



LINCOLN PUBLIC SCHOOLS

BUCKNER M. CREEL
ADMINISTRATOR FOR BUSINESS AND FINANCE

October 2, 2018

To: Lincoln School Committee
Rebecca McFall, Superintendent of Schools
From: Buckner Creel, Administrator for Business and Finance
Subject: FY19 First Quarter Report

For Fiscal Year 2019, the Lincoln Public Schools received appropriations of \$11,492,608 for the Lincoln Campus. The increase over the FY18 budget of \$11,216,203 includes an increase of 2.5% over the base voted by Town Meeting in 2017, and the FY19 Medicaid appropriation of \$37,000. All financial obligations currently anticipated on the Lincoln Campus are expected to be met within the funds appropriated for FY19.

The Hanscom budget for FY19 was prepared based on providing services for the 550-599 pupil enrollment band (Band 4). Recognizing the likely enrollment for FY19 would be at the very top of Band 4, the staffing proposed in the budget required funding supporting services at that level. The Department of Defense Educational Activity (DoDEA) accepted the School Committee proposal for a Band 4 price of \$15,077,513 to provide the funds for a staffing level to match the anticipated enrollment, to meet the anticipated out-of-district special education placements and to make an anticipated contribution towards the District's GASB 45 obligations. The School Committee approved an allocation of \$14,877,513 for the FY19 Hanscom operating budget.

The administration submitted the September 30th enrollment report for certification by the 66th Airbase Group, and the exact contract-qualifying enrollment is a total of 610 students. The enrollment report is still under review for verification by the Hanscom Education Liaison and by DoDEA. If approved, the submitted pupil enrollment should set the FY19 contract price at the 600-649 (Band 5) of \$15,458,969, and the administration will request the School Committee to approve an increase in the budget allocation. If the Band 5 enrollment figure of 610 is not verified, the contract price and budget allocation will remain the same.

Attached for your review is a report providing details of the current operating budget, year to date expenses and encumbrances as of October 1, 2018. At that date, approximately 10% of the school year and 25% of the fiscal year had elapsed. The report balances include payrolls through September 25, 2018, reflecting wages through September 14, 2018.

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

For the second year in a row, we are experiencing a larger number of situations requiring long-term substitutes than we have normally faced this early in past school years. The key budget line for long-term subs reflects the increased amounts required to support this requirement. Complicating an accurate picture is change in DESE guidance for reporting long-term subs. This will have the effect of moving expenses from the long-term substitute accounts to the program area where the substitute teaches. These changes should occur during the next quarter, affecting the 2nd Quarter report. The administration will continue to monitor this situation as a topic for special consideration in future reports.

Lincoln Campus

The report shows that in the Special Education out of district (OOD) placements and transportation budget lines, only \$15,959 of the original budget of \$361,667 remains. This is striking in that the School Committee approved FY19 Special Education prepayments of collaborative expenses up to \$220,000 at the end of FY18; the administration prepaid a total of \$205,002.

In effect, the current year's Special Education OOD placements and transportation expenses total \$550,710, with the possibility of additional OOD placements later in the year. This situation could impact the FY20 budget development process.

The negative expenditure in the heating utilities key budget tracking line is an artifact of a Keyspan billing problem created following a meter change last February. The credit created through over-generous estimates in lieu of actual meter reads will disappear once the heating season starts.

Hanscom Campus

The report shows that in the Special Education out of district (OOD) placements and transportation budget lines, only \$156,413 of the original budget of \$2,233,880 remains. This amount may be sufficient to cover the anticipated expenses for two students requiring special education services who recently moved onto Hanscom AFB.

