



Memorandum

To: Board of Education and Dr. Debbie Jones
From: Janet Schwanhausser, Ed.D.
Date: June 17, 2019
RE: Financial Report for Period Ending May 31, 2019

Overall

The financial statements reflect 92% of the year completed. At the close of period 11, the fund balance for all funds is \$98,432,636. Considering all funds, the balance is approximately \$21.1 million more than at this time last year. This difference is made up almost entirely of bond proceeds for the construction of Junior High #4 offset by expenses for the completion of Elementary #12.

Operating Summary

Year-to-date operating revenues exceed expenditures by \$2.8 million. Operating fund balance is \$36,417,722. Operating fund balance is currently 21.87%, which includes categorical and state funds. The legal fund balance, excluding categorical funds, is 21.93%.

Operating revenue is currently less than last year by \$1.8 million. The variance is primarily due to the \$5.5M in bond proceeds to reimburse operating for the spring 2017 land purchase offset by the increase in assessed values.

Operating expenses are \$2.7 million higher than at this time last year. This is due to employee raises, salary steps, and student growth.

Expenditures by Object Report

Operating expenses are as projected for the first 11 months of the year at 85.4% of budget. Line item differences over prior year are due to timing and coding variations. Expenses will continue to be monitored each month.

End of Fiscal Year 19 Operating Projections Update

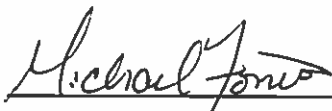
Operating expenditure projections are holding steady, and the expectation is to close the year with approximately \$172.2M in expense, or 0.72% under budget.

As was the case at the close of period 11 last fiscal year, revenues appear to be on-track with budget. Last year's anomaly of early tax receipts in period 12 led to some uncertainty in this year's revenue projections. The tax collector has shared revenues that will be posted to the District in period 12, and it appears this year's tax revenues have settled closer to the typical pattern rather than coming in early.

Total operating revenues at the close of the fiscal year are projected to be at \$171.6M, or 3.18% above budget. The ending fund balance is projected to be \$32.9M or 19.20%.

Bentonville Public Schools

	03/31/19	04/30/19	05/31/19
Bank Balance	112,174,953.87	103,536,106.70	112,631,547.93
Outstanding Deposits	-	-	-
Outstanding Checks	<u>(2,873,391.87)</u>	<u>(643,500.00)</u>	<u>(1,846,534.33)</u>
Adjusted Bank Balance	109,301,562.00	102,892,606.70	110,785,013.60
General Ledger Balance	109,301,562.00	102,892,606.70	110,785,013.60
Adjustments	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted General Ledger	\$109,301,562.00	\$102,892,606.70	\$110,785,013.60
Difference	\$0.00	\$0.00	\$0.00



Michael Forrest, Director of Accounting

6/4/2019

Date



Janet Schwanhausser, Executive Director: Finance

06-04-19

Date



Debbie Jones, Superintendent

6-5-19

Date

Outstanding items at 05/31/19 greater than \$100,000:

Flintco LLC \$ 1,310,805.38

Outstanding items at 04/30/19 greater than \$100,000:

Telecomp Computer Service \$ 110,403.21

Envy Lawn Care \$ 147,920.27

Outstanding items at 3/31/19 greater than \$100,000:

ESS South Central LLC \$ 112,639.67

Employee Benefits Division \$ 532,753.82

Flintco LLC \$ 1,724,245.18

Bentonville School District
Budget to Actual - Summary of All Funds
Eleven Months Ended May 31, 2019

