

AGENDA ITEM SUMMARY

LEXINGTON SCHOOL COMMITTEE MEETING

TODAY'S DATE: September 13, 2017

REQUESTED MEETING DATE: September 19, 2017

AGENDA ITEM TITLE: Fiscal Year 2017 Fourth Quarter Financial Report

PRESENTER:

Ian Dailey, Assistant Superintendent for Finance and Administration

SUMMARY:

The School Department returned \$1,940,686 from the approved Fiscal Year 2017 Budget. This represents a return of approximately 1.99% of the total School Department budget. The Salary & Wages portion of the budget attributed to \$1,834,450, of the total dollars returned. The Expense portion of the budget attributed to \$106,237 of the total dollars returned. This is summarized in the table below:

Table 1

Appropriation Summary	FY 2017 Budget	Transfers/ Adjustments	FY 2017 Budget (adj)	YTD Expended	YTD Encumbered	Favorable/ (Unfavorable)	Percent Available
Salary and Wages	\$ 81,785,398	\$ 1,110,962	\$ 82,896,360	\$ 80,943,862	\$ 118,049	\$ 1,834,450	2.21%
Expenses	\$ 15,507,901	\$ (1,110,962)	\$ 14,396,939	\$ 13,335,419	\$ 955,283	\$ 106,237	0.74%
Total 1100 Lexington Public Schools	\$ 97,293,299	\$ -	\$ 97,293,299	\$ 94,279,280	\$ 1,073,332	\$ 1,940,686	1.99%

Description of Activities – Salaries & Wages:

The Fiscal Year 2017 budget surplus is largely derived from three main factors: gaps in positions being filled due to turnover, leaves of absence, and improved planning/budgeting for required positions to deliver services.

Throughout the budget cycle positions become vacant, and there is often savings generated. This is a function of the lag in receiving a resignation and the time it takes to actually fill that position. During Fiscal Year 2017 leaves of absence were experienced by the District, which triggered savings, particularly further into the year. While a substitute is often required, creating a long-term substitute cost impact, the cost of substitutes is often less than the original teacher on the leave of absence. Finally, often in prior year budgets, the approved FTE allocation was far exceeded based on additional needs that arose when implementing the budget. The Administration has worked to plan for these additional needs based on enrollment projections. In the Fiscal Year 2017 budget, additional positions were included that were ultimately not needed. This was a function of the underlying enrollment increase and the needs of the students actually attending LPS. These positions were held vacant and not filled, due to them not being required to deliver services, ultimately generating budgetary savings. These positions were identified during the Fiscal Year 2018 budget process and were utilized to lower the number of new positions needed in the Fiscal Year 2018 budget build cycle.

Description of Activities – Expenses:

The Fiscal Year 2017 budget balance is largely driven by four main factors: overall savings in program/building budgets, deficits in our District Transportation services, deficits in our Teacher Substitutes line, and savings in our Legal Services budget. A summary table of this activity can be seen below:

Table 2

Expense Budget Summary	FY17 Budget (adj)	First Quarter Projected Surplus/ (Deficit)
Building-Based Program Budgets	\$ 656,316	\$ 72,080
K-5 Curriculum Program Budgets	\$ 421,038	\$ 13,261
6-8 Curriculum Program Budgets	\$ 288,766	\$ 2,093
9-12 Curriculum Program Budgets	\$ 339,427	\$ 2,699
K-12 Curriculum Program Budgets	\$ 1,869,312	\$ 132,590
Special Education Program Budgets	\$ 887,372	\$ 15,093
Counseling Program Budgets	\$ 102,702	\$ 5,602
Out of District Tuition	\$ 5,057,807	\$ 30,029
District-wide Transportation	\$ 3,407,900	\$ (121,286)
District-wide Administration	\$ 1,366,299	\$ (45,926)
Total	\$ 14,396,939	\$ 106,237

The Administration plans to continue making adjustments (as done in Fiscal Year 2017) to re-align funding in Fiscal Year 2018 to reduce some recurring surpluses that have been identified. This will assist the planning process by more efficiently allocating funds for the Fiscal Year 2019 budgeting process that is currently underway.

