

BOARD OF DIRECTORS

Mike Spence
Patty Fielding
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SUPERINTENDENT
Faith A. Chapel

8489 Madison Avenue NE * Bainbridge Island, Washington 98100 * (206) 842-4714 * Fax: (206) 842-2928

MEMORANDUM

To: Faith Chapel, Superintendent Date: February 20, 2014
From: Peggy Paige, Director of Business Services
RE: Monthly Financial Reports – January

Attached are the financial reports for the month ending January 31, 2014

1. General Fund
 - a. Analysis
2. Summary of Fund Balances
 - a. Budget Status Reports

Analysis of General Fund

Revenue

Total General Fund revenues to January 31 were \$15.9 million, 4.3% more than for the same period last year and slightly below the average. Tax collections are near the expected average. Local nontax revenues are below the 3 year average. A donation from the Bainbridge Schools Foundation was received earlier in a prior year so the expected percentage is inflated. State revenues are consistent with state funding expectations and enrollment. Revenues related to Basic Ed should begin to move above the expected average since we will receive more than budget estimates due to increased enrollment. Special Ed enrollment is currently below budget estimates but this tends to increase during the year. Transportation is consistent with budget estimates and will not be adjusted for actual funding until later in the year. Federal revenues are down compared to prior year at this time but we have had a delay in submitting reimbursement claims for two grants.

Expenditure

Expenditures for the year to January 31 total \$16.6 million, which is 9.3% higher than for the same period last year. Year-to-date expenditures are above the average.

Total expense for Regular (Basic) Education increased 10.5% over last year and is above the average. While some of this increase is due to salary adjustments (restoration of previous year reductions) and payment for extra professional development days at the beginning of the school year we are spending at a pace that suggests that we will exceed budget estimates. We are currently in the process of reviewing actual FTE and staffing costs to budget estimates.

Total special education costs are up 7.3% compared to last year and are above the 3-year average. This area is also impacted by salary restoration and payment for extra days and is also being reviewed to compare budgeted FTE to actual FTE, as are payments for outside services to determine the extent to which they may exceed budget estimates. Some of these excess costs *may* be offset with an increase in Safety Net revenues.

Vocational expense is down from last year and the average. Certificated salaries should come in below budget due to staffing changes.

Compensatory education is as expected per the annual budget. This category fluctuates throughout the year due to the fact that certain expense items (such as teacher certification bonus) do not occur in a regular monthly pattern.

Other Instruction reflects expenditures for the Highly Capable Program. This category will fluctuate during the year as activities occur.

Total Support Services is above last year and the average. Transportation/Motor Pool expenditures are below last January, primarily in the purchase of supplies (including diesel). Operation, Buildings is down from last year but above the average. Benefit costs were under-budgeted in this area. Utilities are up from prior year and above the expected average due to a sharp increase in the cost of propane. Food Service is in line with budget at this time. Maintenance is up from prior year primarily due to some necessary (but unbudgeted) repairs. A transfer in March to reimburse the General Fund for Capital Projects salaries should bring the YTD percentage closer to the expected average. Information Services increases are related to contract renewals and Tech Levy purchases. The reimbursement of some of the Tech Levy expense is recorded as revenue rather than a reversal of the original expenditure. Central Office expenditures are up from prior year and currently running above the average. There have been unbudgeted expenditures (review of all certificated personnel files, leasehold tax due on parking revenues) and atypical levels of expense in substitute costs, overtime and legal fees.

Cash Flow

Net cash outflow during January was \$651,721. As of January 31, 2014, the closing cash balance in the general fund was \$2,058,830.

