

## **Quarterly Financial Report March, 2005**

### ***Revenue:***

Our tax revenue is coming in at the predicted rate. Remember that we receive the bulk of our tax money by the end of September. We then do not see any more tax money until June. This causes a cash flow problem along about April and May that we have addressed with a loan from the Working Cash Fund to the Education Fund. I anticipate that occurring again this year.

As a result of the action at the December Board of Education meeting, the levy was filed. We are anxiously awaiting the actual initial extension of tax dollars to the district. When that information arrives it will tell us how much new construction will augment the 1.9% increase in tax revenue we can expect.

### ***Expenditures:***

Expenditure are generally falling in line as anticipant. Significant variations from budgeted amounts appear following this report.

### ***The FY06 Budget Process***

I have been in the middle of developing a rough, first draft of the FY06 budget. I have developed a tax revenue projection model that tries to take into account the lag between tax year and the fiscal year. This should give us a more accurate "guess" at our most significant budget line item. On the expense side, very general estimates of salary costs are being made in light of negotiations with teachers and the Board's requested salary study of teacher aide salaries. The Board will need to set a budget workshop meeting date later in March.