



Financial Report

Treasurer

March 8th, 2021

Finance Committee:

Jeff Baucum, Lincoln Academy Board Treasurer

Janelle Johnson, Principal

Lindsey Tomsick, Vice-Principal

Cindie Poulter, Larisa Rogers, Jeanne Coyle, Lori Woods

The Mission of Lincoln Academy is to help students attain their highest social and academic potential through an academically rigorous, content-rich educational program in a safe, orderly, and caring environment.

2020-21 LA Budget Review

February 2021

- **Student FTE:** Student count has declined over the from 764.3 budgeted to 721.0 capture as the Oct 1st official count. This represents a drop of 5%.
- **Revenues:** Revenue has been impacted by both declining student FTE and reduced PPR and Mill Levy. Capital Construction estimates have been updated to include a \$100 increase as finalized in January. The \$74k positive impact is reported in the updated budget report.
- **Salaries & Benefits:** Salaries continue to be reviewed and adjusted to reflect current situational needs. Overall, LA is anticipating spending \$5.4M on teacher and staff compensation this year or 76% of the budget expenditures.
- **Purchased Services:** District funding has decline due to lower FTE in the district. HVAC cost continue to be higher and the financial team is expecting to spend an additional \$25k in utilities and double maintenance costs from prior year. Finance team is working on the ESSER funding opportunities.
- **Materials:** Additional changes due to lower FTE are being reviewed. CARE funding has been applied.
- **Capital:** \$150k Funding for the building C roff will now come from our general account instead of the R&R fund via the Bond. Tjhis will allow for more cash management in any new Bond issuance. Capital costs of \$672k include completion of 5B capital projects, building C roof replacement and the playground equipment costs covered by PTO donation.
- **District Bond update:** Finance council is anticipating a second round of funding from the Bond issuance by Jeffco. The final amount is taking focus around \$635K. These funds will be recorded in the final budget as expense reductions to capital projects – reducing overall expenses.
- **Margin:** As a result of revenue and FTE changes noted as well as the Jeffco 5B Funding, the current projected budget is reporting a \$76k positive margin with a current operating margin of positive \$90k. Operating team will continue to track and manage budgets throughout the years.

2020-2021 LA Budget Highlights

- Flexibility
 - The Covid-19 pandemic has and will impact numerous aspects of the financial budget including funding (revenue), student count (FTE) and operational expenses. As Lincoln works to reopen under various education models, the finance council will work to provide the administrative team with budget flexibility to support the goal of safe learning for our students.
- Property Improvements
 - In coordination with the facilities committee, the finance team will continue tracking property improvement related to the 5b bond funds.
 - Funding from the 5B Jeffco Bonds is anticipated to be paid out this year.
- Margin Watch:
 - With the decline in Student count, the finance council will be looking to reduce expenditures related to a lower FTE in addition to further cost saving metrics.

Finance Goals

Goal: Operating Margin: 0.0%

Projected: Operating Margin: 1.23%

Projected Budget Margin: 1.03%

Due to 5B Jeffco Bond funding of \$635k

Statement

The finance committee believes that Lincoln Academy is in a very good financial position regarding the 2020-2021 school year. The school has a robust carry-forward that will allow leadership and Board of Directors to plan for the next five to ten years of operational and capital requirements, including in the areas of the educational environment, warm-safe-dry building and employee salaries.

We continue to support a conservative fiscal approach, as the school looks forward to future dynamic opportunity in academic leadership, student support, and the Lincoln community.