GENERAL FUND
Summary of Revenues & Expenses
January 31, 2014

	Jan-14 Actual YTD \$	% Incr/Decr prior year	Jan-13 Actual YTD \$	Annual Budget Budget	% YTD	Avg %
Revenues - By Revenue Source						
Local Taxes	4,061,924	-0.4%	4,077,970	8,806,000	46.1%	45.8%
Local Nontax	1,341,099	1.8%	1,317,619	3,157,900	42.5%	46.8%
State, General Purpose						
Basic Education	8,345,299	9.7%	7,763,341	19,665,000	42.4%	42.2%
Special Education	172,299	6.7%	161,506	425,000	40.5%	41.6%
State, Special Purpose						
Special Education	938,599	-0.1%	939,656	2,645,000	35.5%	38.3%
Transportation	351,361	1.1%	347,580	945,000	37.2%	41.5%
Other	258,469	31.9%	196,024	664,900	38.9%	39.3%
Federal, Special Purpose	439,646	-1.5%	446,252	1,188,700	37.0%	39.0%
TOTAL	15,908,696	4.3%	15,249,948	37,497,500	42.4%	43.0%
	Actual YTD \$	% Incr/Decr prior year	Actual YTD \$	Budget	% YTD	Avg %
Expenses - By program code						
Regular Instruction*						
Teaching	7,378,703	11.4%	6,621,765	17,679,639	41.7%	40.5%
Principal	945,013	5.2%	897,983	2,303,166	41.0%	40.8%
Guidance/Counseling	436,599	11.3%	392,384	1,049,612	41.6%	39.4%
Learning Resources	317,683	11.7%	284,433	651,939	48.7%	43.3%
Extracurricular	304,239	-3.2%	314,438	610,369	49.8%	46.7%
Other	459,723	15.6%	397,718	1,012,000	45.4%	41.9%
Total Regular (Basic) Ed.	9,841,960	10.5%	8,908,720	23,306,725	42.2%	40.9%
Special Education						
Teaching	1,676,447	7.3%	1,561,805	3,625,388	46.2%	41.2%
Other	675,637	7.1%	630,766	1,610,026	42.0%	41.4%
Total Special Ed.	2,352,084	7.3%	2,192,571	5,235,414	44.9%	41.3%
Vocational Education	321,053	-17.7%	389,982	933,855	34.4%	40.5%
Compensatory Education	209,173	23.0%	170,035	670,646	31.2%	34.1%
Other Instruction	18,646	-13.6%	21,571	36,407	51.2%	27.2%
Support Services						
Transportation/Motor Pool	601,543	-4.1%	627,443	1,407,692	42.7%	42.8%
Operation Buildings	616,597	-0.4%	618,999	1,426,972	43.2%	41.1%
Utilities	500,778	37.0%	365,457	1,290,000	38.8%	34.1%
Food Services	418,153	-0.7%	421,256	956,526	43.7%	43.3%
Maint/Grounds	428,210	6.6%	401,550	844,249	50.7%	45.7%
Information Services	374,914	20.6%	310,792	705,129	53.2%	45.8%
Central Office	615,433	29.1%	476,606	1,437,068	42.8%	40.6%
Other	284,418	8.4%	262,493	337,102	84.4%	82.1%
Total Support Services	3,840,046	10.2%	3,484,595	8,404,738	45.7%	43.1%
TOTAL	16,582,962	9.3%	15,167,475	38,587,785	43.0%	41.3%
Excess (Deficiency) of Revenues over Expenditures	(674,266)		82,473	(1,090,285)		

