



3rd Quarter FY23 Financial Report to the School Committee

May 11, 2023

The data in these reports are as of March 31 for the operating budget.

The Budget Overview

Welcome to the 3rd quarter financial report overview. Due to me being unavailable, you did not receive a 2d quarter report. The good thing is it was fairly early in the year and there is not a problem with budget. There was little to no concern of having insufficient funds or overspending. Historically, 2d quarters are financially quiet in school districts.

Overall, the operating budget is in good shape. As you can see looking at the bottom line, we are projected to have a small positive balance after encumbering most expenses. This does not necessarily mean we will finish the year with funds remaining. There is often a good bit of moving of expenses at or near the close of the year that usually account for any remaining funds. However, it is good to be in this position at this time of the year. It allows me to have funds in case something unplanned occurs as we enter the home stretch of the end of the year. It is obviously better than being in the reverse position and wondering how I would make up the deficit.

I have not done so yet, but I will soon put a budget freeze in place. As stated in previous years, this will alert the staff to be mindful of what their budget situation is and know that if they haven't spent it this late in the year, they probably didn't/won't need it. That money may be tied up in an encumbrance. If they aren't going to use it, eliminate the encumbrance. Those funds will revert to the operating budget and allow me to get a more accurate account of how the district is doing heading to the year-end close in June.

The Operating Budget (OB)

Currently, the operating budget shows a \$300,819 positive balance. All salaries and most recurring expenses have been accounted for through encumbrances. As I stated earlier, this balance will allow me to balance the budget at the end of the year in the event something unforeseen occurs (an expense that was unexpected or one that was missed, etc.). One of the things that helps in showing a positive balance in contrast to previous years at this time, is that I have already transferred a great deal of special education expenses from the operating budget to Circuit Breaker (CB). In March, I moved \$1,086,247 of expenses from the special education lines in the operating budget to circuit breaker. I did this earlier than in previous years. In the past, I have done this at the end of the year. I did it earlier this year for a couple of reasons. The first is to make sure I use the minimum I have to use by the end of the year. As a refresher, I have to use/spend a minimum of what was carried over from the previous year. The district carried forward approximately \$1,083,000 from FY22. By taking care of this now, I ensure we will not encounter the issue we did last year after the district closed. Department of Revenue (DOR), after the audit, instructed the town to take any funds that were over this amount. This was approximately \$257,000. I held this in anticipation of the potential 14% increase in special education costs predicated by DOR. The second reason for doing it earlier is that it gives me a better picture of where

we stand financially and the knowledge the district has met all of its procedural financial obligations.

Revolving Accounts

CIRCUIT BREAKER (CB) has a balance of \$929,460. These funds will be used to supplement Special Education expenses not covered by the operating budget. Also, having a healthy CB balance going forward may come in handy if we are asked to make up any budgeting gaps not funded by the town. This is done by moving more Special Education expenses from the operating budget to CB. I am hesitant to do this because it is one-time money. It is never prudent to use one-time money to pay an expense that may be recurring. However, if it is to help the district avoid layoffs or cutting services, it can be used this way. As stated earlier, I have already moved the minimum amount of expenses into CB from the operating budget. DOR requires that as a minimum, you use all of the previous year's reimbursement before the current year ends. This revolving fund has an upper limit on how much funds can be carried forward into the next year. The rule is you are allowed to carry forward the equivalent of a year's worth of revenue. Our district receives \$310,716 per quarter for FY23 from the department of Education. This equates to an anticipated annual reimbursement of \$1,242,864. Therefore, our revolving account cannot open FY24 with more than this amount of cash on hand.

FACILITY RENTAL has a balance of \$122,368. While this is not a lot of money, it has recovered somewhat from the COVID years. A good deal of ongoing building maintenance that occurs during the year is funded through this account. The operating budget is not funded sufficiently to cover all the expenses that occur during the school year. These expenses are historically paid with funds generated through facility rental. School Choice has also been used to help fund some of the costs of maintaining our buildings and grounds.

PRESCHOOL has a balance of \$273,834. These funds will be used to offset expenses incurred operating the Preschool program, thus easing the pressure on the operating budget. It also allows Principal Rouleau the freedom to equip this program with resources to best enhance learning while minimizing the impact on the operating budget. Principal Rouleau expectation of strong attendance at the five-day program seems to be holding true based on the revenue.

