



# MEMORANDUM

**TO: Scho Board Members**

**FROM: John B. Gordon III, Superintendent**

**DATE: June 12, 2025**

**RE: Fiscal year end 2025 -Spending update**

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If funds were available, a list of five items were prioritized and voted on at the May 22, 2025 School Board meeting. At that time, staff promised an update on the spending and potential available year end money at the June 2025 meeting.

As of May 31, 2025, expenditures and encumbrances total \$178,308,955.17 of the \$208,547,825.41 budget. Expenses in June and the 13<sup>th</sup> month (through August 15th) have yet to occur. In addition, the adjustments by the Virginia Department of Education for Average Daily Membership are lower than budgeted by approximately students. Basic Aid reduction due to Sales Tax receipts being higher than estimated have not been determined or communicated to Suffolk Public Schools. Estimates have been made for these revenue deductions and estimates of unpaid expenses show a difference of \$2.5M to \$3M as potential year end funding for the items ranked by the School Board.

As a reminder, unforeseen billings, larger than anticipated deductions from revenue, and the timing of Impact Aid and Medicaid reimbursements will all affect these numbers. School Divisions are not allowed to have Fund Balance that is unobligated, nor are school divisions allowed to overspend.