SUMMARY OF FUND BALANCES

31-Jan-14

	Jan-14 YTD Actual	2013-14 Annual Budget
General Fund		
Opening fund balance		
Reserved for Inventory	165,000.00	200,000.00
Restricted for Carryover	-	-
Committed to Minimum Fund Balance	1,100,000.00	1,100,000.00
Assigned to Other Purposes	1,265,000.00	1,100,000.00
Unassigned	326,741.53	300,000.00
Total opening fund balance	<u>2,856,741.53</u>	<u>2,700,000.00</u>
Revenue	15,908,696.49	37,497,500.00
Expenditure	<u>(16,582,962.32)</u>	<u>(38,587,785.00)</u>
Excess (Deficiency) of Revenues over Expenditures	(674,265.83)	(1,090,285.00)
Reserved for Inventory	165,000.00	200,000.00
Restricted for Carryover	-	-
Committed to Minimum Fund Balance	1,100,000.00	1,100,000.00
Assigned to Other Purposes	1,265,000.00	150,000.00
Unassigned	<u>(347,524.30)</u>	<u>159,715.00</u>
Total closing fund balance	<u><u>2,182,475.70</u></u>	<u><u>1,609,715.00</u></u>
Capital Projects Fund		
Opening fund balance	5,944,861.46	6,000,000.00
Revenue	7,736,110.54	8,575,000.00
Expenditure	<u>(1,756,979.04)</u>	<u>(9,067,516.00)</u>
Reserve of bond proceeds	10,521,962.18	4,746,345.00
Reserve of levy proceeds	1,161,470.80	482,139.00
Unreserved Fund Balance	<u>240,559.98</u>	<u>279,000.00</u>
Closing fund balance	<u><u>11,923,992.96</u></u>	<u><u>5,507,484.00</u></u>
Debt Service Fund		
Opening fund balance	3,608,198.52	3,570,000.00
Revenue	3,782,180.77	8,355,000.00
Expenditure		
Principal	(2,115,000.00)	(5,040,000.00)
Interest	(1,739,378.88)	(3,585,000.00)
Other	-	(5,000.00)
Closing fund balance	<u><u>3,536,000.41</u></u>	<u><u>3,295,000.00</u></u>
ASB Fund		
Opening fund balance	309,891.04	283,000.00
Revenue	262,154.13	643,800.00
Expenditure	<u>(173,793.42)</u>	<u>(881,319.00)</u>
Closing fund balance	<u><u>398,251.75</u></u>	<u><u>45,481.00</u></u>
Transportation Vehicle Fund		
Opening fund balance	416,493.32	410,000.00
Revenue		
Depreciation	-	40,000.00
Investment Earnings	744.17	1,500.00
Grant Revenue	-	-
Sale of Equipment	-	-
Expenditure	-	<u>(340,000.00)</u>
Closing fund balance	<u><u>417,237.49</u></u>	<u><u>111,500.00</u></u>

10--General Fund-- FUND BALANCE -- AGENCY ACCOUNTS -- Revised -- BUDGET-STATUS-REPORT
Fiscal Year 2013 (September 1, 2013 - August 31, 2014)