As I mentioned in previous reports, this program is highly subsidized by the operating budget and having these funds available helps greatly.

SCHOOL CHOICE revolving fund has a balance of \$240,066. This is down from \$571,692 that was reported in the 1Q FY23 report. Many of these expenses are from

earmarks the Superintendent identified as projects he wanted funded. I reported last time (in detail) the projects totaled approximately \$363,000. The rest is the result of facilities expenses that are either under or unfunded. A small sampling of the projects earmarked were the doors at GMS & FMS being made ADA compliant; money to upgrade the audio at FMS Library and Auditorium; New Computers for the video production program.

SCHOOL LUNCH revolving funds are used primarily to pay the invoices from the food service company (Whitson's). On average, these monthly invoices are approximately \$70,000 per month. In addition, if there is food service equipment that needs to be purchased or replaced, it comes out of this account. Since the beginning of the school year through the end of March 2023, the food service department has served 119,500 meals to our students (breakfast & lunch) across the district. Sue Mitchell-Tang (our Food Service Director) has done a great job of handling her duties. She has been open to suggestions and interacting with students and staff on ways to make the meal experience more enjoyable. Unlike many food service programs in the Commonwealth, our program is NOT operating at a deficit. We are operating on an average surplus of \$4100 per month. This is important because the food service program does NOT receive any money from the operating budget! It is funded solely by paying students/staff reimbursements from the federal and state governments. The program is only reimbursed when we serve a "reimbursable" meal. It is important that each student that receives a meal, takes all of the components, because only then is it a reimbursable meal. We have put the "share table" concept in place in each of the schools. The share table allows a student to place an item they do not want to eat on a table making it available for any other student. This only applies to unopened packages, fruit in a peel, crackers, snack bars, cereal, and unopened milk and juice cartons. Things NOT OK to share are opened packages, anything with a bite out of it, food from home, and prepackaged school lunch meals. The hope is the "share table" will reduce food waste by making it available to another student. The funds in this revolving account has a limit on the amount that can be carried over from year to year (as set the Commonwealth's Department of Revenue (DOR)). The limit is the average of three (3) month's revenue. Currently, our revenue is averaging approximately \$70,000 per month. Based on this, we can carry forward into next year, \$210,000 in the revolving fund.

Grants

The grants are listed in the report by grant number. We no longer charge certain Special Education salaries to the #240 (1003) grant. To avoid the issue of charging salary expenses before the grant is available, we now charge Special Education tuitions to this grant. We can wait until the end of September (or later) to pay and charge tuitions to the grant.

We have spent all the funds and closed ESSER I. We have spent all the funds in ESSER II and are in the process with the town to close it. As you can see in the Grants Update page, ESSER III is approximately 50% spent or encumbered.

The district has monthly grant meetings that are attended by the Superintendent, the Curriculum Director, the Superintendent's Special Project Coordinator, the Special Education Director, the Business Manager, the Superintendent's Admin Assistant, and the grants manager. These meetings are used to update stakeholders on the status and changes to any of the district's grants. Each "grant owner" gives a brief overview of the status of their grant(s) (fund purpose, issues, timing, etc.). This sharing is helpful to keep everyone updated and on the same page

We have kept our ESSER funding separate from the operating budget to reduce the chance of the district becoming dependent on these one-time funds. As stated earlier, we have spent ESSER I & II funds. We anticipate that we will be able to spend ESSER III funds and have no budget issues when these funds are exhausted. The district knows that any personnel or program annotated in the ESSER budgets goes away when the funds run out.

Summary

The operating budget is in good shape. There are a few budget lines with negative balances that warrant a review for reallocation of funds in FY24. Again, I manage to the bottom line. The bottom line has a positive balance with one quarter remaining. I will begin to think about what to do with this balance (if it still exists) as we get into late June.

I feel the scheduled grant meetings enhance our ability to keep everyone informed and catch potential issues before they reach the uncorrectable point. Having kept ESSER budgets separate, independent of our operating budget, gives me comfort that we should not feel any "pain" when these funds go away.

