

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

SUMMARY

Information available for the second financial report in fiscal year 2011-12 continues to be limited at this time. This is generally the case as anticipated obligations are not indicated and would end up being 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 immediately. Routine account analyses begin as time allows throughout the year.

The budget is lean and will be monitored closely with important issues identified as quickly as we become aware of them. There is nothing significant that has been identified that will impact our financial condition right now.

The same non-certified sub-object accounts that reflected a negative position last month are listed here with the addition of nurses and the out-of-district tuition account.

| | | |
|-------------------------------------|-------------|---|
| Clerical Salaries | (\$7,400) | Clerical salaries for the tech secretary who provides services to the town. This will be reimbursed. |
| Educational Assistants | (\$175,186) | The 18 educational assistants cut and the reduced hours for 17 others have not yet been applied to the ledger. |
| Nurses & Medical Advisor | (\$6,005) | Project Starr New Fairfield student will reimburse these expenses. |
| Special Education Services Salaries | (\$223,139) | A good portion of this shortage will be covered by the Special Education Excess Cost Grant. |
| Tuition Out-of-District | (\$41,098) | This negative balance will continue to increase as contracts are encumbered. Again, excess cost will cover these shortages. |

Issues that will show up soon include:

ACES, the regional center for the arts magnet school, has nine students attending. We budgeted for six tuitions and nothing for transportation. Tuitions will require approximately \$12,120 more. Transportation will need approximately \$19,000 more after the magnet transportation

grant. There will be \$4,000 less in the Danbury Magnet Grant because less children are attending.

Due to our claim history, student athletic insurance will probably cost three times what is budgeted. The policy is designed as a supplemental plan to family coverage, but in the present economy many families can either no longer afford primary insurance or they have increased their deductibles and/or co-payments so we must pay the entire cost or the difference on medical expenses for sports injuries.

Forecasting anticipated obligations on the financial plan will modify the fund balances required to end the fiscal year within the allotted budget.

Ronald J. Bienkowski
Director of Business
September 13, 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 08/31/2011

| OBJECT CODE | EXPENSE CATEGORY | 2011-2012 | | YTD EXPENDITURE | ENCUMBER | BALANCE |
|--|--------------------------|----------------------|----------------------|---------------------|----------------------|----------------------|
| | | APPROVED BUDGET | CURRENT BUDGET | | | |
| <u>GENERAL FUND BUDGET</u> | | | | | | |
| 100 | SALARIES | \$ 42,907,275 | \$ 42,907,275 | \$ 1,105,350 | \$ 39,807,890 | \$ 1,994,034 |
| 200 | EMPLOYEE BENEFITS | \$ 10,575,126 | \$ 10,575,126 | \$ 774,629 | \$ 824,896 | \$ 8,975,601 |
| 300 | PROFESSIONAL SERVICES | \$ 715,720 | \$ 715,720 | \$ 70,717 | \$ 49,047 | \$ 595,957 |
| 400 | PURCHASED PROPERTY SERV. | \$ 1,891,169 | \$ 1,891,169 | \$ 210,984 | \$ 287,399 | \$ 1,392,786 |
| 500 | OTHER PURCHASED SERVICES | \$ 6,686,624 | \$ 6,686,624 | \$ 677,015 | \$ 1,201,211 | \$ 4,808,398 |
| 600 | SUPPLIES | \$ 4,802,441 | \$ 4,802,441 | \$ 456,169 | \$ 1,849,409 | \$ 2,496,863 |
| 700 | PROPERTY | \$ 329,975 | \$ 329,975 | \$ 61,130 | \$ 4,795 | \$ 264,050 |
| 800 | MISCELLANEOUS | \$ 63,097 | \$ 63,097 | \$ 41,561 | \$ 925 | \$ 20,611 |
| TOTAL GENERAL FUND BUDGET | | \$ 67,971,427 | \$ 67,971,427 | \$ 3,397,554 | \$ 44,025,572 | \$ 20,548,301 |
| <hr/> <hr/> | | | | | | |
| GRAND TOTAL | | \$ 67,971,427 | \$ 67,971,427 | \$ 3,397,554 | \$ 44,025,572 | \$ 20,548,301 |
| <hr/> <hr/> | | | | | | |
| Excess Cost Grant Reimbursement Offset | | 77.26% | | | | \$ 1,409,380 |
| <hr/> <hr/> | | | | | | |
| Net Projected Balance | | | | | | |

NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING 08/31/2011

| OBJECT CODE | EXPENSE CATEGORY | 2011-2012 | | CURRENT BUDGET | YTD EXPENDITURE | ENCUMBER | BALANCE |
|----------------|---------------------------------|-----------------|----|----------------|-----------------|---------------|--------------|
| | | APPROVED BUDGET | | | | | |
| 100 | SALARIES | | | | | | |
| | Administrative Salaries | \$ 2,816,460 | \$ | 2,816,460 | \$ 381,766 | \$ 2,267,376 | \$ 167,318 |
| | Teachers & Specialists Salaries | \$ 29,677,257 | \$ | 29,677,257 | \$ 63,739 | \$ 29,031,149 | \$ 582,370 |
| | Early Retirement | \$ 16,000 | \$ | 16,000 | \$ - | \$ - | \$ 16,000 |
| | Continuing Ed./Summer School | \$ 78,939 | \$ | 78,939 | \$ 33,364 | \$ 35,711 | \$ 9,863 |
| | Homebound & Tutors Salaries | \$ 260,452 | \$ | 260,452 | \$ 12,954 | \$ 143,635 | \$ 103,864 |
| | Certified Substitutes | \$ 572,100 | \$ | 572,100 | \$ - | \$ - | \$ 572,100 |
| | Coaching/Activities | \$ 541,749 | \$ | 541,749 | \$ - | \$ - | \$ 541,749 |
| | Staff & Program Development | \$ 138,580 | \$ | 138,580 | \$ 19,938 | \$ 87,398 | \$ 31,244 |
| | CERTIFIED SALARIES | \$ 34,101,537 | \$ | 34,101,537 | \$ 511,761 | \$ 31,565,269 | \$ 2,024,507 |
| | Supervisors/Technology Salaries | \$ 597,487 | \$ | 597,487 | \$ 69,451 | \$ 498,906 | \$ 29,131 |
| | Clerical & Secretarial salaries | \$ 1,960,105 | \$ | 1,960,105 | \$ 141,344 | \$ 1,826,161 | \$ (7,400) |
| | Educational Assistants | \$ 1,669,633 | \$ | 1,669,633 | \$ 18,921 | \$ 1,825,899 | \$ (175,186) |
| | Nurses & Medical advisors | \$ 559,337 | \$ | 559,337 | \$ 3,652 | \$ 561,690 | \$ (6,005) |
| | Custodial & Maint Salaries | \$ 2,770,430 | \$ | 2,770,430 | \$ 270,740 | \$ 2,490,176 | \$ 9,515 |
| | Bus Drivers salaries | \$ - | \$ | - | \$ - | \$ - | \$ - |
| | Career/Job salaries | \$ 101,256 | \$ | 101,256 | \$ 8,441 | \$ 84,946 | \$ 7,869 |
| | Special Education Svcs Salaries | \$ 648,087 | \$ | 648,087 | \$ 46,325 | \$ 824,902 | \$ (223,139) |
| | Attendance & Security Salaries | \$ 145,140 | \$ | 145,140 | \$ 10,168 | \$ 129,943 | \$ 5,030 |
| | Extra Work - Non-Cert | \$ 97,900 | \$ | 97,900 | \$ 16,099 | \$ - | \$ 81,801 |
| | Custodial & Maint. Overtime | \$ 213,363 | \$ | 213,363 | \$ 5,369 | \$ - | \$ 207,994 |
| | Civic activities/Park & Rec | \$ 43,000 | \$ | 43,000 | \$ 3,080 | \$ - | \$ 39,920 |
| | NON-CERTIFIED SALARIES | \$ 8,805,738 | \$ | 8,805,738 | \$ 593,589 | \$ 8,242,622 | \$ (30,473) |
| | SUBTOTAL SALARIES | \$ 42,907,275 | \$ | 42,907,275 | \$ 1,105,350 | \$ 39,807,890 | \$ 1,994,034 |

NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING 08/31/2011

| OBJECT CODE | EXPENSE CATEGORY | 2011-2012 | | YTD EXPENDITURE | ENCUMBER | BALANCE |
|----------------|------------------------------------|----------------------|----------------------|-------------------|-------------------|---------------------|
| | | APPROVED BUDGET | CURRENT BUDGET | | | |
| 200 | EMPLOYEE BENEFITS | | | | | |
| | Medical & Dental Expenses | \$ 8,081,152 | \$ 8,081,152 | \$ 109,021 | \$ 471,801 | \$ 7,500,330 |
| | Life Insurance | \$ 85,385 | \$ 85,385 | \$ 13,282 | \$ - | \$ 72,103 |
| | FICA & Medicare | \$ 1,261,524 | \$ 1,261,524 | \$ 117,465 | \$ - | \$ 1,144,059 |
| | Pensions | \$ 439,463 | \$ 439,463 | \$ 403,413 | \$ 33,550 | \$ 2,500 |
| | Unemployment & Employee Assist. | \$ 243,602 | \$ 243,602 | \$ 4,632 | \$ - | \$ 238,970 |
| | Workers Compensation | \$ 464,000 | \$ 464,000 | \$ 126,816 | \$ 319,545 | \$ 17,639 |
| | SUBTOTAL EMPLOYEE BENEFITS | \$ 10,575,126 | \$ 10,575,126 | \$ 774,629 | \$ 824,896 | \$ 8,975,601 |
| 300 | PROFESSIONAL SERVICES | | | | | |
| | Professional Services | \$ 489,684 | \$ 489,684 | \$ 26,918 | \$ 14,140 | \$ 448,626 |
| | Professional Educational Ser. | \$ 226,036 | \$ 226,036 | \$ 43,799 | \$ 34,907 | \$ 147,330 |
| | SUBTOTAL PROFESSIONAL SVCS | \$ 715,720 | \$ 715,720 | \$ 70,717 | \$ 49,047 | \$ 595,957 |
| 400 | PURCHASED PROPERTY SVCS | | | | | |
| | Buildings & Grounds Services | \$ 672,300 | \$ 672,300 | \$ 126,514 | \$ 238,262 | \$ 307,524 |
| | Utility Services - Water & Sewer | \$ 123,450 | \$ 123,450 | \$ 9,592 | \$ - | \$ 113,858 |
| | Building, Site & Emergency Repairs | \$ 460,850 | \$ 460,850 | \$ 61,998 | \$ 16,488 | \$ 382,363 |
| | Equipment Repairs | \$ 246,571 | \$ 246,571 | \$ 9,268 | \$ 22,707 | \$ 214,595 |
| | Rentals - Building & Equipment | \$ 291,498 | \$ 291,498 | \$ 3,611 | \$ 9,941 | \$ 277,945 |
| | Building & Site Improvements | \$ 96,500 | \$ 96,500 | \$ - | \$ - | \$ 96,500 |
| | SUBTOTAL PUR. PROPERTY SER. | \$ 1,891,169 | \$ 1,891,169 | \$ 210,984 | \$ 287,399 | \$ 1,392,786 |

NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING 08/31/2011

| OBJECT CODE | EXPENSE CATEGORY | 2011-2012 | | YTD EXPENDITURE | ENCUMBER | BALANCE |
|----------------|--------------------------------------|---------------------|---------------------|-------------------|---------------------|---------------------|
| | | APPROVED BUDGET | CURRENT BUDGET | | | |
| 500 | OTHER PURCHASED SERVICES | | | | | |
| | Contracted Services | \$ 393,983 | \$ 393,983 | \$ 125,938 | \$ 55,709 | \$ 212,336 |
| | Transportation Services | \$ 4,423,601 | \$ 4,423,601 | \$ 116,716 | \$ - | \$ 4,306,885 |
| | Insurance - Property & Liability | \$ 333,731 | \$ 333,731 | \$ 87,597 | \$ 211,146 | \$ 34,988 |
| | Communications | \$ 148,718 | \$ 148,718 | \$ 15,811 | \$ 97,036 | \$ 35,871 |
| | Printing Services | \$ 54,560 | \$ 54,560 | \$ 5,843 | \$ 424 | \$ 48,293 |
| | Tuition - Out of District | \$ 1,104,055 | \$ 1,104,055 | \$ 318,257 | \$ 826,896 | \$ (41,098) |
| | Student Travel & Staff Mileage | \$ 227,976 | \$ 227,976 | \$ 6,853 | \$ 10,000 | \$ 211,123 |
| | SUBTOTAL OTHER PURCHASED SER. | \$ 6,686,624 | \$ 6,686,624 | \$ 677,015 | \$ 1,201,211 | \$ 4,808,398 |
| 600 | SUPPLIES | | | | | |
| | Instructional & Library Supplies | \$ 983,763 | \$ 983,763 | \$ 180,859 | \$ 184,156 | \$ 618,749 |
| | Software, Medical & Office Sup. | \$ 169,107 | \$ 169,107 | \$ 38,326 | \$ 33,258 | \$ 97,523 |
| | Plant Supplies | \$ 361,100 | \$ 361,100 | \$ 69,948 | \$ 68,769 | \$ 222,383 |
| | Electric | \$ 1,637,617 | \$ 1,637,617 | \$ 125,637 | \$ 1,511,980 | \$ - |
| | Propane & Natural Gas | \$ 398,287 | \$ 398,287 | \$ 3,020 | \$ - | \$ 395,267 |
| | Fuel Oil | \$ 544,034 | \$ 544,034 | \$ - | \$ - | \$ 544,034 |
| | Fuel For Vehicles & Equip. | \$ 471,739 | \$ 471,739 | \$ - | \$ - | \$ 471,739 |
| | Textbooks | \$ 236,794 | \$ 236,794 | \$ 38,380 | \$ 51,247 | \$ 147,168 |
| | SUBTOTAL SUPPLIES | \$ 4,802,441 | \$ 4,802,441 | \$ 456,169 | \$ 1,849,409 | \$ 2,496,863 |

NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING 08/31/2011

| OBJECT CODE | EXPENSE CATEGORY | 2011-2012 | | YTD EXPENDITURE | ENCUMBER | BALANCE |
|---------------------------------|-------------------------------|----------------------|----------------------|---------------------|----------------------|----------------------|
| | | APPROVED BUDGET | CURRENT BUDGET | | | |
| 700 | PROPERTY | | | | | |
| | Capital Improvements (Sewers) | \$ 124,177 | \$ 124,177 | \$ - | \$ - | \$ 124,177 |
| | Technology Equipment | \$ 155,102 | \$ 155,102 | \$ 61,130 | \$ - | \$ 93,972 |
| | Other Equipment | \$ 50,696 | \$ 50,696 | \$ - | \$ 4,795 | \$ 45,901 |
| | SUBTOTAL PROPERTY | \$ 329,975 | \$ 329,975 | \$ 61,130 | \$ 4,795 | \$ 264,050 |
| 800 | MISCELLANEOUS | | | | | |
| | Memberships | \$ 63,097 | \$ 63,097 | \$ 41,561 | \$ 925 | \$ 20,611 |
| | SUBTOTAL MISCELLANEOUS | \$ 63,097 | \$ 63,097 | \$ 41,561 | \$ 925 | \$ 20,611 |
| TOTAL LOCAL BUDGET | | \$ 67,971,427 | \$ 67,971,427 | \$ 3,397,554 | \$ 44,025,572 | \$ 20,548,301 |
| <hr/> | | | | | | |
| <hr/> | | | | | | |
| <hr/> | | | | | | |
| <hr/> | | | | | | |
| TOTAL BUDGET ALL SOURCES | | \$ 67,971,427 | \$ 67,971,427 | \$ 3,397,554 | \$ 44,025,572 | \$ 20,548,301 |

