,000. We need to conduct a review of all the non-regular in-district transportation services to determine better and more efficient ways to handle these escalating costs.

600 SUPPLIES

No concerns presently. Expenses estimated at budget.

700 PROPERTY

No concerns presently. Expenses estimated at budget.

800 MISCELLANEOUS

No concerns presently. Expenses estimated at budget.

EDUCATION JOBS FUND

Salaries for educational assistants are required to be fully spent by year-end.

Ronald J. Bienkowski
Director of Business
November 10, 2011

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.
- 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 Education Jobs Fund, State of Connecticut grant reimbursement programs (Excess Cost Grant and Magnet Grant Transportation). These reimbursement grants/programs are used to supplement local school district budget programs as follows:

Education Jobs Fund – is a two year program. This year is the second year. It is designated to assist local boards to provide continuing employment for school personnel at risk due to budget cuts.

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 meet 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.

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 OCTOBER 31, 2011

OBJECT CODE	EXPENSE CATEGORY	2011-2012 APPROVED BUDGET	CURRENT TRANSFERS	CURRENT BUDGET	YTD EXPENDITURE	ENCUMBER	BALANCE	ANTICIPATED OBLIGATIONS	PROJECTED BALANCE	
<u>GENERAL FUND BUDGET</u>										
100	SALARIES	\$ 42,907,275	\$ -	\$ 42,655,287	\$ 9,039,541	\$ 32,387,799	\$ 1,227,947	\$ 1,568,820	\$ (340,873)	
200	EMPLOYEE BENEFITS	\$ 10,575,126	\$ -	\$ 10,575,126	\$ 3,153,266	\$ 613,419	\$ 6,808,441	\$ 6,680,660	\$ 127,781	
300	PROFESSIONAL SERVICES	\$ 715,720	\$ -	\$ 715,720	\$ 205,610	\$ 364,404	\$ 145,706	\$ 318,658	\$ (172,952)	
400	PURCHASED PROPERTY SERV.	\$ 1,891,169	\$ -	\$ 1,891,169	\$ 550,313	\$ 495,259	\$ 845,597	\$ 843,800	\$ 1,797	
500	OTHER PURCHASED SERVICES	\$ 6,686,624	\$ -	\$ 6,686,624	\$ 1,752,911	\$ 1,368,111	\$ 3,565,601	\$ 4,585,339	\$ (1,019,738)	
600	SUPPLIES	\$ 4,802,441	\$ -	\$ 4,802,441	\$ 1,302,454	\$ 1,455,784	\$ 2,044,203	\$ 2,043,586	\$ 617	
700	PROPERTY	\$ 329,975	\$ -	\$ 329,975	\$ 178,845	\$ 22,150	\$ 128,980	\$ 129,000	\$ (20)	
800	MISCELLANEOUS	\$ 63,097	\$ -	\$ 63,097	\$ 48,166	\$ 1,212	\$ 13,719	\$ 13,700	\$ 19	
TOTAL GENERAL FUND BUDGET		\$ 67,971,427	\$ -	\$ 67,719,439	\$ 16,231,107	\$ 36,708,137	\$ 14,780,195	\$ 16,183,563	\$ (1,403,367)	
<u>EDUCATION JOBS FUND</u>										
100	SALARIES			\$ 251,988	\$ 37,485	\$ 205,724	\$ 8,779	\$ 8,779	\$ 0	
200	EMPLOYEE BENEFITS			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
TOTAL EDUCATION JOBS FUND		\$ -	\$ -	\$ 251,988	\$ 37,485	\$ 205,724	\$ 8,779	\$ 8,779	\$ 0	
GRAND TOTAL		\$ 67,971,427	\$ -	\$ 67,971,427	\$ 16,268,592	\$ 36,913,861	\$ 14,788,974	\$ 16,192,342	\$ (1,403,367)	
(0)										
Excess Cost Grant Reimbursement Offset		77.26%						T.B.D.	\$ 1,409,380	
Net Projected Balance										\$ 6,013

NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING OCTOBER 31, 2011

OBJECT CODE	EXPENSE CATEGORY	2011-2012		CURRENT BUDGET	YTD EXPENDITURE	ENCUMBER	BALANCE	ANTICIPATED OBLIGATIONS	PROJECTED BALANCE
		APPROVED BUDGET	CURRENT TRANSFERS						
100	SALARIES								
	Administrative Salaries	\$ 2,816,460		\$ 2,816,460	\$ 895,450	\$ 1,914,961	\$ 6,049	\$ 2,000	\$ 4,049
	Teachers & Specialists Salaries	\$ 29,677,257		\$ 29,677,257	\$ 5,684,047	\$ 23,595,901	\$ 397,309	\$ 397,000	\$ 309
	Early Retirement	\$ 16,000		\$ 16,000	\$ 16,000	\$ -	\$ -	\$ -	\$ -
	Continuing Ed./Summer School	\$ 78,939		\$ 78,939	\$ 41,128	\$ 27,948	\$ 9,863	\$ 4,000	\$ 5,863
	Homebound & Tutors Salaries	\$ 260,452		\$ 260,452	\$ 45,581	\$ 113,542	\$ 101,329	\$ 100,794	\$ 535
	Certified Substitutes	\$ 572,100		\$ 572,100	\$ 131,104	\$ 116,475	\$ 324,521	\$ 324,500	\$ 21
	Coaching/Activities	\$ 541,749		\$ 541,749	\$ -	\$ 97,418	\$ 444,331	\$ 444,300	\$ 31
	Staff & Program Development	\$ 138,580		\$ 138,580	\$ 53,216	\$ 82,731	\$ 2,633	\$ 2,000	\$ 633
	CERTIFIED SALARIES	\$ 34,101,537	\$ -	\$ 34,101,537	\$ 6,866,525	\$ 25,948,976	\$ 1,286,036	\$ 1,274,594	\$ 11,442
	Supervisors/Technology Salaries	\$ 597,487		\$ 597,487	\$ 177,980	\$ 395,581	\$ 23,927	\$ 23,927	\$ (0)
	Clerical & Secretarial salaries	\$ 1,960,105		\$ 1,960,105	\$ 518,700	\$ 1,448,735	\$ (7,330)	\$ (6,654)	\$ (676)
	Educational Assistants	251,988 \$ 1,669,633		\$ 1,417,645	\$ 240,146	\$ 1,255,549	\$ (78,051)	\$ -	\$ (78,051)
	Nurses & Medical advisors	\$ 559,337		\$ 559,337	\$ 128,656	\$ 443,869	\$ (13,188)	\$ -	\$ (13,188)
	Custodial & Maint Salaries	\$ 2,770,430		\$ 2,770,430	\$ 774,426	\$ 1,999,340	\$ (3,335)	\$ (3,600)	\$ 265
	Bus Drivers salaries	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Career/Job salaries	\$ 101,256		\$ 101,256	\$ 28,168	\$ 66,120	\$ 6,968	\$ 6,253	\$ 715
	Special Education Svcs Salaries	\$ 648,087		\$ 648,087	\$ 187,904	\$ 704,067	\$ (243,884)	\$ 20,000	\$ (263,884)
	Attendance & Security Salaries	\$ 145,140		\$ 145,140	\$ 34,736	\$ 107,501	\$ 2,903	\$ 2,900	\$ 3
	Extra Work - Non-Cert	\$ 97,900		\$ 97,900	\$ 30,775	\$ 18,061	\$ 49,064	\$ 47,000	\$ 2,064
	Custodial & Maint. Overtime	\$ 213,363		\$ 213,363	\$ 46,071	\$ -	\$ 167,292	\$ 167,000	\$ 292
	Civic activities/Park & Rec	\$ 43,000		\$ 43,000	\$ 5,455	\$ -	\$ 37,545	\$ 37,400	\$ 145
	NON-CERTIFIED SALARIES	\$ 8,805,738	\$ -	\$ 8,553,750	\$ 2,173,016	\$ 6,438,823	\$ (58,088)	\$ 294,226	\$ (352,314)
	SUBTOTAL SALARIES	\$ 42,907,275	\$ -	\$ 42,655,287	\$ 9,039,541	\$ 32,387,799	\$ 1,227,947	\$ 1,568,820	\$ (340,873)
				\$ (251,988)					

