

Cottonwood Valley Charter School
Budget Committee Report
September 15, 2014

The Budget Committee met on Monday, September 15th to review the August 2014 financial reports.
Members attending: Avery Ewing, Mary Cox, Ephraim Ford, Ruth Milner, Tulin Childs, Adrian Morris.

August Receipts:

107,371.74 Fund 11000: State Equalization Guarantee
150.00 Fund 11000: Bldg Rent – Coleman Academy of Irish Dance, July - December
58.64 Fund 11000 – Amazon LLC – marketplace
21.00 Fund 23000: Kindergarten fundraiser for Claws & Paws Rescue
125,000.00 Fund 31300: 50% of final bond payment due from District; balance will be rec'd in December
21.21 Fund 31300: Interest – First State Bank

September Receipts (to date):

107,371.74 Fund 11000: State Equalization Guarantee

Reimbursement requests were submitted in early September to PED for Fund 27114: Reads to Lead (\$2,905.02) and Fund 31700: SB-9 (\$10,724.62).

There was only one payroll for the teaching staff during August and the usual two for the office & maintenance staff.

Expenditures of note during August:

--- Classroom Supply Assets (11000-1000-57332-1010) includes the purchase of a new rug for Mrs. Burleigh's room and lumber for new bookshelves for the 2nd grade room; the bookshelves were generously constructed by Steve Schaffer.

---Building Maintenance & Repair (11000-2600-54312)

\$490 – Ross Electric – classroom lighting repairs

\$279 – Gambles – wheel barrow & weed eater (replaces items stolen from the storage container)

\$170 – Gambles & Walmart: cleaning supplies

---Invoices have not yet been received for speech, OT & PT services. When these invoices begin arriving, payment will first be charged to the IDEA allocation (Fund 24106), and lastly to operation funds.

---In August & September, we paid \$5,771 to Dennis Engineering for a topographic survey requested by the architects to locate underground utility lines and \$675 to Socorro Engineering for an updated plat of school land (land around the MPR, separate from land for the new modulars). This expenditure was paid from the First State Bank checking account (facility development funds).

Maintenance Concerns:

--- Fire Alarm System is not functioning correctly. Great Western Specialties from Albq was here yesterday to determine the problem and a solution; repairs cannot be deferred because of the safety issues. Projected repair cost: \$2,500. We may be able to use SB-9 funds for this repair.

---Art room roof is leaking (noticed today due to the rain)

Cash Flow Concerns:

A funding resolution was approved last fall between Socorro County, the Socorro School District, and CVCS committing \$800,000 towards the next phase of facilities improvements. \$500,000 would come from the current bond issue and \$300,000 would come from funds remaining from prior bond issues. This would be matched with the \$1 million dollar loan secured by the County, creating a 1.8 million dollar construction budget. The County is currently paying for all of the development expenses (architect, etc) and will be soon asking CVCS to begin reimbursing them from our \$800,000 commitment. Separate from the proposed construction development, CVCS will have to pay approximately \$50,000 for the removal of the leased portable buildings. For whatever reason, Karin Williams believed that CVCS would only have to transfer \$700,000 to the County, leaving us with enough funds to pay for the building removal and other moving costs that would not be included in the new construction contract: moving furniture, relocating the playground equipment & storage sheds, storage, all those things that weren't anticipated and go wrong).

Cash available to fulfill the funding resolution:

\$366,640	FSB – checking account balance
300,000	FSB – CD maturing 2-28-15
125,000	Bond Payment due from District
<u>250</u>	Additional earned interest expected
\$791,890	Funds Available

This leaves a potential \$8,000 + shortfall for the funding resolution that would will have to be covered with operational funds, or a really amazing fundraiser, plus the \$50,000 to remove the portable buildings.

I have talked briefly with Delilah Walsh about this concern; when the bids come in, she will see if the project can proceed with \$750,000, instead of the full \$800,000. I will work on getting current removal estimates from Modular Space & Williams Scotsman. In the meantime, all absolutely unnecessary operational spending will be curtailed.

Fortunately, we have received our \$124,219 PSFA award letter for the 2014-2015 lease assistance grant. This will free up the \$121,000 currently in our operating budget for rents & leases. Besides facility needs, there are other critical needs for this now freed- up line item, including required therapy services for students, diagnostic testing, nursing services, classroom supplies, cost of state-mandated testing, personnel costs (substitute expense, insurance, etc.) The more that we dip into the \$121,000, the less will be available to carry over as cash balance when we build next year's budget.

There will be two BAR's this month: one for the PSFA lease assistance award and one for the \$150 rent rec'd from the Irish Dancers.

Please let me know if there are any questions; I will keep everyone informed about how we can resolve the above issues.

Mary Cox, Business Manager

Prepared: September 16, 2014