Overall, I feel we are in a good position for this time of the year. We should not have any problems closing the year when the time comes.

CONDENSED OPERATING BUDGET

DOE CODE	DESCRIPTION	BUDGET	ACCOUNT YTD	ENCUMBRANCE	BUDGET BALANCE
1000	ADMINISTRATION	\$939,343.27	\$715,384.61	\$239,987.13	(\$16,028.47)
2000	INSTRUCTIONAL LEADERSHIP	\$15,677,749.59	\$10,201,468.46	\$5,570,093.29	(\$93,812.16)
3000	PUPIL SERVICES	\$1,314,943.85	\$928,385.21	\$477,047.41	(\$90,488.77)
4000	OPERATIONS & MAINTENANCE	\$1,805,792.34	\$1,326,012.83	\$470,630.27	\$9,149.24
5000	BENEFITS & FIXED CHARGES	\$0.00	\$24,383.70	\$0.00	(\$24,383.70)
9000	PROGRAMS WITH OTHER DISTRICTS	\$1,928,578	\$665,494	\$746,701	\$516,383
	FY23 BUDGET	\$21,666,407	\$13,861,129	\$7,504,459	\$300,819
Group Code	Types of accounts included in this code				
1000	School Committee, Superintendent, Asst. Superintendent, Business Office, legal expenses, IT (tech & admin)				
2000	SPED Director & staff, IT Director, Instructional Staff, wages for Principals, Teachers, PD, Textbooks, Instructional Supplies				
3000	Nurse wages, Health Services expenses, Transportation (GenEd & SPED), Athletics				
4000	Building Expenses (heating, gas, electricity), Custodial Salaries & Supplies, Building & Grounds Maintenance, Tech Infrastructure				
5000	Employee retirement or separation costs				
9000	Special Education Tuition Payments				

