

**NEWTOWN BOARD OF EDUCATION
MONTHLY FINANCIAL REPORT
FEBRUARY 29, 2012**

SUMMARY

This February financial report for the current year continues to provide more detail of anticipated obligations for this year. The overall projected balance has declined by \$44,000. The first Excess Cost reimbursement of 66.66% of our estimated total has been credited to the eligible accounts. This \$924,904 deposit accounts for many of the positive variances from January's report.

The Education Jobs Fund continues to be used to cover current Educational Assistant salaries. The non-certified salary and tuition accounts that were referenced previously continue to be carried as accounts in need with tuition expenses continuing to increase and accounting for \$47,000 of added expense this month.

Overall, the YTD amount (fifth from the right) indicates we spent \$3.8M since the January period. This is less than the prior month because January included a \$2M payment to the medical self insurance fund. All major object codes are in a positive balance at month's end. The projected balance column indicates we are still expecting to have an overall positive balance, assuming the balance of the excess cost reimbursement grant comes in as anticipated.

This budget is continues to be extremely lean, but our position is still positive. It will continue to be monitored closely in order to identify any issues that may impact our current financial condition in the 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. The forecasting becomes sharper as the year progresses.

EXPENSE CATEGORY CONDITIONS

100 SALARIES

The total salary budget balance has increased since last month by \$278,000. 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, the nurse for Frasier Woods, and the trainers to be partially covered by the balance of the excess cost grant revenue.

The estimates for salary accounts have changed because the teacher mid-year adjustment is now encumbered. Also, over \$237,000 of the excess cost receipt has been applied to the eligible amounts. Other areas of significant change are the predicted balance in custodial salaries of \$70,000 additional and \$34,000 in custodial overtime.

200 EMPLOYEE BENEFITS

Current estimates continue to be positive and have increased by \$10,000.

300 PROFESSIONAL SERVICES

This is an area that needs to continue to be watched closely. The need will come from additional Special Education and district legal expenses. The balance is similar to last month with a \$40,000 deposit from excess cost.

400 PURCHASED PROPERTY SERVICES

This balance is approximately the same as the prior period.

500 OTHER PURCHASED SERVICES

A shortage related to Special Education’s tuition and transportation accounts continues to exist. Excess Cost revenue has covered over \$644,000 of the prior shortage estimate along with a portion of the remaining deposit to be covered by the balance represented below the line on the summary page. Tuition has increased due to the addition of \$47,000 for an additional placement.

600 SUPPLIES

This balance is approximately the same as the prior period.

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.

RECOMMENDED TRANSFERS

At this time it is evident that certain accounts have suitable balances available to transfer to accounts that will definitely be in need before the end of the year.

Transfer funds out of 200 Employee Benefits Category

Unemployment & Employee Assistance: \$90,000

Workers Compensation: \$10,000

Transfer them into 300 Professional Services

Transitional Student Services: \$55,000

Speech & Hearing Services: \$45,000

Transfer funds out of 600 Supplies Category

Electricity: \$200,000

Transfer them into 500 Other Purchased Services

Tuition – Out of District: \$200,000

All these accounts have been noted to have these needs and balances.

Ronald J. Bienkowski, Director of Business
March 15, 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.
- 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 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.