As previously discussed on prior quarterly reports, the District is carrying forward Circuit Breaker funding that has been historically spent in the year received. At the conclusion of Fiscal Year 2017, \$1,745,554 is being carried forward to the Fiscal Year 2018 budget year. This part of a multi-year plan to have Circuit Breaker fully in arrears, meaning that the School Department will have budget certainty with this line item when building future budgets. Many School Districts throughout the Commonwealth operate under this practice due to the uncertainty with Special Education costs and the variability in which the state funds this account.

Description of Activities – Transfers:

A summary of all Fiscal Year 2017 budget transfers can be found in the table below, along with notes:

Table 3

Line #	Program	Fiscal Year 2017 Budget Transfers	Notes
Salaries & Wages			
Line 1	Unit A - LEA	-\$145,420	1. Fund various supply and project needs in the District.
Line 1	Unit A - LEA	\$1,145,122	1. \$1,145,122 to fund positions transferred from 240 grant to operating budget
Line 1	Unit A - LEA	-\$11,780	1. Fund K-12 Counseling Contract Services (one-time)
Line 1	Unit A - LEA	-\$39,615	1. Fund Central Registration furniture and equipment (one-time)
Line 1	Unit A - LEA	-\$10,000	1. Fund additional District leased copiers (LHS & Harrington)
Line 1	Unit A - LEA	-\$4,244	1. Fund elimination of the Academic Support Grant (Code 632)
Line 7.1	Non-Union Hourly	\$177,000	1. Fund elimination of the Full Day Kindergarten Grant (Code 701)
16	ALA - Asst Prin/Supervisors	\$209,465	1. \$209,465 to fund positions transferred from 240 grant to operating budget
20	Grant Reduction Offset	-\$177,000	1. Fund elimination of the Full Day Kindergarten Grant (Code 701)
Line 1	Unit A - LEA	-\$36,330	1. Funds MCAS equipment needed in K-12 Technology
Line 2	Unit A - Stipends	\$3,764	1. Fund elimination of the Academic Support Grant stipends (Code 632)
Subtotal - Salaries & Wages		\$1,110,962	

Expenses

1	Bowman	-\$1,043	1. Fund purchase with K-5 Math for instructional supplies
2	Bridge	\$9,000	1. Fund needs for additional section.
3	Estabrook	-\$9,800	1. Fund K-5 Literacy additional needs.
6	Hastings	\$15,000	1. Fund needs for additional section.
10	K-5 Literacy	\$35,640	1. Fund K-5 Dept needs for additional sections.
11	K-5 Math	\$1,043	1. Fund purchase withBowman for instructional supplies
11	K-5 Math	\$1,290	1. Fund K-5 Dept needs for additional sections.
12	K-5 Science	\$5,410	1. Fund K-5 Dept needs for additional sections.
13	K-5 Social Studies	\$5,175	1. Fund K-5 Dept needs for additional sections.
29	K-12 Curriculum	-\$3,764	1. Fund elimination of the Academic Support Grant stipends (Code 632)
29	K-12 Curriculum	\$4,244	1. Fund elimination of the Academic Support Grant (Code 632)
29	K-12 Curriculum	-\$30,000	1. Funding the first \$30,000 for K-5 additional sections.
30	K-12 Technology	\$106,705	1. Technology needs for new staff, student devices, projectors and interactive boards and First Class Gmail migration project.
31	K-12 Technology	\$36,330	1. Funds MCAS equipment needed in K-12 Technology
31	K-12 Technology	\$36,480	1. Fund Registration Gateway implementation year (one-time)
32	K-12 English Learner Education	\$4,000	1. Fund additional expenditures for translation and testing.
36	K-12 Athletics	\$3,925	1. Fund purchase of equipment for special education students to access curriculum.
38	Health Services	\$3,000	1. Fund the AED battery replacement, and dedicated fax machines for health offices.
39.4	K-12 Counseling	\$11,780	1. Fund K-12 Counseling Contract Services (one-time)
40.2	6-8 Special Education	-\$3,925	1. Fund purchase of equipment for special education students to access curriculum.
41	Tuition	-\$93,610	1. Fund increase in SPED Consultants (NECC agreement)
41	Tuition	-\$1,354,587	1. Fund positions transferred from 240 grant to operating budget
43	Special Educ. Consultants	\$100,000	1. Fund increase in SPED Consultants (NECC agreement)
43	Special Educ. Consultants	\$93,610	1. Fund increase in SPED Consultants (NECC agreement)
45	Print Center	\$10,000	1. Fund additional District leased copiers (LHS & Harrington)
46	Legal Services	-\$15,710	1. Fund Ext. Day security enhancements at Fiske & Harrington (A-phones)
46	Legal Services	-\$100,000	1. Fund increase in SPED Consultants (NECC agreement)
46	Legal Services	-\$15,710	1. Fund 504 Facility Improvement Needs (one-time)
48.2	Superintendent	-\$36,480	1. Fund Registration Gateway implementation year (one-time)
48.2	Superintendent	\$39,615	1. Fund Central Registration furniture and equipment (one-time)
48.4	Human Resources	-\$74,400	1. Fund the Emergency Planning and Training needs.
60	Emergency Planning & Training	\$39,400	1. Fund Building Security Consultant.
61	Facility Improvements	\$15,710	1. Fund Ext. Day security enhancements at Fiske & Harrington (A-phones)
61	Facility Improvements	\$15,710	1. Fund 504 Facility Improvement Needs (one-time)
61	Facility Improvements	\$35,000	1. Fund the space mining project at Lexington High School.
Subtotal - Expenses		-\$1,110,962	

