

**NEWTOWN BOARD OF EDUCATION
MONTHLY FINANCIAL REPORT
OCTOBER 31, 2020**

SUMMARY

The fourth report of the 2020-21 school year now provides a majority of “anticipated obligations” as we have begun to forecast expenses, in addition to the actual YTD expenditures and active encumbrances. Many of the accounts within purchased property services, other purchased services and supplies have been forecasted as anticipated full budget spend in order to determine an estimated full year position. These balances will be monitored and are subject to change throughout the year.

During the month of October, the Board of Education spent approximately \$8.8M; \$4.1M on salaries; \$2.2M for employee benefits (the second \$2M deposited to the self-insurance fund); and approximately \$2.5M on all other objects.

The Corona Relief Grant was recently approved by the State for use towards Board of Education expenses. Due to a revision in the grant guidelines, we were able to reallocate a large portion of this funding (over 60%) to cover salary expenses related to student support. For example, additional hours were required for nurses, paraprofessionals and custodial overtime. This report includes the reallocation of the expenses from the Board of Education fund to the Corona Relief Grant fund totaling \$384,841.

Salary

The overall salary account is showing a positive balance mainly due to the CRF funding offset. We are still looking to fill approximately 20 paraprofessional positions, which is producing a positive balance in non-certified salaries only to be offset with a deficit in certified salaries as it is proving difficult to achieve the budgeted turnover number.

Benefits

Unemployment costs are beginning to decrease; however, our full year estimate shows a negative balance due to year to date experience and full year projections. We will continue to monitor the incoming claims and activity within this account.

Other Purchase Services

In contracted services, our lunch program is experiencing **extreme stress** as Whitson’s revenue offset has been drastically reduced due to lack of participation. The High School will be on the National School Lunch Program beginning November 1st which will *slightly* mitigate the revenue loss as we will now be eligible for federal reimbursements, and it will also allow the High School to serve free lunches under the State funded “Seamless Summer Option”. This program is expected to run through June. This report includes year to date expenses for free lunches that were served at the High School as well as the additional costs for the lunch program through October.

Other Purchase Services

Based on the reduction in special education transportation costs along with reduced special educational services, we have lowered the estimated excess cost grant by 10% to more accurately reflect our current condition. These accounts still remain positive and in the event that the grant comes in lower than anticipated, we will be ready to transfer our special education contingency to cover any gaps.

Supplies

We have more information on our virtual net metering account for the high school and have forecasted an annual savings of approximately \$200k. It is still too early in the year to accurately predict the full year kilowatt production energy credit and we will need a few more months to analyze the usage of this account.

Property

Technology equipment purchases have doubled over the prior month. Distance learning has been a priority as we began school this year, with our teachers, students and support staff all requiring wireless devices for remote access to online classrooms and in-classroom testing. All of our orders have been filled at this time and we do not anticipate the need for any bulk orders in the near future.

Emergency Repairs

In the month of October there were two emergency repairs with expenditures over \$5,000.

- Head O'Meadow required a 100ft. expansion joint repair on the roof resulting in a cost of \$7,682.00 The work was performed by Gardland.
- Hawley required repairs to three HVAC rooftop units on the 1997 wing. Components required in this repair included pulleys, blower motors, control boards and actuators. The total cost was \$11,212.10 and the work was performed by Trane.

Both vendors are on the U.S. Commodities Purchasing Program; therefore, quotes were not required.

The budget will be closely monitored with important issues identified and communicated in a timely manner.

Tanja Vadas
Director of Business & Finance
November 12, 2020

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
- Expended 2019-20 – unaudited expenditures from the prior fiscal year (for comparison purposes)
- 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.
- 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.
- Anticipated Obligation - is a column which provides a method to forecast expense category fund balances that have not been approved via an encumbrance, but are anticipated to be expended or remain with an account balance to maintain the overall budget funding level. Receivable revenue (i.e., grants) are included in this column which has the effect of netting the expected expenditure.
- Projected Balance - calculates the object code balances subtracting the Anticipated Obligations. These balances will move up and down as information is known and or decisions are anticipated or made about current and projected needs of the district.

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 – (Current Formula) 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 met 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.

Magnet Transportation Grant – provides reimbursement of \$1,300 for local students attending approved Magnet school programs. The budgeted grant is \$26,000 for this year.

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

- Local Tuition – amounts the board receives from non-residents who pay tuition to attend Newtown schools. Primarily from staff members.
- High school fees for parking permits..
- The final revenue is miscellaneous fees, which constitute refunds, rebates, prior year claims, etc.