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 FEBRUARY 29, 2012

OBJECT CODE	EXPENSE CATEGORY	APPROVED BUDGET	CURRENT TRANSFERS	CURRENT BUDGET	YTD EXPENDITURE	ENCUMBER	BALANCE	ANTICIPATED OBLIGATIONS	PROJECTED BALANCE
<u>GENERAL FUND BUDGET</u>									
100	SALARIES	\$ 42,907,275	\$ -	\$ 42,651,564	\$ 23,806,204	\$ 18,305,531	\$ 539,829	\$ 588,906	\$ (49,077)
200	EMPLOYEE BENEFITS	\$ 10,575,126	\$ (100,000)	\$ 10,475,126	\$ 7,930,786	\$ 301,523	\$ 2,242,817	\$ 2,167,450	\$ 75,367
300	PROFESSIONAL SERVICES	\$ 715,720	\$ 100,000	\$ 815,720	\$ 495,779	\$ 200,138	\$ 119,803	\$ 191,000	\$ (71,197)
400	PURCHASED PROPERTY SERV.	\$ 1,891,169	\$ -	\$ 1,891,169	\$ 1,161,618	\$ 336,784	\$ 392,767	\$ 363,807	\$ 28,960
500	OTHER PURCHASED SERVICES	\$ 6,686,624	\$ 200,000	\$ 6,886,624	\$ 3,937,154	\$ 695,756	\$ 2,253,713	\$ 2,610,021	\$ (356,308)
600	SUPPLIES	\$ 4,802,441	\$ (200,000)	\$ 4,602,441	\$ 2,698,203	\$ 1,044,499	\$ 859,739	\$ 779,560	\$ 80,179
700	PROPERTY	\$ 329,975	\$ -	\$ 329,975	\$ 210,692	\$ 480	\$ 118,803	\$ 118,871	\$ (68)
800	MISCELLANEOUS	\$ 63,097	\$ -	\$ 63,097	\$ 53,311	\$ 220	\$ 9,566	\$ 9,000	\$ 566
TOTAL GENERAL FUND BUDGET		\$ 67,971,427	\$ -	\$ 67,715,716	\$ 40,293,747	\$ 20,884,932	\$ 6,537,037	\$ 6,828,615	\$ (291,577)
<u>EDUCATION JOBS FUND</u>									
100	SALARIES			\$ 255,711	\$ 140,774	\$ 109,233	\$ 5,704	\$ 5,704	\$ 0
200	EMPLOYEE BENEFITS			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EDUCATION JOBS FUND		\$ -	\$ -	\$ 255,711	\$ 140,774	\$ 109,233	\$ 5,704	\$ 5,704	\$ 0
GRAND TOTAL		\$ 67,971,427	\$ -	\$ 67,971,427	\$ 40,434,520	\$ 20,994,165	\$ 6,542,741	\$ 6,834,319	\$ (291,577)
					\$ (3,759,593)				

Excess Cost Grant Reimbursement	Budgeted	\$ 1,409,380	Difference	\$ (22,049)	Current Estimate	\$ 1,387,331	Balance Due	\$ 462,427
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Net Projected Balance								\$ 170,850
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FOR THE MONTH ENDING FEBRUARY 29, 2012