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		APPROVED BUDGET	CURRENT TRANSFERS						
200	EMPLOYEE BENEFITS								
	Medical & Dental Expenses	\$ 8,081,152		\$ 8,081,152	\$ 2,177,673	\$ 372,798	\$ 5,530,681	\$ 5,495,206	\$ 35,475
	Life Insurance	\$ 85,385		\$ 85,385	\$ 26,960	\$ -	\$ 58,425	\$ 55,509	\$ 2,916
	FICA & Medicare	\$ 1,261,524		\$ 1,261,524	\$ 282,118	\$ -	\$ 979,406	\$ 979,406	\$ (0)
	Pensions	\$ 439,463		\$ 439,463	\$ 411,033	\$ 27,591	\$ 839	\$ 900	\$ (61)
	Unemployment & Employee Assist.	\$ 243,602		\$ 243,602	\$ 22,150	\$ -	\$ 221,452	\$ 145,000	\$ 76,452
	Workers Compensation	\$ 464,000		\$ 464,000	\$ 233,331	\$ 213,030	\$ 17,639	\$ 4,639	\$ 13,000
	SUBTOTAL EMPLOYEE BENEFITS	\$ 10,575,126	\$ -	\$ 10,575,126	\$ 3,153,266	\$ 613,419	\$ 6,808,441	\$ 6,680,660	\$ 127,781
300	PROFESSIONAL SERVICES								
	Professional Services	\$ 489,684		\$ 489,684	\$ 108,283	\$ 339,780	\$ 41,621	\$ 214,658	\$ (173,037)
	Professional Educational Ser.	\$ 226,036		\$ 226,036	\$ 97,327	\$ 24,623	\$ 104,085	\$ 104,000	\$ 85
	SUBTOTAL PROFESSIONAL SVCS	\$ 715,720	\$ -	\$ 715,720	\$ 205,610	\$ 364,404	\$ 145,706	\$ 318,658	\$ (172,952)
400	PURCHASED PROPERTY SVCS								
	Buildings & Grounds Services	\$ 672,300		\$ 672,300	\$ 261,320	\$ 241,035	\$ 169,945	\$ 168,000	\$ 1,945
	Utility Services - Water & Sewer	\$ 123,450		\$ 123,450	\$ 29,505	\$ -	\$ 93,945	\$ 94,000	\$ (55)
	Building, Site & Emergency Repairs	\$ 460,850		\$ 460,850	\$ 126,351	\$ 46,244	\$ 288,255	\$ 288,300	\$ (45)
	Equipment Repairs	\$ 246,571		\$ 246,571	\$ 59,601	\$ 24,374	\$ 162,595	\$ 162,600	\$ (5)
	Rentals - Building & Equipment	\$ 291,498		\$ 291,498	\$ 73,536	\$ 167,106	\$ 50,856	\$ 50,900	\$ (44)
	Building & Site Improvements	\$ 96,500		\$ 96,500	\$ -	\$ 16,500	\$ 80,000	\$ 80,000	\$ -
	SUBTOTAL PUR. PROPERTY SER.	\$ 1,891,169	\$ -	\$ 1,891,169	\$ 550,313	\$ 495,259	\$ 845,597	\$ 843,800	\$ 1,797

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		APPROVED BUDGET	CURRENT TRANSFERS	CURRENT BUDGET					
500	OTHER PURCHASED SERVICES								
	Contracted Services	\$ 393,983		\$ 393,983	\$ 170,986	\$ 80,938	\$ 142,059	\$ 142,000	\$ 59
	Transportation Services	\$ 4,423,601		\$ 4,423,601	\$ 611,433	\$ -	\$ 3,812,168	\$ 4,116,479	\$ (304,311)
	Insurance - Property & Liability	\$ 333,731		\$ 333,731	\$ 187,179	\$ 140,764	\$ 5,788	\$ 9,000	\$ (3,212)
	Communications	\$ 148,718		\$ 148,718	\$ 13,584	\$ 85,668	\$ 49,467	\$ 49,500	\$ (33)
	Printing Services	\$ 54,560		\$ 54,560	\$ 8,290	\$ 5,136	\$ 41,134	\$ 41,000	\$ 134
	Tuition - Out of District	\$ 1,104,055		\$ 1,104,055	\$ 712,775	\$ 1,047,381	\$ (656,101)	\$ 56,360	\$ (712,461)
	Student Travel & Staff Mileage	\$ 227,976		\$ 227,976	\$ 48,665	\$ 8,225	\$ 171,086	\$ 171,000	\$ 86
	SUBTOTAL OTHER PURCHASED SEI	\$ 6,686,624	\$ -	\$ 6,686,624	\$ 1,752,911	\$ 1,368,111	\$ 3,565,601	\$ 4,585,339	\$ (1,019,738)
600	SUPPLIES								
	Instructional & Library Supplies	\$ 983,763		\$ 983,763	\$ 417,543	\$ 121,213	\$ 445,006	\$ 445,000	\$ 6
	Software, Medical & Office Sup.	\$ 169,107		\$ 169,107	\$ 59,369	\$ 29,577	\$ 80,161	\$ 80,000	\$ 161
	Plant Supplies	\$ 361,100		\$ 361,100	\$ 181,409	\$ 30,602	\$ 149,089	\$ 149,000	\$ 89
	Electric	\$ 1,637,617		\$ 1,637,617	\$ 384,414	\$ 1,252,911	\$ 292	\$ -	\$ 292
	Propane & Natural Gas	\$ 398,287		\$ 398,287	\$ 38,807	\$ -	\$ 359,480	\$ 359,480	\$ (0)
	Fuel Oil	\$ 544,034		\$ 544,034	\$ 73,100	\$ -	\$ 470,934	\$ 470,934	\$ 0
	Fuel For Vehicles & Equip.	\$ 471,739		\$ 471,739	\$ 56,167	\$ -	\$ 415,572	\$ 415,572	\$ (0)
	Textbooks	\$ 236,794		\$ 236,794	\$ 91,644	\$ 21,480	\$ 123,670	\$ 123,600	\$ 70
	SUBTOTAL SUPPLIES	\$ 4,802,441	\$ -	\$ 4,802,441	\$ 1,302,454	\$ 1,455,784	\$ 2,044,203	\$ 2,043,586	\$ 617

