

BOARD OF DIRECTORS
Patty Fielding
Mary Curtis
John Tawresey
Mike Spence
Tim Kinhead



SUPERINTENDENT
Faith A. Chapel

8489 Madison Avenue NE * Bainbridge Island, Washington 98110-2999 * (206) 842-4714 * Fax: (206) 842-2928

MEMORANDUM

To: Faith Chapel, Superintendent Date: February 17, 2012
From: Peggy Paige, Director of Business Services
RE: Monthly Financial Reports – January

Attached are the financial reports for the month ending January 31, 2012

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

Analysis of General Fund

Revenue

Total General Fund revenues to January 31 were \$15.6 million, which is 3.9% less than for the same period last year and close to average. Tax collections are up compared to last year. While collections are currently above the expected average, they are not expected to exceed budget estimates by year end. Local revenues are well above the average, primarily due to the generous contribution of the Bainbridge Schools Foundation in November. Rental and tuition revenues are also above the expected average at this time. State revenues are consistent with state funding expectations and enrollment. Transportation is consistent with budget estimates and will not be adjusted for actual ridership until later in the year. Prior year Federal Revenues reflect the receipt of Ed Jobs funds in December. As a percentage of budget, Federal Revenues are currently above the expected average. The timely approval of grant applications by OSPI has made it possible to request grant reimbursement claims earlier this year.

Expenditure

Expenditures for the year to January 31 total \$14.9 million, which is 1.9% lower than for the same period last year. Year-to-date expenditures are below the average.

Total expense for Regular (Basic) Education is slightly less than prior year and is below the average. Principal reflects the reimbursement by Capital Projects for bond related expense (portion of administrator's salary). Tech Levy purchases have pushed Learning Resources higher than last year but it is still below the expected average since budget adjustments were made in anticipation of these purchases. Counseling is above the average because we are charging the student portion of our data processing services to counseling during the year, rather than with a transfer at year end. Extracurricular expense is up compared to prior year and is currently expected to exceed budget estimates.

Total special education costs are down 2.8% compared to last year and are below the 3-year average. Costs are being well contained in this category.

Vocational expense is up from last year but below the average. This is primarily related to shifting Basic Ed expense at the Middle School to a Vocational Program.

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 and school improvement costs) do not occur in a regular monthly pattern. The certification bonus is typically paid by January but the State has not released funding for this yet. Also, this year only the portion of a remediation program directly funded by grant revenues will be expensed to this category. The balance of the program costs will be charged to Basic Education.

Other Instruction reflects expenditures for grant funded staff development activities (Math/Science). This category will fluctuate during the year as training activities occur.

Total Support Services is below last year at this time and the average. Transportation/Motor Pool expenditures are above prior year but below the expected average. Salaries are in line with budget estimates while fuel expenditures indicate possible savings at this time. Operation, Buildings is in line with budget compared to last year and the average. While Utilities reflect some variations in payment patterns, the current trend would indicate being below budget in this area. Food costs were up compared to last year but Food Service is expected to stay within budget estimates. Maintenance, Information Services and Central Office are lower than last January and the average. All of these areas reflect the impact of a reimbursement transfer from the Capital Projects fund for salaries/benefits directly related to bond and tech levy projects. Information Services also reflects only the fiscal portion of our data processing fees since the balance of the expense is being charged directly to counseling this year. Central Office currently indicates reduced expense for election costs and legal fees.

Cash Flow

Net cash outflow during January was \$773,399. As of January 31, 2012, the closing cash balance in the general fund was \$3,580,890. Projected cash balance is \$1.9 million at fiscal year end.