Grand Total	\$ -
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Description of Activities – Prior & Current Year Return to General Fund:

The School Department returned \$1,214,923 in prior year encumbrances that had been carried forward from prior years. The total return to the general fund for both current year funds (\$1,940,686) and prior year funds (\$1,214,923) totals \$3,155,609.

WHAT ACTION (IF ANY) DO YOU WISH SCHOOL COMMITTEE TO TAKE?

- No action requested, this is a short update or a presentation of information.
- Request input and questions from the School Committee, but no vote required.
- Request formal action with a vote on a specific item.

If formal action is requested, please check one:

This item is being presented

- for the first time, with a request that the School Committee vote at a subsequent meeting
or
- with the request that the School Committee take action immediately

If formal action is requested:

Include a suggested motion or let _____ know if you need assistance preparing a motion.

SUGGESTED MOTION:

FOLLOW-UP:

AMOUNT OF TIME REQUESTED FOR THE AGENDA ITEM:

ATTACHMENTS:

Fourth Quarter Salaries and Wages Budget – Detail
Fourth Quarter Expenses Budget - Detail

Fourth Quarter Salaries and Wages Budget – Detail

Line	Category Description	FY17 FTE (ATM)	FTE Trans / Adjustments	FY17 FTE (adj)	Current FTEs (through 6/30/17)	FTE Difference - Favorable (Unfavorable)	FY17 Budget (ATM)	Budget Transfers / Adjustments	FY17 Budget (adj)	Salaries Total (through 7/7/17 payroll)	\$ Difference - Favorable (Unfavorable)	Notes (Illustrates material changes)
1	Unit A - LEA	702.21	10.49	712.70	710.15	2.55	58,296,607	897,733	59,194,340	\$ 56,708,784	\$ 2,485,557	1. FTE Adjustment; Grant Transfers: +11.11 FTE 2. FTE Adjustment; Internal Transfers: -0.62 FTE
2	Unit A - Stipends	0.00				-	891,068	3,764	894,832	\$ 1,103,324	\$ (208,492)	
3	Unit A - Coaches	0.00				-	648,979		648,979	\$ 595,519	\$ 53,459	
4	Unit D - LEA	88.87	-0.59	88.28	88.61	(0.33)	3,689,255		3,689,255	\$ 3,570,795	\$ 118,460	1. FTE Adjustment; internal Transfers: -1.41 FTE
5	Non-Union Ds. Supp./Mgrs.	27.15	3.50	30.65	30.65	-	2,447,508		2,447,508	\$ 2,561,510	\$ (114,002)	1. FTE Adjustment; internal Transfers: +3.50 FTE
7	Unit C - Inst Asst/SSI/SIA	159.51	-0.94	158.57	158.63	(0.07)	6,101,052		6,101,052	\$ 5,305,150	\$ 795,902	1. FTE Adjustment; internal Transfers: -0.94 FTE
7.1	Non-Union Hourly	9.15	5.28	14.43	15.70	(1.27)	943,186	177,000	1,120,186	\$ 861,477	\$ 258,709	1. FTE Adjustment; Grant Transfers: +6.24 FTE 2. FTE Adjustment; internal Transfers: -0.96 FTE 4. Supplemental Positions: 1.52 FTE
8	ABA/BCBA Instructors	3.91	0.02	3.93	3.94	(0.00)	406,069		406,069	\$ 396,528	\$ 9,541	1. FTE Adjustment; internal Transfers: +0.02 FTE
10	Special Class Aides	6.00	-0.43	5.57	6.44	(0.87)	221,441		221,441	\$ 182,992	\$ 38,448	1. FTE Adjustment; internal Transfers: -0.43 FTE
13	Technology Unit	16.00		16.00	16.00	-	958,717		958,717	\$ 810,934	\$ 147,783	
14	Central Administrators	6.00		6.00	6.00	-	1,025,130		1,025,130	\$ 1,072,367	\$ (47,237)	
15	Principals	9.00		9.00	9.00	-	1,322,684		1,322,684	\$ 1,256,857	\$ 65,827	
16	ALA - Asst Pri/Supervisors	41.90	2.00	43.90	43.90	-	4,724,999	209,465	4,934,464	\$ 4,968,968	\$ (34,504)	1. FTE Adjustment; Grant Transfers: +2.00 FTE
17.1	Substitutes (Per-Diem)					-	850,210		850,210	\$ 616,408	\$ 233,802	
17.2	Substitutes (Nurses)					-	15,300		15,300	\$ 10,626	\$ 4,675	
17.3	Substitutes (Long-Term)					-				\$ 889,555	\$ (889,555)	
18.1	Substitutes (Para)					-	50,000		50,000	\$ 66,636	\$ (16,636)	
18.2	Substitutes (Sec)					-	16,193		16,193	\$ 73,480	\$ (57,287)	
19	Salary Differential					-	(1,000,000)		(1,000,000)	\$ -	\$ (1,000,000)	
20	Grant Reduction Offset					-	177,000	(177,000)	-	\$ -	\$ -	
	Adjustments (Salary Encumbrance)					-				\$ -	\$ -	
	SALARIES & WAGES Total	1,069.70	19.33	1,089.03	1,089.02	0.01	\$ 81,785,397	\$ 1,110,962	\$ 82,896,359	\$ 81,061,910	\$ 1,834,449	

