



LINCOLN PUBLIC SCHOOLS

MARY ELLEN NORMEN
ADMINISTRATOR FOR BUSINESS AND FINANCE

June 14, 2022

To: Lincoln School Committee
Becky McFall, Superintendent of Schools
From: Mary Ellen Normen, Administrator for Business and Finance
Subject: FY22 Preliminary Year End Closing Report

The end of year financial report provides a year summary for the Lincoln Public Schools. The Lincoln School budget will end FY22 in balanced budget for the Lincoln Campus and a surplus for the Hanscom Campus with all obligations met. During the fiscal year to date, the district has been able to absorb the following:

- Updating the School Committee Policy Manual – both campuses
- The final payment for the closing of the EDCO Collaborative – both campuses;
- Purchase of a 25-year PPA (Pre-Purchase Agreement) for our electricity commodity pricing at the Lincoln School – Lincoln campus;
- Unpredictable substitute costs due to the impact of COVID on staff and their families– both campuses; and
- Unprecedented increases in Gasoline, Natural Gas and Electricity delivery charges – Lincoln campus. Hanscom campus has a less volatile energy contract with the base.

FY22 Budget Summary

	Original Budget	Transfers to Date	Revised Budget	Projected YTD & ENC	Available Balance	% Projected Expended
Lincoln						
School Committee	\$ 6,426	\$ -	\$ 6,426	\$ 23,515	\$ (17,089)	365.9%
Personnel	\$ 9,741,767	\$(257,851)	\$ 9,483,916	\$ 9,540,771	\$ (56,855)	100.6%
Supplies, Equipment & Services	\$ 2,613,346	\$ 257,851	\$ 2,871,197	\$ 2,568,165	\$ 303,032	89.4%
Total	\$12,361,539	\$ (0)	\$12,361,539	\$12,132,450	\$ 229,089	98.1%
Hanscom						
School Committee	\$ 6,426	\$ -	\$ 6,426	\$ 22,687	\$ (16,261)	353.1%
Personnel	\$12,160,168	\$ 1,706	\$12,161,874	\$11,853,000	\$ 308,874	97.5%
Supplies, Equipment & Services	\$ 4,427,168	\$ (1,706)	\$ 4,425,462	\$ 3,554,670	\$ 870,792	80.3%
Total	\$16,587,336	\$ 0	\$16,587,336	\$15,407,670	\$1,179,666	92.9%

Lincoln Campus

For the past several years, the School Committee has been able to accomplish some authorized pre-purchasing at the end of the fiscal year. Last year, the Committee was able to pre-pay special education tuition and collaborative fees. This year the pre-pay option may not be fully available to us due to changes in how CASE Collaborative is required to handle prior year credits going forward. It will be advantageous for us to have a current year invoice to apply the credit.

Budget Adjustments and Updates - Ongoing

School Committee

- Update to Policy Manual. (\$1,750 of \$\$3,500 Total – Lincoln Campus)
The School Committee has embarked on a three-year project to update all of its policies for language and statutory updates and changes. This cost was split between both campuses.
- **EDCO Closure:** (\$18,255.41 of total: \$36,510.52 –Lincoln Share)
The final invoice has been received to close the Lincoln liability for the Education Collaborative. This cost was split between both campuses.

Personnel

- A reserve of \$25,000 is being held for substitute costs for the last month of the fiscal year.
- Packing/Unpacking Costs for K-4 Lincoln School employees is being held in reserve (\$70,000)
- Overtime costs for Custodians are over budget due to coverage, moving, and weather events

Supplies, Equipment, & Services

The Larger sums in “Supplies, Equipment, & Services” are primarily uncommitted funds in the School and Curriculum Supplies and Materials account under the oversight of Principals and Curriculum Leaders. The rate of expenditure is at an appropriate level at this time of the school year.

- General Supplies and Materials accounts are not adjusted for any assumed spending or known spending.
- The Operating Budget was closed to all new spending on March 31, 2022
- **COVID Related Costs: Town Funded through ARPA/FEMA/MEMA**
Up through June, the district had COVID related costs of approximately \$33,000 for PPE, testing materials, HEPA filter replacements, and translation of information for parents and caregivers. The Town is funding these necessary supports and supplies from the remaining CARES funds. At this time, we have the resources and supplies necessary to follow the outlined protocols in our schools. There has been no increase to this amount as we close the fiscal year
- Utilities (Natural Gas, Electricity): The operating budget required an immediate transfer from within the budget to cover the increased costs in both Natural Gas and Electricity.