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

Lincoln Campus
FY 2019 OPERATING BUDGET -- STATUS REPORT
1st Quarter
as of October 1, 2018

Expense Category	Original FY19 Operating Budget	Revised FY19 Operating Budget	Expended		Expended & Encumbered		% of total budget
			Amount	Percent	Amount	Percent	
School Committee	\$ 5,485	\$ 5,485	\$ 1,401	25.5%	\$ 4,793	87.4%	0.05%
Personnel							
Administrator Salaries	\$ 870,898	\$ 893,489	\$ 176,092	19.7%	\$ 892,236	99.9%	7.77%
Professional Salaries (Teachers, Nurses, etc.)							
• Regular salaries	\$ 6,257,009	\$ 6,222,074	\$ 729,112	11.7%	\$ 6,077,867	97.7%	54.14%
• Stipends (leadership & mentoring)	\$ 409,649	\$ 417,194	\$ 44,281	10.6%	\$ 390,313	93.6%	3.63%
• Substitutes (daily & long-term)	\$ 181,222	\$ 181,222	\$ 8,857	4.9%	\$ 62,712	34.6%	1.58%
• Misc. Salaries (see note 1)	\$ 135,071	\$ 128,906	\$ 20,086	15.6%	\$ 72,535	56.3%	1.12%
Paraprofessionals Wages							
• Special Education Tutors	\$ 174,316	\$ 169,749	\$ 11,611	6.8%	\$ 88,185	52.0%	1.48%
• Instructional Assistants	\$ 275,370	\$ 275,370	\$ 13,429	4.9%	\$ 207,911	75.5%	2.40%
• Other paraprofessionals	\$ 77,297	\$ 77,297	\$ 10,540	13.6%	\$ 77,296	100.0%	0.67%
Support Staff							
• Secretaries	\$ 413,739	\$ 414,507	\$ 83,606	20.2%	\$ 413,328	99.7%	3.61%
• Facilities, Maintenance & Custodial Staff	\$ 601,119	\$ 602,062	\$ 130,160	21.6%	\$ 578,667	96.1%	5.24%
• Overtime	\$ 18,124	\$ 18,124	\$ 1,752	9.7%	\$ 1,752	9.7%	0.16%
Professional & Staff Development	\$ 51,323	\$ 51,323	\$ 11,860	23.1%	\$ 19,947	38.9%	0.45%
Supplies, Equipment & Services							
In-District Transportation	\$ 401,000	\$ 401,000	\$ -	0.0%	\$ 401,000	100.0%	3.49%
Out of District Special Education Transportation	\$ 84,770	\$ 19,474	\$ -	0.0%	\$ 3,240	16.6%	0.17%
Special Education Tuition (OOD & collaboratives)	\$ 297,172	\$ 347,407	\$ 8,620	2.5%	\$ 347,407	100.0%	3.02%
General Supplies and Materials							
• Textbooks	\$ 16,522	\$ 20,729	\$ 11,626	56.1%	\$ 12,359	59.6%	0.18%
• Other Published Materials	\$ 62,251	\$ 63,233	\$ 17,361	27.5%	\$ 24,428	38.6%	0.55%
• Durable Goods and Equipment	\$ 62,768	\$ 65,617	\$ 11,764	17.9%	\$ 19,260	29.4%	0.57%
• Consumable Supplies	\$ 100,652	\$ 97,493	\$ 23,630	24.2%	\$ 38,442	39.4%	0.85%
• Contracted Services	\$ 246,096	\$ 261,602	\$ 54,462	20.8%	\$ 127,770	48.8%	2.28%
Facilities & Maintenance							
• Utilities -- heat	\$ 150,000	\$ 150,000	\$ (2,169)	-1.4%	\$ 146,583	97.7%	1.31%
• Utilities -- electricity	\$ 190,494	\$ 190,494	\$ 38,674	20.3%	\$ 185,425	97.3%	1.66%
• Utilities -- water, sewer, telephones	\$ 41,663	\$ 41,663	\$ 6,188	14.9%	\$ 40,160	96.4%	0.36%
• Maintenance Services & Supplies	\$ 145,762	\$ 146,718	\$ 30,935	21.1%	\$ 93,042	63.4%	1.28%
• Custodial Services & Supplies	\$ 37,668	\$ 37,668	\$ 2,301	6.1%	\$ 4,367	11.6%	0.33%
• Building and Capital Projects	\$ 18,000	\$ 18,625	\$ 777	4.2%	\$ 777	4.2%	0.16%
IT Replacement Cycle	\$ 114,925	\$ 114,925	\$ 112,153	97.6%	\$ 112,153	97.6%	1.00%
Other expenses (see note 2)	\$ 52,243	\$ 59,158	\$ 4,507	7.6%	\$ 23,448	39.6%	0.51%
TOTALS (see note 3)	\$ 11,492,608	\$ 11,492,608	\$ 1,563,616	13.6%	\$ 10,467,405	91.1%	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 2019 OPERATING BUDGET -- STATUS REPORT
1st Quarter
as of October 1, 2018