Fourth Quarter Expenses Budget - Detail

Line #	Program	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Budget (approved by ATM)	Transfer Summary	FY17 Budget (adj)	FY 17 Projected Expenditures	Favorable/ (Unfavorable)	Percent Spent
1	Bowman	\$ 21,912	\$ 35,757	\$ 52,011	\$74,761	-\$1,043	\$73,717	\$73,610	\$107	100%
2	Bridge	\$ 27,346	\$ 54,246	\$ 44,112	\$74,140	\$9,000	\$83,140	\$67,100	\$16,040	81%
3	Estabrook	\$ 23,732	\$ 25,619	\$ 42,177	\$64,687	-\$9,800	\$54,887	\$54,490	\$397	99%
4	Fiske	\$ 26,975	\$ 39,794	\$ 45,372	\$63,675	\$0	\$63,675	\$52,842	\$10,833	83%
5	Harrington	\$ 23,981	\$ 37,431	\$ 45,293	\$63,464	\$0	\$63,464	\$44,375	\$19,088	70%
6	Hastings	\$ 19,310	\$ 25,697	\$ 38,349	\$54,488	\$15,000	\$69,488	\$49,630	\$19,858	71%
7	Clarke	\$ 42,920	\$ 51,207	\$ 32,960	\$44,324	\$0	\$44,324	\$41,560	\$2,764	94%
8	Diamond	\$ 25,506	\$ 38,553	\$ 27,428	\$38,981	\$0	\$38,981	\$40,396	-\$1,415	104%
9	Lexington High School	\$ 115,959	\$ 151,666	\$ 146,074	\$164,640	\$0	\$164,640	\$160,233	\$4,407	97%
10	K-5 Literacy	\$ 97,598	\$ 178,515	\$ 218,531	\$222,295	\$35,640	\$257,935	\$247,431	\$10,504	96%
11	K-5 Math	\$ 71,054	\$ 70,501	\$ 76,625	\$81,347	\$2,333	\$83,680	\$82,565	\$1,116	99%
12	K-5 Science	\$ 32,982	\$ 34,239	\$ 34,637	\$37,846	\$5,410	\$43,256	\$41,830	\$1,426	97%
13	K-5 Social Studies	\$ 26,240	\$ 28,618	\$ 22,741	\$30,992	\$5,175	\$36,167	\$35,951	\$216	99%
14	6-8 English/Lang Arts	\$ 34,745	\$ 34,411	\$ 36,125	\$37,597	\$0	\$37,597	\$35,260	\$2,337	94%
16	6-8 World Language	\$ 29,068	\$ 30,840	\$ 45,596	\$46,623	\$0	\$46,623	\$45,086	\$1,537	97%
17	6-8 Math	\$ 26,756	\$ 107,471	\$ 107,114	\$110,048	\$0	\$110,048	\$110,028	\$21	100%
18	6-8 Science	\$ 63,006	\$ 61,741	\$ 62,071	\$65,206	\$0	\$65,206	\$66,733	-\$1,527	102%
19	6-8 Social Studies	\$ 25,876	\$ 28,063	\$ 24,975	\$29,291	\$0	\$29,291	\$29,566	-\$275	101%
21	9-12 English	\$ 30,728	\$ 31,857	\$ 31,505	\$34,145	\$0	\$34,145	\$32,627	\$1,518	96%