GENERAL FUND
Summary of Revenues & Expenses
January 31, 2012

	Jan-12 Actual YTD \$	% Incr/Decr prior year	Jan-11 Actual YTD \$	Annual Budget Budget	% YTD	Avg %
Revenues - By Revenue Source						
Local Taxes	4,175,029	12.2%	3,719,786	8,805,711	47.4%	45.0%
Local Nontax	1,719,604	12.0%	1,534,778	3,165,400	54.3%	46.8%
State, General Purpose						
Basic Education	7,813,460	0.2%	7,954,543	18,875,000	41.4%	43.2%
Special Education	158,986	-4.0%	165,586	400,000	39.7%	41.5%
State, Special Purpose						
Special Education	958,688	-12.5%	1,095,506	2,830,000	33.9%	37.9%
Transportation	340,625	-1.7%	346,525	815,000	41.8%	41.3%
Other	126,354	-38.3%	204,874	521,855	24.2%	53.2%
Federal, Special Purpose	381,973	-70.3%	1,284,036	1,133,513	33.7%	29.9%
TOTAL	15,674,720	-3.9%	16,305,633	36,546,479	42.9%	42.6%
	Actual YTD \$	% Incr/Decr prior year	Actual YTD \$	Budget	% YTD	Avg %
Expenses - By program code						
Regular Instruction*						
Teaching	6,487,483	-0.5%	6,522,471	16,179,751	40.1%	41.7%
Principal	859,696	-3.1%	886,863	2,220,989	38.7%	40.8%
Guidance/Counseling	413,771	0.4%	412,001	1,008,214	41.0%	38.4%
Learning Resources	293,578	2.6%	286,106	754,387	38.9%	41.8%
Extracurricular	371,473	1.8%	364,938	734,214	50.6%	44.9%
Other	369,030	2.1%	361,373	1,190,473	31.0%	43.9%
Total Regular (Basic) Ed.	8,795,031	-0.4%	8,833,752	22,088,028	39.8%	41.6%
Special Education						
Teaching	1,558,312	-1.3%	1,579,519	3,889,103	40.1%	41.0%
Other	584,258	-6.5%	624,605	1,523,862	38.3%	41.8%
Total Special Ed.	2,142,570	-2.8%	2,204,124	5,412,965	39.6%	41.2%
Vocational Education	360,702	1.7%	354,774	887,082	40.7%	45.7%
Compensatory Education	116,869	-50.6%	236,757	490,644	23.8%	49.9%
Other Instruction	15,146	-0.7%	15,254	96,544	15.7%	28.1%
Support Services						
Transportation/Motor Pool	605,554	2.7%	589,817	1,506,505	40.2%	41.8%
Operation Buildings	575,232	-0.6%	578,619	1,372,524	41.9%	41.2%
Utilities	450,772	-2.3%	461,555	1,500,000	30.1%	41.8%
Food Services	407,666	6.1%	384,370	999,015	40.8%	41.8%
Maint/Grounds	364,168	-8.2%	396,547	819,086	44.5%	46.5%
Information Services	255,361	-20.7%	322,130	655,994	38.9%	48.6%
Central Office	502,441	-2.0%	512,835	1,375,034	36.5%	41.3%
Other	305,939	5.6%	289,715	352,478	86.8%	74.1%
Total Support Services	3,467,133	-1.9%	3,535,589	8,580,636	40.4%	43.9%
TOTAL	14,897,451	-1.9%	15,180,251	37,555,899	39.7%	42.2%

Excess (Deficiency) of
Revenues over Expenditures

777,270

1,125,383

(1,009,420)