	Annual Budget	Actual Thru May 31, 2019 92%	% of Budget	Actual Thru May 31, 2018 92%
Revenues				
Local property taxes	\$ 94,430,598	\$ 81,899,055	86.7%	\$ 79,646,675
Investment income	345,000	659,103	191.0%	115,344
Other local revenues	83,567,076	80,034,597	95.8%	84,675,137
Federal and state assistance	48,059,661	53,840,685	112.0%	41,287,997
Total revenues	226,402,335	216,433,440	95.6%	205,725,153
Expenditures				
Current				
Instruction	98,396,195	82,433,506	83.8%	79,588,502
Support services	63,428,341	53,375,467	84.2%	52,314,672
Other	91,014,875	57,131,988	62.8%	39,973,468
Total expenditures	252,839,411	192,940,961	76.3%	171,876,643
Changes in fund balances	\$ (26,437,076)	\$ 23,492,480		\$ 33,848,511
Beginning Fund Balance, July 1				
Unrestricted and State Programs		33,122,047		29,291,894
Restricted				
Categorical		457,664		717,126
Building		38,887,170		12,528,159
Capital Outlay		3,136,123		839,077
Federal Funds		4,287,648		4,032,368
Activity		3,036,561		2,632,106
Food services		1,550,422		869,938
		84,477,634		50,910,668
Ending Fund Balance				
Unrestricted and State Programs		35,805,313		36,433,761
Restricted				
Categorical		612,409		893,151
Building		57,899,547		36,999,549
Capital Outlay		3,644,483		1,434,820
Federal Funds		4,132,050		4,003,322
Activity		3,362,899		3,028,841
Food services		2,513,412		1,965,735
		\$ 107,970,113		\$ 84,759,179

NOTES/

Above summary represents all funds of the District.

Bentonville School District
Budget to Actual - Operating Funds 1, 2, and 4
Eleven Months Ended May 31, 2019

	Annual Budget	Actual Thru May 31, 2019 92%	% of Budget	Notes	Actual Thru May 31, 2018 92%
Revenues					
Property Taxes - July - December	\$ 37,112,575	\$ 38,151,113	102.8%		\$ 40,621,642
Property Taxes - January - June	47,038,429	33,656,466	71.6%		29,046,058
Property Taxes - Delinquent	2,586,335	3,102,009	119.9%		2,602,186
Other Local Taxes	4,073,861	3,886,130	95.4%		3,810,836
Interest	345,000	659,103	191.0%	A	115,344
Child Care	3,245,257	2,835,924	87.4%		2,809,553
Other Local Sources	1,417,631	1,752,534	123.6%		6,940,034
State Foundation	63,953,854	58,623,188	91.7%		58,170,729
Student Growth	-	2,232,068	-		2,103,586
Categorical	3,252,219	3,012,003	92.6%		2,988,512
State ABC Grants	1,247,250	1,244,681	99.8%		1,256,487
Other State Sources	1,978,265	1,449,744	73.3%		1,188,731
Debt Service	250,000	254,845	101.9%		1,004,750
	-	-	-		-
Total Revenue	<u>166,500,676</u>	<u>150,859,809</u>	90.6%		<u>152,658,448</u>
Expenses - Function					
Instruction	95,641,591	79,203,909	82.8%		77,484,240
Student Services - Students	10,645,846	8,028,836	75.4%		8,144,357
Student Services - Instruction	10,196,517	8,057,315	79.0%		8,023,933
General Administration	1,406,308	1,646,245	117.1%	B	1,774,504
School Administration	9,438,235	7,890,872	83.6%		7,675,523
Central Services	3,648,150	3,580,679	98.2%		3,595,752
Maintenance & Operations	15,215,603	13,549,668	89.1%		12,791,724
Transportation	6,092,318	5,497,804	90.2%		5,293,922
Non-instruction Operation	3,305,053	2,665,055	80.6%		2,558,031
Facilities/land Acquisition	176,482	157,848	89.4%		1,095,000
Debt Service	17,648,563	17,694,852	100.3%		16,903,093
Other Uses	-	48,716	-		477
Total Expenditures	<u>173,414,667</u>	<u>148,021,798</u>	85.4%		<u>145,340,556</u>
Net Revenues over Expenditures	<u>\$ (6,913,990)</u>	<u>\$ 2,838,012</u>			<u>\$ 7,317,892</u>
Beginning Fund Balance, July 1					
Unrestricted and State Programs		33,122,047			29,291,894
Categorical		457,664			717,126
		<u>33,579,710</u>			<u>30,009,020</u>
Ending Fund Balance					
Unrestricted and State Programs		35,805,313		C	36,433,761
Categorical		612,409			893,151
		<u>\$ 36,417,722</u>			<u>\$ 37,326,912</u>
			21.87%	D	23.08%

NOTES/

The operating fund accounts for the operations of the District, including debt service requirements.

