



THE PUBLIC SCHOOLS OF BROOKLINE
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CE

Memorandum

TO: William H. Lupini, Superintendent of Schools

FROM: Peter C. Rowe, Deputy Superintendent
for Administration and Finance

RE: FY13 Second Quarter Expenditure Report

DATE: January 25, 2013

The Second Quarter Expenditure Report for FY13 of the Public Schools of Brookline shows projected spending for the year at \$82,106,803 on a budget of \$82,086,983. This represents spending, essentially, on budget. This projected expenditure deficit for the year of \$19,819 indicates that the actions taken since the First Quarter have slowed spending, and reduced projected annual spending by \$500K. The department will need to continue to manage very carefully, through the remainder of the year, in order to reach a balanced budget for FY13, but actions taken in the Second Quarter if continued as planned can address the deficit projection cited at the First Quarter.

This expenditure projection is based on information available through the Second Quarter, annualized, and incorporates actual spending through the first half of the year projected forward. This projection also incorporates an annualized savings from actions related to the "FY2013 Spending Freeze" implemented by the Superintendent in November, and is premised on the continuation of actions to accrue savings by not filling certain budgeted positions as we continue to move through the remainder of FY13. Separately, but in a related matter, the Governor took action through "9C" budget reductions in early December to reduce the allocation of "Circuit Breaker" funds available to LEAs for FY13. This action is anticipated to reduce our "Circuit Breaker" revenue for FY13 by an estimated \$107K. It is the combination of this loss of revenue and the First Quarter projection of a \$419K spending deficit that has required the actions necessary to reduce FY13 spending by approximately \$500K.

Expenditure Projection

In response to the pattern of spending at the First Quarter which would have led to an annual spending deficit estimated at \$419K the Superintendent put a "FY 2013 Spending Freeze" in

place in November to reduce the projected deficit. Included in this action were the following steps:

- All new or open positions now require Senior Staff Review prior to being filled.
- Supplies, Materials, Professional Development and Release Days have been reviewed and at various levels reduced/frozen.
- Field Trips that required a cost to the system from Transportation or Substitute usage were frozen.

Through the end of the Second Quarter the Spending Freeze actions have yielded approximately \$500K in projected savings:

- \$200K in personnel savings projected through not filling certain budgeted positions.
- \$135K in savings anticipated from the restructuring of our Applied Behavioral Home Based Service Model.
- \$69K in savings from Professional Development, Program Review and Survey action reductions
- \$58K in savings from transportation Cost reductions
- \$40K in cost savings through an increase to the Kindergarten grant adjusted upward for increased enrollment.

Actions taken to freeze positions have been implemented carefully with the goal of minimizing the impact on programs, but all actions have had consequences and an impact on service and/or flexibility in scheduling services.

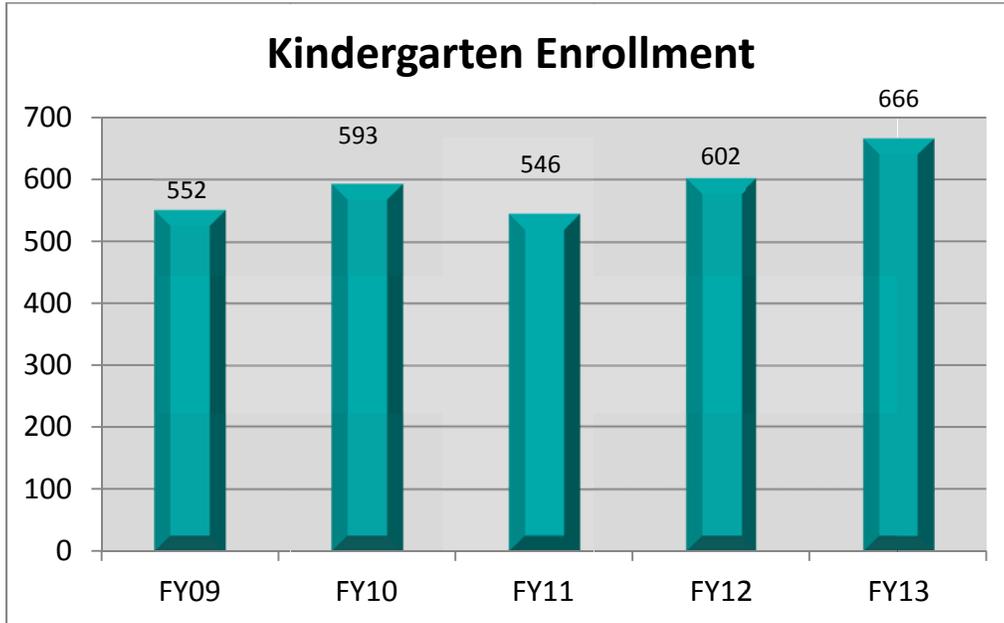
The department faced tremendous budget pressure in FY13 from continued enrollment growth in specific areas, primarily driven by Kindergarten, ELL and other Elementary growth. Additional Salary costs added late in the planning process were substantially offset by a supplementary appropriation of \$430K voted at Fall Town Meeting that resulted from additional Chapter 70 Funding in the Final State Budget for FY13. Additional salary savings were accrued from a number of sources, primarily from keeping the average salary of new hires, at \$56,586, which was an average slightly under the target cost of \$57,600. This level of savings was achieved through the careful placement of new hires onto the salary scale utilizing the flexibility allowed within contractual guidelines.

