



OFFICE OF BUSINESS AND PERSONNEL ADMINISTRATION

TO: Finance and Administration Subcommittee  
 District School Committee  
 Jill Rossetti, Superintendent - Director

FROM: Michelle Resendes, Business Manager

DATE: April 28th, 2020

SUBJECTS: 2020 Budget Update

**Q3 Budget Report – Anticipated project funding needs**

Attached is the Q3 FY20 Budget Report for the period ending March 31 2020. As stated in the Q2 report presented to School Committee the major issue in the 2020 budget is dealing with is how to fund the additional \$850,000 need to complete the renovation project. During the second quarter the district committee transferred \$400,000 from the Fixed Cost Series to the Capital Project Series.

In the third quarter the we have identified additional sources of funds to close the \$250,000 funding gap that currently exists.

- \$850,000
- \$400,000—Q2 transfer
- \$100,000—LPN Program expense transfer
- \$100,000---Cafeteria expense transfer

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 \$250,000---Remaining Gap

<u>Line</u>	<u>QTR 3 Budget Transfer</u>	<u>Balance for Project</u>
Starting Gap		\$250,000
Salaries	\$-100,000	\$150,000
4000 Series Expense	\$-150,000	\$0

## **Salary Accounts**

The salary accounts for the second quarter are in good shape for this time of year. The \$100,000 in salary exchanges from 2019 are still available requested as a transfer for a source to reduce the current project deficit.

There were no significant changes in the salary accounts.

The 4000 series shows a projected surplus of \$17,409 at the end of the third quarter. There are currently 3 vacancies in the department once those are filled the funds held in reserve can be adjusted and a more significant surplus should appear.

## **Expense Accounts**

**District Leadership and Administration – 1000 Series:** Bulk of remaining funds are for unencumbered legal costs, miscellaneous contracted services, and supplies.

**Instruction – 2000 Series:** Majority of unencumbered funds are for technology, text books, and vocational materials and equipment.

**Student Services – 3000 Series:** Residual balance is associated with unencumbered transportation and athletic program costs

**Operation and Maintenance of Plant – 4000 Series:** Unencumbered balance can be attributed to potential savings in contracted service needs, special project needs, as well as unpurchased technology. Also since the project is still ongoing we are seeing a savings in our Building Maintenance Contract Services line and Water expense line. Due to these savings this is logical place to request a transfer as a source of reducing the current project deficit. We are still expecting to see some additional savings in the remaining utilities related to the project as well.

**Fixed Costs – 5000 Series:** This account is where it should be for 3<sup>rd</sup> qtr.

**Capital Projects-7000 Series:** This account encompasses the expenditures for the project overage. With the requested transfers we should be able to cover the 850,000 in project deficit.

**Debt Service** – This account is where it should be for this time of year. In the 4<sup>th</sup> Quarter this account will be charged for the debt service payment.

## **Requested Budget Transfers – Request to transfer funds to cover budget shortfalls**

Decrease Salary budget 2000 Series, Educational Staff \$100,000

Increase budget 7000 Series, Capital Projects salary \$100,000

Decrease budget 4000 Series, Maintenance of Buildings \$150,000

Increase budget 7000 Series, Capital Projects salary \$150,000



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<u>2020 Budget Q3 Budget Report and Transfer Request</u>							
SALARY ACCOUNTS FOR: PERIOD ENDING <b>03/31/2020</b>	<u>Budget</u>	TRANSFERS	<u>Adjusted BUDGET</u>	YTD EXPENDED	PROJECTED	AVAILABLE BUDGET	PCT Expended
<b>1000</b> DISTRICT LEADERSHIP AND ADMINISTRATION	823,857	-	823,857	610,478	235,590	(22,211)	74%
<b>2000</b> INSTRUCTION	9,207,330	(100,000)	9,107,330	5,321,339	3,757,329	28,662	58%
<b>3000</b> STUDENT SERVICES	482,912	-	482,912	296,636	196,935	(10,659)	61%
<b>4000</b> OPERATIONS and MAINTENANCE OF PLANT	1,267,357	-	1,267,357	802,918	447,030	17,409	63%
<b>TOTALS</b>	<b>11,781,456</b>	<b>(100,000)</b>	<b>11,681,456</b>	<b>7,031,371</b>	<b>4,636,884</b>	<b>13,201</b>	<b>99.89%</b>
EXPENSE ACCOUNTS FOR: PERIOD ENDING <b>03/31/2020</b>	<u>Budget</u>	TRANSFERS	<u>Adjusted BUDGET</u>	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT Exp/Enc
<b>1000</b> DISTRICT LEADERSHIP AND ADMINISTRATION	258,234	-	258,234	168,291	48,801	41,143	84%
<b>2000</b> INSTRUCTION	771,027	-	771,027	438,599	96,462	235,967	69%
<b>3000</b> STUDENT SERVICES	1,179,978	-	1,179,978	747,388	436,798	(4,208)	100%
<b>4000</b> OPERATIONS and MAINTENANCE OF PLANT	1,518,301	(150,000)	1,368,301	729,898	486,262	152,141	89%
<b>5000</b> FIXED CHARGES	4,156,216	-	4,156,216	3,252,015	867,205	36,996	99%
<b>7000</b> CAPITAL PROJECTS	500,000	250,000	750,000	48,536	680,300	21,164	97%
<b>8000</b> DEBT SERVICE	500,000	-	500,000	-	500,000	-	100%
<b>TOTALS</b>	<b>8,883,756</b>	<b>100,000</b>	<b>8,983,756</b>	<b>5,384,726</b>	<b>3,115,827</b>	<b>483,203</b>	<b>95%</b>
<b>TOTAL ALL ACCOUNTS</b>	<b>20,665,212</b>	<b>-</b>	<b>20,665,212</b>	<b>12,416,097</b>	<b>7,752,711</b>	<b>496,404</b>	<b>98%</b>