The original budget projection for Utilities was \$497,663. The projected revised budget of approximately \$530,000 for the 3rd quarter was \$100,000 over the original budget. The final projected expenditure less the PPA is \$587,321 which is an 18% change in a combination of consumption of KWHs and delivery costs from the time the budget was projected in calendar 2020 and 18 months later. The factors include the all-electric modular classrooms, the new all electric building without fully functioning solar panels, and the economic escalation in delivery costs. The potential for this budget going into deficit was a “known unknown.” Meaning that an overage is not a surprise. The truly unknown and unanticipated magnitude is the impact of the increase in the delivery charges that all customers are experiencing.

- **Pre-purchase Agreement for Electricity for the Lincoln School:** **(\$165,000)**
The Lincoln School Committee prepaid approximately \$165,000 of the cost associated with PPA Agreement for solar PV at the School, and thereby lower the expected cost of electricity we will be obliged to purchase from the PPA provider by approximately \$371,264 over the 25-year term of the PPA Agreement, an attractive 9% per year rate of return on this “investment.” The prepayment was made in February 2022.
- **Gasoline:** The administration has paid \$404.25 to Doherty’s for May fuel charge.

FY22 Preliminary Year End Closing Report

Lincoln Campus
FY 2022 OPERATING BUDGET -- STATUS REPORT
 4th Quarter
 as of June 13, 2022

obj class	Expense Category	Original FY22 Operating Budget	MONITORING COLUMN Transfers to Date	Revised FY22 Operating Budget	Expended		Expended & Encumbered		% of total budget
					Amount	Percent of Original Budget	Amount	Percent of Original Budget	
1	School Committee	\$ 6,426	\$ -	\$ 6,426	\$ 41,597	647.3%	\$ 23,515	365.9%	0.05%
	Personnel								
2	Administrator Salaries	\$ 940,220	\$ -	\$ 940,220	\$ 866,512	92.2%	\$ 941,864	100.2%	7.61%
	Professional Salaries (Teachers, Nurses, etc.)								
3	• Regular salaries	\$ 6,555,417	\$ (237,743)	\$ 6,317,675	\$ 5,679,172	89.9%	\$ 6,381,586	97.3%	51.11%
4	• Stipends (leadership & mentoring)	\$ 253,952	\$ 1,075	\$ 255,027	\$ 242,064	94.9%	\$ 260,890	102.7%	2.06%
5	• Substitutes (daily & long-term)	\$ 175,000	\$ 44,665	\$ 219,665	\$ 102,171	46.5%	\$ 130,704	74.7%	1.78%
6	• Misc. Salaries (see note 1)	\$ 206,218	\$ 10,787	\$ 217,005	\$ 146,685	67.6%	\$ 219,837	106.6%	1.76%
	Paraprofessionals Wages								
7	• Special Education Tutors	\$ 131,713	\$ (13,417)	\$ 118,296	\$ 147,852	125.0%	\$ 160,162	121.6%	0.96%
8	• Instructional Assistants	\$ 346,984	\$ (35,400)	\$ 311,584	\$ 287,158	92.2%	\$ 315,107	90.8%	2.52%
9	• Other paraprofessionals	\$ 112,589	\$ (20,192)	\$ 92,397	\$ 85,953	93.0%	\$ 92,146	81.8%	0.75%
	Support Staff								
10	• Secretaries	\$ 420,527	\$ (7,627)	\$ 412,900	\$ 381,014	92.3%	\$ 413,926	98.4%	3.34%
11	• Facilities, Maintenance & Custodial Staff	\$ 572,947	\$ -	\$ 572,947	\$ 478,027	83.4%	\$ 586,676	102.4%	4.63%
12	• Overtime	\$ 26,200	\$ -	\$ 26,200	\$ 29,695	113.3%	\$ 37,874	144.6%	0.21%
13	Professional & Staff Development	\$ 50,600	\$ (236)	\$ 50,364	\$ 22,488	44.7%	\$ 44,637	88.2%	0.41%
	Supplies, Equipment & Services								
15	In-District Transportation	\$ 494,160	\$ -	\$ 494,160	\$ 456,456	92.4%	\$ 494,126	100.0%	4.00%
16	Out of District Special Education Transportation	\$ 117,751	\$ (9,099)	\$ 108,652	\$ 24,080	22.2%	\$ 107,900	91.6%	0.88%
17	Special Education Tuition (OOD & collaboratives)	\$ 544,196	\$ (29,047)	\$ 515,150	\$ 229,199	44.5%	\$ 359,995	66.2%	4.17%
	General Supplies and Materials								
18	• Textbooks	\$ 31,365	\$ (1,051)	\$ 30,314	\$ 11,147	36.8%	\$ 22,552	71.9%	0.25%
19	• Other Published Materials	\$ 82,635	\$ 17,096	\$ 99,731	\$ 73,249	73.4%	\$ 102,071	123.5%	0.81%
20	• Durable Goods and Equipment	\$ 59,575	\$ (6,522)	\$ 53,053	\$ 26,170	49.3%	\$ 31,304	52.5%	0.43%
21	• Consumable Supplies	\$ 92,794	\$ 5,557	\$ 98,351	\$ 71,743	72.9%	\$ 94,033	101.3%	0.80%
22	• Contracted Services	\$ 306,334	\$ 24,993	\$ 331,327	\$ 179,998	54.3%	\$ 268,541	87.7%	2.68%
	Facilities & Maintenance								
23	• Utilities -- heat	\$ 26,000	\$ 2,000	\$ 28,000	\$ 27,005	96.4%	\$ 32,000	123.1%	0.23%
24	• Utilities -- electricity	\$ 430,000	\$ 255,851	\$ 685,851	\$ 501,943	73.2%	\$ 685,844	159.5%	5.55%
25	• Utilities -- water, sewer, telephones	\$ 41,663	\$ -	\$ 41,663	\$ 23,370	56.1%	\$ 34,476	82.8%	0.34%
26	• Maintenance Services & Supplies	\$ 93,930	\$ -	\$ 93,930	\$ 51,281	54.6%	\$ 63,074	67.1%	0.76%
27	• Custodial Services & Supplies	\$ 48,700	\$ -	\$ 48,700	\$ 36,066	74.1%	\$ 38,520	79.1%	0.39%
29	• Building and Capital Projects	\$ 40,000	\$ -	\$ 40,000	\$ 6,693	16.7%	\$ 45,732	114.3%	0.32%
30	IT Replacement Cycle	\$ 120,764	\$ -	\$ 120,764	\$ 120,794	100.0%	\$ 120,794	100.0%	0.98%
28	Other expenses (see note 2)	\$ 32,879	\$ (1,692)	\$ 31,187	\$ 9,531	30.6%	\$ 22,565	68.6%	0.25%
	Total	\$ 12,361,539	\$ (0)	\$ 12,361,539	\$ 10,359,113	83.8%	\$ 12,132,450	98.1%	100.0%
							\$ 229,089		

