



LINCOLN PUBLIC SCHOOLS

BUCKNER M. CREEL
ADMINISTRATOR FOR BUSINESS AND FINANCE

April 10, 2013

To: Lincoln School Committee
Rebecca McFall, Superintendent of Schools
From: Buckner Creel, Administrator for Business and Finance
Subject: FY13 Third Quarter Report

For Fiscal Year 2013, the Lincoln Public Schools received appropriations of \$9,737,367 for the Lincoln Campus. A reserve fund transfer in the amount of \$61,441 was approved by the Finance Committee in the second quarter of this fiscal year to support the opening of an additional Kindergarten classroom. During the third quarter, Reserve Fund transfers for the following amounts were approved by the Finance Committee:

- \$31,105 for architect and OPM support to develop the outreach and charrette efforts of the School Building Committee
- \$36,000 to replace the Brooks fire alarm panel

The revised budget amount is \$9,865,913. All financial obligations on the Lincoln Campus are expected to be met within the funds appropriated for FY13.

The Hanscom budget for FY13 was originally prepared based on providing services for the 550-599 pupil enrollment band, Band 3; the price for FY13 provides a contract allocation of \$10,651,610.

The DODEA contracting officer also awarded a change order in the amount of \$194,050 to cover certain costs associated with relocating the Hanscom Cafeteria to a temporary location in the Hanscom Primary School, and to move the Hanscom Middle School operations to the temporary school location at the end of FY13. We invoiced DODEA for \$32,000 of costs relating to the build-out of the temporary kitchen in Hanscom Primary. The subsequent change in schedule for the Hanscom Middle School replacement project moves the preparation work for the move into FY14, leaving the \$164,050 balance of the FY13 change order unspent. Funds to cover this FY13 change order were transferred from the Hanscom Reserve in anticipation of the change order work, so the \$164,050 balance will revert to the Hanscom Reserve at the end of the fiscal year. The administration is preparing an updated proposal to accomplish the move support in FY14.

Finally, the School Committee approved a reserve fund transfer at the Hanscom Primary School to cover the additional costs for the opening of a fifth Kindergarten classroom. The revised contract allocation with reserve fund transfers totals \$11,251,885 and serves as the current budget amount for the Hanscom operations. The funds allocated on the Hanscom Campus for FY13 are sufficient to meet the obligations currently anticipated.

Attached for your review is a report providing details of the current operating budget, year to date expenses and encumbrances as of April 5, 2013. At that date, approximately 70% of the school year and 75% of the fiscal year had elapsed. The report balances

include payrolls through April 2, 2013, reflecting wages through March 22, 2013. The report now includes a column ("Original FY13 Operating Budget") showing the budget at the time of the FY13 accounting start-up on August 13, 2012, before the beginning of the school year. Also included is a report showing key budget lines we currently track in greater detail. This report compares this year's "burn rate" with the comparable period from the last fiscal year for selected budget lines of special interest.

Several comments on specific expense categories follow.

Lincoln Campus

General. Legal expenses are significantly below the anticipated expenditure level for this point in the school year. Special Education out-of-district expenses (OOD) to-date appear low, as they appeared at this time last year, and only 77.5% of the OOD budget has been encumbered or spent,

Utilities. This winter has been colder than the past winter. To date, the degree-days for this heating season are 17% above the degree-days for the 2011-12 heating season. I currently project that the heating costs will equal or exceed slightly the amount budgeted for natural gas, potentially releasing a portion of the \$12,000 Town reimbursement for return, depending on the temperature pattern for the remainder of the school year. The FY13 electricity costs are projected to equal the budgeted amount.

Long-term Substitutes. The number of maternity and medical leaves has required support from long-term substitutes at a level above that provided in the budget. The original budget for this category was \$40,000 which was revised to \$115,245, so the current additional amount for this category is \$75,245. The additional amount required will increase in the next quarter as more leaves become active.

The deficit in the long-term substitutes is offset in part from the amounts released from employee budgets unspent because a portion of these leaves is often unpaid. The remainder is covered through amounts resulting from other personnel actions.

Hanscom Campus

General. Legal expenses and long-term substitutes are significantly below the anticipated expenditure level for this point in the school year.

