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Date: January 14, 2019
To: School Committee
From: Kathy Auth
Re: FY 2019 Second Quarter Fiscal Update, as of December 31, 2018

Presented below is a summary of the general fund state function balances as of December 31, 2018 by major state function category. Details of the balances by individual state functions are shown in the attached schedule.

General Fund Summary Balances at December 31, 2018:

		Revised Budget	Spent/Encumb	Available	% Used
1000's	Administration	\$ 1,559,808	\$ 1,536,332	\$ 23,476	98.5
2000's	Instructional	44,396,022	43,807,547	588,475	98.7
3000's	Other School Services	4,218,200	4,341,998	(123,798)	102.9
4000's	Plant Operations & Maint	4,836,068	4,900,275	(64,207)	101.3
5000's	Fixed / Leases	201,200	170,633	30,567	84.8
6000's	Community Services	4,000	2,500	1,500	62.5
7000's	Equipment / Fixed Assets	-	21,770	(21,770)	
9000's	Tuitions	2,782,096	2,531,782	250,314	91.0
		<u>\$ 57,997,394</u>	<u>\$ 57,312,837</u>	<u>\$ 684,557</u>	<u>98.8</u>

At the end of December, we had an unencumbered balance in the School Department's general fund appropriation of \$684,557. This compares to the overall preliminary available balance that was reported at November 30, 2018 of \$691,707. We instituted a spending freeze at the beginning of this month to reduce discretionary spending for a time to ensure that we will have sufficient funds to carry us through the end of the fiscal year.

Budgeted salaries have been fully encumbered and most of the compensation reserve account has been allocated to the appropriate state functions. One contract for FY19 is still in negotiations. A detailed payroll encumbrance verification has been performed and we will continue to monitor all of the salary account balances for the remainder of the year. Changes in salary estimates occur when there is staff turnover, which happens throughout the year.

Some of the major variances at December 31st compared to budget are discussed below.

- Function 2305/2310/2320/2340/2710/2800 Classroom Teachers, Teacher Specialists, Therapists, Library/Media, Guidance, Psychologists:

There is a combined overall available balance of \$176,960 in these state functions for Unit A professional salaries as follows:

2305 Classroom Teachers	\$50,807
2310 Teacher Specialists	\$73,586
2320 Therapists	\$1,710
2340 Media Center	\$22,460
2710 Guidance	\$28,397
2800 Psychologists	\$0

- Function 2320 Medical/Therapeutic Services:
Special Ed contracted services has a budget of \$210,121 for FY19. Projected expenses for FY19 at this time are \$339,024, resulting in a projected deficit of (\$128,903) for the year. The spending trend continues to indicate the need for additional funding for these contracted services, a need which we have not been able to meet under current budget constraints.
- Function 2325 Teacher Substitutes:
The amount spent to date for daily substitutes is \$65,203, or 25% of that budget for the year. The amount spent for long-term substitutes covering leaves of absences is \$135,886, which is 60% of that budget. This expenditure varies every year based on the number of leaves of absence and whether or not the leave is fully paid, partially paid, or unpaid. It isn't possible to predict what this cost will be every year.
- Function 2330 Instructional Assistants:
The available balance in this function is \$116,416. As yet unused contractual course reimbursements represent \$10,439 of this total. The remainder results from savings related to personnel changes and the fact that several positions are unfilled at this point in time.
- Function 2357 Professional Development Expenses:
The available balance in this function is \$75,188. As yet unused contractual course reimbursements represent \$43,107 of this total.
- Function 2410 through 2455 Instructional Supplies and Equipment:
The combined available balance in these state functions at the end of December is \$304,253, approximately 29% of the total budget of \$1,039,549. Much of the spending for instructional supplies occurs in the early part of the year, so this is a reasonable balance at the end of the second quarter.
- Function 3300 Transportation:
There is a projected deficit in this state function at the end of December of (\$156,534). The deficit is primarily due to our special education contracted-out routes, some of which include the cost of van monitors. The projected cost for FY19 is similar to what was experienced in FY18. We continue to utilize an outside contractor to provide transportation when it is more economical to do so (for instance when we can share the cost of transportation with another district) or when our own fleet capacity cannot accommodate particular routes.
- Function 4220/4225 Building Maintenance & Building Security:
The combined deficit in these functions is currently estimated to be (\$179,215). This continues the trend that we have seen for many years, and the deficit at the end of December is likely to increase over the

remaining months. We will focus on essential health and safety needs to the extent possible for the remainder of the year, and we will try to limit or defer any expenditures that may be considered discretionary.