DETAILED OPERATING BUDGET

	DESCRIPTION	BUDGET	ACCOUNT YTD	ENCUMBRANCE	BUDGET BALANCE
	ADMINISTRATION				
1110	SCHOOL COMMITTEE - 1110	\$19,000.00	\$14,911.22	\$0.00	\$4,088.78
1210	SUPERINTENDENT - 1210	\$326,580.43	\$263,409.19	\$87,419.32	(\$24,248.08)
1220	ASSISTANT SUPERINTENDENT - 1220	\$138,060.51	\$98,061.14	\$35,938.86	\$4,060.51
1410	BUSINESS AND FINANCE - 1410	\$298,624.01	\$213,754.19	\$80,076.33	\$4,793.49
1430	LEGAL SERVICES FOR SCHOOL COMMITTEE - 1430	\$50,000.00	\$16,087.50	\$17,176.50	\$16,736.00
1450	DISTRICT WIDE INFORMATION MANAGEMENT AND TECHNOLOG - 1450	\$107,078.32	\$109,161.37	\$19,376.12	(\$21,459.17)
		\$939,343.27	\$715,384.61	\$239,987.13	(\$16,028.47)
	INSTRUCTIONAL LEADERSHIP				
2110	CURRICULUM DIRECTORS (SUPERVISORY) - 2110	\$150,432.05	\$95,248.59	\$31,098.53	\$24,084.93
2120	DEPARTMENT HEADS (NON-SUPERVISORY) - 2120	\$77,536.88	\$59,441.24	\$20,293.26	(\$2,197.62)
2130	INSTRUCTIONAL TECHNOLOGY LEADERSHIP AND TRAINING - 2130	\$107,285.00	\$78,895.66	\$27,935.34	\$454.00
2210	SCHOOL LEADERSHIP-BUILDING-PRINCIPALS OFFICE - 2210	\$948,309.81	\$693,291.33	\$239,523.53	\$15,494.95
2220	SCHOOL CURRICULUM LEADERS/DEPARTMENT HEADS - BUILD - 2220	\$279,304.33	\$218,576.00	\$74,700.14	(\$13,971.81)
2250	NON INSTRUCTIONAL BUILDING TECHNOLOGY - 2250	\$15,000.00	\$10,898.88	\$3,730.56	\$370.56
2300	INSTRUCTIONAL - 2300	\$250.00	\$2,500.00	\$0.00	(\$2,250.00)
2305	CLASSROOM TEACHERS - 2305	\$9188,370.69	\$5,464,403.34	\$3,419,102.51	\$304,864.84
2310	SPECIALIST TEACHERS - 2310	\$835,655.91	\$621,913.93	\$376,934.27	(\$163,192.29)
2315	INSTRUCTIONAL COORDINATORS AND TEAM LEADERS (NON S - 2315	\$31,739.74	\$0.00	\$0.00	\$31,739.74
2320	MEDICAL/THERAPEUTIC SERVICES - 2320	\$749,598.00	\$488,750.93	\$278,267.85	(\$17,420.78)
2324	Undesignated - 2324	\$51,824.00	\$0.00	\$0.00	\$51,824.00
2325	SUBSTITUTES - 2325	\$0.00	\$189,908.51	\$16,760.34	(\$206,668.85)
2330	NON-CLERICAL PARAPROFESSIONALS/INSTRUCTIONAL ASSIS - 2330	\$1,073,917.69	\$921,213.19	\$362,092.15	(\$209,387.65)
2340	LIBRARIANS AND MEDIA CENTER DIRECTORS - 2340	\$279,660.00	\$144,307.04	\$90,191.84	\$45,161.12
2345	DISTANCE LEARNING AND ONLINE COURSEWORK - 2345	\$7,500.00	\$7,500.00	\$0.00	\$0.00
2351	PROFESSIONAL DEVELOPMENT LEADERSHIP DEVELOPMENT (- 2351	\$15,100.00	\$401.95	\$26.95	\$11,053.20
2354	Stipend for Instructional Coaches/ Lead Teachers - 2354	\$50,556.00	\$48,260.94	\$58,725.00	(\$56,429.94)
2355	PD SUBS - 2355	\$15,000.00	\$0.00	\$0.00	\$15,000.00
2357	PD STIPENDS, PROVIDERS AND EXPENSES - 2357	\$35,526.00	\$22,286.33	\$9,491.00	\$3,748.67
2410	TEXTBOOKS AND RELATED SOFTWARE/MEDIA/MATERIALS - 2410	\$68,360.00	\$42,640.73	\$530.91	\$25,188.36
2415	OTHER INSTRUCTIONAL MATERIALS - 2415	\$18,410.00	\$7,359.52	\$988.00	\$10,062.48
2420	INSTRUCTIONAL EQUIPMENT - 2420	\$20,700.00	\$13,897.44	\$516.14	\$6,286.42
