



LINCOLN PUBLIC SCHOOLS

BUCKNER M. CREEL
ADMINISTRATOR FOR BUSINESS AND FINANCE

April 8, 2015

To: Lincoln School Committee
Rebecca McFall, Superintendent of Schools
From: Buckner Creel, Administrator for Business and Finance
Subject: FY15 Third Quarter Report

For Fiscal Year 2015, the Lincoln Public Schools received appropriations of \$10,291,812 for the Lincoln Campus. All financial obligations currently anticipated on the Lincoln Campus are expected to be met within the funds appropriated for FY15.

The Hanscom budget for FY15 was originally prepared based on providing services for the 550-599 pupil enrollment band (Band 3). Recognizing the likely enrollment for FY15 would be at the very top of Band 3, the staffing proposed in the budget required funding at a level within Band 4. The School Committee accepted the Superintendent's recommendation to increase the Hanscom budget allocation to \$12,257,725 to provide the funds for a staffing level to match the anticipated enrollment, versus the confirmed contract price for the 550-599 pupil enrollment band (Band 3) of \$11,636,940. The Administration believes the funds currently allocated on the Hanscom Campus for FY15 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 March 31, 2015. At that date, approximately 70% of the school year and 75% of the fiscal year had elapsed. The report balances include payrolls through March 31, 2015, reflecting wages through March 20, 2015. 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.

Both Campuses

The Special Education out-of-district (OOD) tuitions on both campuses anticipated for the remainder of the current year are projected to remain within the current budget. The switch by the CASE collaborative from an assessment model to a fee-for-service basis for collaborative placement expenses resulted in credits for carry-over balances from prior years; these credits freed up budget amounts which are available to fund the extra expenses on both campuses discussed later in this report.

Legal expenses are significantly below the anticipated expenditure level for this point in the school year.

Maternity and sick leaves and FMLA situations have (once again) increased the number of long-term substitutes required. We will continue to monitor the substitute lines and make adjustments as required.

The record amounts of snow we experienced required additional expenditures on both campuses, in the areas of snow removal, roof shovelling and custodial overtime.

Lincoln Campus

General Special Education out-of-district expenses (OOD) and regular substitutes to-date appear significantly lower.

Utilities This winter has been only slightly colder than the past winter. To date, the degree-days for this heating season are 1-2% above the degree-days for the 2013-14 heating season. I currently project that the heating costs will not exceed the amount budgeted for natural gas, and could be less, potentially releasing \$5-8,000, depending on the temperature pattern for the remainder of the school year. The FY15 electricity costs are also projected to be less than the budgeted amount, potentially by at least \$20,000.

Long-term substitutes The number of maternity and medical leaves this year requires 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 \$64,091, so the current additional amount for this category is \$24,091. Long-term subs for two more leaves will be encumbered early in April, requiring an additional \$11,406 for this budget category, and an additional amount, perhaps \$12-15,000, will be required to fund a third long-term sub yet to be identified.

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 sometimes unpaid. The remainder is covered through amounts resulting from other personnel actions.

9C State grant reductions Governor Baker was forced to propose current-year budget reductions to balance the budget he inherited when he took office. These cuts, called "9C cuts" after the provision of law (MGL C 29 § 9C) which gives the Governor authority to decrease Executive Branch account budgets, are imposed on a wide range of programs, including the DESE.

Two of our grants were reduced in these 9C cuts:

- The METCO grant was reduced by \$32,264. After reviewing the current plans for the remainder of the year, the METCO director and I primarily reduced the grant budget line for "Instructional/Direct Service Staff," without reducing the actual staff FTE. I provided funds from other parts of the budget to make up the difference.
- The Full-Day Kindergarten grant was reduced by \$13,750. We reduced the grant budget line for "Support Staff," without reducing the actual instructional assistant FTE. Again, I provided funds from other parts of the budget to make up the difference.

The savings in the Special Education collaboratives line resulting from the changes in CASE billing method discussed earlier allowed us to supplant the grant cuts from the Lincoln appropriated budget.

Harsh winter The burden of snow removal on the Lincoln Campus fell primarily on the Town DPW staff, who responded very well to our needs. We determined that some snow should be removed from portions of our roofs, which cost \$25,300 (\$13,900 Brooks, \$11,400 Smith). Careful planning on the part of our Facilities Manager has conserved custodial overtime funds, and we anticipate meeting the remaining requirements within the remaining budget.