- Function 7200 Fixed Assets:

The \$21,770 shown as expended to date in this function was for the installation of dehumidifying equipment at the Day School. For many years there were several locations in that building that experienced high levels of humidity and condensation, and we hope to remedy this situation by installing this equipment.

- Function 9000 Out-of-District Tuition:

The available balance that is projected in the tuition accounts at the end of December is \$250,314. The budget for FY19 was constructed with the assumption that \$363,552 of current year (FY19) circuit breaker funds may have to be utilized in FY19, and therefore a corresponding expense has been transferred from the operating budget to the Circuit Breaker account. This is reflected in the positive available balance at this time. If in fact the operating fund can absorb these expenses at the end of this year, we will transfer this expense back to the operating fund to preserve as much of the FY19 circuit breaker receipts as possible for use in FY20.

Revolving Fund Balances at December 31, 2018:

Included with this report is a schedule that provides a snapshot of the balances in the revolving accounts as of December 31, 2018. The balances presented are on the cash basis, which will result in timing differences between when receipts are collected and when expenses are incurred.

The balance in the School Choice account remains strong primarily due to the fact that we decided at the end of last year to retain additional funds in that account to be brought forward to FY19, rather than booking additional budget offsets in FY18. This allowed us a measure of protection against FY19 needs that were not known when the FY19 budget was prepared in the fall of 2017.

I will be happy to answer any questions you may have at Monday night's meeting.

**WESTFORD PUBLIC SCHOOLS
YEAR-TO-DATE BUDGET REPORT
BALANCES AT 12-31-18**

	ORIGINAL	TRANFRS &	REVISED			TOTAL	AVAILABLE	%
	APPROP	ADJUSTMTS	BUDGET	YTD EXP	ENCUMBR	EXP/ENCUMBR	BUDGET	USED
1110 SCHOOL COMMITTEE	7,930		7,930	7,238	300	7,538	392	95.1%
1210 SUPERINTENDENT OF SCHOOLS	304,122	7,709	311,831	158,179	148,397	306,576	5,255	98.3%
1220 ASSISTANT SUPERINTENDENT	221,969	3,781	225,750	112,799	112,075	224,875	875	99.6%
1410 BUSINESS OFFICE	446,946	6,253	453,199	219,763	230,298	450,061	3,138	99.3%
1420 HUMAN RESOURCES & COMP RESERVE	301,286	(95,250)	206,036	100,217	98,960	199,177	6,859	96.7%
1430 LEGAL SERVICES	61,382		61,382	23,947	38,473	62,420	(1,038)	101.7%
1450 INFORMATION MGT/TECHNOLOGY	291,475	2,205	293,680	196,036	89,649	285,685	7,995	97.3%
	1,635,110	(75,302)	1,559,808	818,180	718,152	1,536,332	23,476	98.5%
2110 CURRICULUM DIRECTORS	463,813	10,166	473,979	220,531	239,805	460,337	13,642	97.1%
2210 SCHOOL LEADERSHIP - BUILDING	2,861,670	53,062	2,914,732	1,406,942	1,462,218	2,869,160	45,572	98.4%
2250 NON-INSTR BUILDING TECHNOLOGY	41,000		41,000	40,609	-	40,609	391	99.0%
2305 CLASSROOM TEACHERS	25,691,347	46,429	25,737,776	8,826,817	16,860,151	25,686,969	50,807	99.8%
2310 TEACHER SPECIALISTS	4,915,965	(46,429)	4,869,536	1,647,234	3,148,716	4,795,950	73,586	98.5%
2315 TEAM LEADERS/INSTR COORD STIPENDS	548,482		548,482	178,045	376,306	554,351	(5,869)	101.1%
2320 MEDICAL/THERAPEUTIC SERVICES	1,285,008	10,517	1,295,525	501,159	928,510	1,429,670	(134,145)	110.4%
2325 TEACHER SUBSTITUTES	491,936		491,936	206,253	285,837	492,090	(154)	100.0%
2330 INSTRUCTIONAL ASSISTANTS	3,168,194		3,168,194	1,170,025	1,881,752	3,051,778	116,416	96.3%
2340 LIBRARY/MEDIA CENTER SALARIES	769,148	447	769,595	272,914	475,534	748,448	21,147	97.3%
2355 SUBSTITUTES FOR PROF DEVELOPMT	28,000		28,000	4,238	23,763	28,000	-	100.0%
2357 PROFESSIONAL DEVELPMT EXPENSES	528,748		528,748	171,946	281,614	453,560	75,188	85.8%
2410 TEXTBOOKS & RELATED MEDIA	168,089		168,089	117,005	3,208	120,213	47,876	71.5%
2415 LIBRARY INSTRUCTIONAL MATERIAL	51,000		51,000	23,537	14,037	37,573	13,427	73.7%
2420 INSTRUCTIONAL EQUIPMENT	23,370		23,370	23,699	935	24,634	(1,264)	105.4%
2430 GENERAL INSTRUCTIONAL SUPPLIES	489,080		489,080	311,937	27,618	339,555	149,525	69.4%
2440 OTHER INSTRUCTIONAL SERVICES	127,400		127,400	14,866	20,712	35,577	91,823	27.9%
2451 CLASSROOM INSTRUCT TECHNOLOGY	72,328		72,328	41,518	14,837	56,355	15,973	77.9%
2453 LIBRARY INSTRUCTIONAL HARDWARE	2,779		2,779	-	-	-	2,779	0.0%
2455 INSTRUCTIONAL SOFTWARE	105,503		105,503	120,678	711	121,389	(15,886)	115.1%
2710 GUIDANCE & ADJUSTMT COUNSELORS	2,142,381		2,142,381	740,111	1,361,799	2,101,910	40,471	98.1%
2720 TESTING & ASSESSMENT	35,715		35,715	20,501	12,625	33,126	2,589	92.8%
2800 PSYCHOLOGICAL SERVICES	310,874		310,874	120,644	205,649	326,293	(15,419)	105.0%
	44,321,830	74,192	44,396,022	16,181,210	27,626,337	43,807,547	588,475	98.7%