for the BAINBRIDGE ISLAND SD #303 School District for the Month of January, 2014

	ANNUAL BUDGET	ACTUAL FOR MONTH	ACTUAL FOR YEAR	ENCUMBRANCES	BALANCE	PERCENT
<u>REVENUES/OTHER FIN. SOURCES</u>						
D LOCAL TAXES	8,806,000	47,109.61	4,061,923.55		4,744,076.45	46.13
D LOCAL SUPPORT NONTAX	3,157,900	176,548.02	1,341,099.18		1,816,800.82	42.47
D STATE, GENERAL PURPOSE	20,090,000	1,991,646.20	8,517,598.55		11,572,401.45	42.40
D STATE, SPECIAL PURPOSE	3,983,900	288,427.97	1,388,564.95		2,595,335.05	34.85
D FEDERAL, GENERAL PURPOSE	0	.00	.00		.00	0.00
D FEDERAL, SPECIAL PURPOSE	1,188,700	110,799.52	439,646.29		749,053.71	36.99
D REVENUES FR OTH SCH DIST	0	.00	.00		.00	0.00
D OTHER AGENCIES AND ASSOCIATES	0	.00	.00		.00	0.00
D OTHER FINANCING SOURCES	271,000	.00	159,863.97		111,136.03	58.99
<u>Total REVENUES/OTHER FIN. SOURCES</u>	<u>37,497,500</u>	<u>2,614,531.32</u>	<u>15,908,696.49</u>		<u>21,588,803.51</u>	<u>42.43</u>
<u>EXPENDITURES</u>						
Regular Instruction	23,304,625	1,921,138.66	9,841,960.44	11,842,040.83	1,620,623.73	93.05
Federal Stimulus	0	.00	.00	0.00	.00	0.00
Special Ed Instruction	5,236,914	481,792.77	2,352,084.06	3,099,180.04	214,350.10	104.09
Voc. Ed Instruction	933,855	60,896.03	321,052.71	393,862.99	218,939.30	76.56
Skills Center Instruction	0	.00	.00	0.00	.00	0.00
D Compensatory Ed Instruct.	670,646	60,144.88	209,172.85	233,047.34	228,425.81	65.94
Other Instructional Pgms	36,907	1,247.97	18,646.25	14,110.90	4,149.85	88.76
Community Services	30,000	.00	.00	0.00	30,000.00	0.00
Support Services	8,374,838	739,155.52	3,840,046.01	4,267,008.73	267,783.26	96.80
<u>Total EXPENDITURES</u>	<u>38,587,785</u>	<u>3,264,375.83</u>	<u>16,582,962.32</u>	<u>19,849,250.83</u>	<u>2,155,571.85</u>	<u>94.41</u>
<u>OTHER FIN. USES TRANS. OUT (GL 536)</u>	0	.00	.00			
<u>OTHER FINANCING USES (GL 535)</u>	0	.00	.00			
<u>EXCESS OF REVENUES/OTHER FIN. SOURCES</u>						
<u>OVER (UNDER) EXP/OTH FIN USES (A-B-C-D)</u>	<u>1,090,285-</u>	<u>649,844.51-</u>	<u>674,265.83-</u>		<u>416,019.17</u>	<u>38.16-</u>
<u>TOTAL BEGINNING FUND BALANCE</u>	<u>2,700,000</u>		<u>2,856,741.53</u>			
<u>PLUS/LESS PRIOR YEAR ADJUSTMENTS(+OR-)</u>	<u>XXXXXXXX</u>		<u>.00</u>			
<u>TOTAL ENDING FUND BALANCE</u>	<u>1,609,715</u>		<u>2,182,475.70</u>			
<u>(E+F + OR - G)</u>						

ENDING FUND BALANCE ACCOUNTS:

810 Restricted For Other Items	0	.00
815 Restrict Unequalized Deduct Rev	0	.00
821 Restrictd for Carryover	0	.00
825 Restricted for Skills Center	0	.00
828 Restricted for C/O of FS Rev	0	.00
830 Restricted for Debt Service	0	.00
835 Restrictd For Arbitrage Rebate	0	.00
840 Nonspnd FB - Invent/Prepd Itms	200,000	165,000.00
845 Restricted for Self-Insurance	0	.00
850 Restricted for Uninsured Risks	0	.00
870 Committed to Other Purposes	0	.00
872 Committed to Min Fnd Bal Policy	1,100,000	1,100,000.00
875 Assigned Contingencies	0	.00
884 Assigned to Other Cap Projects	0	.00
888 Assigned to Other Purposes	150,000	1,265,000.00
890 Unassigned Fund Balance	159,715	347,524.30-
<u>TOTAL</u>	1,609,715	2,182,475.70