OBJECT CODE	EXPENSE CATEGORY	APPROVED BUDGET	CURRENT TRANSFERS	CURRENT BUDGET	YTD EXPENDITURE	ENCUMBER	BALANCE	ANTICIPATED OBLIGATIONS	PROJECTED BALANCE
100	SALARIES								
	Administrative Salaries	\$ 2,816,460		\$ 2,816,460	\$ 1,841,011	\$ 974,023	\$ 1,426	\$ -	\$ 1,426
	Teachers & Specialists Salaries	\$ 29,677,257		\$ 29,677,257	\$ 15,812,982	\$ 13,782,151	\$ 82,124	\$ 41,464	\$ 40,660
	Early Retirement	\$ 16,000		\$ 16,000	\$ 16,000	\$ -	\$ -	\$ -	\$ -
	Continuing Ed./Summer School	\$ 78,939		\$ 78,939	\$ 55,102	\$ 13,974	\$ 9,863	\$ 4,000	\$ 5,863
	Homebound & Tutors Salaries	\$ 260,452		\$ 260,452	\$ 145,858	\$ 47,236	\$ 67,358	\$ 44,000	\$ 23,358
	Certified Substitutes	\$ 572,100		\$ 572,100	\$ 362,985	\$ 64,748	\$ 144,368	\$ 149,300	\$ (4,933)
	Coaching/Activities	\$ 541,749		\$ 541,749	\$ 262,645	\$ 65,097	\$ 214,006	\$ 212,500	\$ 1,506
	Staff & Program Development	\$ 138,580		\$ 138,580	\$ 81,264	\$ 51,775	\$ 5,541	\$ 5,000	\$ 541
	CERTIFIED SALARIES	\$ 34,101,537	\$ -	\$ 34,101,537	\$ 18,577,847	\$ 14,999,004	\$ 524,687	\$ 456,264	\$ 68,423
	Supervisors/Technology Salaries	\$ 597,487		\$ 597,487	\$ 390,519	\$ 209,502	\$ (2,534)	\$ -	\$ (2,534)
	Clerical & Secretarial salaries	\$ 1,960,105		\$ 1,960,105	\$ 1,216,300	\$ 742,794	\$ 1,011	\$ -	\$ 1,011
	Educational Assistants	\$ 1,669,633	\$ -255,711	\$ 1,413,922	\$ 816,745	\$ 661,326	\$ (64,148)	\$ 16,700	\$ (80,848)
	Nurses & Medical advisors	\$ 559,337		\$ 559,337	\$ 348,803	\$ 241,902	\$ (31,368)	\$ 3,000	\$ (34,368)
	Custodial & Maint Salaries	\$ 2,770,430		\$ 2,770,430	\$ 1,695,922	\$ 976,607	\$ 97,900	\$ 25,000	\$ 72,900
	Bus Drivers salaries	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Career/Job salaries	\$ 101,256		\$ 101,256	\$ 65,163	\$ 32,232	\$ 3,861	\$ 2,000	\$ 1,861
	Special Education Svcs Salaries	\$ 648,087		\$ 648,087	\$ 381,585	\$ 386,379	\$ (119,877)	\$ -	\$ (119,877)
	Attendance & Security Salaries	\$ 145,140		\$ 145,140	\$ 86,073	\$ 45,469	\$ 13,598	\$ 8,442	\$ 5,156
	Extra Work - Non-Cert	\$ 97,900		\$ 97,900	\$ 47,637	\$ 10,317	\$ 39,945	\$ 36,000	\$ 3,945
	Custodial & Maint. Overtime	\$ 213,363		\$ 213,363	\$ 145,095	\$ -	\$ 68,268	\$ 34,000	\$ 34,268
	Civic activities/Park & Rec	\$ 43,000		\$ 43,000	\$ 34,514	\$ -	\$ 8,486	\$ 7,500	\$ 986
	NON-CERTIFIED SALARIES	\$ 8,805,738	\$ -	\$ 8,550,027	\$ 5,228,358	\$ 3,306,527	\$ 15,142	\$ 132,642	\$ (117,500)
	SUBTOTAL SALARIES	\$ 42,907,275	\$ -	\$ 42,651,564	\$ 23,806,204	\$ 18,305,531	\$ 539,829	\$ 588,906	\$ (49,077)
				\$ (255,711)					