**WESTFORD PUBLIC SCHOOLS
YEAR-TO-DATE BUDGET REPORT
BALANCES AT 12-31-18**

	ORIGINAL	TRANFRS &	REVISED			TOTAL	AVAILABLE	%
	APPROP	ADJUSTMTS	BUDGET	YTD EXP	ENCUMBR	EXP/ENCUMBR	BUDGET	USED
3100 PARENT LIAISON SERVICES	2,000		2,000	3,824	-	3,824	(1,824)	191.2%
3200 MEDICAL/HEALTH SERVICES	742,305		742,305	255,270	470,175	725,444	16,861	97.7%
3300 TRANSPORTATION SERVICES	2,704,613		2,704,613	1,149,644	1,711,503	2,861,147	(156,534)	105.8%
3510 ATHLETICS	510,223	547	510,770	248,943	251,451	500,394	10,376	98.0%
3520 OTHER STUDENT ACTIVITIES	185,012		185,012	60,377	115,002	175,378	9,634	94.8%
3600 SCHOOL SECURITY	73,500		73,500	3,310	72,500	75,810	(2,310)	103.1%
	4,217,653	547	4,218,200	1,721,367	2,620,631	4,341,998	(123,798)	102.9%
4110 CUSTODIAL SERVICES	1,897,363	312	1,897,675	912,581	943,514	1,856,094	41,581	97.8%
4120 HEATING OF BUILDINGS	557,900		557,900	69,569	487,856	557,425	475	99.9%
4130 UTILITY SERVICES	811,700		811,700	251,167	544,669	795,836	15,864	98.0%
4210 MAINTENANCE OF GROUNDS	73,600		73,600	80,052	2,403	82,455	(8,855)	112.0%
4220 MAINTENANCE OF BUILDINGS	811,333	816	812,149	666,881	309,364	976,246	(164,097)	120.2%
4225 BUILDING SECURITY	98,000		98,000	83,481	29,636	113,118	(15,118)	115.4%
4230 MAINTENANCE OF EQUIPMENT	100,994		100,994	33,352	18,668	52,019	48,975	51.5%
4400 NETWORKING & TELECOM	117,660		117,660	89,187	13,519	102,706	14,954	87.3%
4450 TECHNOLOGY MAINTENANCE	366,955	(565)	366,390	191,317	173,058	364,375	2,015	99.5%
	4,835,505	563	4,836,068	2,377,589	2,522,686	4,900,275	(64,207)	101.3%
5100 EMPLOYEE SEPARATION COST	50,000		50,000	9,751	40,250	50,000	-	100.0%
5260 NON-EMPLOYEE INSURANCE	6,000		6,000	4,034	-	4,034	1,966	67.2%
5300 RENTAL/LEASE OF EQUIPMENT	145,200		145,200	50,207	66,392	116,599	28,601	80.3%
	201,200	-	201,200	63,992	106,642	170,633	30,567	84.8%
6200 CIVIC ACTIVITIES	4,000		4,000	2,263	237	2,500	1,500	62.5%
7200 FIXED ASSETS	-		-	21,770		21,770	(21,770)	
9000 TUITIONS	2,782,096		2,782,096	1,712,460	819,322	2,531,782	250,314	91.0%
TOTAL GENERAL FUND	57,997,394	-	57,997,394	22,898,830	34,414,007	57,312,837	684,557	98.8%

