



## Memorandum

To: Board of Education  
CC: Dr. Debbie Jones, Superintendent  
From: Dr. Janet Schwanhausser, Deputy Superintendent & CFO  
Date: 11/19/2019  
RE: Financial Report for Period Ending October 31, 2019

### **Overall**

The financial statements reflect 33% of the year completed. At the close of period four, the fund balance for all funds is \$83,583,364. Considering all funds, the balance is approximately \$12.7 million more than at this time last year. This difference is made up almost entirely of additional funds held in Fund 3 (Building Fund) for the continuing construction of Junior High #4.

### **Operating Summary**

Year-to-date operating expenditures exceeded revenues by \$5.3 million. This deficit is expected to reverse in Period 5 with the November property tax revenues. Operating fund balance is \$25,909,216. Operating fund balance is currently 14.2%, which includes categorical and state funds. The legal fund balance, excluding categorical funds, is 13.8%.

Operating revenue is currently more than last year by \$1.0 million. The variance is due to increased property assessment offset by timing of tax receipts. Operating expenses are \$2.4 million higher than at this time last year. This is due to the employee raises, salary steps, and student growth.

### **Expenditures by Object Report**

Operating expenses are as projected for the first four months of the year at 24.5% of budget. Line item differences over prior year are due to timing and coding variations. Expenses will continue to be monitored each month.

### **Bus Advertising Update**

For the 2018-19 school year, the District message displayed on buses was "See Something, Say Something." Business and community sponsorships of this message resulted in \$12,375 in revenue. These funds were used to purchase Mobileye collision avoidance systems for 12 of our buses. According to the company's website, "Mobileye's collision avoidance system continuously monitors the road ahead and analyses the risks of forward collisions, unintended lane departures, tailgating, and pedestrian and cyclist hazards. When a threat is detected, Mobileye warns with both visual and audio alerts a few seconds before a potential collision." Transportation Director Chris Dewitt reports that drivers like the system. At a minimum, it alerts drivers to bad habits, such as failing to signal when changing lanes. At its best, the fully-integrated system stops the bus prior to a collision. For the

2019-20 school year, the District message will be “Every Kid, Every Day,” the promise to the children of Bentonville Schools that a hot lunch will always be available to them. Crosswalk Marketing has partnered with the Digital Design strand of the Ignite program to re-design the Every Kid, Every Day logo. The logo is almost complete and will be debuted on school buses in the next month. Revenues from the program will continue to be used to add Mobileye systems to buses.

# Bentonville Public Schools

	08/31/19	09/30/19	10/31/19
Bank Balance	97,109,318.43	89,597,005.71	87,982,313.36
Outstanding Deposits	-	-	-
Outstanding Checks	<u>(1,845,330.36)</u>	<u>(1,496,185.62)</u>	<u>(2,176,625.61)</u>
Adjusted Bank Balance	95,263,988.07	88,100,820.09	85,805,687.75
General Ledger Balance	95,263,988.07	88,100,820.09	85,805,687.75
Adjustments	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted General Ledger	\$95,263,988.07	\$88,100,820.09	\$85,805,687.75
Difference	\$0.00	\$0.00	\$0.00



Michael Forrest, Director of Accounting

11/4/2019

Date



Janet Schwanhauser, Deputy Superintendent & CFO

11-04-19

Date



Debbie Jones, Superintendent

11-4-19

Date

**Outstanding items at 10/31/19 greater than \$100,000:**

Envy Lawn Care	\$ 151,723.22
Employee Benefits Division	\$ 542,881.67
Summit Bus	\$ 626,436.00
ESS South Central LLC	\$ 129,443.80

**Outstanding items at 09/30/19 greater than \$100,000:**

Flintco LLC	\$ 107,818.00
City of Bentonville	\$ 212,122.93
Employee Benefits Division	\$ 537,811.47

**Outstanding items at 08/31/19 greater than \$100,000:**

Flintco LLC	\$ 118,042.69
Employee Benefits Division	\$ 510,388.15
SSC Service Solutions	\$ 457,244.91