Hanscom Campus

General. Legal expenses and heat utilities are significantly below the anticipated expenditure level for this point in the school year.

Utilities We have been billed for electricity only through January, and have had no actual reading of the meter installed for the temporary HMS classrooms. While the FY15 electricity costs are projected to be approximately equal to the budgeted amount, based on last year's billing, the impact of the all-electric temporary facility is unknown and may be higher than currently projected.

Long-term substitutes The number of maternity and medical leaves this year requires support from long-term substitutes at a level above that provided in the budget. The original budget for this category was \$70,000 which was revised to \$77,448, so the current additional amount for this category is \$7,448. An additional amount, perhaps \$12-15,000, will be required to fund two long-term subs yet to be identified.

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 sometimes unpaid. The remainder is covered through amounts resulting from other personnel actions.

Harsh winter The burden of snow removal on the Hanscom Campus fell on the District's Facilities staff, who responded very well to our needs. The original budget amount for snow removal was \$35,000; the current estimate for the total expenditures is about \$100,000.

We determined that some snow should be removed from portions of our roofs, which cost \$9,720. Careful planning on the part of our Facilities Manager has conserved custodial overtime funds, but the demands of the winter and several sick leaves have caused us to project that the remaining requirements will slightly exceed the remaining budget.

Please contact me at 781-259-2623 or bcreel@lincnet.org should you have any questions about the enclosed information.

Lincoln Campus
FY 2015 OPERATING BUDGET -- STATUS REPORT
3rd Quarter
as of March 31, 2015

Expense Category	Original FY15 Operating Budget	Revised FY15 Operating Budget	Expended		Expended & Encumbered		% of total budget
			Amount	Percent	Amount	Percent	
School Committee	\$ 5,165	\$ 5,165	\$ 3,156	61.1%	\$ 4,446	86.1%	0.05%
Personnel							
Administrator Salaries	\$ 818,461	\$ 818,961	\$ 581,533	71.0%	\$ 818,953	100.0%	7.96%
Professional Salaries (Teachers, Nurses, etc.)							
• Regular salaries	\$ 6,060,014	\$ 6,066,340	\$ 3,934,825	64.9%	\$ 6,043,444	99.6%	58.94%
• Stipends (leadership & mentoring)	\$ 196,473	\$ 202,611	\$ 123,717	61.1%	\$ 192,602	95.1%	1.97%
• Substitutes (daily & long-term)	\$ 112,500	\$ 136,591	\$ 78,867	57.7%	\$ 96,851	70.9%	1.33%
• Misc. Salaries (see note 1)	\$ 178,128	\$ 157,475	\$ 52,127	33.1%	\$ 71,069	45.1%	1.53%
Paraprofessionals Wages							
• Special Education Tutors	\$ 80,163	\$ 94,529	\$ 62,863	66.5%	\$ 90,326	95.6%	0.92%
• Instructional Assistants	\$ 212,752	\$ 218,153	\$ 134,215	61.5%	\$ 215,318	98.7%	2.12%
• Other paraprofessionals	\$ 67,595	\$ 68,001	\$ 47,240	69.5%	\$ 67,901	99.9%	0.66%
Support Staff							
• Secretaries	\$ 386,237	\$ 364,601	\$ 253,559	69.5%	\$ 359,452	98.6%	3.54%
• Facilities, Maintenance & Custodial Staff	\$ 430,767	\$ 430,767	\$ 306,036	71.0%	\$ 416,701	96.7%	4.19%
• Overtime	\$ 25,825	\$ 25,825	\$ 8,431	32.6%	\$ 8,431	32.6%	0.25%
Professional & Staff Development	\$ 50,555	\$ 52,403	\$ 28,824	55.0%	\$ 39,134	74.7%	0.51%
	\$ 7,750,454						
Supplies, Equipment & Services							
In-District Transportation	\$ 336,900	\$ 336,900	\$ 229,320	68.1%	\$ 336,900	100.0%	3.27%
Out of District Special Education Transportation	\$ 53,298	\$ 53,298	\$ -	0.0%	\$ -	0.0%	0.52%
Special Education Tuition (OOD & collaboratives)	\$ 181,740	\$ 133,351	\$ 62,246	46.7%	\$ 100,637	75.5%	1.30%
General Supplies and Materials							
• Textbooks	\$ 21,931	\$ 21,018	\$ 15,428	73.4%	\$ 16,407	78.1%	0.20%
• Other Published Materials	\$ 61,186	\$ 68,693	\$ 36,248	52.8%	\$ 42,722	62.2%	0.67%
• Durable Goods and Equipment	\$ 98,703	\$ 113,482	\$ 65,497	57.7%	\$ 83,653	73.7%	1.10%
• Consumable Supplies	\$ 128,271	\$ 116,236	\$ 60,010	51.6%	\$ 78,824	67.8%	1.13%
• Contracted Services	\$ 150,699	\$ 148,018	\$ 56,268	38.0%	\$ 80,550	54.4%	1.44%
Facilities & Maintenance							
• Utilities -- heat	\$ 192,000	\$ 192,000	\$ 137,196	71.5%	\$ 184,000	95.8%	1.87%
• Utilities -- electricity	\$ 203,000	\$ 203,000	\$ 106,850	52.6%	\$ 168,425	83.0%	1.97%
• Utilities -- water, sewer, telephones	\$ 27,500	\$ 27,500	\$ 11,968	43.5%	\$ 23,756	86.4%	0.27%
• Maintenance Services & Supplies	\$ 132,996	\$ 157,503	\$ 92,341	58.6%	\$ 114,955	73.0%	1.53%
• Custodial Services & Supplies	\$ 37,668	\$ 37,668	\$ 22,405	59.5%	\$ 24,629	65.4%	0.37%
Other expenses (see note 2)	\$ 41,285	\$ 41,722	\$ 9,792	23.5%	\$ 18,681	44.8%	0.41%
TOTALS (see note 3)	\$ 18,042,266	\$ 10,291,811	\$ 6,520,960	63.4%	\$ 9,698,767	94.2%	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.