**WESTFORD PUBLIC SCHOOLS
OTHER FUND BALANCES AT 12-31-18**

	Balance at 6/30/2018	Receipts	Expenses	Balance at 9/30/2018	Receipts	Expenses	Balance at 12/31/2018
SCH CHOICE / CIRCUIT BREAKER:							
School Choice	665,935	89,740	14,477	741,198	134,610	274,629	601,179
Special Education Reserve Fund	75,000	15,000	-	90,000	2,000	-	92,000
Circuit Breaker	1,494,585	483,969	-	1,978,554	417,735	1,494,585	901,704
	2,235,520	588,709	14,477	2,809,752	554,345	1,769,214	1,594,883
OTHER OUTSIDE SOURCES:							
<i>Ch 44 Sec 53 E 1/2 Revolving Accounts:</i>							
Transportation Fees Revolving	32,566	575,780	90,000	518,346	9,401	181,275	346,472
WA Parking Fees	5,745	15,750	425	21,070	650	2,350	19,370
<i>Other Revolving Accounts:</i>							
Athletic Revolving - Operations	54,633	162,031	53,386	163,278	151,367	171,717	142,928
Athletic Revolving - Turf Field	29,949	-	-	29,949	-	2,500	27,449
Custodial Extra Detail Revolving	1,027	-	291	736	5,686	10,044	(3,622)
Facility Use Revolving	10,246	-	5,178	5,068	2,919	421	7,566
Simmons Partnership/Staff PD	3,835	-	-	3,835	-	-	3,835
Lost Books Revolving	3,443	1,417	-	4,860	380	-	5,240
Kindergarten Extended Day	73,411	16,751	6,357	83,805	3,225	13,020	74,010
Special Ed Integrated Preschool	56,379	37,888	35,552	58,715	93,690	73,512	78,893
Full Day Kindergarten	181,702	205,720	58,247	329,175	192,050	161,578	359,647
Non-Resident Tuition	-	9,725	-	9,725	-	-	9,725
1:World Tech User Fee	18,806	24,815	3,063	40,558	8,610	4,100	45,068
WA Grey Ghost Academy	375	-	-	375	-	-	375
Gr 9-12 Activity Fees	5,269	7,490	-	12,759	37,085	30,000	19,844
Gr 6-8 Activity Fees	37,719	21,110	-	58,829	12,180	20,000	51,009
Gr 3-5 Instrumental Fees	17,290	133,570	198	150,662	6,394	45,612	111,444
Gr K-12 Music Lessons	-	-	-	-	4,250	1,484	2,766
5th Grade Environmental Program	3,671	-	493	3,178	-	61	3,117
Elementary Early Arrival Option	35,480	91,075	6,930	119,625	5,875	30,874	94,626
Summer School for Performing Arts	75,720	157,158	174,965	57,913	1,490	39,270	20,133
Miscellaneous School Activities	600	4,600	5,200	-	16,783	12,213	4,570
TOTAL - OTHER OUTSIDE SOURCES	647,865	1,464,880	440,285	1,672,460	552,035	800,031	1,424,465
TOTAL	2,883,385	2,053,589	454,762	4,482,212	1,106,380	2,569,245	3,019,347