



OFFICE OF BUSINESS AND PERSONNEL ADMINISTRATION

TO: Finance and Administration Subcommittee  
District School Committee  
James Quaglia, Superintendent - Director

FROM: Steven Moore, Assistant Superintendent

DATE: April 1, 2019

SUBJECTS: 2019 Budget Update

**Q3 Budget Report**

Attached is the Q3 FY19 Budget Report for the period ending March 31, 2019.

**Salary Lines**

The third quarter is when we start working on the end of year forecast for salary accounts. Typically, all hiring is complete, all future long-term leaves are known, and all lane changes have been made. This year the district had some significant salary exchange savings through the hiring process. As we enter the 4<sup>th</sup> quarter we can begin to realistically project the final salary account balances.

1000 Series – We will need to transfer funds to cover a deficit in the administrative salary account lines. Last year after the budget was presented to the towns, both the district treasurer and board secretary were given raises for 2019 that exceeded the budgeted amount.

2000 Series – Salary exchanges through the hiring process account for the majority of the projected surplus funds.

3000 Series – Costs for security guards and athletic coaches will exceed budgeted amount. Budgets for both of these lines were conservative and resulted in shortfalls

4000 Series – Savings accrued by staffing below budget level

**Expense Lines**

**1000 District Leadership Expense**

The majority of the unencumbered / unexpended funds are for ongoing services (legal and payroll), contracted service and membership payments that are currently not due,

public relations / recruitment activities, and software licenses fees that are not yet due. Not all of the funds are expected to be expended by year's end.

**2000 Instructional Expense**

Instructional supply and services lines are now 85% encumbered or expended. Should close year with around 10% of funds unexpended.

**3000 Student Services Expense**

The majority of the unencumbered funds are for athletic related transportation, officials and materials.

**4000 Plant Operation and Maintenance Expense**

The majority of the unencumbered funds relate to building and vehicle maintenance. As in 2018, there will be below normal expenditures on building maintenance, so these funds will close to E & D.

Utility costs in the aggregate are within budget with a small surplus expected at end of year. Though it is difficult to project the size of the surplus, as heating bills typically lag by two months or so.

**5000 Fixed Costs Expense**

5000 series accounts cover insurance and benefit related costs. A surplus is possible in these accounts at year end, as health insurance costs are projecting out less than budgeted

**8000 Debt Service Expense**

On target, all funds will be expended in the third quarter

**Request to Transfer Funds – Funds for Superintendent Search**

Should the school committee desire to run a Superintendent search during the 2019 school year the following transfer should be recorded:

Decrease budget 5200 Series, Retiree Insurance by \$20,000

Increase budget 1000 Series, School Committee Contracted Services by \$20,000

**Request to transfer funds to cover budget shortfalls**

Decrease budget 4000 Series, Summer Maintenance salary by \$10,000

Increase budget 3000 Series, Security Guards salary \$10,000

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Decrease budget 2000 Series, Vocational Teacher Salary by \$9,000

Increase budget 1000 Series, School Committee salaries by \$9,000

**Request to transfer for project related classroom technology upgrades**

Decrease budget 5000 Series, Retired Non Instructional Insurance by \$71,622

Decrease budget 7000 Series, Capital projects by \$75,183

Increase budget 2000 Series, Instructional Technology by \$146, 845

<u>Q3 2019 to Q2 2019, Expended / Encumbered Comparison by Percent</u>			
	2019 Q2 Percent Expended	2019 Q3 Percent Expended	Variance Q2 to Q3
<b>SALARY ACCOUNTS</b>			
1000 DISTRICT LEADERSHIP AND ADMINISTRATION	50%	74%	0%
2000 INSTRUCTION	36%	58%	0%
3000 STUDENT SERVICES	38%	63%	0%
4000 OPERATIONS and MAINTENANCE OF PLANT	47%	67%	0%
<b>TOTALS</b>	38%	61%	23%
<b>EXPENSE ACCOUNTS</b>	2019 Q2 Percent Expended / Encumbered	2019 Q3 Percent Expended / Encumbered	Variance Q2 to Q3
1000 DISTRICT LEADERSHIP AND ADMINISTRATION	77%	72%	5%
2000 INSTRUCTION	34%	85%	51%
3000 STUDENT SERVICES	94%	98%	4%
4000 OPERATIONS and MAINTENANCE OF PLANT	77%	78%	1%
5000 FIXED CHARGES	91%	91%	0%
7000 & 8000 CAPITAL PROJECTS	85%	85%	0%
<b>TOTALS</b>	<b>80%</b>	<b>85%</b>	<b>5%</b>
<b>TOTAL ALL ACCOUNTS</b>	<b>92%</b>	<b>94%</b>	<b>2%</b>



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2019 Budget Q3 Budget Report							
SALARY ACCOUNTS FOR: PERIOD ENDING 3/31/2019	Budget	TRANSFERS	Adjusted BUDGET	YTD EXPENDED	PROJECTED	AVAILABLE BUDGET	PCT Expended
1000 DISTRICT LEADERSHIP AND ADMINISTRATION	661,832		661,832	487,427	181,912	(7,507)	74%
2000 INSTRUCTION	9,059,065		9,059,065	5,291,320	3,635,946	131,799	58%
3000 STUDENT SERVICES	464,506		464,506	293,700	178,827	(8,021)	63%
4000 OPERATIONS and MAINTENANCE OF PLANT	1,339,997		1,339,997	903,428	422,574	13,995	67%
<b>TOTALS</b>	<b>11,525,400</b>	<b>-</b>	<b>11,525,400</b>	<b>6,975,875</b>	<b>4,419,259</b>	<b>130,266</b>	<b>99%</b>
EXPENSE ACCOUNTS FOR: PERIOD ENDING 12/31/2018	Budget	TRANSFERS	Adjusted BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT Exp/Enc
1000 DISTRICT LEADERSHIP AND ADMINISTRATION	295,887	-	295,887	173,812	38,681	83,394	72%
2000 INSTRUCTION	772,074	-	772,074	570,198	89,828	112,048	85%
3000 STUDENT SERVICES	1,233,128	-	1,233,128	778,685	425,240	29,203	98%
4000 OPERATIONS and MAINTENANCE OF PLANT	1,437,010	-	1,437,010	761,308	354,982	320,720	78%
5000 FIXED CHARGES	4,676,449	(216,963)	4,459,486	3,285,407	770,582	403,497	91%
7000 CAPITAL PROJECTS	100,000		100,000	24,817	-	75,183	25%
8000 DEBT SERVICE	200,000	216,963	416,963	416,963	-	-	100%
<b>TOTALS</b>	<b>8,714,548</b>	<b>-</b>	<b>8,714,548</b>	<b>6,011,190</b>	<b>1,679,313</b>	<b>1,024,045</b>	<b>88%</b>
<b>TOTAL ALL ACCOUNTS</b>	<b>20,239,948</b>	<b>-</b>	<b>20,239,948</b>	<b>12,987,065</b>	<b>6,098,572</b>	<b>1,154,311</b>	<b>94%</b>