

RED CLAY COMMUNITY FINANCIAL REVIEW COMMITTEE
CHAIR'S REPORT TO THE BOARD OF EDUCATION



January 21, 2009
Red Clay Consolidated School District

Paul Lloyd
Committee Chair

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INTRODUCTION

The Red Clay Community Financial Review Committee (CFRC) held its most recent meeting on Monday, January 12th in the cafeteria at Baltz Elementary School. A presentation on the FY09 final budget and subsequent questions occupied most of meeting, but time was also allocated for reviewing the regular monthly financial reports created by the District.

Absent from the meeting that night were committee members Larry Miller, Jane Rattenni, and Doug Suiter.

OLD BUSINESS

December's meeting minutes were approved, but a few revisions were requested. Once the final document is ready it will be emailed to the school board and posted on our website.

Final plans were put in place and commitments from committee members were solicited for our upcoming appearance at the January 29th taping of the television show *This Week in Red Clay*.

FY09 FINAL BUDGET PRESENTATION

Finance Director Jill Floore made a presentation to the committee on the FY09 final budget that was similar in content to what was given at the December school board meeting. Revenue and expenditure projections have decreased from what was proposed in the FY09 preliminary budget. The primary reason for the change was based on an analysis conducted by the Business Office, which concluded that state and local salary obligations would be less than originally projected.

MONTHLY FINANCIAL REPORT REVIEW

We have just passed the halfway point in the fiscal year and after the budget presentation the committee reviewed the two monthly financial documents that we study at every meeting. The reports were for the period ending December 31, 2008, and are the:

- **Monthly Expenditure Report** - based on a DOE template and is broken out by schools, programs, departments, etc.
- **YTD Total Expenditures and Encumbrances Report** - comes in two versions (with and without prior year appropriations) and looks at expenses by line item.

December 31st Expenditure Report Highlights

- The goal for revenue collection is still 100%, and to date 82.28% has been collected
- Budget targets should be at, or near 50% expended
 - Division 32 (General Operating Budget) - is at 41.6% expended
 - Division 54 (Meadowood School) - is at 43.6% expended
 - Division 58 (Intensive Learning Centers) - is at 42.1% expended

Highlights from the report include:

DIV 32 - FY09	Preliminary Budget	Actual	Difference	% Actual to Budget
Total Revenue	167,078,916	137,465,085.95	(29,613,830.05)	82.28%

DIV 32 - FY09	Preliminary Budget	Expended & Encumbered	Remaining Balance	% Expended & Encumbered
Total Expense	160,184,899	79,810,446.86	80,374,452.14	49.8%

DIV 54 - FY09	Preliminary Budget	Expended & Encumbered	Remaining Balance	% Expended & Encumbered
Total Expense	8,978,578	4,736,818.99	4,241,759.01	52.8%

DIV 58 - FY09	Preliminary Budget	Expended & Encumbered	Remaining Balance	% Expended & Encumbered
Total Expense	10,622,599	5,393,938.61	5,118,660.39	50.8%

A copy of the *December Monthly Expenditure Report* is posted on the CFRC website and can be found at:

http://www.redclay.k12.de.us/SchoolBoard/CFRC/0809/Rpt/CFRC_MFR_2008-12-31.pdf

Variance Report

For an item to appear on the *Variance Report* expenses must exceed budget targets by 30 points. For December that would be 50% + 30 = 80% expended. No budget items meet that criteria at this time.

December 31st YTD Total Expenditures and Encumbrances Report Highlights

Totals for all three Red Clay Divisions:

Fiscal Year 2008 Excludes Prior Year Appropriations		Fiscal Year 2009 Excludes Prior Year Appropriations	
Salaries	\$48,400,706.38	Salaries	\$48,145,358.11
OEC	\$22,354,217.49	OEC	\$22,293,470.94
Government Services	\$13,600,435.31	Government Services	\$10,158,485.50
Travel	\$2,087.80	Travel	\$22,157.05
Contractual Services	\$18,101,202.84	Contractual Services	\$20,696,523.54
Supplies & Materials	\$2,192,948.12	Supplies & Materials	\$3,709,290.95
Capital Outlay-Equipment	\$25,227.72	Capital Outlay-Equipment	\$56,317.64
Capital Outlay-Property	\$0	Capital Outlay-Property	\$150.84
Total	\$104,698,825.66	Total	\$105,082,103.57

Fiscal Year 2008		Fiscal Year 2009	
Includes Prior Year Appropriations		Includes Prior Year Appropriations	
Salaries	\$51,006,631.84	Salaries	\$50,669,588.05
OEC	\$23,411,102.11	OEC	\$23,858,988.09
Government Services	\$13,711,033.09	Government Services	\$10,546,065.35
Travel	\$45,717.61	Travel	\$56,618.01
Contractual Services	\$26,648,210.98	Contractual Services	\$27,465,485.49
Supplies & Materials	\$3,396,369.68	Supplies & Materials	\$7,085,478.08
Capital Outlay-Equipment	\$25,227.72	Capital Outlay-Equipment	\$58,91.08
Capital Outlay-Property	\$33,436,029.91	Capital Outlay-Property	\$18,692,952.88
Total \$151,680,322.94		Total \$138,434,167.03	

Copies of both December *YTD Total Expenditures and Encumbrances Reports* are posted on the CFRC website and can be found at:

http://www.redclay.k12.de.us/SchoolBoard/CFRC/0809/Rpt/CFRC_OCR_WPYA_2008-12-31.pdf (includes prior year appropriations)

http://www.redclay.k12.de.us/SchoolBoard/CFRC/0809/Rpt/CFRC_OCR_WOPYA_2008-12-31.pdf (excludes prior year appropriations)

UPCOMING MEETING / DATES AND TIME

The CFRC will hold its next meeting at the Brandywine Springs School on Monday, February 9, 2009, starting at 6:30 P.M.

At the last meeting we made some changes to special topics that will be discussed at upcoming meetings. The revised schedule is now as follows:

FEBRUARY 2009 -

- February 1st Financial Position Report
- Energy Presentation w/ George McDowell

MARCH 2009 -

- Referendum Review
- Transportation Presentation w/George Middleton

APRIL 2009 -

- Current fiscal year contract review
- Federal Closeout w/Deborah Roberts

MAY 2009 -

- May 1st Financial Position Report

JUNE 2009 -

- Tax warrant review

Respectfully submitted,

Paul Lloyd

Paul Lloyd, Committee Chair