GENERAL FUND CASH FLOW FORECAST 2013-14
January 2014

	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January	Projected February
OPENING CASH BALANCE							
Imprest	6,800.00	6,800.00	6,800.00	6,800.00	6,800.00	6,800.00	
Cash on hand	(466.44)	151,796.11	135,962.79	77,387.54	92,129.47	66,956.45	
Cash on deposit	1,143,553.36	1,575,365.97	1,726,806.39	3,740,316.24	1,920,488.67	1,328,195.69	
Warrants outstanding	(937,667.93)	(1,256,735.52)	(1,406,631.35)	(1,250,590.74)	(1,107,944.64)	(1,218,613.08)	
Investments	3,122,187.97	2,623,531.67	1,824,622.57	1,825,447.92	2,526,251.72	2,527,211.48	
<i>Total opening cash balance</i>	<i>3,334,406.96</i>	<i>3,100,758.23</i>	<i>2,287,560.40</i>	<i>4,399,360.96</i>	<i>3,437,725.22</i>	<i>2,710,550.54</i>	<i>2,058,829.52</i>
Cash Inflows							
Local taxes	50,026.73	274,788.31	2,872,732.60	816,891.19	50,401.84	47,109.61	170,557.43
Local Support nontax	12,977.88	588,945.10	223,441.65	176,718.73	175,445.68	176,548.02	244,231.80
State, general purpose	1,901,633.82	1,805,717.59	1,807,744.97	1,104,737.51	1,807,752.28	1,991,646.20	1,914,179.24
State, special purpose	559,214.76	298,939.77	304,082.70	188,433.61	308,680.90	288,427.97	300,430.09
Federal, general purpose	-	-	-	-	-	-	-
Federal, special purpose	290,737.33	(3,154.43)	109,641.59	130,250.81	92,108.80	110,799.52	58,542.09
Other Financing Sources	50,013.62	-	-	-	159,863.97	-	-
Adjustments (accruals, receivables due)	(68,977.42)	204,939.98	2,589.85	-	-	-	-
<i>Total cash inflows</i>	<i>2,795,626.72</i>	<i>3,170,176.32</i>	<i>5,320,233.36</i>	<i>2,417,031.85</i>	<i>2,594,253.47</i>	<i>2,614,531.32</i>	<i>2,687,940.64</i>
Cash Outflows							
Regular Instruction	(2,079,156.22)	(2,280,623.77)	(1,882,448.34)	(1,983,276.17)	(1,774,473.50)	(1,921,138.66)	(1,921,894.04)
Special Education Instruction	(400,177.87)	(437,658.68)	(462,705.33)	(493,461.85)	(476,465.43)	(481,792.77)	(468,768.59)
Vocational Education Instruction	(83,038.80)	(58,612.47)	(77,256.82)	(61,825.65)	(62,461.74)	(60,896.03)	(57,616.66)
Compensatory Education Instruction	(36,378.34)	(36,990.65)	(36,163.17)	(40,094.74)	(35,779.41)	(60,144.88)	(36,625.25)
Other Instructional Programs	(73,401.13)	(573.77)	(2,346.09)	(11,347.45)	(3,130.97)	(1,247.97)	1,284.43
Support services	(729,549.09)	(596,957.69)	(754,254.80)	(849,249.81)	(900,428.19)	(739,155.52)	(705,841.62)
Adjustments (accruals, payables due)	372,426.00	(571,957.12)	6,741.75	60,588.08	(68,688.91)	(1,876.51)	-
<i>Total cash outflows</i>	<i>(3,029,275.45)</i>	<i>(3,983,374.15)</i>	<i>(3,208,432.80)</i>	<i>(3,378,667.59)</i>	<i>(3,321,428.15)</i>	<i>(3,266,252.34)</i>	<i>(3,189,461.73)</i>
Net change in cash balance	(233,648.73)	(813,197.83)	2,111,800.56	(961,635.74)	(727,174.68)	(651,721.02)	(501,521.09)
CLOSING CASH BALANCE	3,100,758.23	2,287,560.40	4,399,360.96	3,437,725.22	2,710,550.54	2,058,829.52	1,557,308.43
Composition of closing cash balance							
Imprest	6,800.00	6,800.00	6,800.00	6,800.00	6,800.00	6,800.00	
Cash on hand	151,796.11	135,962.79	77,387.54	92,129.47	66,956.45	97,967.27	
Cash on deposit	1,575,365.97	1,726,806.39	3,740,316.24	1,920,488.67	1,328,195.69	1,317,972.89	
Warrants outstanding	(1,256,735.52)	(1,406,631.35)	(1,250,590.74)	(1,107,944.64)	(1,218,613.08)	(1,092,129.70)	
Investments	2,623,531.67	1,824,622.57	1,825,447.92	2,526,251.72	2,527,211.48	1,728,219.06	
<i>Total closing cash balance</i>	<i>3,100,758.23</i>	<i>2,287,560.40</i>	<i>4,399,360.96</i>	<i>3,437,725.22</i>	<i>2,710,550.54</i>	<i>2,058,829.52</i>	<i>-</i>