Ninety-two percent of the year reported

A) Revenue coverage includes \$98,942 in interest from bond sale in Period 9.

B) Expenditures include workers comp, unemployment, and health benefits to be distributed among all personnel functions at fiscal year end.

C) Considering only unrestricted and State program funds, the current legal fund balance is 21.93%.

D) In order for the total fund balance to be at the 17% mark, it should be approximately \$28.31 million.

Bentonville School District
Budget to Actual - Building Fund 3
Eleven Months Ended May 31, 2019

	Annual Budget	Actual Thru May 31, 2019 92%	% of Budget	Notes	Actual Thru May 31, 2018 92%
Revenues					
Local property taxes	\$ -	\$ -	-		\$ -
Investment income	-	-	-		-
Other local revenues	-	-	-		-
Federal and state assistance	<u>40,000,000</u>	<u>46,148,244</u>	115.4%	A	<u>35,082,159</u>
Total revenues	<u>40,000,000</u>	<u>46,148,244</u>	115.4%		<u>35,082,159</u>
Expenditures					
Instruction	-	433,449	-		-
Support services	-	5,552	-		-
Other	<u>59,941,106</u>	<u>26,696,865</u>	44.5%		<u>10,610,770</u>
Total expenditures	<u>59,941,106</u>	<u>27,135,867</u>	45.3%		<u>10,610,770</u>
Changes in fund balances	(19,941,106)	19,012,377			24,471,390
Beginning Fund Balance, July 1	<u>38,887,170</u>	<u>38,887,170</u>			<u>12,528,159</u>
Ending Fund Balance	<u>\$ 18,946,064</u>	<u>\$ 57,899,547</u>			<u>\$ 36,999,549</u>

NOTES/

The building fund accounts for the acquisition of fixed assets or construction of major capital projects.

Ninety-two percent of the year reported

A\ Revenues include bond proceeds of \$40,438,228 received in Period 9 for Junior High #4 construction.

Bentonville School District
Budget to Actual - Capital Outlay Fund 5
Eleven Months Ended May 31, 2019

	Annual Budget	Actual Thru May 31, 2019 92%	% of Budget	Notes	Actual Thru May 31, 2018 92%
Revenues					
Local property taxes	\$ 3,619,398	\$ 3,103,337	85.7%	A	\$ 3,565,953
Investment income	-	-	-		-
Other local revenues	-	-	-		-
Federal and state assistance	-	-	-		-
Total revenues	<u>3,619,398</u>	<u>3,103,337</u>	85.7%		<u>3,565,953</u>
Expenditures					
Instruction	-	-	-		-
Support services	3,204,500	2,594,977	81.0%	B	2,970,211
Other	-	-	-		-
Total expenditures	<u>3,204,500</u>	<u>2,594,977</u>	81.0%		<u>2,970,211</u>
Changes in fund balances	414,898	508,360			595,743
Beginning Fund Balance, July 1	<u>3,136,123</u>	<u>3,136,123</u>			<u>839,077</u>
Ending Fund Balance	<u>\$ 3,551,021</u>	<u>\$ 3,644,483</u>			<u>\$ 1,434,820</u>

NOTES/

The capital outlay fund accounts for the expenditures of building projects funded by millage for dedicated M & O purposes.

Ninety-two percent of the year reported

A\ Amount represents property taxes collected during the year based on the 2 mil.

B\ Primarily consists of repairs and maintenance expenses to maintain and upgrade the facilities and purchase technology equipment.

