



# Westerly Public Schools Finance Department

To: School Committee Members  
Mark Garceau, Ed.D., Superintendent

From: Cindy Kirchhoff, Director of Finance & Operations

Date: 1/7/21

Re: June 2020 Audited Financial Report

Attached is the June budget report for Fiscal Year 2020, which includes a fund balance report. The purpose of this report is to provide a summary of the year-end financial status of the School. The financial report includes variances from the budget.

The significant variances are:

## **Revenues:**

**Tuition from Other Districts** is under budget by \$30,409. Only 3 students were enrolled at the high school from other districts.

**Community Service Revenues** are under budget by \$47,308 due to temporary building closures and social distancing requirements.

**Fund Balance** of \$60,312 is offset by a transfer out included in miscellaneous expenses to the School Capital Fund for use of the committed maintenance fund balance.

**Insurance Proceeds** are the result of a claim for the roof repair at Babcock Hall.

**Unrestricted Grant in Aid** is under budget by \$618,579. The final state aid award was published after the budget was adopted. On 6/18/20 the Rhode Island General Assembly approved a supplemental FY2020 budget. This results in replacing \$552,501 of state aid with Federal Stabilization Funds and an allocation of up to \$662,227 in COVID-19 Relief Funds for eligible expenditures.

**Medicaid Reimbursement** is under budget by \$551,072. Some billable services were not being provided due to distance learning.

## **Expenditures:**

**Salaries and Other Compensation** are under budget by \$1,412,279 (after a transfer out of \$247,719) due to 4 vacant positions (Music Teacher, Fourth Grade Teacher, Help Desk Technician, Safety Officer) that were not filled, substitute coverage for extended leaves, a reduction in 1.20 FTE at the high school from class reorganizations due to a retirement and course enrollments, and savings from estimated versus contractual wages. Additionally, most of the Local 808 staff were either furloughed or on unpaid leave due to COVID 19 related building closures.

**Employee Benefits** are under budget by \$386,342 (after a transfer out of \$110,318) due to under budget staffing costs.

**Purchased Services** are under budget by \$77,965. Purchased services are under budget based on lower costs for out of district tuitions, transportation, and field trips. Repairs have been increased for the Babcock Hall roof repair that is offset by insurance proceeds.

**Supplies and Materials** are under budget by \$200,452 due to temporary building closures and distance learning.

**Equipment** is under budget by \$89,806 due to temporary building closures and distance learning. This expenditure category includes hardware and software.

**Miscellaneous** expenditures include \$40,187 to subsidize the Food Service Fund, and a \$60,312 transfer for capital maintenance expenditures offset by committed fund balance.

The budget variances generate a FY2020 budgetary surplus of \$1,328,289 and an unassigned unrestricted fund balance of \$3,107,208. The fund balance exceeds the School Fund Balance Policy threshold of 5 % of the School's operating budget by \$204,877. Per the policy, when the unassigned fund balance exceeds the upper limit of the goal, the School Committee, based on economic circumstances, may recommend a distribution of the unassigned fund balance, up to and including 100% of the excess (over 5 percent), to be used within the next subsequent year.