**NEWTOWN BOARD OF EDUCATION
2020-21 BUDGET SUMMARY REPORT
FOR THE MONTH ENDING OCTOBER 31, 2020**

OBJECT CODE	EXPENSE CATEGORY	EXPENDED 2019 - 2020	2020 - 2021 APPROVED BUDGET	CURRENT BUDGET	YTD EXPENDITURE	ENCUMBER	BALANCE	ANTICIPATED OBLIGATIONS	PROJECTED BALANCE	% EXP
<u>GENERAL FUND BUDGET</u>										
100	SALARIES	\$ 49,586,526	\$ 51,044,554	\$ 51,044,554	\$ 11,201,313	\$ 38,565,364	\$ 1,277,877	\$ 1,035,430	\$ 242,448	99.53%
200	EMPLOYEE BENEFITS	\$ 11,126,524	\$ 11,435,283	\$ 11,435,283	\$ 5,596,412	\$ 4,285,980	\$ 1,552,891	\$ 1,610,877	\$ (57,986)	100.51%
300	PROFESSIONAL SERVICES	\$ 659,940	\$ 751,382	\$ 751,382	\$ 122,464	\$ 13,180	\$ 615,738	\$ 531,962	\$ 83,776	88.85%
400	PURCHASED PROPERTY SERV.	\$ 2,304,638	\$ 1,884,463	\$ 1,884,463	\$ 666,309	\$ 586,695	\$ 631,459	\$ 567,347	\$ 64,112	96.60%
500	OTHER PURCHASED SERVICES	\$ 8,823,709	\$ 9,314,942	\$ 9,314,942	\$ 2,224,251	\$ 6,720,669	\$ 370,022	\$ (219)	\$ 370,241	96.03%
600	SUPPLIES	\$ 3,347,825	\$ 3,498,335	\$ 3,498,335	\$ 1,394,410	\$ 307,789	\$ 1,796,136	\$ 1,817,494	\$ (21,358)	100.61%
700	PROPERTY	\$ 831,904	\$ 549,402	\$ 549,402	\$ 895,125	\$ 352,410	\$ (698,133)	\$ (29,924)	\$ (668,209)	221.62%
800	MISCELLANEOUS	\$ 66,090	\$ 73,415	\$ 73,415	\$ 49,869	\$ 4,839	\$ 18,707	\$ 18,707	\$ -	100.00%
910	SPECIAL ED CONTINGENCY	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	100.00%
TOTAL GENERAL FUND BUDGET		\$ 76,747,157	\$ 78,651,776	\$ 78,651,776	\$ 22,150,152	\$ 50,836,926	\$ 5,664,698	\$ 5,651,674	\$ 13,024	99.98%
900	TRANSFER NON-LAPSING									
GRAND TOTAL		\$ 76,747,157	\$ 78,651,776	\$ 78,651,776	\$ 22,150,152	\$ 50,836,926	\$ 5,664,698	\$ 5,651,674	\$ 13,024	99.98%