2430	GENERAL SUPPLIES - 2430	\$112,700.00	\$70,150.27	\$27,769.06	\$14,780.67
2440	OTHER INSTRUCTIONAL SERVICES - 2440	\$71,190.00	\$23,388.23	\$34,644.17	\$13,157.60
2451	CLASSROOM (LAB) INSTRUCTIONAL TECHNOLOGY - 2451	\$89,500.00	\$89,939.47	\$0.00	(\$439.47)
2453	OTHER INSTRUCTIONAL HARDWARE - 2453	\$65,776.00	\$39,515.33	\$9,981.75	\$16,278.92
2455	INSTRUCTIONAL SOFTWARE - 2455	\$66,535.00	\$62,354.62	\$4,122.72	\$57.66
2710	GUIDANCE - 2710	\$893,544.49	\$581,512.28	\$326,297.93	(\$14,265.72)
2720	TESTING AND ASSESSMENT - 2720	\$28,628.00	\$15,722.73	\$7,435.02	\$5,470.25
2800	PSYCHOLOGICAL SERVICES - 2800	\$329,840.00	\$183,572.08	\$148,934.32	(\$2,666.40)
		\$15,677,749.59	\$10,201,468.46	\$5,570,093.29	(\$93,812.16)
	FUPL SERVICES				
3100	ATTENDANCE AND PARENT LIAISON - 3100	\$7,700.00	\$3,762.00	\$940.50	\$2,997.50
3200	HEALTH SERVICES - 3200	\$195,815.74	\$140,579.80	\$80,769.12	(\$25,533.18)
3300	STUDENT TRANSPORTATION SERVICES(TO AND FROM SCHOOL - 3300	\$784,150.00	\$539,314.69	\$295,750.31	(\$50,915.00)
3400	FOOD SERVICES - 3400	\$15,000.00	\$114.00	\$0.00	\$14,886.00
3500	ATHLETICS - 3500	\$243,115.61	\$219,355.09	\$42,945.22	(\$19,184.70)
3520	OTHER STUDENT ACTIVITIES - 3520	\$69,162.50	\$24,492.68	\$56,642.26	(\$11,972.44)
3600	SCHOOL SECURITY - 3600	\$0.00	\$766.95	\$0.00	(\$766.95)
		\$1,314,943.85	\$928,385.21	\$477,047.41	(\$90,488.77)
	OPERATIONS & MAINTENANCE				
4100	OPERATIONS AND MAINTENANCE - 4100	\$45,000.00	\$15,216.51	\$4,144.04	\$25,639.45
4110	CUSTODIAL SERVICES - 4110	\$830,882.36	\$588,379.36	\$228,405.62	\$14,097.38
4120	HEATING OF BUILDINGS - 4120	\$260,000.00	\$185,094.21	\$100,478.27	(\$25,572.48)
4130	UTILITY SERVICES - 4130	\$365,000.00	\$292,463.46	\$68,312.43	\$4,224.11
4210	MAINTENANCE OF GROUNDS - 4210	\$118,935.00	\$81,665.80	\$23,139.96	\$14,129.24
4220	MAINTENANCE OF BUILDINGS - 4220	\$85,000.00	\$71,435.56	\$14,939.37	(\$1,374.93)
4230	MAINTENANCE OF EQUIPMENT - 4230	\$6,000.00	\$1,792.61	\$1,574.06	\$2,633.33
4400	NETWORKING AND TELECOMMUNICATIONS - 4400	\$72,705.98	\$69,455.02	\$26,357.48	(\$23,106.52)
4450	TECHNOLOGY MAINTENANCE - 4450	\$22,269.00	\$20,510.30	\$3,279.04	(\$1,520.34)
		\$1,805,792.34	\$1,326,012.83	\$470,630.27	\$9,149.24
	BENEFITS & FIXED CHARGES				
5150	EMPLOYEE SEPARATION COSTS - 5150	\$0.00	\$24,383.70	\$0.00	(\$24,383.70)
	PROGRAMS WITH OTHER DISTRICTS				
9000	PROGRAMS WITH OTHER SCHOOL DISTRICTS - 9000	\$1,842,578.00	\$572,885.50	\$564,294.66	\$705,397.84
9100	PROGRAMS WITH OTHER DISTRICTS IN MASS - 9100	\$35,000.00	\$16,706.10	\$35,385.10	(\$17,091.20)
9400	TUITION TO COLLABORATIVES - 9400	\$51,000.00	\$75,902.87	\$147,021.13	(\$171,924.00)
		\$1,928,578	\$665,494	\$746,701	\$516,383
	FY23 BUDGET	\$21,666,407	\$13,861,129	\$7,504,459	\$300,819