The FY13 budget includes two contingency reserve accounts: a Regular Education reserve at \$161K and a Special Education reserve at \$350K. This Second Quarter Expenditure projection presumes the full allocation of these Reserves to cover projected costs through the end of the year.

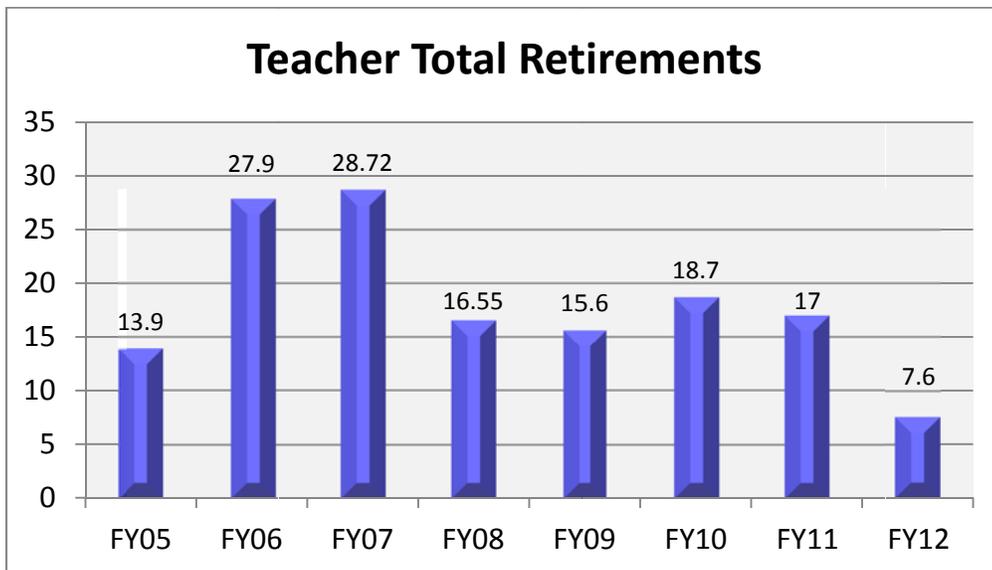
Major FY2013 Highlights

- For FY13, total K-8 elementary enrollment has continued the significant increase experienced in recent years – elementary enrollment is up 247 students to 5,074 students - with 666 Kindergarten students enrolled for October 1st. This is an historic number, even compared to recent years when October 1st Kindergarten enrollments were 602 in FY12, 546 in FY11, 593 FY10 and 552 in FY09. The FY13 enrollment is significantly