**Bentonville School District**  
**Budget to Actual - Summary of All Funds**  
**Four Months Ended October 31, 2019**

	Annual Budget	Actual Thru Oct 31, 2019 33%	% of Budget	Actual Thru Oct 31, 2018 33%
Revenues				
Local property taxes	\$ 104,924,192	\$ 13,763,543	-	\$ 13,746,586
Investment income	840,000	519,653	-	222,659
Other local revenues	89,845,422	28,820,539	-	28,207,427
Federal and state assistance	<u>13,249,757</u>	<u>1,662,787</u>	-	<u>2,082,569</u>
Total revenues	<u>208,859,371</u>	<u>44,766,523</u>	-	<u>44,259,240</u>
Expenditures				
Current				
Instruction	104,778,324	26,165,468	-	25,160,329
Support services	67,357,316	20,908,329	-	18,617,303
Other	<u>79,465,978</u>	<u>13,116,076</u>	-	<u>14,085,591</u>
Total expenditures	<u>251,601,618</u>	<u>60,189,873</u>	-	<u>57,863,224</u>
Changes in fund balances	<u>\$ (42,742,246)</u>	<u>\$ (15,423,350)</u>		<u>\$ (13,603,983)</u>
Beginning Fund Balance, July 1				
Unrestricted and State Programs		30,864,843		33,122,047
Restricted				
Categorical		338,228		457,664
Building		54,596,018		38,887,170
Capital Outlay		3,951,741		3,136,123
Federal Funds		4,685,650		4,287,648
Activity		3,318,521		3,036,561
Food services		<u>1,251,714</u>		<u>1,550,422</u>
		<u>99,006,714</u>		<u>84,477,634</u>
Ending Fund Balance				
Unrestricted and State Programs		24,742,047		28,718,739
Restricted				
Categorical		1,167,169		1,089,137
Building		45,297,818		29,918,567
Capital Outlay		2,716,799		2,261,722
Federal Funds		4,425,080		3,803,635
Activity		3,524,712		3,212,434
Food services		<u>1,709,740</u>		<u>1,869,414</u>
		<u>\$ 83,583,364</u>		<u>\$ 70,873,651</u>

NOTES/

Above summary represents all funds of the District.

**Bentonville School District**  
**Budget to Actual - Operating Funds 1, 2, and 4**  
**Four Months Ended October 31, 2019**

	Annual Budget	Actual Thru Oct 31, 2019 33%	% of Budget	Notes	Actual Thru Oct 31, 2018 33%
<b>Revenues</b>					
Property Taxes - July - December	\$ 44,094,201	\$ 12,772,339	29.0%		\$ 12,809,505
Property Taxes - January - June	50,404,757	-	0.0%		1,661
Property Taxes - Delinquent	2,800,000	390,094	13.9%		326,161
Other Local Taxes	3,696,200	64,136	1.7%		75,984
Interest	840,000	519,653	61.9%		222,659
Child Care	3,272,722	999,044	30.5%		961,444
Other Local Sources	2,225,596	743,956	33.4%		505,555
State Foundation	64,648,562	21,549,520	33.3%		21,317,952
Student Growth	3,300,000	-	0.0%		-
Categorical	3,539,003	1,652,928	46.7%		1,492,512
State ABC Grants	1,250,112	496,781	39.7%		485,460
Other State Sources	2,699,200	115,077	4.3%		136,231
Debt Service	211,827	50,179	23.7%		67,200
		-			
<b>Total Revenue</b>	<u>182,982,180</u>	<u>39,353,706</u>	21.5%		<u>38,402,323</u>
<b>Expenses - Function</b>					
Instruction	101,606,494	25,574,374	25.2%		24,565,245
Student Services - Students	10,214,695	2,397,967	23.5%		2,339,985
Student Services - Instruction	10,663,300	2,979,254	27.9%		2,676,467
General Administration	1,321,633	434,037	32.8%		521,775
School Administration	9,792,921	2,626,359	26.8%		2,480,144
Central Services	3,942,657	2,332,428	59.2%		1,296,289
Maintenance & Operations	15,065,945	5,615,634	37.3%		5,554,513
Transportation	6,678,255	1,640,159	24.6%		1,502,752
Non-instruction Operation	3,236,868	986,392	30.5%		953,525
Facilities/land Acquisition	47,549	47,549	100.0%		268,881
Debt Service	19,914,437	13,408	0.1%		14,580
Other Uses	-	-	-		-
		-			
<b>Total Expenditures</b>	<u>182,484,755</u>	<u>44,647,560</u>	24.5%		<u>42,174,157</u>
<b>Net Revenues over Expenditures</b>	<u>\$ 497,425</u>	<u>\$ (5,293,854)</u>			<u>\$ (3,771,834)</u>
<b>Beginning Fund Balance, July 1</b>					
Unrestricted and State Programs		30,864,843			33,122,047
Categorical		338,228			457,664
		<u>31,203,070</u>			<u>33,579,710</u>
<b>Ending Fund Balance</b>					
Unrestricted and State Programs		24,742,047			28,718,739
Categorical		1,167,169			1,089,137
		<u>\$ 25,909,216</u>	14.2%		<u>\$ 29,807,877</u>