Utilities. Last fall, the Hanscom Public Works Squadron determined that the gas meter serving the Hanscom Schools was defective, and has not billed us for natural gas since July. Further, we have not received any utility bills since December 2012, which we understand results from the Base desire to operate under the new natural gas meter for several months, coupled with delays in getting the HAFB CY13 utility rates approved. As a consequence, expenditures for utilities, particularly natural gas, are behind. We anticipate that catch-up bills will be provided before the end of June.

Benefits. Employee health insurance expenses are projected to exceed the budget amount by \$19,400. This shortfall will be covered by funds released from the unemployment insurance line, where expenses are much lower than anticipated.

Please contact me at 259-2623 or bcreel@lincnet.org should you have any questions about the enclosed information.

Lincoln Campus
FY 2013 OPERATING BUDGET -- STATUS REPORT
3rd Quarter
as of April 5, 2013

Expense Category	Original FY13 Operating Budget	Revised FY13 Operating Budget	Expended		Expended & Encumbered		% of total budget
			Amount	Percent	Amount	Percent	
School Committee	\$ 4,735	\$ 9,375	\$ 8,029	85.6%	\$ 9,249	98.7%	0.10%
Personnel							
Administrator Salaries	\$ 737,105	\$ 737,039	\$ 526,815	71.5%	\$ 734,918	99.7%	7.47%
Professional Salaries (Teachers, Nurses, etc.)							
• Regular salaries	\$ 5,503,388	\$ 5,483,485	\$ 3,617,146	66.0%	\$ 5,479,946	99.9%	55.58%
• Stipends (leadership & mentoring)	\$ 190,212	\$ 190,714	\$ 119,658	62.7%	\$ 183,860	96.4%	1.93%
• Substitutes (daily & long-term)	\$ 105,000	\$ 180,245	\$ 99,285	55.1%	\$ 157,770	87.5%	1.83%
• Misc. Salaries (see note 1)	\$ 504,657	\$ 475,673	\$ 69,021	14.5%	\$ 85,454	18.0%	4.82%
Paraprofessionals Wages							
• Special Education Tutors	\$ 67,563	\$ 62,064	\$ 32,369	52.2%	\$ 46,572	75.0%	0.63%
• Instructional Assistants	\$ 153,376	\$ 176,532	\$ 110,278	62.5%	\$ 169,269	95.9%	1.79%
• Other paraprofessionals	\$ 66,470	\$ 65,697	\$ 45,671	69.5%	\$ 65,697	100.0%	0.67%
Support Staff							
• Secretaries	\$ 352,655	\$ 359,499	\$ 261,462	72.7%	\$ 359,490	100.0%	3.64%
• Facilities, Maintenance & Custodial Staff	\$ 391,971	\$ 392,008	\$ 273,446	69.8%	\$ 386,534	98.6%	3.97%
• Overtime	\$ 21,125	\$ 21,125	\$ 13,905	65.8%	\$ 13,905	65.8%	0.21%
Professional & Staff Development	\$ 47,926	\$ 53,178	\$ 34,102	64.1%	\$ 41,939	78.9%	0.54%
Supplies, Equipment & Services							
In-District Transportation	\$ 350,000	\$ 350,000	\$ 218,400	62.4%	\$ 350,000	100.0%	3.55%
Out of District Special Education Transportation	\$ 1,000	\$ 1,000	\$ -	0.0%	\$ 38	3.8%	0.01%
Special Education Tuition (OOD & collaboratives)	\$ 238,504	\$ 238,504	\$ 128,333	53.8%	\$ 184,813	77.5%	2.42%
General Supplies and Materials							
• Textbooks	\$ 17,618	\$ 17,588	\$ 13,647	77.6%	\$ 13,718	78.0%	0.18%
• Other Published Materials	\$ 62,313	\$ 69,149	\$ 49,120	71.0%	\$ 54,666	79.1%	0.70%
• Durable Goods and Equipment	\$ 75,180	\$ 77,851	\$ 46,054	59.2%	\$ 56,350	72.4%	0.79%
• Consumable Supplies	\$ 111,101	\$ 106,034	\$ 60,196	56.8%	\$ 76,075	71.7%	1.07%
• Contracted Services	\$ 186,236	\$ 142,795	\$ 51,562	36.1%	\$ 77,592	54.3%	1.45%
Facilities & Maintenance							
• Utilities -- heat	\$ 168,000	\$ 168,000	\$ 120,200	71.5%	\$ 153,000	91.1%	1.70%
• Utilities -- electricity	\$ 170,000	\$ 170,000	\$ 106,557	62.7%	\$ 168,000	98.8%	1.72%
• Utilities -- water, sewer, telephones	\$ 39,903	\$ 39,903	\$ 11,372	28.5%	\$ 24,996	62.6%	0.40%
• Maintenance Services & Supplies	\$ 96,650	\$ 197,541	\$ 107,074	54.2%	\$ 164,879	83.5%	2.00%
• Custodial Services & Supplies	\$ 33,239	\$ 39,789	\$ 27,658	69.5%	\$ 31,808	79.9%	0.40%
Other expenses (see note 2)	\$ 41,440	\$ 41,125	\$ 14,715	35.8%	\$ 16,672	40.5%	0.42%
TOTALS (see note 3)	\$ 9,737,367	\$ 9,865,913	\$ 6,166,074	62.5%	\$ 9,107,210	92.3%	100.0%

