

Cottonwood Valley Charter School
Business Manager's Report
July 11, 2017

The Budget Committee met on July 10, 2017 to review the June reports, budget updates, and the approved July 1st budget. Members attending: Kim Schaffer, Mary Cox, Karen Bailey-Bowman, Ruth Milner, Brianne Watkins.

June Receipts:

97,508.81 Fund 11000: State Equalization Guarantee
25.86 Fund 11000: Amazon – marketplace shopping
401.32 Fund 11000: Bosque School – BEMP field trips
(415.22) Fund 11000: Bosque School – reverse prior accrual
(115.00) Fund 11000: Friends of the Sevilleta – reverse prior accrual; field trip reimbursement never rec'd
2,608.70 Fund 14000: Instructional Materials – additional allocation
2,361.07 Fund 24154: Title II – professional development
30,318.78 Fund 31200: PSFA – lease assistance grant: April - June

July Receipts (to date):

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The 2016-2017 school year has been closed out with an ending cash balance of slightly over \$41,000; this is a very modest increase of the \$32,000 that was used to build our 2017-2018 budget. All reimbursement requests from the various federal programs were received by June 30th. One final operational expenditure before the end of June was to pay the 2017-2018 Charter School Coalition dues to take advantage of a 20% discount in the amount of \$425. Several orders for instructional materials were also placed in June in order to expend available funds before June 30th. Reason: PED is not allowing schools to budget end-of-year cash balances from the Instructional Materials Fund until after audits are completed, making any 6-30-17 cash unavailable for use for the next 6-8 months. As it turned out, the final June allocation rec'd from the Instructional Materials fund was more than we have been told it would be back in April, so we ended up insufficient budget authority to spend all of the final allocation. Confusing!

The budget committee also reviewed the approved July 1st budget for 2017-2018. We were able to add the \$20,000 Title 1 allocation from the Socorro District right before the end of June. Budgets for Title II and IDEA will have to be added through the BAR process.

The best news we received in June was that PED finally approved the Lease Purchase Arrangement paperwork. The staff at PSFA was very glad to hear that we are getting close to having an official approved agreement. Receiving the full amount from the PSFA lease assistance grant will be vital to our school for the next 15 years. After the GC and Socorro County sign the agreement, it will go to the State Board of Finance for their approval, probably in September. The next glitch may be a reduction in funding for the lease assistance program. Note: legal expenses for 2016-2017 associated with the LPA were \$12,195.06.

Insurance Renewal:

The annual premium payment for property, liability & workers comp insurance is due in July. With the addition of the new classrooms, we are looking at a \$7,600 increase for 2017-2018:

	2017-2018	2016-2017
Property Insurance	12,488	5,853
General Liability	10,809	10,294
Auto, Student Accident, Equipment	939	848
Worker's Comp Insurance	<u>13,807</u>	<u>13,440</u>
	38,043	30,435

When the final June utility bills are received, I will finish compiling what we can request from Socorro County based on utility, legal, and insurance expenses associated with the new classrooms for this past year. This one-time lifeline will add to our operating budget for 2017-2018 and enable us to cover the PE position for another year. Right now, it looks like we can ask for \$54 K+.

Jaramillo Accounting has already begun their work on the 6-30-17 audit; they were in Socorro the last week in June and will return August 7th.

Karen Bailey-Bowman reviewed the work she has done in analyzing our electric bills and strategies to reduce this cost, plus what is happening with a move to solar energy.

BAR's: There will be at several BAR's for the GC to approve on Wednesday.