**NOTES/**

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

Thirty-three percent of the year reported.

**Bentonville School District**  
**Budget to Actual - Building Fund 3**  
**Four Months Ended October 31, 2019**

	Annual Budget	Actual Thru Oct 31, 2019 33%	% of Budget	Notes	Actual Thru Oct 31, 2018 33%
Revenues					
Local property taxes	\$ -	\$ -	-		\$ -
Investment income	-	-	-		-
Other local revenues	-	-	-		-
Federal and state assistance	4,000,000	-	0.0%		925,595
Total revenues	<u>4,000,000</u>	<u>-</u>	0.0%		<u>925,595</u>
Expenditures					
Instruction	-	-	-		-
Support services	-	295,791	-		-
Other	44,235,267	9,002,409	20.4%		9,894,197
Total expenditures	<u>44,235,267</u>	<u>9,298,200</u>	21.0%		<u>9,894,197</u>
Changes in fund balances	(40,235,267)	(9,298,200)			(8,968,602)
Beginning Fund Balance, July 1	<u>54,596,018</u>	<u>54,596,018</u>			<u>38,887,170</u>
Ending Fund Balance	<u>\$ 14,360,751</u>	<u>\$ 45,297,818</u>			<u>\$ 29,918,567</u>

NOTES/

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

Thirty-three percent of the year reported.

**Bentonville School District**  
**Budget to Actual - Capital Outlay Fund 5**  
**Four Months Ended October 31, 2019**

	Annual Budget	Actual Thru Oct 31, 2019 33%	% of Budget	Notes	Actual Thru Oct 31, 2018 33%
Revenues					
Local property taxes	\$ 3,929,034	\$ 536,975	13.7%	A	\$ 533,275
Investment income	-	-	-		-
Other local revenues	-	-	-		-
Federal and state assistance	-	-	-		-
Total revenues	<u>3,929,034</u>	<u>536,975</u>	13.7%		<u>533,275</u>
Expenditures					
Instruction	-	-	-		-
Support services	5,704,300	1,771,916	31.1%	B	1,407,676
Other	-	-	-		-
Total expenditures	<u>5,704,300</u>	<u>1,771,916</u>	31.1%		<u>1,407,676</u>
Changes in fund balances	(1,775,266)	(1,234,942)			(874,401)
Beginning Fund Balance, July 1	<u>3,951,741</u>	<u>3,951,741</u>			<u>3,136,123</u>
Ending Fund Balance	<u>\$ 2,176,475</u>	<u>\$ 2,716,799</u>			<u>\$ 2,261,722</u>

NOTES/

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

Thirty-three 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**  
**Four Months Ended October 31, 2019**