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.
3. Includes Reserve Fund transfers of \$61,441 (4th Kindergarten classroom), \$31,105 (SBC support) and \$36,000 (Brooks fire alarm panel)

Hanscom Campus
FY 2013 OPERATING BUDGET -- STATUS REPORT
3rd Quarter
as of April 5, 2013

Expense Category	Original FY13 Operating Budget	Revised FY13 Operating Budget	Expended		Expended & Encumbered		% of total
			Amount	Percent	Amount	Percent	
School Committee	\$ 3,850	\$ 3,850	\$ 2,213	57.5%	\$ 3,211	83.4%	0.03%
Personnel							0.00%
Administrator Salaries	\$ 671,761	\$ 671,767	\$ 477,567	71.1%	\$ 671,760	100.0%	5.97%
Professional Salaries (Teachers, Nurses, etc.)							0.00%
• Regular salaries	\$ 5,558,986	\$ 5,527,346	\$ 3,576,034	64.7%	\$ 5,420,414	98.1%	49.12%
• Stipends (leadership & mentoring)	\$ 169,817	\$ 176,403	\$ 109,290	62.0%	\$ 170,245	96.5%	1.57%
• Substitutes (daily & long-term)	\$ 100,000	\$ 105,269	\$ 57,854	55.0%	\$ 75,489	71.7%	0.94%
• Misc. Salaries (see note 1)	\$ 253,424	\$ 326,585	\$ 47,088	14.4%	\$ 61,136	18.7%	2.90%
Paraprofessionals Wages							0.00%
• Special Education Tutors	\$ 302,446	\$ 340,507	\$ 212,731	62.5%	\$ 322,161	94.6%	3.03%
• Instructional Assistants	\$ 296,115	\$ 327,122	\$ 192,916	59.0%	\$ 299,105	91.4%	2.91%
• Other paraprofessionals ****	\$ 113,370	\$ 118,529	\$ 83,424	70.4%	\$ 118,528	100.0%	1.05%
Support Staff							0.00%
• Secretaries	\$ 338,390	\$ 341,583	\$ 247,109	72.3%	\$ 341,575	100.0%	3.04%
• Facilities, Maintenance & Custodial Staff	\$ 416,108	\$ 423,143	\$ 307,376	72.6%	\$ 420,893	99.5%	3.76%
• Overtime	\$ 16,240	\$ 14,740	\$ 5,529	37.5%	\$ 5,529	37.5%	0.13%
Professional & Staff Development	\$ 49,002	\$ 51,301	\$ 33,441	65.2%	\$ 41,277	80.5%	0.46%
Employee Benefits & Town Svcs	\$ 1,443,378	\$ 1,443,753	\$ 647,848	44.9%	\$ 1,385,500	96.0%	12.83%
Supplies, Equipment & Services							0.00%
In-District Transportation							
Out of District Special Education Transportation	\$ 93,083	\$ 100,033	\$ 87,374	87.3%	\$ 95,624	95.6%	0.89%
Special Education Tuition (OOD & collaboratives)	\$ 264,987	\$ 258,037	\$ 192,770	74.7%	\$ 192,770	74.7%	2.29%
General Supplies and Materials							0.00%
• Textbooks	\$ 25,293	\$ 27,725	\$ 14,862	53.6%	\$ 15,555	56.1%	0.25%
• Other Published Materials	\$ 74,967	\$ 82,208	\$ 52,874	64.3%	\$ 67,440	82.0%	0.73%
• Durable Goods and Equipment	\$ 90,153	\$ 119,679	\$ 75,783	63.3%	\$ 93,365	78.0%	1.06%
• Consumable Supplies	\$ 116,912	\$ 107,141	\$ 65,941	61.5%	\$ 80,173	74.8%	0.95%
• Contracted Services	\$ 224,292	\$ 168,105	\$ 74,333	44.2%	\$ 107,990	64.2%	1.49%
Facilities & Maintenance							0.00%
• Utilities -- heat	\$ 18,000	\$ 18,000	\$ 210	1.2%	\$ 15,000	83.3%	0.16%
• Utilities -- electricity	\$ 100,000	\$ 100,000	\$ 46,621	46.6%	\$ 100,000	100.0%	0.89%
• Utilities -- water, sewer, telephones	\$ 41,279	\$ 41,279	\$ 20,831	50.5%	\$ 30,461	73.8%	0.37%
• Maintenance Services & Supplies	\$ 110,830	\$ 286,485	\$ 128,909	45.0%	\$ 154,824	54.0%	2.55%
• Custodial Services & Supplies	\$ 27,244	\$ 33,794	\$ 22,578	66.8%	\$ 26,298	77.8%	0.30%
Other expenses (see note 2)	\$ 37,403	\$ 37,504	\$ 12,588	33.6%	\$ 13,358	35.6%	0.33%
TOTALS (see note 3)	\$ 10,957,330	\$ 11,251,888	\$ 6,796,094	60.4%	\$ 10,329,681	91.8%	