**GENERAL FUND CASH FLOW FORECAST 2011-12
January 2012**

	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	6,752.71	51,168.43	153,828.93	336,371.89	109,747.12	59,772.85	
Cash on deposit	1,276,033.85	1,644,835.88	1,449,206.94	3,833,311.36	2,378,934.53	1,858,935.07	
Warrants outstanding	(996,705.23)	(988,215.08)	(1,260,065.01)	(1,101,813.81)	(1,070,907.66)	(846,356.01)	
Investments	2,600,959.53	2,602,982.34	2,405,494.94	1,471,550.61	3,273,267.30	3,275,137.11	
Total opening cash balance	2,893,840.86	3,317,571.57	2,755,265.80	4,546,220.05	4,697,841.29	4,354,289.02	3,580,889.85
Cash Inflows							
Local taxes	62,700.93	153,986.62	2,730,509.57	1,165,408.65	36,609.11	88,514.78	162,917.75
Local Support nontax	44,902.13	582,509.80	164,461.90	691,843.40	151,646.12	129,143.07	239,136.59
State, general purpose	1,951,909.01	1,734,190.73	1,734,201.61	1,059,786.76	1,734,196.51	1,710,070.84	1,728,950.49
State, special purpose	499,512.34	310,727.51	310,812.30	198,596.47	349,373.77	189,497.49	256,403.92
Federal, general purpose							
Federal, special purpose	301,371.50	(32,054.46)	132,816.28	86,146.79	104,064.89	90,999.90	87,021.87
Other Financing Sources	78,114.74				66,660.02		
Incr/(Decr) from accruals	84,623.65	70,074.68					
Total cash inflows	3,023,134.30	2,819,434.88	5,072,801.66	3,201,782.07	2,442,550.42	2,208,226.06	2,474,430.62
Cash Outflows							
Regular Instruction	(1,665,126.83)	(1,779,529.19)	(1,769,126.79)	(1,769,217.52)	(1,714,777.97)	(1,762,379.93)	(1,818,411.54)
Special Education Instruction	(414,850.90)	(406,087.11)	(422,471.71)	(438,396.76)	(444,589.55)	(431,025.10)	(463,475.78)
Vocational Education Instruction	(61,381.30)	(71,558.16)	(71,452.68)	(75,023.99)	(71,514.44)	(71,152.56)	(52,616.66)
Compensatory Education Instruction	(24,278.76)	(19,895.73)	(26,240.25)	(26,404.74)	(22,942.60)	(21,385.23)	(34,733.19)
Other Instructional Programs	(2,837.96)	(1,142.45)	(2,086.10)	(4,634.87)	(2,763.81)	(4,518.83)	(2,553.47)
Support services	(487,980.27)	(555,455.57)	(954,506.32)	(736,482.95)	(529,514.32)	(691,163.60)	(655,531.36)
Incr/(Decr) from accruals	57,052.43	(548,062.44)	(35,963.56)				
Total cash outflows	(2,599,403.59)	(3,381,740.65)	(3,287,847.41)	(3,050,160.83)	(2,786,102.69)	(2,981,625.25)	(3,027,322.00)
Net change in cash balance	423,730.71	(562,305.77)	1,790,954.25	151,621.24	(343,552.27)	(773,399.17)	(552,891.38)
CLOSING CASH BALANCE							
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	51,168.43	153,828.93	336,371.89	109,747.12	59,772.85	80,058.95	
Cash on deposit	1,644,835.88	1,449,206.94	3,833,311.36	2,378,934.53	1,858,935.07	1,265,982.31	
Warrants outstanding	(988,215.08)	(988,215.08)	(1,260,065.01)	(1,101,813.81)	(846,356.01)	(1,046,930.08)	
Investments	2,602,982.34	2,405,494.94	1,471,550.61	3,273,267.30	3,275,137.11	3,276,978.67	
Total closing cash balance	3,317,571.57	2,755,265.80	4,546,220.05	4,697,841.29	4,354,289.02	3,580,889.85	3,027,998.47

GENERAL FUND CASHFLOW FORECAST 2011-12
January 2012

	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Budget 2011-12
OPENING CASH BALANCE							
Imprest							
Cash on hand							
Cash on deposit							
Warrants outstanding							
Investments							
Total opening cash balance	3,027,998.47	2,378,431.12	4,366,588.51	4,062,441.84	2,664,191.96	2,034,690.04	
Cash Inflows							
Local taxes	281,391.95	2,761,578.55	1,277,716.48	67,190.76	34,610.77	46,258.18	8,805,711.00
Local Support nontax	246,826.87	228,179.13	219,506.45	171,336.01	153,029.67	145,004.11	3,165,400.00
State general purpose	1,727,263.40	1,728,386.59	1,058,157.66	1,009,940.88	1,935,282.85	1,927,266.86	19,275,000.00
State special purpose	257,040.47	246,522.92	216,669.03	271,137.45	392,899.87	588,337.62	3,916,855.00
Federal general purpose							
Federal special purpose	104,490.09	85,979.21	80,505.84	90,692.38	89,272.14	162,577.71	1,133,513.00
Other Financing Sources		65,000.00	20,000.00			85,000.00	250,000.00
Incr/(Decr) from accruals		20,000.00					
Total cash inflows	2,617,012.78	5,135,646.41	2,872,555.46	1,701,297.48	2,605,095.31	2,954,464.49	36,546,479.00
Cash Outflows							
Regular Instruction	(1,822,525.58)	(1,819,127.80)	(1,814,421.92)	(1,926,482.43)	(1,866,484.99)	(1,754,097.14)	22,088,028.00
Special Education Instruction	(458,401.57)	(449,257.62)	(465,224.89)	(457,656.84)	(453,460.81)	(444,992.83)	5,412,955.00
Vocational Education Instruction	(71,659.54)	(73,528.54)	(69,154.61)	(69,115.74)	(89,260.85)	(60,641.92)	887,082.00
Compensatory Education Instruction	(33,165.47)	(33,496.00)	(38,418.99)	(37,784.85)	(41,873.58)	(156,251.68)	490,644.00
Other Instructional Programs	(9,532.96)	(6,906.66)	(7,078.15)	(7,276.63)	(17,755.18)	(4,571.28)	96,544.00
Support services	(871,365.01)	(765,172.40)	(787,403.57)	(601,230.86)	(765,761.81)	(569,979.02)	8,580,636.00
Incr/(Decr) from accruals							
Total cash outflows	(3,266,580.13)	(3,147,489.02)	(3,176,702.13)	(3,099,547.36)	(3,234,597.23)	(2,990,533.87)	37,555,899.00
Net change in cash balance	(649,567.35)	1,988,157.39	(304,146.67)	(1,388,249.87)	(629,501.93)	(36,069.38)	(1,009,420.00)
CLOSING CASH BALANCE	2,378,431.12	4,366,588.51	4,062,441.84	2,664,191.96	2,034,690.04	1,998,620.66	
Composition of closing cash balance							
Imprest							
Cash on hand							
Cash on deposit							
Warrants outstanding							
Investments							
Total closing cash balance							