	Annual Budget	Actual Thru Oct 31, 2019 33%	% of Budget	Notes	Actual Thru Oct 31, 2018 33%
Revenues					
Local property taxes	\$ -	\$ -	-		\$ -
Investment income	-	-	-		-
Other local revenues	-	-	-		-
Federal and state assistance	<u>6,352,757</u>	<u>1,140,484</u>	18.0%		<u>947,664</u>
Total revenues	<u>6,352,757</u>	<u>1,140,484</u>	18.0%	A	<u>947,664</u>
Expenditures					
Instruction	3,171,829	591,093	18.6%		595,084
Support services	3,969,172	809,962	20.4%		836,592
Other	<u>3,000</u>	<u>-</u>	0.0%		<u>-</u>
Total expenditures	<u>7,144,001</u>	<u>1,401,055</u>	19.6%	B	<u>1,431,676</u>
Changes in fund balances	(791,244)	(260,571)			(484,012)
Beginning Fund Balance, July 1	<u>4,685,650</u>	<u>4,685,650</u>			<u>4,287,648</u>
Ending Fund Balance	<u>\$ 3,894,406</u>	<u>\$ 4,425,080</u>			<u>\$ 3,803,635</u>

NOTES/

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

Thirty-three 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**  
**Four Months Ended October 31, 2019**

	<b>Annual Budget</b>	<b>Actual Thru Oct 31, 2019 33%</b>	<b>% of Budget</b>	<b>Notes</b>	<b>Actual Thru Oct 31, 2018 33%</b>
<b>Revenues</b>					
Local property taxes	\$ -	\$ -	-		\$ -
Investment income	-	-	-		-
Other local revenues	4,960,000	1,868,642	37.7%	A	1,995,861
Federal and state assistance	-	-	-		-
<b>Total revenues</b>	<u>4,960,000</u>	<u>1,868,642</u>	37.7%		<u>1,995,861</u>
<b>Expenditures</b>					
Instruction	-	-	-		-
Support services	-	-	-		-
Other	4,680,000	1,662,451	35.5%	A	1,819,987
<b>Total expenditures</b>	<u>4,680,000</u>	<u>1,662,451</u>	35.5%		<u>1,819,987</u>
<b>Changes in fund balances</b>	280,000	206,190			175,873
<b>Beginning Fund Balance, July 1</b>	<u>3,318,521</u>	<u>3,318,521</u>			<u>3,036,561</u>
<b>Ending Fund Balance</b>	<u>\$ 3,598,521</u>	<u>\$ 3,524,712</u>			<u>\$ 3,212,434</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.

Thirty-three 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**  
**Four Months Ended October 31, 2019**

	Annual Budget	Actual Thru Oct 31, 2019 33%	% of Budget	Notes	Actual Thru Oct 31, 2018 33%
<b>Revenues</b>					
Local property taxes	\$ -	\$ -	-		\$ -
Investment income	-	-	-		-
Other local revenues	3,738,400	1,344,413	36.0%	A	1,245,212
Federal and state assistance	2,897,000	522,303	18.0%	B	209,310
<b>Total revenues</b>	<u>6,635,400</u>	<u>1,866,716</u>	28.1%		<u>1,454,522</u>
<b>Expenditures</b>					
Instruction	-	-	-		-
Support services	4,437	4,823	108.7%		1,109
Other	7,348,857	1,403,867	19.1%	C	1,134,421
<b>Total expenditures</b>	<u>7,353,295</u>	<u>1,408,690</u>	19.2%		<u>1,135,530</u>
Changes in fund balances	(717,895)	458,026			318,993
Beginning Fund Balance, July 1	<u>1,251,714</u>	<u>1,251,714</u>			<u>1,550,422</u>
Ending Fund Balance	<u>\$ 533,819</u>	<u>\$ 1,709,740</u>			<u>\$ 1,869,414</u>

NOTES/

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

Thirty-three 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**  
**Four Months Ended October 31, 2019**

