

Cottonwood Valley Charter School  
Budget Committee Report  
Sept 9, 2013

The Budget Committee met on Monday, September 9<sup>th</sup>, to review the August 2013 financial reports.

Members attending: Mary Cox, Tulin Childs, Ruth Milner

August Receipts:

98,308.69 State Equalization Guarantee  
600.00 Jeanne Steele Memorial Fund (library)  
150.00 Aerojet: employee donations  
17.71 Interest – First State Bank

September Receipts (to date):

745.15 Smith's Earn & Learn Program: program year ending 7-31-13. This is a **huge** decrease from the past 2 years; Smith's reports that only 90 families were signed up to participate this past year.

2,087.05 earned for 7-31-12 280 shoppers enrolled

2,172.33 earned for 7-31-11 89 shoppers enrolled

For whatever reason, we are missing out on a great source of unrestricted revenue; please make sure that your enrollment is current and encourage friends & family to enroll and support CVCS.

There was only one payroll for instructional staff in August. Instructional staff also rec'd a separate stipend for attending an additional professional development day on August 12<sup>th</sup>; these additional payments are reported in Fund 24154: Title 2 Teacher/Principal Training & Recruiting. The repairs & maintenance amount of \$1,498.62 appears high due to payments for a large order of paper towels and trash bags. Utilities were modest and there were no unusual expenditures in August

The majority of the budget committee meeting was spent discussing planned Budget Adjustments. A review of the August budget/actual report shows that several line items are under budgeted. Our initial operating budget every year is not truly reflective of what it takes to operate the school. This is caused by having to include the full amount of the lease expense for the portable buildings as an initial operating expense; for 2013-2014 this amount is \$120,947. As soon as the PSFA lease reimbursement grant (Fund 31200) is received and incorporated into our annual budget, generally in August or September, the operating line item for Rents & Leases is freed up to be moved to program areas that are critically short.

At this time, \$78,000 - \$85,000 will be reallocated from Rents & Leases to other areas;

\$40,550 Salaries  
6,000 Substitute Teachers  
4,355 Add'l Stipends: Direct Instruction  
4,750 Educational Retirement & Retiree Health Care  
3,500 Student Travel (Field Trips)  
7,500 Supplies & Materials (includes \$4,000 for testing)  
7,500 Other Contract Services: copy machines, CS Coalition dues  
4,000 Repairs & Maintenance  
7,000 Diagnostician / Psychologist : additional expense

This will leave a "cushion" of only \$33,000 for the remainder of the year. There is always the possibility that our SEG funding will be reduced in the Spring if State revenue does not come in as anticipated or if total school enrollments are much larger than PED expected. We hope this won't happen, but need to be prepared if it does.

This will not be the only operational budget adjustment needed for the year, but will get our budget to a more accurate place.

The danger of having to begin each year with an unrealistic budget, is that over time, it erodes our ability to end the year with a healthy cash balance.

There will be several BAR's for the Governing Council to approve at the Sept 12<sup>th</sup> meeting:

- Operational Budget: 3 BAR's (2 to move funds from Rents & Leases and 1 for miscellaneous receipts
- Fund 24106 (IDEA Allocation – initial budget)
- Fund 24154 (Title 2) line item reallocation
- Operational: 2 BAR's requested by PED for at-risk adjustment
- Fund 31700 (SB-9 funds) bring unused allocation from 2011-2012 into current year's budget

As always, let me know if there are any questions.

Mary Cox, Business Manager

Prepared: September 9, 2013