22	9-12 World Language	\$ 37,063	\$ 37,745	\$ 39,318	\$41,627	\$0	\$41,627	\$41,450	\$177	100%
23	9-12 Math	\$ 106,468	\$ 68,184	\$ 65,472	\$40,582	\$0	\$40,582	\$39,807	\$775	98%
23.1	9-12 Math Team			\$ 4,892	\$5,473	\$0	\$5,473	\$5,555	-\$82	101%
24	9-12 Science	\$ 84,337	\$ 88,894	\$ 95,288	\$101,900	\$0	\$101,900	\$101,730	\$169	100%
25	9-12 Social Studies	\$ 37,482	\$ 37,315	\$ 44,747	\$41,646	\$0	\$41,646	\$41,583	\$63	100%
25.1	Debate & Competitive Speech	\$ 71,361	\$ 70,618	\$ 65,194	\$74,053	\$0	\$74,053	\$73,975	\$79	100%
29	K-12 Curriculum	\$ 400,614	\$ 421,481	\$ 427,256	\$536,500	-\$29,520	\$506,980	\$425,797	\$81,183	84%
30	K-12 Library Media Program	\$ 168,694	\$ 161,543	\$ 174,308	\$189,519	\$0	\$189,519	\$187,609	\$1,911	99%
31	K-12 Technology	\$ 658,670	\$ 493,955	\$ 486,627	\$514,194	\$179,515	\$693,709	\$656,471	\$37,238	95%
32	K-12 English Learner Education	\$ 30,112	\$ 27,450	\$ 32,368	\$35,569	\$4,000	\$39,569	\$38,413	\$1,156	97%
33	K-12 PE/Wellness	\$ 67,177	\$ 69,285	\$ 71,682	\$74,616	\$0	\$74,616	\$73,865	\$751	99%
34	K-12 Visual Arts	\$ 84,120	\$ 79,767	\$ 83,741	\$88,365	\$0	\$88,365	\$85,057	\$3,308	96%
35	K-12 Performing Arts	\$ 108,691	\$ 73,768	\$ 88,226	\$102,456	\$0	\$102,456	\$96,388	\$6,068	94%
36	K-12 Athletics	\$ 64,481	\$ 126,837	\$ 138,662	\$147,082	\$3,925	\$151,007	\$151,007	\$0	100%
37	Early Childhood Education	\$ 45,887	\$ 60,186	\$ 79,189	\$74,691	\$0	\$74,691	\$49,668	\$25,023	66%
38	Health Services	\$ 15,883	\$ 20,218	\$ 20,895	\$20,090	\$3,000	\$23,090	\$22,116	\$974	96%
39.1	K-5 Counseling		\$ -	\$ -	\$0	\$0	\$0	\$0	\$0	
39.2	6-8 Counseling		\$ -	\$ 28	\$0	\$0	\$0	\$0	\$0	
39.3	9-12 Counseling	\$ 12,375	\$ 13,459	\$ 15,832	\$16,595	\$0	\$16,595	\$14,027	\$2,567	85%
39.4	K-12 Counseling	\$ 14,343	\$ 62,365	\$ 81,845	\$74,327	\$11,780	\$86,107	\$83,073	\$3,034	96%
40.1	K-5 Special Education	\$ 89,793	\$ 49,457	\$ 50,226	\$51,905	\$0	\$51,905	\$52,160	-\$255	100%
40.2	6-8 Special Education	\$ 53,256	\$ 20,428	\$ 23,810	\$34,164	-\$3,925	\$30,239	\$17,099	\$13,139	57%