Expense Category	Original FY19 Operating Budget	Revised FY19 Operating Budget	Expended		Expended & Encumbered		% of total budget
			Amount	Percent	Amount	Percent	
School Committee	\$ 4,730	\$ 4,730	\$ 1,242	26.3%	\$ 4,250	89.9%	0.03%
Personnel			.				
Administrator Salaries	\$ 882,443	\$ 882,272	\$ 186,236	21.1%	\$ 882,267	100.0%	5.93%
Professional Salaries (Teachers, Nurses, etc.)							
• Regular salaries	\$ 6,192,824	\$ 6,167,555	\$ 733,230	11.9%	\$ 6,049,398	98.1%	41.46%
• Stipends (leadership & mentoring)	\$ 243,946	\$ 243,973	\$ 22,662	9.3%	\$ 210,410	86.2%	1.64%
• Substitutes (daily & long-term)	\$ 198,382	\$ 198,382	\$ 10,822	5.5%	\$ 75,737	38.2%	1.33%
• Misc. Salaries (see note 1)	\$ 158,320	\$ 148,233	\$ 31,723	21.4%	\$ 62,164	41.9%	1.00%
Paraprofessionals Wages							
• Special Education Tutors	\$ 569,935	\$ 571,623	\$ 46,473	8.1%	\$ 479,102	83.8%	3.84%
• Instructional Assistants	\$ 362,987	\$ 362,987	\$ 20,594	5.7%	\$ 324,558	89.4%	2.44%
• Other paraprofessionals	\$ 86,332	\$ 87,056	\$ 12,200	14.0%	\$ 86,560	99.4%	0.59%
Support Staff							
• Secretaries	\$ 394,340	\$ 399,016	\$ 84,530	21.2%	\$ 399,012	100.0%	2.68%
• Facilities, Maintenance & Custodial Staff	\$ 553,985	\$ 555,397	\$ 126,731	22.8%	\$ 542,610	97.7%	3.73%
• Overtime	\$ 17,800	\$ 17,800	\$ 851	4.8%	\$ 851	4.8%	0.12%
Professional & Staff Development	\$ 59,734	\$ 60,251	\$ 9,861	16.4%	\$ 18,393	30.5%	0.40%
Employee Benefits & Town Svcs	\$ 1,773,395	\$ 1,773,395	\$ 116,438	6.6%	\$ 1,562,190	88.1%	11.92%
Supplies, Equipment & Services							
In-District Transportation	\$ 8,300	\$ 8,500	\$ 6,296	74.1%	\$ 8,296	97.6%	0.06%
Out of District Special Education Transportation	\$ 360,825	\$ 345,625	\$ 336,293	97.3%	\$ 334,293	96.7%	2.32%
Special Education Tuition (OOD & collaboratives)	\$ 1,873,255	\$ 1,888,255	\$ 70,364	3.7%	\$ 1,734,253	91.8%	12.69%
General Supplies and Materials							
• Textbooks	\$ 26,253	\$ 26,261	\$ 10,873	41.4%	\$ 10,873	41.4%	0.18%
• Other Published Materials	\$ 74,908	\$ 76,588	\$ 20,704	27.0%	\$ 26,053	34.0%	0.51%
• Durable Goods and Equipment	\$ 94,863	\$ 115,671	\$ 34,874	30.1%	\$ 49,422	42.7%	0.78%
• Consumable Supplies	\$ 112,642	\$ 111,106	\$ 28,713	25.8%	\$ 49,304	44.4%	0.75%
• Contracted Services	\$ 252,803	\$ 258,327	\$ 43,979	17.0%	\$ 93,891	36.3%	1.74%
Facilities & Maintenance							
• Utilities -- heat	\$ 35,000	\$ 35,000	\$ 1,181	3.4%	\$ 28,000	80.0%	0.24%
• Utilities -- electricity	\$ 175,000	\$ 175,000	\$ 24,548	14.0%	\$ 160,000	91.4%	1.18%
• Utilities -- water, sewer, telephones	\$ 30,053	\$ 30,053	\$ 2,965	9.9%	\$ 22,040	73.3%	0.20%
• Maintenance Services & Supplies	\$ 153,880	\$ 153,880	\$ 22,243	14.5%	\$ 87,765	57.0%	1.03%
• Custodial Services & Supplies	\$ 34,875	\$ 34,875	\$ 2,490	7.1%	\$ 4,390	12.6%	0.23%
• Building and Capital Projects	\$ 20,760	\$ 20,760	\$ 1,020	4.9%	\$ 4,080	19.7%	0.14%
IT Replacement Cycle	\$ 79,660	\$ 79,660	\$ 79,658	100.0%	\$ 79,658	100.0%	0.54%
Other expenses (see note 2)	\$ 45,283	\$ 45,283	\$ 2,044	4.5%	\$ 12,006	26.5%	0.30%
TOTALS (see note 3)	\$ 14,877,513	\$ 14,877,513	\$ 2,091,838	14.1%	\$ 13,401,826	90.1%	