Bentonville School District
Budget to Actual - Federal Fund 6
Eleven Months Ended May 31, 2019

	Annual Budget	Actual Thru May 31, 2019 92%	% of Budget	Notes	Actual Thru May 31, 2018 92%
Revenues					
Local property taxes	\$ -	\$ -	-		\$ -
Investment income	-	-	-		-
Other local revenues	-	-	-		-
Federal and state assistance	5,283,161	5,449,319	103.1%		4,116,847
Total revenues	<u>5,283,161</u>	<u>5,449,319</u>	103.1%	A	<u>4,116,847</u>
Expenditures					
Instruction	2,754,604	2,796,148	101.5%		2,104,262
Support services	3,577,364	2,519,547	70.4%		2,041,631
Other	3,000	289,222	9640.7%		-
Total expenditures	<u>6,334,968</u>	<u>5,604,917</u>	88.5%	B	<u>4,145,893</u>
Changes in fund balances	(1,051,807)	(155,597)			(29,046)
Beginning Fund Balance, July 1	<u>4,287,648</u>	<u>4,287,648</u>			<u>4,032,368</u>
Ending Fund Balance	<u>\$ 3,235,841</u>	<u>\$ 4,132,050</u>			<u>\$ 4,003,322</u>

NOTES/

The federal fund accounts for the revenue and expenses related to federal programs such as Title I; Title VI-B; Medicaid, etc.

Ninety-two percent of the year reported

A\ Amount represents revenue received from various federal agencies. Revenue is received on a reimbursement basis (with the exception of Medicaid). For example, May expenses are not reimbursed until June.

B\ Expenses incurred for federal programs. Expenses range from salaries and benefits to supplies and technology to be used in the classroom.

Bentonville School District
Budget to Actual - Activity Fund 7
Eleven Months Ended May 31, 2019

	Annual Budget	Actual Thru May 31, 2019 92%	% of Budget	Notes	Actual Thru May 31, 2018 92%
Revenues					
Local property taxes	\$ -	\$ -	-		\$ -
Investment income	-	-	-		-
Other local revenues	4,560,000	4,903,176	107.5%	A	4,564,144
Federal and state assistance	-	-	-		-
Total revenues	<u>4,560,000</u>	<u>4,903,176</u>	107.5%		<u>4,564,144</u>
Expenditures					
Instruction	-	-	-		-
Support services	-	-	-		-
Other	4,200,000	4,576,837	109.0%	A	4,167,410
Total expenditures	<u>4,200,000</u>	<u>4,576,837</u>	109.0%		<u>4,167,410</u>
Changes in fund balances	360,000	326,338			396,735
Beginning Fund Balance, July 1	<u>3,036,561</u>	<u>3,036,561</u>			<u>2,632,106</u>
Ending Fund Balance	<u>\$ 3,396,561</u>	<u>\$ 3,362,899</u>			<u>\$ 3,028,841</u>

NOTES/

The activity fund accounts for revenues generated from fundraising activities; student fees, athletic gates and donations. Expenses are used for various student activities; scholarships, etc.

Ninety-two percent of the year reported

A\ Amounts can vary from year to year based on the schools' fundraising activities.

Bentonville School District
Budget to Actual - Food Service Fund 8
Eleven Months Ended May 31, 2019

	Annual Budget	Actual Thru May 31, 2019 92%	% of Budget	Notes	Actual Thru May 31, 2018 92%
Revenues					
Local property taxes	\$ -	\$ -	-		\$ -
Investment income	-	-	-		-
Other local revenues	3,662,600	3,726,433	101.7%	A	3,648,611
Federal and state assistance	2,776,500	2,243,122	80.8%	B	2,088,991
Total revenues	<u>6,439,100</u>	<u>5,969,556</u>	92.7%		<u>5,737,601</u>
Expenditures					
Instruction	-	-	-		-
Support services	3,500	3,973	113.5%		3,116
Other	5,740,671	5,002,593	87.1%	C	4,638,688
Total expenditures	<u>5,744,171</u>	<u>5,006,566</u>	87.2%		<u>4,641,804</u>
Changes in fund balances	694,929	962,990			1,095,797
Beginning Fund Balance, July 1	<u>1,550,422</u>	<u>1,550,422</u>			<u>869,938</u>
Ending Fund Balance	<u>\$ 2,245,351</u>	<u>\$ 2,513,412</u>			<u>\$ 1,965,735</u>

478680.9167 \$ 1,436,042.75

NOTES/

The food service fund accounts for transactions related to the food service program of the District.

Ninety-two percent of the year reported

A\ Other local revenue consists of fees charged to students and staff for food.

B\ Amount represents federal reimbursements for free/reduced students.

C\ Amount represents expenses paid to Aramark to manage food service department. Costs include salaries, food costs, management fees and supplies.