40.3	9-12 Special Education	\$ 13,100	\$ 9,008	\$ 25,373	\$34,807	\$0	\$34,807	\$8,851	\$25,956	25%
40.4	PreK-22 Special Education	\$ 136,774	\$ 107,114	\$ 88,213	\$127,121	\$0	\$127,121	\$101,727	\$25,394	80%
41	Tuition	\$ 4,415,327	\$ 4,736,414	\$ 5,286,658	\$6,506,004	-\$1,448,197	\$5,057,807	\$5,027,778	\$30,029	99%
42	Transportation: Special Education	\$ 1,164,885	\$ 1,289,360	\$ 1,480,637	\$1,611,695	\$0	\$1,611,695	\$1,636,793	-\$25,098	102%
42.1	Transportation: Homeless	\$ 85,088	\$ 23,425	\$ 32,795	\$49,120	\$0	\$49,120	\$46,175	\$2,945	94%
43	Special Educ. Consultants	\$ 480,758	\$ 281,686	\$ 252,442	\$375,000	\$193,610	\$568,610	\$642,774	-\$74,164	113%
44	Transportation: Regular Education	\$ 1,342,058	\$ 1,481,511	\$ 1,453,070	\$1,747,085	\$0	\$1,747,085	\$1,846,217	-\$99,132	106%
45	Print Center	\$ 256,381	\$ 276,306	\$ 326,839	\$283,662	\$10,000	\$293,662	\$306,493	-\$12,831	104%
46	Legal Services	\$ 250,845	\$ 219,992	\$ 232,583	\$385,507	-\$131,420	\$254,087	\$134,698	\$119,388	53%
47	Teacher Substitutes	\$ 12,183	\$ 93,410	\$ 65,923	\$0	\$0	\$0	\$272,612	-\$272,612	
48	Administration	\$ 460,080	\$ 566,978	\$ -	\$0	\$0	\$0	\$0	\$0	0%
48.1	School Committee			\$ 23,949	\$19,249	\$0	\$19,249	\$11,733	\$7,517	61%
48.2	Superintendent			\$ 127,705	\$197,022	\$3,135	\$200,157	\$160,801	\$39,356	80%
48.3	Finance and Operations			\$ 79,027	\$96,523	\$0	\$96,523	\$56,417	\$40,105	58%
48.4	Human Resources			\$ 280,599	\$380,241	-\$74,400	\$305,841	\$265,991	\$39,850	87%
56	Telephone	\$ 37,443	\$ 30,250	\$ 45,678	\$80,960	\$0	\$80,960	\$43,772	\$37,188	54%
58	Prior Year Unpaid Bills	\$ 50,000	\$ 50,000	\$ 49,766	\$0	\$0	\$0	\$50,000	-\$50,000	
60	Emergency Planning & Training	\$ 17,883	\$ 518	\$ 5,342	\$10,000	\$39,400	\$49,400	\$43,371	\$6,029	88%
61	Facility Improvements	\$ 60,769	\$ -	\$ -	\$0	\$66,420	\$66,420	\$66,336	\$84	100%
Grand Total		\$ 166,095	\$ 80,768	\$ 100,787	\$ 15,507,901	\$ (1,110,962)	\$ 14,396,939	\$ 14,290,702	\$ 106,237	99%