

# Fairfield Public Schools

2011 – 2012

## Quarterly Financial Report as of March 31, 2012

### **Summary**

As of March 31, 2012, total projected expenses for Fairfield Public Schools are well within budget. The last 3 months of the fiscal year and 2 ½ months of school contain a flurry of year-end school activities and final settlement of fiscal year expenditures. Deadlines have been staggered throughout the month of April for final submission of encumbrances for routine purchases. Subsequently, funds must be earmarked for on-going consumables, repairs, incidentals and unknown costs through June 30.

Emergency maintenance projects and regular transportation are two identified shortage areas in this year's budget. However, savings in other transportation accounts, particularly special education transportation, will balance overall student transportation. A favorable bid process for electrical rates last spring will realize significant savings in electricity and slight savings are projected for heating costs due to a mild winter. Additional savings in staff turnover are also anticipated.

### **Personnel Services:**

Although 98 % of the Personnel Services category has been expended and/or encumbered, there are other expected costs for substitutes, overtime, stipends and hourly pay that will be expended as incurred. Custodial/maintenance overtime costs are expected to exceed their budget appropriation but it's difficult to estimate, especially with the number of activities at year end. In addition, several contracts are in negotiations and others settled after the budget was approved.

### **Fixed Charges:**

Employee benefits are categorized as fixed charges. The additional \$450,000 contribution to the medical retention which was budgeted under capital has been made to the medical retention fund as agreed upon during the 2011-2012 budget process. Social security and life insurance are paid as incurred throughout the year. There is also a social security component regarding unsettled contracts.

### **Pupil Personnel Expenses:**

Special education costs, with the exception of salaries, out of district transportation and capital are included in this category. This classification of expenditures is typically the most volatile as expenses are determined by the special needs of individual students and state excess cost reimbursement for qualifying expenses is always uncertain. Although in total this category appears to be over expended at this time the final excess cost grant reimbursement is expected to balance our costs this year. The first excess cost payment of \$1.8 million is already reflected in the 3<sup>rd</sup> quarter financial reports. The state will adjust our final excess cost reimbursement in May based on updated student information filed in March.

## **School Expenses:**

These expenditures support instruction and activities at the building level and include supplies, materials, textbooks, copying, sports and other activities. There is a remaining balance of 30% in this category which is expected to be reduced further as final encumbrances are submitted in April. Costs associated with sports and other student activities will continue until the end of the school year.

## **Support Expenses:**

Program implementation, centrally funded instructional programs, non-special education tuition and central support operations are included here. Professional development and instructional supplies/materials comprises 44 % of this funding and follows the same justification as school expenses. Professional / Technical, maintenance services (software/network maintenance), security, legal fees and postage indirectly support school operations and are expended on a contractual or as-needed basis. There will be slight savings in the magnet / Vo-Ag tuition accounts included in this category.

## **Maintenance/Operation/Transportation:**

There were several emergency maintenance projects which needed immediate attention this year. The majority of the issues were at FWHS and included boiler and boiler breaching failures as well as structural concerns for a gymnasium wall. In addition, the McKinley roof parapet was re-caulked and funding was reserved for testing the windows at FLHS for hazardous materials. These items are projected to cost approximately \$370,000. In total, student transportation is projected to balance even though regular transportation is approximately \$166,000 over budget due to additional runs and adjustments to the configuration of bus tiers. Special education transportation, Vo-Ag and Vo-Tech transportation accounts will compensate for the overage in regular transportation.

As mentioned earlier, significant savings are expected in utilities. The majority of utility savings is due to lower electric rates; however modest savings is expected in heat due to a warmer winter.

## **Capital:**

\$450,000 of the technology capital budget has been transferred to health insurance and paid into the medical retention fund as agreed upon during the 2011-2012 budget process. We anticipate this category will be expended in full by the end of the fiscal year.

Submitted: April 10, 2012

Doreen T. Munsell