Notes

1. Includes personnel control, home/hospital teaching, certain curriculum development & instrumental instruction salaries.
2. Includes (but not limited to) postage, legal expenses including settlements, advertising, printing, permits, etc.

*Highlighted cells are being monitored. The red cells under “Percent of Original Budget” highlight expenditure rates that are outside of the normal spending behavior of the account (90%). The yellow cells under “Expended & Encumbered” are accounts that are at or over 100% projected expended (yellow). The green cell is the projected available fund balance after all known to date expenditures are completed.

Proposed Actions: The administration proposes three FY22 actions for School Committee consideration:

- 1) prepayment of certain special education tuition and collaborative fees if funds are available;
- 2) returning some funds to the Town at the end of the fiscal year.
- 3) Transfers to be completed this quarter

Expense Category	Transfer Amount	Reason
School Committee	\$ 17,089	EDCO & Policy Manual
Personnel	\$ 56,855	PPA, Utilities Heat & Elec.
Professional & Staff Development	\$ (5,727)	
In-District Transportation	\$ -	
Out of District Special Education Transportation	\$ (456)	Consulting Services
Special Education Tuition (OOD & collaboratives)	\$ -	
General Supplies and Materials	\$ (20,670)	
Facilities & Maintenance	\$ (38,468)	
<ul style="list-style-type: none"> • Utilities -- heat • Utilities -- electricity • Building and Capital Projects 		Natural Gas Prices PPA, Utilities Heat & Elec.
Other expenses (see note 2)	\$ (8,622)	
Total Lincoln Transfers	\$ 0	

Pre-payment: The administration proposes to partially pre-pay known FY23 special education tuition and collaborative fees in FY22 to create a cushion for unbudgeted additional expenses and unanticipated special education expenses, as we have in the past. The amount is currently unknown as we are still dealing with unknowns in our energy costs as delivery charges are adjusting monthly. Administration would be looking to pre-pay up to \$100,000 or two CASE tuitions on the Lincoln Campus. The goal of a prepayment will preserve some of the planned FY23 Personnel Control account to meet unexpected requirements during the school year. This is more important on the Lincoln Campus than the Hanscom Campus.