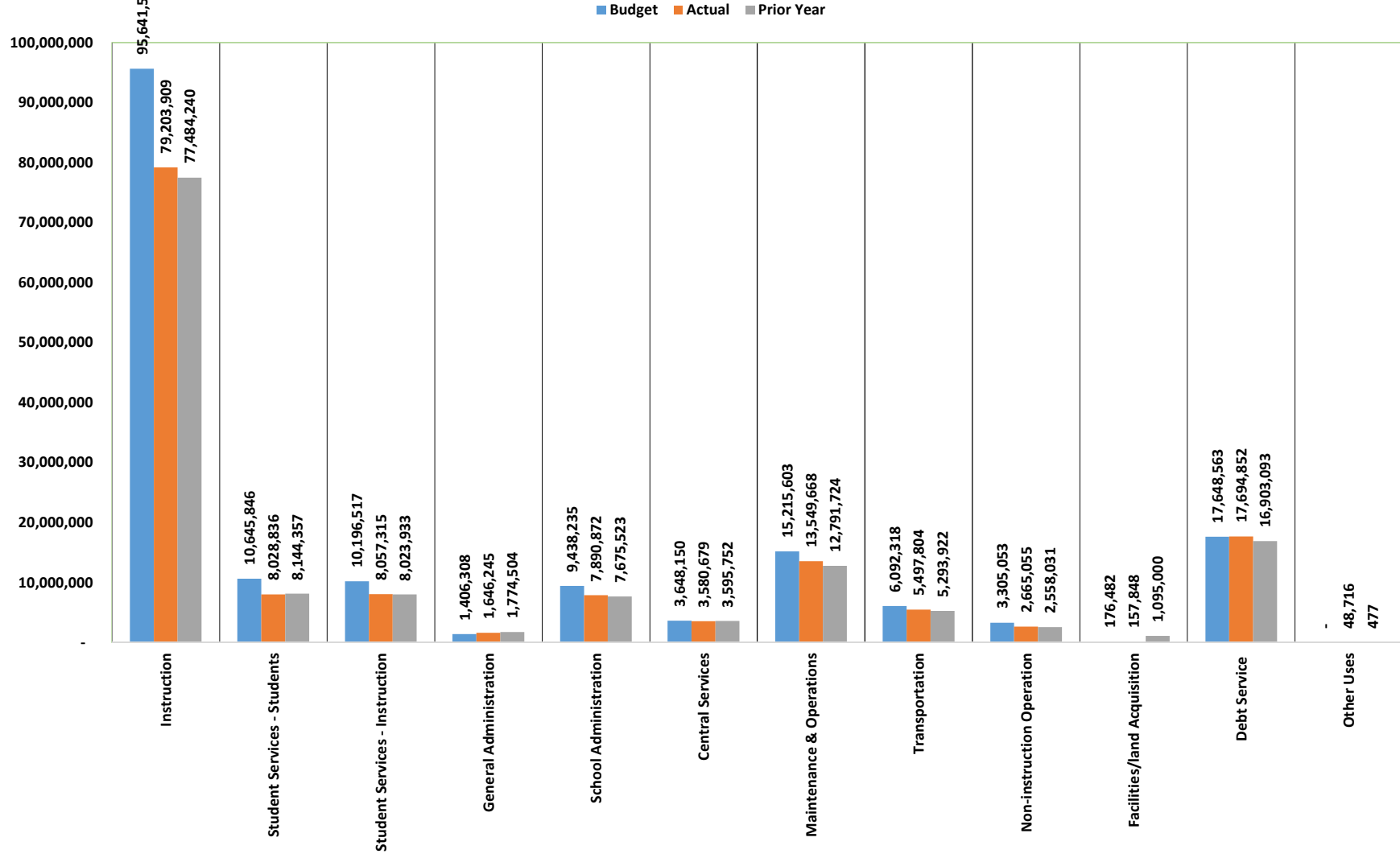
Bentonville School District
Budget to Actual - Operating Funds 1, 2, and 4
Eleven Months Ended May 31, 2019