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FOR THE MONTH ENDING OCTOBER 31, 2011

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		APPROVED BUDGET	CURRENT TRANSFERS						
700	PROPERTY								
	Capital Improvements (Sewers)	\$ 124,177		\$ 124,177	\$ 124,177	\$ -	\$ 0	\$ -	\$ 0
	Technology Equipment	\$ 155,102		\$ 155,102	\$ 47,130	\$ -	\$ 107,972	\$ 108,000	\$ (28)
	Other Equipment	\$ 50,696		\$ 50,696	\$ 7,538	\$ 22,150	\$ 21,008	\$ 21,000	\$ 8
	SUBTOTAL PROPERTY	\$ 329,975	\$ -	\$ 329,975	\$ 178,845	\$ 22,150	\$ 128,980	\$ 129,000	\$ (20)
800	MISCELLANEOUS								
	Memberships	\$ 63,097		\$ 63,097	\$ 48,166	\$ 1,212	\$ 13,719	\$ 13,700	\$ 19
	SUBTOTAL MISCELLANEOUS	\$ 63,097	\$ -	\$ 63,097	\$ 48,166	\$ 1,212	\$ 13,719	\$ 13,700	\$ 19
	TOTAL LOCAL BUDGET	\$ 67,971,427	\$ -	\$ 67,719,439	\$ 16,231,107	\$ 36,708,137	\$ 14,780,195	\$ 16,183,563	\$ (1,403,367)

EDUCATION JOBS FUND		REVENUE RECEIVED	YTD EXPENDITURE	ENCUMBER	BALANCE	ANTICIPATED OBLIGATIONS	PROJECTED BALANCE
	Salaries	\$ 251,988	\$ 37,485	\$ 205,724	\$ 8,779	\$ 8,779	\$ 0
	Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL EDUCATION JOBS FUND	\$ -	\$ -	\$ 251,988	\$ 37,485	\$ 205,724	\$ 8,779
	TOTAL BUDGET ALL SOURCES	\$ 67,971,427	\$ -	\$ 67,971,427	\$ 16,268,592	\$ 36,913,861	\$ 14,788,974
						\$ 16,192,342	\$ (1,403,367)

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BUDGET SUMMARY REPORT

FOR THE MONTH ENDING OCTOBER 31, 2011

OBJECT CODE	EXPENSE CATEGORY	2011-2012 APPROVED BUDGET	CURRENT TRANSFERS	CURRENT BUDGET	YTD EXPENDITURE	ENCUMBER	BALANCE	ANTICIPATED OBLIGATIONS	PROJECTED BALANCE
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<u>SCHOOL GENERATED FEES</u>	2011-12 APPROVED BUDGET	RECEIVED	BALANCE	% RECEIVED
<u>HIGH SCHOOL FEES</u>				
NURTURY PROGRAM	\$8,000	\$8,000.00	\$0.00	100.00%
PARKING PERMITS	\$20,000	\$20,000.00	\$0.00	100.00%
PAY FOR PARTICIPATION IN SPORTS	\$84,800	\$38,711.00	\$46,089.00	45.65%
	\$112,800	\$66,711.00	\$46,089.00	59.14%
<u>BUILDING RELATED FEES</u>				
ENERGY - ELECTRICITY	\$313	\$313.00	\$0.00	100.00%
HIGH SCHOOL POOL - OUTSIDE USAGE	\$8,000	\$0.00	\$8,000.00	0.00%
	\$8,313	\$313.00	\$8,000.00	3.77%
MISCELLANEOUS FEES	\$200	\$53.50	\$146.50	26.75%
TOTAL SCHOOL GENERATED FEES	\$121,313	\$67,077.50	\$54,235.50	55.29%