Hanscom Campus

The Hanscom allocated budget also has a surplus resulting from personnel changes, COVID impacts, reduced Special Education OOD expenses and savings in the operation budget, all similar to those discussed in the Lincoln budget above.

School Committee

- Update to Policy Manual. (\$1,750 of \$\$3,500 Total – Lincoln Campus)
The School Committee has embarked on a three-year project to update all of its policies for language and statutory updates and changes. This cost was split between both campuses.
- **EDCO Closure:** (\$18,255.41 of total: \$36,510.52 – Hanscom Share)
The final invoice has been received to close the Lincoln liability for the Education Collaborative. This cost was split between both campuses.

Personnel

- A reserve of \$25,000 is being held for substitute costs for the final quarter of the fiscal year.
- Overtime costs for Custodians are over budget due to coverage and weather events

Supplies, Equipment, & Services (Both Campuses)

- IT replacement cycle line includes a budget transfer from the Hanscom Reserve and a special education purchase (e-Rate Wireless Hub equipment).

Proposed Actions:

1. The administration proposes no pre-purchase of special education expenses for School Committee consideration.
2. Transfers to be completed this quarter

Expense Category	Transfer Amount	Reason
School Committee	\$ 16,261	EDCO & Policy Manual
Personnel	\$ (8,344)	
Special Education Tuition (OOD & collaboratives)	\$ -	
General Supplies and Materials		
• Other Published Materials	\$ 17,405	
• Durable Goods and Equipment	\$ -	
• Consumable Supplies	\$ -	
• Contracted Services	\$ (16,355)	
Facilities & Maintenance		
• Utilities -- water, sewer, telephones	\$ 0	
• Maintenance Services & Supplies	\$ 161	
• Custodial Services & Supplies	\$ (14,783)	
• Building and Capital Projects	\$ 3,137	
Other expenses (see note 2)	\$ 2,518	
Total Hanscom Transfers	\$ 0	

FY22 Preliminary Year End Closing Report

Hanscom Campus
 FY 2022 OPERATING BUDGET -- STATUS REPORT
 4th Quarter
 as of June 13, 2022