	Annual Budget	Actual Thru Oct 31, 2019	% of Budget	Notes	Actual Thru Oct 31, 2018
61110 Certified Salaries	\$ 87,361,421	\$ 21,965,075	25.1%		\$ 21,051,553
61120 Classified Salaries	20,595,402	5,164,232	25.1%		4,775,226
62X10 Certified and Classified Benefits	27,134,911	6,857,525	25.3%		6,538,778
62321 Outsourcing Surcharge (0.50 %)	-	32,082	-		17,297
63100 Purchased Services	7,862	99	1.3%		-
63200 Instructional Services	55,100	2,522	4.6%		-
63220 Substitute Service	2,301,296	426,276	18.5%		382,048
63310 Cert. Prof. Development	304,919	105,622	34.6%		70,976
63320 Class. Prof Development	24,200	250	1.0%		3,341
63410 Pupil Services	100	-	0.0%		-
63430 Accounting	53,000	3,076	5.8%		25,636
63440 Legal	210,000	14,109	6.7%		33,889
63450 Medical	75,400	15,432	20.5%		22,055
63460 Info Tech	67,244	26,206	39.0%		26,206
63490 Other Professional	576,250	94,188	16.3%		125,914
63530 Software Support	540,293	258,984	47.9%		206,525
63900 Other Purchase Service	677,600	257,848	38.1%		168,346
64100 Water & Sewer	746,085	163,569	21.9%		160,603
64210 Sanitation	479,048	130,573	27.3%		122,683
64230 Cleaning Services	5,282,600	1,838,636	34.8%		1,720,690
64240 Lawn Care	700,000	189,070	27.0%		283,605
64300 Repairs & Maintenance	93,189	625,874	671.6%	A	804,465
64400 Rental	485,920	129,566	26.7%		106,771
64900 Other Property Service	399,899	61,250	15.3%		226,433
65210 Property & Liability Insurance	463,150	432,608	93.4%		364,288
65240 Fleet Insurance	131,400	133,300	101.4%		115,926
65250 Student Accident Ins	30,002	33,162	110.5%		23,160
65310 Telephone	206,345	44,094	21.4%		41,826
65320 Postage	75,205	31,271	41.6%		23,253
65330 Network Systems	534,200	137,624	25.8%		21,460
65400 Advertising	3,000	303	10.1%		218
65500 Printing & Binding	218,850	90,959	41.6%		91,666
65600 Tuitions	303,773	-	0.0%		-
65800 Travel expenses	867,160	271,906	31.4%		234,929
66100 General Supplies & Materials	4,148,039	1,944,421	46.9%		2,057,529
66150 Allocation (\$500) Supplies	232,968	105,284	45.2%		103,037
66210 Natural Gas	698,335	84,565	12.1%		65,147
66220 Electricity	3,510,700	1,215,832	34.6%		1,156,422
66260 Gasoline & Diesel	755,000	160,468	21.3%		194,497
66410 Textbooks	132,347	217,595	164.4%		239,329
66420 Library Books & Periodicals	75,766	31,127	41.1%		36,364
66500 Technology Supplies	139,142	146,977	105.6%	A	14,280
66510 Software	579,157	637,160	110.0%	A	90,866
66520 Other Supplies-Tech	60,866	25,203	41.4%		27,431
67000 Bldg & Land Improvement	-	-	-		-
67300 Equipment	484,818	201,342	41.5%		35,499
68100 Dues & Fees	681,058	316,199	46.4%		339,350
68300 Interest/Principal	19,914,437	13,408	0.1%		14,580
68600 Penalties and Interest	-	-	-		-
68800 Taxes	45,000	-	0.0%		-
68900 Misc Expenditures	22,300	10,522	47.2%		10,060
	<u>\$ 182,484,755</u>	<u>\$ 44,647,394</u>	24.5%		<u>\$ 42,174,157</u>