REVOLVING ACCOUNTS

Account	Description	Balance		
Circuit Breaker	CIRCUIT BREAKER REVOLVING	\$929,460		
SPED Reserve	SPEC ED RESERVE FUND REVOLVING	\$20,785		
School Lunch	SCHOOL LUNCH REVOLVING	\$287,362		
Pre-School	PRESCHOOL REVOLVING	\$273,834		
Athletics	ATHLETIC REVOLVING	\$24,608		
Alternative Student	ALTERNATIVE STUDENT PROGRAM REVOLVING	\$63,521		
School Facility Rental	SCHOOL FACILITY RENTAL REVOLVING	\$122,368		
School Choice	SCHOOL CHOICE REVOLVING	\$240,066		
Student Fee	STUDENT FEE REVOLVING	\$56,803		
Foreign Exchange	FOREIGN EXCHANGE REVOLVING	\$251,644		
Spanish Immersion	SPANISH IMMERSION REVOLVING (SUMMER)	\$533		
Transportation	TRANSPORTATION REVOLVING	\$119,564		
Lost Book	LOST BOOK REVOLVING	\$1,202		

LEGEND

Account	Description/Use			
Circuit Breaker (CB)	Special Education reimbursement from the Commonwealth. Funds can be used for SPED expenses, primarily tuitions. Can be used without further permission or appropriation			
SPED Reserve	Special Education reserve fund. Money can be used to offset SPED expenses. However, need approval from Town Selectmen			
School Lunch	Revenues are a result of state and federal reimbursements for meals served. Expenses in this line include the monthly contract price paid to the food service company (Whitsons) and any other food service related expense			
Alternative Student	Money from gifts and donations. Expenses that benefit students and/or the operation of the school.			
School Choice	Money derived from incoming school choice students. Primary expenses paid from this account are tuitions			
Student Fee	Fees collected for a student activity. Used for any student related activity cost offset, primarily sports related (transportation, referees, equipment) or other activity related expenses			
Foreign Exchange	Revenue is from foreign exchange student hosting. Expenses paid are generally those related to supporting exchange activities and to pay school related fees for exchange students			
Spanish Immersion	Revenue is from a tuition based summer camp. Expenses are to offset program expenses			
Transportation	Revenue is from bus fees paid by GenEd students. Expenses generally are for transportation costs that are not charged to the operating budget			
Lost Book	Revenue derived from collecting fees to replace lost books. This primarily affects high school students because they are not allowed to graduate until they pay all outstanding fees. Expenses normally are the purchases of textbooks.			

GRANTS

GRANT	FUND #	ALLOCATION	EXPENDED	REMAINING	End Date
TITLE II GRANT FY23	#140	\$28,549	\$28,250	\$299	9/30/2024
4100723			Incl. Encumb. \$15,625		
TITLE III GRANT FY23	#180	\$12,336	\$1,110	\$11,226	9/30/2024
4105223					
HIGH QUALITY INSTRUCTIONAL MATERIALS IMPLEMENTATION FY23	#185	\$39,000	\$0.00	\$39,000	8/31/2023
5216023					
SPED 94-142 ALLOCATION FY22	#240	\$349,655	\$349,655	\$0	9/30/2023
4100322					
SPED 94-142 ALLOCATION FY23	#240	\$364,027	\$360,926	\$3,101	9/30/2024
4100323			Incl. Encumb. \$69,206.37		
SPED EARLY CHILDHOOD FY23	#262	\$7,948	\$7,881	\$67	9/30/2024
4100223			Incl. Encumb. \$2,074.04		
ARP HOMELESS CHILD & YOUTH	#302	\$3,568	\$0	\$3,568	8/31/2024
4104822					
TITLE I GRANT FY22	#305	\$125,857	\$125,857	\$0	9/30/2023
4100522					
TITLE I GRANT FY23	#305	\$168,879	\$73,177	\$95,702	9/30/2024
4100523			Incl. Encumb. \$34,947.54		
TITLE IV GRANT FY23	#309	\$10,000	\$10,000	\$0	9/30/2024
4201223			Incl. Encumb. \$6,050		
MIDDLE SCHOOL PARTNERSHIP	#424	\$40,000	\$0	\$40,000	6/30/2023
INVESTIGATING HISTORY PILOT FY23	#585	\$8,600	\$7,500	\$1,100	6/30/2023
5215323					
MYCAP GRANT FY23	#598	\$15,800	\$0	\$15,800	6/30/2023
4215723					
SCHOOL NUTRTION EQUIPMENT FY23	#757	\$28,462	\$0	\$28,462	8/31/2023
4216123					
SKILLS CAPITAL GRANT FY23 - WAVM		\$196,150	\$168,332	\$27,818	6/30/2023
5215923			Incl. Encumb. \$17,114.75		
ESSER II	#115	\$476,884	\$476,884	\$0	9/30/2023
4104522					
ESSER III	#119	\$1,122,342	\$564,198	\$558,145	9/30/2024
4104922			Incl. Encumb. \$165,213.76		
CAPITAL SCHOOL WIFI FY22		\$72,000	\$71,610	\$390	9/3/2024
7514722					
MTRS EXPENSES					
TITLE I (305) - FY22: \$7,055					
TITLE I (305) - FY23: \$5,791					
SPED (240) - FY23: \$312					
ESSER II (115): \$28,754					
ESSE+A1:F61R III (119): \$32,670					