obj class	Expense Category	Original FY21		Revised FY21		Expended		Expended & Encumbered		% of total budget
		Operating Budget		Operating Budget		Amount	Percent of Original Budget	Amount	Percent of Original Budget	
1	School Committee	\$ 6,426	\$ -	\$ 6,426	\$ 4,258	66.3%	\$ 22,687	353.1%	0.04%	
	Personnel									
2	Administrator Salaries	\$ 1,013,184	\$ -	\$ 1,013,184	\$ 934,153	92.2%	\$ 1,014,470	100.1%	6.11%	
	Professional Salaries (Teachers, Nurses, etc.)									
3	• Regular salaries	\$ 6,924,516	\$ -	\$ 6,924,516	\$ 5,846,533	84.4%	\$ 6,656,811	96.1%	41.75%	
4	• Stipends (leadership & mentoring)	\$ 253,624	\$ -	\$ 253,624	\$ 213,726	84.3%	\$ 258,518	101.9%	1.53%	
5	• Substitutes (daily & long-term)	\$ 175,000	\$ -	\$ 175,000	\$ 116,666	66.7%	\$ 145,289	83.0%	1.06%	
6	• Misc. Salaries (see note 1)	\$ 147,471	\$ 2,500	\$ 149,971	\$ 59,000	39.3%	\$ 150,971	102.4%	0.90%	
	Paraprofessionals Wages									
7	• Special Education Tutors	\$ 450,893	\$ -	\$ 450,893	\$ 443,492	98.4%	\$ 479,766	106.4%	2.72%	
8	• Instructional Assistants	\$ 344,826	\$ -	\$ 344,826	\$ 318,034	92.2%	\$ 349,664	101.4%	2.08%	
9	• Other paraprofessionals	\$ 113,443	\$ -	\$ 113,443	\$ 84,464	74.5%	\$ 90,206	79.5%	0.68%	
	Support Staff									
10	• Secretaries	\$ 415,481	\$ -	\$ 415,481	\$ 377,501	90.9%	\$ 416,507	100.2%	2.50%	
11	• Facilities, Maintenance & Custodial Staff	\$ 638,640	\$ -	\$ 638,640	\$ 558,066	87.4%	\$ 603,269	94.5%	3.85%	
12	• Overtime	\$ 17,800	\$ -	\$ 17,800	\$ 24,033	135.0%	\$ 32,044	180.0%	0.11%	
13	Professional & Staff Development	\$ 57,290	\$ (794)	\$ 56,496	\$ 23,231	41.1%	\$ 47,484	82.9%	0.34%	
14	Employee Benefits & Town Svcs	\$ 1,608,000	\$ -	\$ 1,608,000	\$ 955,452	59.4%	\$ 1,608,000	100.0%	9.69%	
	Supplies, Equipment & Services									
15	In-District Transportation	\$ 8,300	\$ (8,300)	\$ -	\$ 113	0.0%	\$ 113	1.4%	0.00%	
16	Out of District Special Education Transportation	\$ 450,584	\$ 4,800	\$ 455,384	\$ 377,807	83.0%	\$ 407,807	90.5%	2.75%	
17	Special Education Tuition (OOD & collaboratives)	\$ 2,573,200	\$ (39,542)	\$ 2,533,658	\$ 1,687,841	66.6%	\$ 1,947,080	75.7%	15.27%	
	General Supplies and Materials									
18	• Textbooks	\$ 24,035	\$ (1,760)	\$ 22,275	\$ 8,546	38.4%	\$ 11,484	47.8%	0.13%	
19	• Other Published Materials	\$ 96,813	\$ 20,971	\$ 117,784	\$ 70,806	60.1%	\$ 108,886	112.5%	0.71%	
20	• Durable Goods and Equipment	\$ 64,674	\$ 10,905	\$ 75,579	\$ 40,651	53.8%	\$ 69,213	107.0%	0.46%	
21	• Consumable Supplies	\$ 111,880	\$ (5,452)	\$ 106,428	\$ 72,034	67.7%	\$ 93,344	83.4%	0.64%	
22	• Contracted Services	\$ 400,876	\$ 79,446	\$ 480,322	\$ 195,882	40.8%	\$ 275,417	68.7%	2.90%	
	Facilities & Maintenance									
23	• Utilities -- heat	\$ 62,000	\$ -	\$ 62,000	\$ 44,021	71.0%	\$ 62,000	100.0%	0.37%	
24	• Utilities -- electricity	\$ 200,000	\$ -	\$ 200,000	\$ 124,258	62.1%	\$ 200,000	100.0%	1.21%	
25	• Utilities -- water, sewer, telephones	\$ 30,769	\$ (175)	\$ 30,594	\$ 21,997	71.9%	\$ 30,594	99.4%	0.18%	
26	• Maintenance Services & Supplies	\$ 189,800	\$ (52,500)	\$ 137,300	\$ 105,311	76.7%	\$ 137,461	72.4%	0.83%	
27	• Custodial Services & Supplies	\$ 56,300	\$ (7,600)	\$ 48,700	\$ 31,450	64.6%	\$ 33,917	60.2%	0.29%	
29	• Building and Capital Projects	\$ 10,000	\$ (2,500)	\$ 7,500	\$ -	0.0%	\$ 10,637	106.4%	0.05%	
30	IT Replacement Cycle	\$ 114,048	\$ -	\$ 114,048	\$ 131,453	115.3%	\$ 114,048	100.0%	0.69%	
28	Other expenses (see note 2)	\$ 27,463	\$ -	\$ 27,463	\$ 17,822	64.9%	\$ 29,981	109.2%	0.17%	
	TOTALS	\$ 16,587,336	\$ 0	\$ 16,587,336	\$ 12,888,603	77.7%	\$ 15,407,670	92.9%		
							\$ 1,179,666			

Notes

1. Includes personnel control, home/hospital teaching, certain curriculum development & instrumental instruction salaries.
2. Includes (but not limited to) postage, legal expenses including settlements, advertising, printing, permits, etc.

*Highlighted cells are being monitored. The red cells under “Percent of Original Budget” highlight expenditure rates that are outside of the normal spending behavior of the account (90%). The yellow cells under “Expended & Encumbered” are accounts that are at or over 100% projected expended (yellow). The green cell is the projected available fund balance after all known to date expenditures are completed.