

Quarterly Budget Review – School District Expenditure Report - 3 months ended September, 2009

Per the ABC Charter, the Committee will conduct quarterly reviews of all School, Town and Library budgets. This is the first review conducted by ABC of the school budget year 09-10. The ABC reviewed the September 09 year to date expenditure report which represented the first quarter of the 09-10 fiscal year. The report was prepared by the School Business Manager. This report can be found on the school district website.

The ABC has requested during its last review that future reviews include a discussion of revenue in addition to the expenditure review. The School District did agree to incorporate a revenue review on a going forward basis. A review of revenue at this point in the school year (one month in) is not available or significant (due to the timing of payments). Revenue will be included as a discussion topic in the reviews of the remaining quarters.

This document represents a summary of the ABC quarterly review of the 09-10 School Budget that was conducted on October 27 with the School Superintendent, School Business Manager and ABC members Jean Beadle and Alan Ballard. The following are the ABC questions (in Blue) and the respective answers (in Green) provided by the School Business Manager and the Superintendent. The ABC has no further outstanding concerns with the first quarter expenditure information as reported.

Quarterly Review – Q1 2010 School Year

Each quarterly summary should include all personnel issues affecting salary differences.

1. Are there any retirements anticipated?

Staff have until November 1st to notify the district administration of their impending retirement if they wish to have retirement stipends included in the budget. As of today, no notifications have been received.

2. Please provide all personnel issues affecting salary expenditures? We understand that salaries can be paid either over the school year or over 12 months.

School year salaries are paid in 3 ways – 21 or 22 equal pays spread between the end of August and the end of June, or 21 equal pays with the last pay in June a ‘balloon’ check, equal to 5 regular paychecks.

Some salary accounts that appear off budget are as follows:

Acct 1260 Bi Lingual Ed (High as compared to budget)

The first October paycheck is included in the 9/30 expenditure report; Actual is on line with budget without October pay.

Acct 2120 H Guidance salary (Low)

Included in the budget is a \$17,100 stipend for the retired guidance counselor. FY10 retirement stipends were actually paid with FY09 funds (in anticipation of a reduction in state revenues). This budgeted item will not be spent in FY10.

Acct 2130 Nurses Salary (High compared to budget for one month)

The first October paycheck is included in the 9/30 expenditure report; Actual is on line with budget without October pay.

Acct 2225 Comp salaries (High compared to Budget)

The first October paycheck is included in the 9/30 expenditure report; Actual is on line with budget without October pay. Also included here is \$843.18 of the \$2000 budgeted for summer work

Acct 2600 Custodial salaries (1/3 of Budget) does this include summer OT / if so how much

The first October paycheck is included in the 9/30 expenditure report; Actual is on line with budget without October pay. OT through 9/30/2009 is \$8,282.08.

Account 1410 Co Cur salaries (None recorded for MA)

Only payments for Middle School and Elementary have been made to date. This is a timing issue.

3. Acct. 1200 Spe.ed. What has changed from bud? Specifically, Prof Services at the Elementary level over budget & Special Ed Tuition at the HS (39 % expended). Are you anticipating budget shortfalls re Special Ed?

As a result of changes in student IEP's - specifically vision services for the blind and physical therapy - we expect we will over expend the elementary professional services line. High school special education tuition was budgeted for 2 students; currently, only one is enrolled. Based on what we know right now, we do not anticipate any budget shortfalls in sped.

Please Note: When the budget was originally built the professional services and out-of-district tuition lines were reduced. The strategy at the time was to rely on the existing Special Education Trust Fund to be used if the school district anticipates it will end the 2010 Fiscal Year in deficit.

4. Acct. 102600735-002 the budgeted item (if my memory recollects is an auto scrubber for \$7500) Do you still intend to replace this item?

Yes – payment will be made in October/November.

5. Acct. 2770 Transportation Why enc. and act. Above bud?
Seems we have some athletic transport charges mixed in with the regular contract. Will adjust accordingly.

Is this contract paid in one installment?
Regular contract is paid monthly. Total base contract is encumbered as contract terms are final.
6. Acct. 5231 Trans. To FED. \$399K. What projects are anticipated and will the funding become available?
Amounts listed here are for the usual Title I, Title II and IDEA grant projects, which we anticipate receiving at this point. Amounts will only be expensed as funds become available. The new ARRA grants or any other potential grants are NOT included in the budget figure.
7. Health Insurance No expenditures to date. I assume you are billed quarterly?
We are billed monthly, and payment is made directly from the Health Expendable Trust Fund. I make one transfer – usually in December – from the General Fund to the Health Expendable Trust Fund for the entire appropriation.
8. Acct 1300 561 Vocational tuition. No expense to date. Timing?
Usually, we're billed twice a year, February and June.
9. Acct 1300 610 School to work. No expense to date Timing?
Bulk of expenditure is for Project Safeguards, held in October and April/May
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10. Repairs, books, supplies, equip, etc appear to be 90- 100 % expensed? Makes sense but just want to make sure no further significant expense anticipated.
Yes, majority of expense is prior to school opening; will be further spending for consumable supplies, etc, but nothing significant is anticipated.
11. Where are the medical co-pay reimbursements reflected? Are they in 1100-219 Other Benefits?
All medical-related payments are paid directly from the Health Expendable Trust, not the General Fund.
12. Computer 2225 - Why has so much been spent early on?
Most of the cost is related to hardware/software replacements and updates. Upgrades need to be completed during the summer, so all is ready when students and staff return to school.

Respectively submitted,

**Moultonborough Advisory Budget Committee
October 29, 2009**