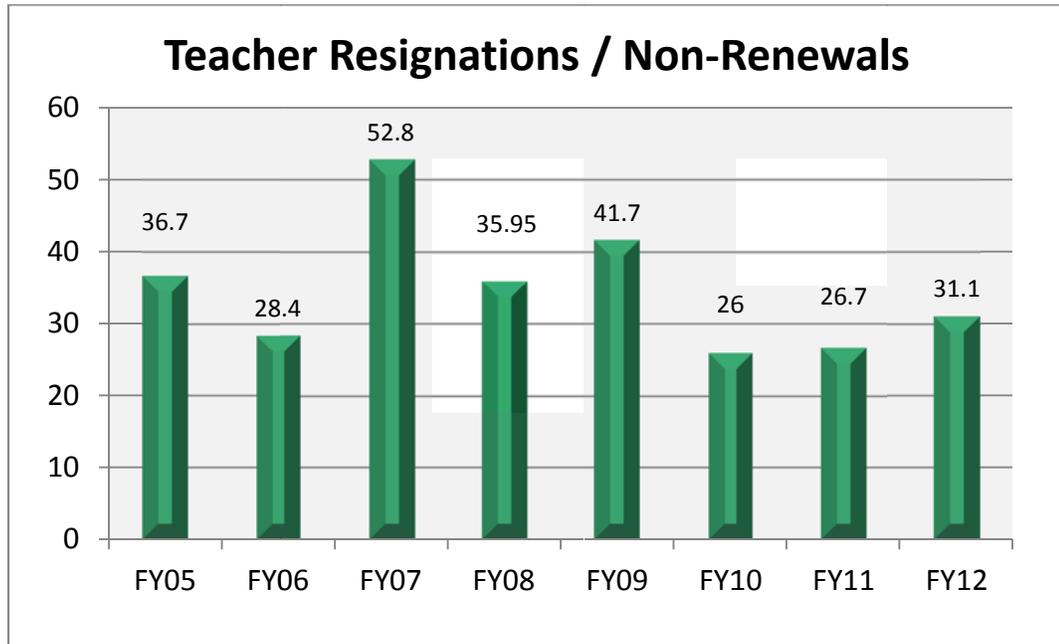
over the high end of our projections and essentially represents a 100% yield of the corresponding birth cohort of 5 years prior.



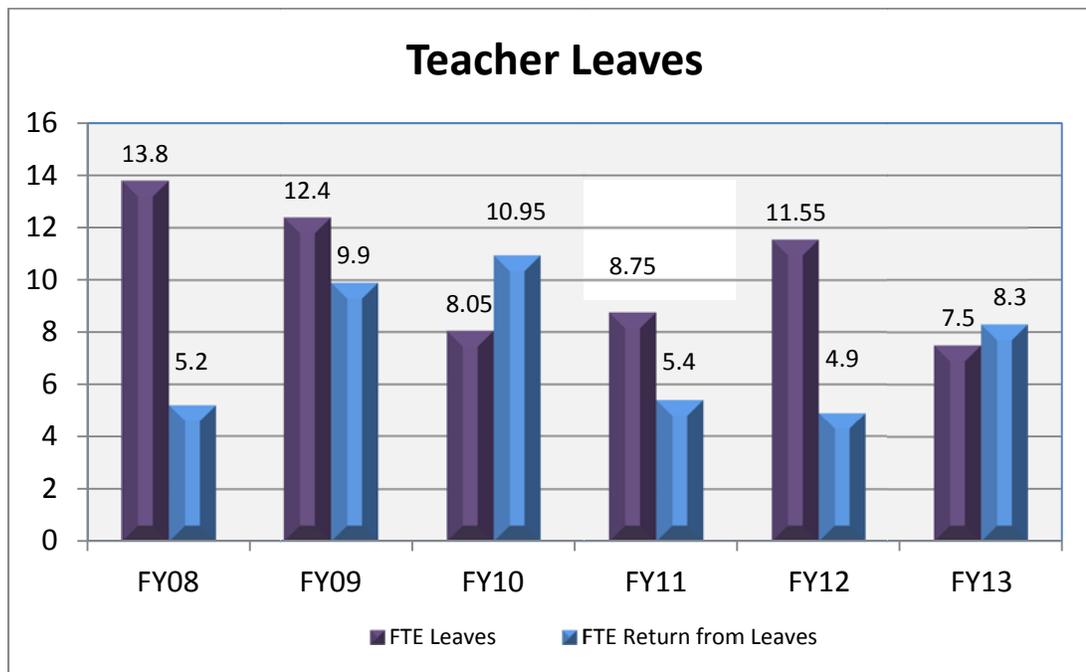
- The number of teachers retiring at the end of FY12 was lower than any of the prior seven years.