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.
3. Includes two reserve fund transfers totalling \$294,555 to open a fifth Kindergarten classroom and to provide funds for the HMS move prep.

FY 2013 Operating Budget -- Key Budget Line Tracking

3rd Quarter

as of April 5, 2013

Budget line	FY12 Budget				FY13 Budget			
	original budget	revised budget	3Q \$\$ expended cumulative	3Q % expended cumulative	original budget	revised budget	3Q \$\$ expended cumulative	3Q % expended cumulative
Lincoln Campus								
Legal expenses	17,750	17,750	5,619	31.7%	18,750	18,750	633	3.4%
Substitutes (daily)	65,000	65,000	40,565	62.4%	65,000	65,000	42,525	65.4%
Substitutes (long-term)	40,000	40,000	10,797	27.0%	40,000	115,245	56,759	49.3%
Custodian overtime	18,125	18,125	11,014	60.8%	18,125	18,125	12,062	66.6%
Custodial services & supplies	38,206	38,206	30,477	79.8%	39,789	39,789	27,658	69.5%
Utilities (heat)	173,000	173,000	111,559	64.5%	168,000	168,000	120,200	71.5%
Utilities (electricity)	172,000	172,000	107,599	62.6%	170,000	170,000	106,557	62.7%
Utilities (telephones)	20,433	20,433	5,310	26.0%	25,503	25,503	4,189	16.4%
Special Education OOD tuition	270,950	270,950	149,984	55.4%	238,504	238,504	128,333	53.8%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	225,231	222,163	162,304	73.1%	245,501	241,151	142,608	59.1%
Hanscom Campus								
Legal expenses	15,700	15,700	4,593	29.3%	15,700	15,700	518	3.3%
Substitutes (daily)	50,000	50,000	21,271	42.5%	50,000	62,500	45,220	72.4%
Substitutes (long-term)	50,000	50,000	22,160	44.3%	50,000	42,769	12,634	29.5%
Custodian overtime	16,240	16,240	5,228	32.2%	16,240	14,740	5,529	37.5%
Custodial services & supplies	31,389	31,389	24,903	79.3%	33,794	33,794	22,578	66.8%
Utilities (heat)	18,000	18,000	2,718	15.1%	18,000	18,000	210	1.2%
Utilities (electricity)	100,000	100,000	58,524	58.5%	100,000	100,000	46,621	46.6%
Utilities (telephones)	32,000	32,000	17,410	54.4%	33,225	33,225	17,000	51.2%
Special Education OOD tuition	92,212	101,195	80,813	79.9%	159,908	152,958	87,691	57.3%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	221,711	305,298	214,348	70.2%	307,850	322,158	180,355	56.0%