**Westerly Public Schools**  
**FY2020 Budget Report**  
**June 30, 2020**  
**Audited as of December 31, 2020**

	FY 2020						FY 2019		
	Adopted Budget	Transfers	Revised Budget	June 2020 YTD	Percentage YTD/Budget	Budget Variance	Revised 2019 Budget	June 2019 YTD	Percentage 2019 YTD/Budget
<b>Revenue</b>									
Local Appropriation	48,459,463	-	48,459,463	48,459,463	100.0%	-	47,543,318	47,543,318	100.0%
Tuition Preschool	57,375	-	57,375	46,394	80.9%	(10,981)	57,375	65,273	113.8%
Tuition From Other Districts	81,000	-	81,000	50,591	62.5%	(30,409)	81,000	55,922	69.0%
Transportation Revenue	3,400	-	3,400	18,020	530.0%	14,620	3,400	14,100	414.7%
Community Service Revenues	237,220	-	237,220	189,912	80.1%	(47,308)	237,220	240,176	101.2%
Rental Income	38,857	-	38,857	30,956	79.7%	(7,901)	120,164	123,821	103.0%
Miscellaneous	3,396	-	3,396	4,669	137.5%	1,273	3,396	8,130	239.4%
Fund Balance	-	-	-	60,312	0.0%	60,312	-	-	0.0%
Insurance proceeds	-	-	-	414,350	0.0%	414,350	-	4,000	0.0%
Unrestricted Grant in Aid	8,717,133	-	8,717,133	8,098,554	92.9%	(618,579)	8,764,667	8,764,667	100.0%
Medicaid Reimbursement	1,272,500	-	1,272,500	721,428	56.7%	(551,072)	1,172,500	1,158,803	98.8%
<b>Total Revenue</b>	<b>58,870,344</b>	<b>-</b>	<b>58,870,344</b>	<b>58,094,649</b>	<b>98.7%</b>	<b>(775,695)</b>	<b>57,983,040</b>	<b>57,978,210</b>	<b>100.0%</b>
<b>Expenditures</b>									
Salaries & Other Compensation (51000)	\$ 33,079,396	(247,719)	32,831,677	31,419,398	95.7%	(1,412,279)	33,331,696	32,869,715	98.6%
Employee Benefits (52000)	\$ 14,270,861	(110,318)	14,160,543	13,774,201	97.3%	(386,342)	14,446,733	13,913,503	96.3%
Purchased Services (53000, 54000, 55000)	\$ 8,321,200	(43,120)	8,278,080	8,200,115	99.1%	(77,965)	7,163,906	7,733,626	108.0%
Supplies & Materials (56000)	\$ 2,564,631	47,131	2,611,762	2,411,310	92.3%	(200,452)	2,503,942	2,387,830	95.4%
Equipment (57000)	\$ 551,261	352,537	903,798	813,992	90.1%	(89,806)	471,466	566,693	120.2%
Miscellaneous (58000, 59000)	\$ 82,995	1,489	84,484	147,344	174.4%	62,860	65,297	146,609	224.5%
<b>Total Expenditures</b>	<b>58,870,344</b>	<b>-</b>	<b>58,870,344</b>	<b>56,766,360</b>	<b>96.4%</b>	<b>(2,103,984)</b>	<b>57,983,040</b>	<b>57,617,976</b>	<b>99.4%</b>
<b>Budgetary Surplus</b>				<b>1,328,289</b>		<b>1,328,289</b>		<b>360,234</b>	

**Westerly Public Schools Fund Balance Report FY2020**  
**Audited as of December 31, 2020**

<b>Unrestricted Fund:</b>	<b>Fund Balance 6/30/20</b>
Nonspendable for prepaid expenditures	\$ 58,869
Restricted for educational programs (unassigned)*	<b>\$ 3,107,208</b>
Committed for Maintenance	\$ 1,339,688
Committed for educational programs (encumbrances)	\$ 671,246
<b>Total Fund Balance Unrestricted Fund</b>	<b>\$ 5,177,011</b>

<b>Special Revenue Funds:</b>	
Restricted for educational programs	\$ 202,135
<b>Total Fund Balance Special Revenue Funds</b>	<b>\$ 202,135</b>

<b>Total Fund Balance</b>	<b>\$ 5,379,146</b>
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		<b>% of Budget</b>
Unassigned Fund balance	\$ 3,107,208	5.35%
FY2021 Operating Budget 5%	\$ 2,902,331	
<b>Excess Unassigned Fund Balance Over 5%</b>	<b>\$ 204,877</b>	

\*Includes the Athletic Fund, \$62,190, and General Donations, \$59,489.