Hanscom Campus
FY 2015 OPERATING BUDGET -- STATUS REPORT
3rd Quarter
as of March 31, 2015

Expense Category	Original FY15 Operating Budget	Revised FY15 Operating Budget	Expended		Expended & Encumbered		% of total
			Amount	Percent	Amount	Percent	
School Committee	\$ 4,420	\$ 4,420	\$ 2,756	62.4%	\$ 3,900	88.2%	0.04%
Personnel							
Administrator Salaries	\$ 768,851	\$ 768,851	\$ 551,595	71.7%	\$ 768,846	100.0%	6.27%
Professional Salaries (Teachers, Nurses, etc.)							
• Regular salaries	\$ 6,167,478	\$ 5,984,892	\$ 3,905,850	65.3%	\$ 5,931,809	99.1%	48.83%
• Stipends (leadership & mentoring)	\$ 204,628	\$ 205,275	\$ 131,747	64.2%	\$ 204,167	99.5%	1.67%
• Substitutes (daily & long-term)	\$ 127,500	\$ 134,947	\$ 67,450	50.0%	\$ 98,310	72.9%	1.10%
• Misc. Salaries (see note 1)	\$ 39,416	\$ 54,065	\$ 36,660	67.8%	\$ 43,525	80.5%	0.44%
Paraprofessionals Wages							
• Special Education Tutors	\$ 429,229	\$ 492,599	\$ 322,302	65.4%	\$ 486,281	98.7%	4.02%
• Instructional Assistants	\$ 348,124	\$ 355,437	\$ 196,001	55.1%	\$ 296,419	83.4%	2.90%
• Other paraprofessionals ****	\$ 116,290	\$ 116,728	\$ 82,758	70.9%	\$ 116,727	100.0%	0.95%
Support Staff							
• Secretaries	\$ 350,196	\$ 350,563	\$ 246,103	70.2%	\$ 347,945	99.3%	2.86%
• Facilities, Maintenance & Custodial Staff	\$ 416,640	\$ 415,630	\$ 291,188	70.1%	\$ 403,464	97.1%	3.39%
• Overtime	\$ 16,240	\$ 16,594	\$ 13,633	82.2%	\$ 13,633	82.2%	0.14%
Professional & Staff Development	\$ 49,705	\$ 51,999	\$ 27,246	52.4%	\$ 37,903	72.9%	0.42%
Employee Benefits & Town Svcs	\$ 1,586,000	\$ 1,556,000	\$ 638,829	41.1%	\$ 1,525,000	98.0%	12.69%
Supplies, Equipment & Services							
In-District Transportation							
Out of District Special Education Transportation	\$ 204,099	\$ 204,099	\$ 91,389	44.8%	\$ 92,921	45.5%	1.67%
Special Education Tuition (OOD & collaboratives)	\$ 502,439	\$ 502,439	\$ 99,787	19.9%	\$ 157,716	31.4%	4.10%
General Supplies and Materials							
• Textbooks	\$ 12,975	\$ 16,933	\$ 8,000	47.2%	\$ 12,208	72.1%	0.14%
• Other Published Materials	\$ 86,317	\$ 90,665	\$ 44,063	48.6%	\$ 49,454	54.5%	0.74%
• Durable Goods and Equipment	\$ 157,426	\$ 158,525	\$ 84,925	53.6%	\$ 90,538	57.1%	1.29%
• Consumable Supplies	\$ 114,630	\$ 113,878	\$ 53,172	46.7%	\$ 59,655	52.4%	0.93%
• Contracted Services	\$ 164,868	\$ 164,212	\$ 54,281	33.1%	\$ 79,877	48.6%	1.34%
Facilities & Maintenance							
• Utilities -- heat	\$ 11,259	\$ 11,259	\$ -	0.0%	\$ 10,000	88.8%	0.09%
• Utilities -- electricity	\$ 110,000	\$ 110,000	\$ 60,991	55.4%	\$ 110,000	100.0%	0.90%
• Utilities -- water, sewer, telephones	\$ 33,741	\$ 33,741	\$ 17,351	51.4%	\$ 26,797	79.4%	0.28%
• Maintenance Services & Supplies	\$ 169,297	\$ 278,016	\$ 181,388	65.2%	\$ 213,996	77.0%	2.27%
• Custodial Services & Supplies	\$ 32,375	\$ 32,375	\$ 21,021	64.9%	\$ 23,262	71.9%	0.26%
Other expenses (see note 2)	\$ 33,582	\$ 33,583	\$ 9,354	27.9%	\$ 15,536	46.3%	0.27%
TOTALS (see note 3)	\$ 12,257,725	\$ 12,257,725	\$ 7,239,842	59.1%	\$ 11,219,887	91.5%	