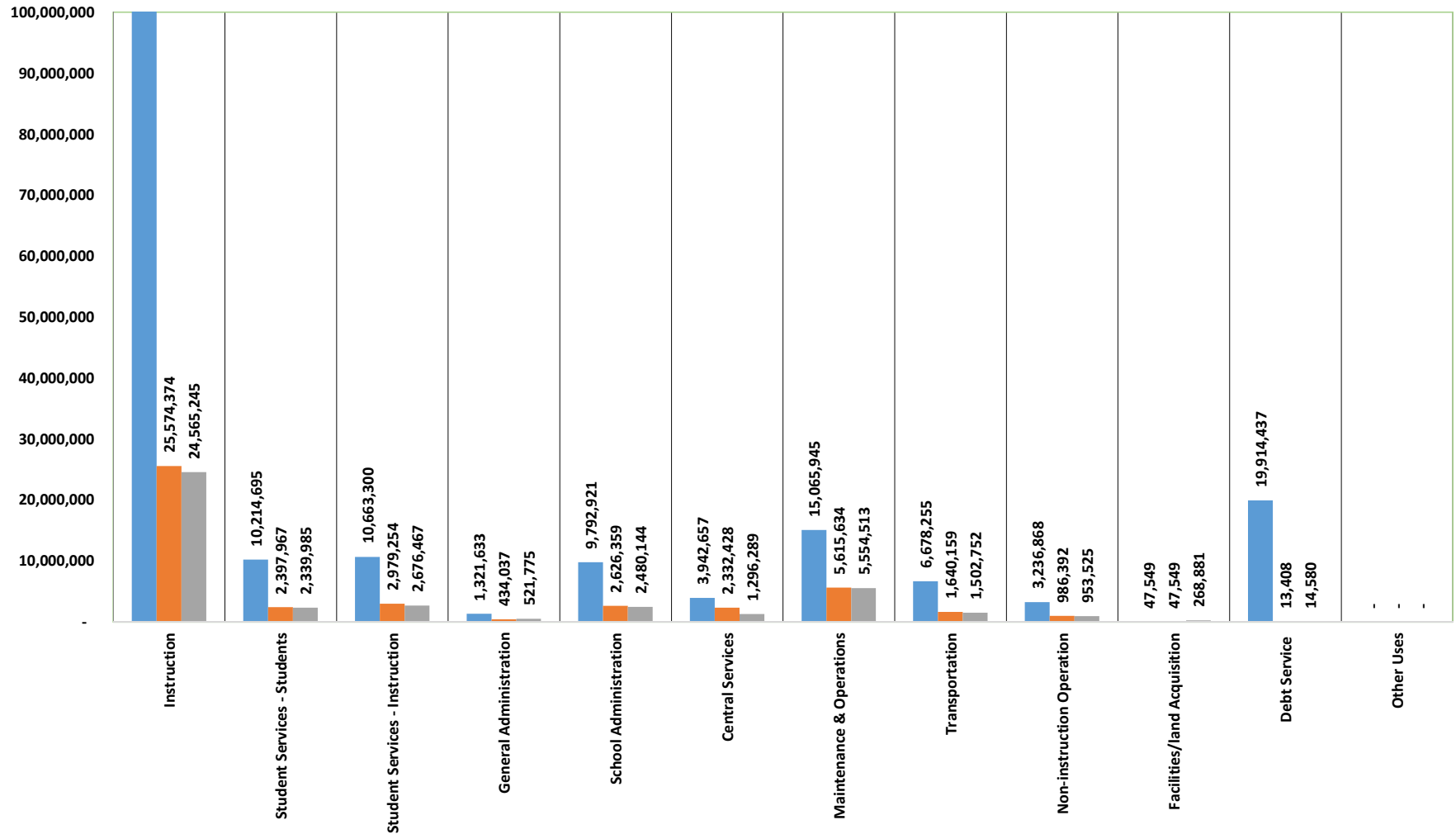
NOTE/

Thirty-three percent of the year reported.

A) Amounts represent expenditures miscoded to Fund 2 (Operating) rather than Fund 5 (Capital Outlay). Coding will be corrected in period 5.

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

■ Budget ■ Actual ■ Prior Year



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

■ Budget ■ Actual ■ Prior Year