100 SALARIES

Administrative Salaries	\$ 4,163,820	\$ 4,160,309	\$ 4,160,309	\$ 1,315,577	\$ 2,852,102	\$ (7,370)	\$ -	\$ (7,370)	100.18%
Teachers & Specialists Salaries	\$ 31,619,798	\$ 32,219,745	\$ 32,219,745	\$ 6,327,494	\$ 26,234,595	\$ (342,344)	\$ (8,817)	\$ (333,527)	101.04%
Early Retirement	\$ 32,000	\$ 16,000	\$ 16,000	\$ 16,000	\$ -	\$ -	\$ -	\$ -	100.00%
Continuing Ed./Summer School	\$ 92,408	\$ 93,096	\$ 93,096	\$ 36,907	\$ 32,999	\$ 23,190	\$ 3,750	\$ 19,440	79.12%
Homebound & Tutors Salaries	\$ 88,213	\$ 185,336	\$ 185,336	\$ 11,760	\$ 20,313	\$ 153,263	\$ 153,000	\$ 263	99.86%
Certified Substitutes	\$ 548,648	\$ 698,193	\$ 698,193	\$ 252,886	\$ 328,715	\$ 116,592	\$ 57,075	\$ 59,517	91.48%
Coaching/Activities	\$ 643,256	\$ 656,571	\$ 656,571	\$ 2,988	\$ -	\$ 653,583	\$ 653,583	\$ -	100.00%
Staff & Program Development	\$ 173,319	\$ 143,517	\$ 143,517	\$ 66,239	\$ 30,876	\$ 46,402	\$ (2,044)	\$ 48,446	66.24%
CERTIFIED SALARIES	\$ 37,361,462	\$ 38,172,767	\$ 38,172,767	\$ 8,029,852	\$ 29,499,600	\$ 643,316	\$ 856,547	\$ (213,231)	100.56%
Supervisors & Technology Salaries	\$ 917,739	\$ 945,154	\$ 945,154	\$ 336,849	\$ 585,334	\$ 22,971	\$ 15,000	\$ 7,971	99.16%
Clerical & Secretarial Salaries	\$ 2,310,741	\$ 2,362,981	\$ 2,362,981	\$ 624,675	\$ 1,609,937	\$ 128,369	\$ 86,869	\$ 41,500	98.24%
Educational Assistants	\$ 2,743,151	\$ 2,875,564	\$ 2,875,564	\$ 458,060	\$ 2,126,117	\$ 291,388	\$ (10,238)	\$ 301,626	89.51%
Nurses & Medical Advisors	\$ 764,244	\$ 801,532	\$ 801,532	\$ 184,700	\$ 695,512	\$ (78,680)	\$ (40,733)	\$ (37,946)	104.73%
Custodial & Maint. Salaries	\$ 3,144,919	\$ 3,263,032	\$ 3,263,032	\$ 955,431	\$ 2,234,487	\$ 73,114	\$ -	\$ 73,114	97.76%
Non-Certied Adj & Bus Drivers Salaries	\$ 22,043	\$ 81,607	\$ 81,607	\$ 3,342	\$ 24,211	\$ 54,055	\$ -	\$ 54,055	33.76%
Career/Job Salaries	\$ 117,954	\$ 183,209	\$ 183,209	\$ 39,149	\$ 157,244	\$ (13,184)	\$ (45,500)	\$ 32,316	82.36%
Special Education Svcs Salaries	\$ 1,224,685	\$ 1,355,856	\$ 1,355,856	\$ 262,051	\$ 1,147,159	\$ (53,354)	\$ (54,477)	\$ 1,123	99.92%
Security Salaries & Attendance	\$ 594,071	\$ 621,957	\$ 621,957	\$ 128,674	\$ 482,457	\$ 10,826	\$ -	\$ 10,826	98.26%
Extra Work - Non-Cert.	\$ 141,823	\$ 115,447	\$ 115,447	\$ 72,974	\$ 3,308	\$ 39,165	\$ 5,947	\$ 33,218	71.23%
Custodial & Maint. Overtime	\$ 214,479	\$ 233,448	\$ 233,448	\$ 105,557	\$ -	\$ 127,891	\$ 193,016	\$ (65,124)	127.90%
Civic Activities/Park & Rec.	\$ 29,216	\$ 32,000	\$ 32,000	\$ -	\$ -	\$ 32,000	\$ 29,000	\$ 3,000	90.63%
NON-CERTIFIED SALARIES	\$ 12,225,064	\$ 12,871,787	\$ 12,871,787	\$ 3,171,461	\$ 9,065,764	\$ 634,562	\$ 178,883	\$ 455,679	96.46%
SUBTOTAL SALARIES	\$ 49,586,526	\$ 51,044,554	\$ 51,044,554	\$ 11,201,313	\$ 38,565,364	\$ 1,277,877	\$ 1,035,430	\$ 242,448	99.53%

200 EMPLOYEE BENEFITS

Medical & Dental Expenses	\$ 8,051,502	\$ 8,289,180	\$ 8,289,180	\$ 4,186,820	\$ 4,073,135	\$ 29,225	\$ 29,225	\$ -	100.00%
Life Insurance	\$ 86,352	\$ 86,760	\$ 86,760	\$ 28,576	\$ -	\$ 58,184	\$ 58,184	\$ -	100.00%
FICA & Medicare	\$ 1,523,488	\$ 1,602,597	\$ 1,602,597	\$ 362,180	\$ -	\$ 1,240,417	\$ 1,240,417	\$ -	100.00%
Pensions	\$ 863,104	\$ 913,394	\$ 913,394	\$ 761,291	\$ 750	\$ 151,353	\$ 151,353	\$ -	100.00%
Unemployment & Employee Assist.	\$ 122,970	\$ 82,000	\$ 82,000	\$ 23,394	\$ -	\$ 58,606	\$ 116,592	\$ (57,986)	170.72%
Workers Compensation	\$ 479,108	\$ 461,352	\$ 461,352	\$ 234,151	\$ 212,095	\$ 15,105	\$ 15,105	\$ -	100.00%