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 2019 Operating Budget -- Key Budget Line Tracking
1st Quarter
as of October 1, 2018

Budget line	FY18 Budget				FY19 Budget			
	original budget	revised budget	1Q \$\$ expended	1Q % expended	original budget	revised budget	1Q \$\$ expended	1Q % expended
Lincoln Campus								
Legal expenses	31,000	30,316	-	0.0%	21,890	21,890	2,222	10.2%
Substitutes (daily)	76,903	76,903	7,135	9.3%	76,903	76,903	1,832	2.4%
Substitutes (long-term)	40,000	108,267	18,696	17.3%	104,319	104,319	7,025	6.7%
Custodian overtime	18,124	17,329	1,452	8.4%	18,124	18,124	1,452	8.0%
Custodial services & supplies	37,668	37,668	4,801	12.7%	37,668	37,668	2,301	6.1%
Utilities (heat)	190,000	190,000	1,907	1.0%	150,000	150,000	(2,169)	-1.4%
Utilities (electricity)	240,494	240,494	31,940	13.3%	190,494	190,494	38,674	20.3%
Utilities (telephones)	19,663	19,663	4,366	22.2%	17,745	17,745	4,048	22.8%
Special Education OOD tuition *	242,616	242,616	-	0.0%	381,942	366,881	8,620	2.3%
General Supplies, Materials, School Technology and some Contracted Services (SBM & new curriculum mat'ls)	255,704	258,861	77,638	30.0%	200,814	213,910	58,742	27.5%
Hanscom Campus								
Legal expenses	18,500	18,500	661	3.6%	18,500	18,500	1,946	10.5%
Substitutes (daily)	61,903	61,903	3,243	5.2%	75,000	75,000	2,355	3.1%
Substitutes (long-term)	70,000	70,000	-	0.0%	123,382	123,382	8,467	6.9%
Custodian overtime	15,785	14,675	372	2.5%	17,800	17,800	851	4.8%
Custodial services & supplies	32,375	11,045	1,591	14.4%	35,000	35,000	1,181	3.4%
Utilities (heat)	50,000	50,000	1,387	2.8%	50,000	50,000	1,387	2.8%
Utilities (electricity)	125,000	125,000	23,972	19.2%	175,000	175,000	24,548	14.0%
Utilities (telephones)	21,053	21,053	3,871	18.4%	21,053	21,053	2,164	10.3%
Special Education OOD tuition *	2,416,623	2,416,927	82,389	3.4%	2,234,080	2,233,880	406,657	18.2%
General Supplies, Materials, School Technology and some Contracted Services (SBM & new curriculum mat'ls)	298,872	299,761	99,751	33.3%	274,595	288,823	76,979	26.7%

* Now includes both private and collaborative placement categories