	Annual Budget	Actual Thru May 31, 2019	% of Budget	Notes	Actual Thru May 31, 2018
61110 Certified Salaries	\$ 83,937,667	\$ 69,053,918	82.3%		\$ 67,965,257
61120 Classified Salaries	18,893,585	16,152,306	85.5%		15,841,356
62X10 Certified and Classified Benefits	25,599,945	21,725,801	84.9%		21,230,673
62321 Outsourcing Surcharge (0.50 %)	58,200	61,088	105.0%		25,925
63100 Purchased Services	7,862	2,515	32.0%		6,209
63200 Instructional Services	15,000	5,580	37.2%		82,283
63220 Substitute Service	2,310,841	1,812,514	78.4%		1,745,167
63310 Cert. Prof. Development	392,177	151,579	38.7%		130,170
63320 Class. Prof Development	11,080	6,748	60.9%		5,628
63410 Pupil Services	100	-	0.0%		75
63430 Accounting	53,000	43,681	82.4%		45,799
63440 Legal	310,000	51,396	16.6%		126,924
63450 Medical	85,000	50,755	59.7%		68,434
63460 Info Tech	26,206	26,566	101.4%		27,090
63490 Other Professional	559,525	330,191	59.0%		644,422
63530 Software Support	501,325	262,678	52.4%		250,417
63900 Other Purchase Service	600,600	516,904	86.1%		493,525
64100 Water & Sewer	794,500	475,479	59.8%		513,481
64210 Sanitation	549,000	343,344	62.5%		278,312
64230 Cleaning Services	5,211,900	4,756,995	91.3%		4,674,302
64240 Lawn Care	551,200	567,210	102.9%		525,217
64300 Repairs & Maintenance	1,048,394	1,285,683	122.6%		925,014
64400 Rental	463,620	346,963	74.8%		379,664
64900 Other Property Service	507,732	154,042	30.3%		1,131,639
65210 Property & Liability Insurance	386,034	385,478	99.9%		354,077
65240 Fleet Insurance	150,000	117,926	78.6%		125,125
65250 Student Accident Ins	23,160	23,160	100.0%		23,160
65310 Telephone	456,515	130,380	28.6%		114,124
65320 Postage	82,350	47,192	57.3%		64,189
65330 Network Systems	42,900	32,684	76.2%		41,990
65400 Advertising	5,600	429	7.7%		2,908
65500 Printing & Binding	381,850	262,355	68.7%		279,315
65600 Tuitions	96,500	256,201	265.5%		287,519
65800 Travel expenses	953,245	761,203	79.9%		725,399
66100 General Supplies & Materials	3,717,338	4,255,012	114.5%		3,775,734
66150 Allocation (\$500) Supplies	218,000	193,642	88.8%		190,852
66210 Natural Gas	540,000	511,509	94.7%		465,271
66220 Electricity	3,289,000	2,778,373	84.5%		2,644,428
66260 Gasoline & Diesel	765,000	697,473	91.2%		602,813
66410 Textbooks	284,644	322,284	113.2%		301,211
66420 Library Books & Periodicals	63,735	66,610	104.5%		71,984
66500 Technology Supplies	210,700	92,772	44.0%		193,691
66510 Software	313,785	101,635	32.4%		60,982
66520 Other Supplies-Tech	120,257	57,914	48.2%		19,323
67000 Bldg & Land Improvement	-	-	-		20,000
67300 Equipment	474,360	249,819	52.7%		204,050
68100 Dues & Fees	659,112	702,883	106.6%		661,995
68300 Interest/Principal	17,633,983	17,694,852	100.3%		16,903,093
68600 Penalties and Interest	-	-	-		-
68800 Taxes	45,000	29,006	64.5%		33,491
68900 Misc Expenditures	16,300	67,069	411.5%		56,850
	<u>\$ 173,417,827</u>	<u>\$ 148,021,798</u>	85.4%		<u>\$ 145,340,556</u>

NOTE/

Ninety-two percent of the year reported

Budget to Actual - Operating Funds 1, 2 and 4 Expenditures Thru May 31, 2019



Budget to Actual - Operating Funds 1, 2 and 4 Revenues Thru May 31, 2019

■ Budget ■ Actual ■ Prior Year