GENERAL FUND CASH FLOW FORECAST 2013-14
January 2014

	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Budget 2013-14
OPENING CASH BALANCE							
Imprest							
Cash on hand							
Cash on deposit							
Warrants outstanding							
Investments							
<i>Total opening cash balance</i>	1,557,308.43	1,329,015.53	3,818,149.56	3,438,767.83	2,472,892.48	1,925,257.23	
Cash Inflows							
Local taxes	307,803.34	2,840,908.00	1,124,061.69	134,571.78	46,053.77	46,290.36	8,806,000.00
Local Support nontax	235,796.77	574,367.01	256,993.32	233,250.91	110,119.26	144,330.15	3,157,900.00
State, general purpose	1,903,406.60	1,890,921.17	1,049,336.35	1,169,606.79	2,058,627.33	2,051,406.05	20,090,000.00
State, special purpose	364,195.12	350,708.27	218,686.08	271,691.58	392,209.80	416,957.99	3,983,900.00
Federal, general purpose	-	-	-	-	-	-	
Federal, special purpose	104,617.89	88,366.05	168,736.63	173,661.00	112,315.66	152,738.86	1,188,700.00
Other Financing Sources	40,000.00			35,000.00		35,000.00	271,000.00
Adjustments (accruals, receivables due)		50,000.00	6,000.00	2,000.00		140,000.00	
<i>Total cash inflows</i>	2,955,819.73	5,795,270.49	2,823,814.07	2,019,782.06	2,719,325.82	2,986,723.42	37,497,500.00
Cash Outflows							
Regular Instruction	(1,913,123.41)	(1,995,110.03)	(1,907,503.97)	(1,907,606.41)	(1,876,848.53)	(1,821,556.51)	23,306,725.00
Special Education Instruction	(464,870.64)	(463,317.90)	(464,779.21)	(467,428.50)	(435,036.63)	(440,043.00)	5,235,414.00
Vocational Education Instruction	(76,848.15)	(78,356.17)	(73,274.29)	(75,057.11)	(70,916.98)	(69,391.66)	933,855.00
Compensatory Education Instruction	(32,581.27)	(33,841.78)	(32,044.64)	(51,307.62)	(105,478.15)	(153,154.69)	670,646.00
Other Instructional Programs	(3,407.47)	(3,569.52)	(4,608.50)	(2,394.28)	(13,574.14)	(11,169.40)	66,407.00
Support services	(693,281.70)	(731,941.06)	(720,985.19)	(481,863.48)	(765,106.63)	(553,889.61)	8,374,738.00
Adjustments (accruals, payables due)						75,000.00	
<i>Total cash outflows</i>	(3,184,112.63)	(3,306,136.46)	(3,203,195.80)	(2,985,657.41)	(3,266,961.07)	(2,974,204.87)	38,587,785.00
Net change in cash balance	(228,292.90)	2,489,134.03	(379,381.73)	(965,875.35)	(547,635.25)	12,518.54	(1,090,285.00)
CLOSING CASH BALANCE	1,329,015.53	3,818,149.56	3,438,767.83	2,472,892.48	1,925,257.23	1,937,775.78	
Composition of closing cash balance							
Imprest							
Cash on hand							
Cash on deposit							
Warrants outstanding							
Investments							
<i>Total closing cash balance</i>							