SUBTOTAL EMPLOYEE BENEFITS	\$ 11,126,524	\$ 11,435,283	\$ 11,435,283	\$ 5,596,412	\$ 4,285,980	\$ 1,552,891	\$ 1,610,877	\$ (57,986)	100.51%
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300 PROFESSIONAL SERVICES

Professional Services	\$ 500,341	\$ 559,102	\$ 559,102	\$ 84,755	\$ 8,925	\$ 465,422	\$ 468,962	\$ (3,540)	100.63%
Professional Educational Serv.	\$ 159,599	\$ 192,280	\$ 192,280	\$ 37,709	\$ 4,255	\$ 150,316	\$ 63,000	\$ 87,316	54.59%

SUBTOTAL PROFESSIONAL SERV.	\$ 659,940	\$ 751,382	\$ 751,382	\$ 122,464	\$ 13,180	\$ 615,738	\$ 531,962	\$ 83,776	88.85%
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400 PURCHASED PROPERTY SERV.

Buildings & Grounds Contracted Svc.	\$ 716,095	\$ 664,859	\$ 664,859	\$ 306,706	\$ 289,427	\$ 68,726	\$ 34,823	\$ 33,903	94.90%
Utility Services - Water & Sewer	\$ 134,403	\$ 146,945	\$ 146,945	\$ 42,459	\$ -	\$ 104,486	\$ 102,359	\$ 2,127	98.55%
Building, Site & Emergency Repairs	\$ 503,227	\$ 460,850	\$ 460,850	\$ 134,177	\$ 89,354	\$ 237,319	\$ 237,318	\$ 0	100.00%
Equipment Repairs	\$ 283,175	\$ 351,506	\$ 351,506	\$ 112,913	\$ 68,105	\$ 170,488	\$ 143,399	\$ 27,089	92.29%
Rentals - Building & Equipment	\$ 268,547	\$ 260,303	\$ 260,303	\$ 70,053	\$ 139,809	\$ 50,441	\$ 49,449	\$ 992	99.62%
Building & Site Improvements	\$ 399,191	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-

SUBTOTAL PUR. PROPERTY SERV.	\$ 2,304,638	\$ 1,884,463	\$ 1,884,463	\$ 666,309	\$ 586,695	\$ 631,459	\$ 567,347	\$ 64,112	96.60%
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500 OTHER PURCHASED SERVICES

Contracted Services	\$ 750,419	\$ 669,215	\$ 669,215	\$ 394,978	\$ 119,707	\$ 154,529	\$ 259,152	\$ (104,623)	115.63%
Transportation Services	\$ 3,827,061	\$ 4,457,135	\$ 4,457,135	\$ 718,121	\$ 2,711,594	\$ 1,027,421	\$ 757,152	\$ 270,269	93.94%
Insurance - Property & Liability	\$ 378,323	\$ 378,032	\$ 378,032	\$ 220,085	\$ 160,013	\$ (2,066)	\$ 1,978	\$ (4,044)	101.07%
Communications	\$ 142,944	\$ 146,872	\$ 146,872	\$ 51,483	\$ 107,418	\$ (12,029)	\$ 22,267	\$ (34,296)	123.35%
Printing Services	\$ 24,637	\$ 31,040	\$ 31,040	\$ 4,371	\$ 360	\$ 26,309	\$ 26,309	\$ -	100.00%
Tuition - Out of District	\$ 3,527,920	\$ 3,399,851	\$ 3,399,851	\$ 826,512	\$ 3,497,184	\$ (923,845)	\$ (1,112,077)	\$ 188,232	94.46%
Student Travel & Staff Mileage	\$ 172,406	\$ 232,797	\$ 232,797	\$ 8,700	\$ 124,394	\$ 99,703	\$ 45,000	\$ 54,703	76.50%
SUBTOTAL OTHER PURCHASED SERV.	\$ 8,823,709	\$ 9,314,942	\$ 9,314,942	\$ 2,224,251	\$ 6,720,669	\$ 370,022	\$ (219)	\$ 370,241	96.03%