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.

FY 2015 Operating Budget -- Key Budget Line Tracking

3rd Quarter

as of March 31, 2015

Budget line	FY14 Budget				FY15 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	18,250	22,100	8,395	38.0%	12,450	12,450	2,181	17.5%
Substitutes (daily)	65,000	65,000	41,900	64.5%	72,500	72,500	41,005	56.6%
Substitutes (long-term)	40,000	67,154	51,725	77.0%	40,000	64,091	37,862	59.1%
Custodian overtime	18,125	17,645	10,816	61.3%	17,825	17,825	7,513	42.1%
Custodial services & supplies	42,816	42,816	25,658	59.9%	37,668	37,668	22,405	59.5%
Utilities (heat)	186,000	186,000	144,350	77.6%	192,000	192,000	137,196	71.5%
Utilities (electricity)	198,000	197,000	105,651	53.6%	203,000	203,000	106,850	52.6%
Utilities (telephones)	14,222	14,222	2,473	17.4%	13,000	13,000	1,679	12.9%
Special Education OOD tuition	222,465	114,965	29,329	25.5%	131,281	131,281	62,246	47.4%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	229,435	267,871	125,899	47.0%	308,497	327,188	181,388	55.4%
Hanscom Campus								
Legal expenses	15,700	18,850	6,869	36.4%	10,250	10,250	1,934	18.9%
Substitutes (daily)	50,000	56,412	46,050	81.6%	57,500	57,500	45,941	79.9%
Substitutes (long-term)	50,000	107,343	56,348	52.5%	70,000	77,448	21,508	27.8%
Custodian overtime	16,240	15,682	9,086	57.9%	15,840	14,276	9,765	68.4%
Custodial services & supplies	34,550	34,550	21,228	61.4%	32,375	32,375	21,021	64.9%
Utilities (heat)	12,100	11,359	2,489	21.9%	11,259	11,259	-	0.0%
Utilities (electricity)	105,000	115,000	73,408	63.8%	110,000	110,000	60,991	55.4%
Utilities (telephones)	24,000	24,743	16,324	66.0%	24,741	24,741	14,708	59.4%
Special Education OOD tuition	156,258	152,258	86,524	56.8%	151,100	151,100	70,747	46.8%
General Supplies, Materials and some Contracted Services (SBM & new curriculum mat'ls)	286,658	316,455	146,395	46.3%	377,118	371,907	182,188	49.0%