

Budget Narrative

March 31, 2019

Update of Budget

At the close of March, fixed cost expenditures continue to remain steady. The March 31 snapshot suggests an operating deficit of \$1.158M. Currently we are in receipt of \$2,867,559 in revenues from Rentals, Tuition, Medicaid and Displaced Student Relief sources, and Special Education Excess Cost Grant Funding. When we apply these revenues our current operating budget is -\$1,158,547. For comparison, at this time last year, our total operating budget was -\$352,476.

The following areas are over budget: Transportation, Magnet Tuition, and Special Education. Regular Education Transportation is over budget by \$165,165 Magnet Tuitions are over budget by \$252,356 and Special Education is over budget by \$2,374,084. Our special education deficit has increased \$107K over last month's report. *Note: These amounts are annualized costs and any change to expenditures and encumbrances will be due to changes in student enrollment or services.*

Overall, our budget remains steady. We continue to forecast that we will have approximately \$1.1M in the teacher salaries line available for transfer, and can utilize these monies to mitigate the costs of special education services.

We have issued a directive that all requisitions are entered by April 18th, and all purchase orders be closed by May 10th. Once this happens, we should be able to more accurately forecast our total financial expenditure. At this time, I can offer an early forecast of an \$800K - \$1.2M deficit to end the year. *Please note that this amount is subject to adjustment with changing revenues, expenditures, possible refunds, and if students with outplacements join the District in the final months.*

Appropriations & Transfers

We have no major requested transfers that require Board approval this month. Transfers that occurred in March included accounting for instructional science materials at each elementary school; accounting for software licenses at each elementary school; and small amount transfers for supplies, computer leases and general site repairs. Note: a transfer for \$25k that was approved last month for roof repair at Edgewood School appears on the March transfer report.