SUMMARY OF FUND BALANCES

31-Jan-12

	Jan-12 YTD Actual	2011-12 Annual Budget
General Fund		
Opening fund balance		
Reserved for Inventory	185,600.00	210,000.00
Restricted for Carryover	71,200.00	-
Committed to Minimum Fund Balance	1,100,000.00	1,100,000.00
Assigned to Other Purposes	1,125,000.00	700,000.00
Unassigned	<u>435,137.77</u>	<u>600,000.00</u>
Total opening fund balance	<u>2,916,937.77</u>	<u>2,610,000.00</u>
Revenue	15,674,720.43	36,546,479.00
Expenditure	<u>(14,897,450.83)</u>	<u>(37,555,899.00)</u>
Excess (Deficiency) of Revenues over Expenditures	<u>777,269.60</u>	<u>(1,009,420.00)</u>
Reserved for Inventory	185,600.00	210,000.00
Restricted for Carryover	71,200.00	-
Committed to Minimum Fund Balance	1,100,000.00	1,100,000.00
Assigned to Other Purposes	1,125,000.00	290,580.00
Unassigned	<u>1,212,407.37</u>	<u>-</u>
Total closing fund balance	<u><u>3,694,207.37</u></u>	<u><u>1,600,580.00</u></u>
Capital Projects Fund		
Opening fund balance	33,990,292.35	34,400,000.00
Revenue	524,353.51	1,325,255.00
Expenditure	<u>(5,413,781.84)</u>	<u>(26,758,930.00)</u>
Reserve of bond proceeds	26,222,646.10	5,783,085.00
Reserve of levy proceeds	899,800.29	183,240.00
Unreserved Fund Balance	<u>1,978,417.63</u>	<u>3,000,000.00</u>
Closing fund balance	<u><u>29,100,864.02</u></u>	<u><u>8,966,325.00</u></u>
Debt Service Fund		
Opening fund balance	1,558,982.18	1,540,000.00
Revenue	3,417,181.00	7,795,844.00
Expenditure		
Principal	(1,110,000.00)	(2,390,000.00)
Interest	(2,162,206.88)	(5,052,500.00)
Other	<u>-</u>	<u>(5,000.00)</u>
Closing fund balance	<u><u>1,703,956.30</u></u>	<u><u>1,888,344.00</u></u>
ASB Fund		
Opening fund balance	307,971.54	352,000.00
Revenue	292,802.93	669,600.00
Expenditure	<u>(150,232.67)</u>	<u>(839,351.00)</u>
Closing fund balance	<u><u>450,541.80</u></u>	<u><u>182,249.00</u></u>
Transportation Vehicle Fund		
Opening fund balance	90,502.81	90,700.00
Revenue		
Depreciation	180,692.21	83,000.00
Investment Earnings	597.95	2,000.00
Grant Revenue	-	-
Sale of Equipment	-	-
Expenditure	<u>(1,900.00)</u>	<u>(98,800.00)</u>
Closing fund balance	<u><u>269,892.97</u></u>	<u><u>76,900.00</u></u>