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200	EMPLOYEE BENEFITS								
	Medical & Dental Expenses	\$ 8,081,152		\$ 8,081,152	\$ 6,315,943	\$ 178,570	\$ 1,586,639	\$ 1,544,392	\$ 42,248
	Life Insurance	\$ 85,385		\$ 85,385	\$ 54,685	\$ -	\$ 30,700	\$ 27,954	\$ 2,746
	FICA & Medicare	\$ 1,261,524		\$ 1,261,524	\$ 725,792	\$ -	\$ 535,732	\$ 532,731	\$ 3,001
	Pensions	\$ 439,463		\$ 439,463	\$ 422,471	\$ 16,438	\$ 554	\$ 500	\$ 54
	Unemployment & Employee Assist.	\$ 243,602	\$ (90,000)	\$ 153,602	\$ 72,049	\$ -	\$ 81,553	\$ 61,873	\$ 19,680
	Workers Compensation	\$ 464,000	\$ (10,000)	\$ 454,000	\$ 339,846	\$ 106,515	\$ 7,639	\$ -	\$ 7,639
	SUBTOTAL EMPLOYEE BENEFITS	\$ 10,575,126	\$ (100,000)	\$ 10,475,126	\$ 7,930,786	\$ 301,523	\$ 2,242,817	\$ 2,167,450	\$ 75,367
300	PROFESSIONAL SERVICES								
	Professional Services	\$ 489,684	\$ 100,000	\$ 589,684	\$ 364,389	\$ 188,572	\$ 36,723	\$ 112,000	\$ (75,277)
	Professional Educational Ser.	\$ 226,036		\$ 226,036	\$ 131,391	\$ 11,566	\$ 83,080	\$ 79,000	\$ 4,080
	SUBTOTAL PROFESSIONAL SVCS	\$ 715,720	\$ 100,000	\$ 815,720	\$ 495,779	\$ 200,138	\$ 119,803	\$ 191,000	\$ (71,197)
400	PURCHASED PROPERTY SVCS								
	Buildings & Grounds Services	\$ 672,300		\$ 672,300	\$ 434,135	\$ 157,439	\$ 80,726	\$ 70,594	\$ 10,132
	Utility Services - Water & Sewer	\$ 123,450		\$ 123,450	\$ 53,599	\$ -	\$ 69,851	\$ 49,500	\$ 20,351
	Building, Site & Emergency Repairs	\$ 460,850		\$ 460,850	\$ 355,831	\$ 16,893	\$ 88,126	\$ 90,000	\$ (1,874)
	Equipment Repairs	\$ 246,571		\$ 246,571	\$ 124,471	\$ 16,621	\$ 105,479	\$ 104,000	\$ 1,479
	Rentals - Building & Equipment	\$ 291,498		\$ 291,498	\$ 144,195	\$ 145,831	\$ 1,471	\$ 2,600	\$ (1,129)
	Building & Site Maintenance	\$ 96,500		\$ 96,500	\$ 49,387	\$ -	\$ 47,113	\$ 47,113	\$ 0
	SUBTOTAL PUR. PROPERTY SER.	\$ 1,891,169	\$ -	\$ 1,891,169	\$ 1,161,618	\$ 336,784	\$ 392,767	\$ 363,807	\$ 28,960

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500	OTHER PURCHASED SERVICES								
	Contracted Services	\$ 393,983		\$ 393,983	\$ 272,190	\$ 35,262	\$ 86,531	\$ 85,000	\$ 1,531
	Transportation Services	\$ 4,423,601		\$ 4,423,601	\$ 2,240,576	\$ -	\$ 2,183,025	\$ 2,304,171	\$ (121,146)
	Insurance - Property & Liability	\$ 333,731		\$ 333,731	\$ 261,561	\$ 70,382	\$ 1,788	\$ 5,000	\$ (3,212)
	Communications	\$ 148,718		\$ 148,718	\$ 51,001	\$ 58,442	\$ 39,274	\$ 38,000	\$ 1,274
	Printing Services	\$ 54,560		\$ 54,560	\$ 12,982	\$ 3,332	\$ 38,246	\$ 37,600	\$ 646
	Tuition - Out of District	\$ 1,104,055	\$ 200,000	\$ 1,304,055	\$ 974,849	\$ 523,706	\$ (194,500)	\$ 41,450	\$ (235,950)
	Student Travel & Staff Mileage	\$ 227,976		\$ 227,976	\$ 123,995	\$ 4,633	\$ 99,348	\$ 98,800	\$ 548
	SUBTOTAL OTHER PURCHASED SER.	\$ 6,686,624	\$ 200,000	\$ 6,886,624	\$ 3,937,154	\$ 695,756	\$ 2,253,713	\$ 2,610,021	\$ (356,308)
600	SUPPLIES								
	Instructional & Library Supplies	\$ 983,763		\$ 983,763	\$ 695,891	\$ 66,858	\$ 221,014	\$ 221,000	\$ 14
	Software, Medical & Office Sup.	\$ 169,107		\$ 169,107	\$ 109,608	\$ 7,884	\$ 51,615	\$ 51,000	\$ 615
	Plant Supplies	\$ 361,100		\$ 361,100	\$ 300,091	\$ 18,212	\$ 42,798	\$ 42,780	\$ 18
	Electric	\$ 1,637,617	\$ (200,000)	\$ 1,437,617	\$ 750,279	\$ 658,474	\$ 28,864	\$ 13,000	\$ 15,864
	Propane & Natural Gas	\$ 398,287		\$ 398,287	\$ 167,116	\$ -	\$ 231,171	\$ 166,333	\$ 64,838
	Fuel Oil	\$ 544,034		\$ 544,034	\$ 359,160	\$ -	\$ 184,874	\$ 186,747	\$ (1,873)
	Fuel For Vehicles & Equip.	\$ 471,739		\$ 471,739	\$ 186,066	\$ 285,000	\$ 673	\$ -	\$ 673
	Textbooks	\$ 236,794		\$ 236,794	\$ 129,992	\$ 8,072	\$ 98,730	\$ 98,700	\$ 30
	SUBTOTAL SUPPLIES	\$ 4,802,441	\$ (200,000)	\$ 4,602,441	\$ 2,698,203	\$ 1,044,499	\$ 859,739	\$ 779,560	\$ 80,179