600 SUPPLIES

Instructional & Library Supplies	\$ 805,612	\$ 801,275	\$ 801,275	\$ 274,034	\$ 176,328	\$ 350,914	\$ 352,516	\$ (1,602)	100.20%
Software, Medical & Office Supplies	\$ 212,777	\$ 221,701	\$ 221,701	\$ 72,762	\$ 41,726	\$ 107,213	\$ 107,213	\$ -	100.00%
Plant Supplies	\$ 423,659	\$ 356,400	\$ 356,400	\$ 460,469	\$ 79,226	\$ (183,295)	\$ 70,906	\$ (254,201)	171.32%
Electric	\$ 1,164,615	\$ 1,228,072	\$ 1,228,072	\$ 423,776	\$ -	\$ 804,296	\$ 613,800	\$ 190,496	84.49%
Propane & Natural Gas	\$ 347,253	\$ 431,350	\$ 431,350	\$ 21,698	\$ -	\$ 409,652	\$ 395,900	\$ 13,752	96.81%
Fuel Oil	\$ 76,257	\$ 63,000	\$ 63,000	\$ 14,950	\$ -	\$ 48,050	\$ 48,050	\$ -	100.00%
Fuel for Vehicles & Equip.	\$ 122,159	\$ 205,031	\$ 205,031	\$ 27,333	\$ -	\$ 177,698	\$ 147,500	\$ 30,198	85.27%
Textbooks	\$ 195,495	\$ 191,506	\$ 191,506	\$ 99,388	\$ 10,510	\$ 81,608	\$ 81,608	\$ -	100.00%
SUBTOTAL SUPPLIES	\$ 3,347,825	\$ 3,498,335	\$ 3,498,335	\$ 1,394,410	\$ 307,789	\$ 1,796,136	\$ 1,817,494	\$ (21,358)	100.61%

700 PROPERTY

Technology Equipment	\$ 559,515	\$ 410,000	\$ 410,000	\$ 881,845	\$ 241,372	\$ (713,218)	\$ (40,924)	\$ (672,294)	263.97%
Other Equipment	\$ 272,389	\$ 139,402	\$ 139,402	\$ 13,280	\$ 111,038	\$ 15,084	\$ 11,000	\$ 4,084	97.07%
SUBTOTAL PROPERTY	\$ 831,904	\$ 549,402	\$ 549,402	\$ 895,125	\$ 352,410	\$ (698,133)	\$ (29,924)	\$ (668,209)	221.62%

800 MISCELLANEOUS

Memberships	\$ 66,090	\$ 73,415	\$ 73,415	\$ 49,869	\$ 4,839	\$ 18,707	\$ 18,707	\$ -	100.00%
SUBTOTAL MISCELLANEOUS	\$ 66,090	\$ 73,415	\$ 73,415	\$ 49,869	\$ 4,839	\$ 18,707	\$ 18,707	\$ -	100.00%

910 SPECIAL ED CONTINGENCY

\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	100.00%
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TOTAL LOCAL BUDGET	\$ 76,747,157	\$ 78,651,776	\$ 78,651,776	\$ 22,150,152	\$ 50,836,926	\$ 5,664,698	\$ 5,651,674	\$ 13,024	99.98%
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REVENUES

<u>EXCESS COST GRANT REVENUE</u>	<u>EXPENDED 2019 - 2020</u>	<u>APPROVED BUDGET</u>	<u>ANTICIPATED EXPENDITURE</u>	
Special Education Svcs Salaries ECG	\$ (33,039)	\$ (26,247)	\$ (23,622)	90.00%
Transportation Services - ECG	\$ (354,206)	\$ (402,480)	\$ (362,232)	90.00%
Tuition - Out of District ECG	\$ (1,372,981)	\$ (1,381,462)	\$ (1,243,316)	90.00%
	<u>\$ (1,760,226)</u>	<u>\$ (1,810,189)</u>	<u>\$ (1,629,170)</u>	90.00%

OTHER REVENUES

<u>BOARD OF EDUCATION FEES & CHARGES - SERVICES</u>	<u>APPROVED BUDGET</u>	<u>RECEIVED</u>	<u>BALANCE</u>	<u>% RECEIVED</u>
LOCAL TUITION	\$32,340	\$7,070	\$25,270	21.86%
HIGH SCHOOL FEES FOR PARKING PERMITS	\$30,000	\$0	\$30,000	0.00%
MISCELLANEOUS FEES	\$6,000	\$801	\$5,199	13.36%
TOTAL SCHOOL GENERATED FEES	\$68,340	\$7,871	\$60,469	11.52%