NEWTOWN BOARD OF EDUCATION

BUDGET SUMMARY REPORT

FOR THE MONTH ENDING FEBRUARY 29, 2012

OBJECT CODE	EXPENSE CATEGORY	APPROVED BUDGET	CURRENT TRANSFERS	CURRENT BUDGET	YTD EXPENDITURE	ENCUMBER	BALANCE	ANTICIPATED OBLIGATIONS	PROJECTED BALANCE
700	PROPERTY								
	Capital Improvements (Sewers)	\$ 124,177		\$ 124,177	\$ 124,177	\$ -	\$ 0	\$ -	\$ 0
	Technology Equipment	\$ 155,102		\$ 155,102	\$ 49,090	\$ 480	\$ 105,532	\$ 105,600	\$ (68)
	Other Equipment	\$ 50,696		\$ 50,696	\$ 37,425	\$ -	\$ 13,271	\$ 13,271	\$ 0
	SUBTOTAL PROPERTY	\$ 329,975	\$ -	\$ 329,975	\$ 210,692	\$ 480	\$ 118,803	\$ 118,871	\$ (68)
800	MISCELLANEOUS								
	Memberships	\$ 63,097		\$ 63,097	\$ 53,311	\$ 220	\$ 9,566	\$ 9,000	\$ 566
	SUBTOTAL MISCELLANEOUS	\$ 63,097	\$ -	\$ 63,097	\$ 53,311	\$ 220	\$ 9,566	\$ 9,000	\$ 566
	TOTAL LOCAL BUDGET	\$ 67,971,427	\$ -	\$ 67,715,716	\$ 40,293,747	\$ 20,884,932	\$ 6,537,037	\$ 6,828,615	\$ (291,577)
	EDUCATION JOBS FUND								
	Salaries			\$ 255,711	\$ 140,774	\$ 109,233	\$ 5,704	\$ 5,704	\$ 0
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	TOTAL EDUCATION JOBS FUND	\$ -	\$ -	\$ 255,711	\$ 140,774	\$ 109,233	\$ 5,704	\$ 5,704	\$ 0
	TOTAL BUDGET ALL SOURCES	\$ 67,971,427	\$ -	\$ 67,971,427	\$ 40,434,520	\$ 20,994,165	\$ 6,542,741	\$ 6,834,319	\$ (291,577)

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BUDGET SUMMARY REPORT

FOR THE MONTH ENDING FEBRUARY 29, 2012

OBJECT CODE	EXPENSE CATEGORY	APPROVED BUDGET	CURRENT TRANSFERS	CURRENT BUDGET	YTD EXPENDITURE	ENCUMBER	BALANCE	ANTICIPATED OBLIGATIONS	PROJECTED BALANCE
<u>SCHOOL GENERATED FEES</u>					2011-12 APPROVED BUDGET	<u>RECEIVED</u>	<u>BALANCE</u>	% <u>RECEIVED</u>	
<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	\$400.00	\$7,600.00	5.00%	
					\$8,313	\$713.00	\$7,600.00	8.58%	
	MISCELLANEOUS FEES				\$200	\$53.50	\$146.50	26.75%	
	TOTAL SCHOOL GENERATED FEES				\$121,313	\$67,477.50	\$53,835.50	55.62%	