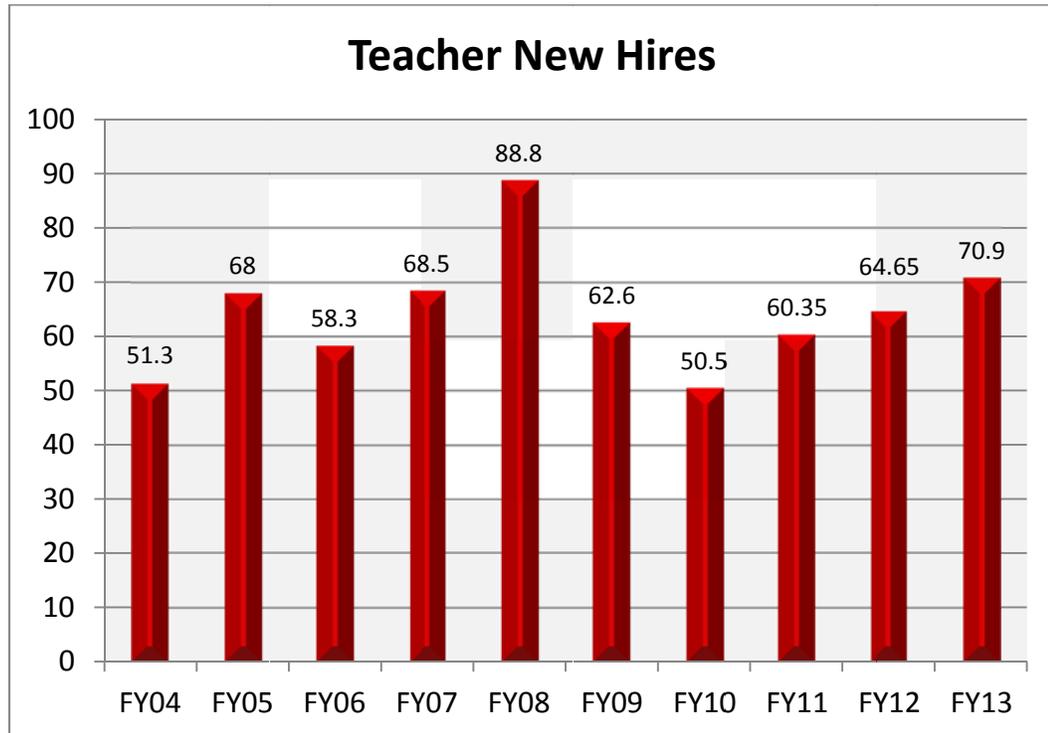
- Teacher turnover in non-retirement categories – resignations and non-renewals – continued at a level slightly above FY10 and FY11.



- Teacher leaves for the year were down, at 7.5 FTE, and return from leaves were up over the prior two years to 8.3 FTE:

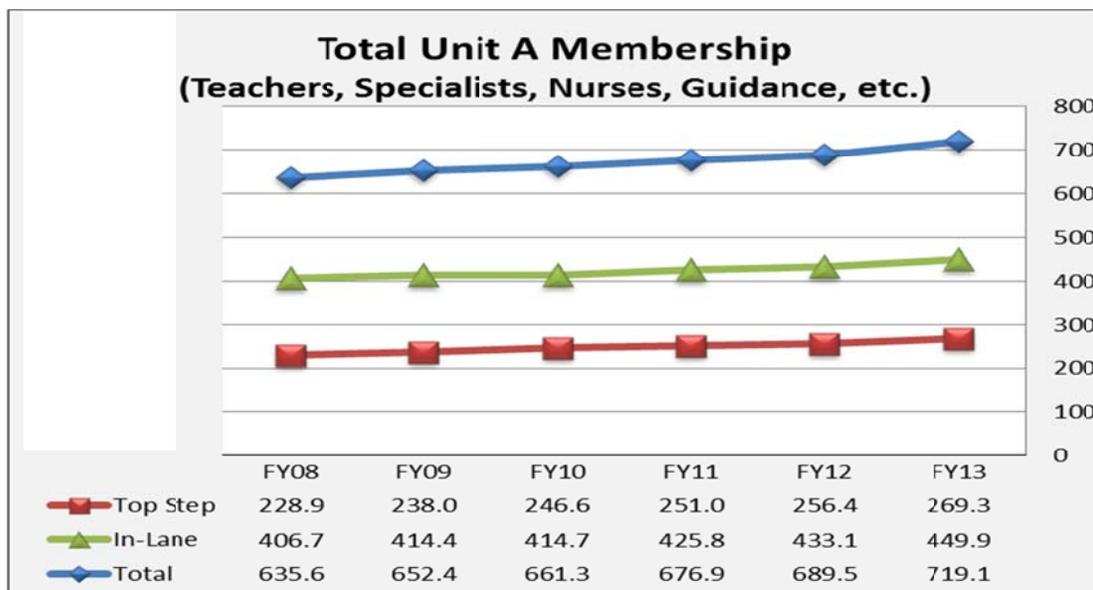


- Teacher new hires rose to 70.9 FTE's, partly reflecting the increase in new positions created in FY13.



Total Teacher and Support (Unit A Positions)

Teacher new hires should be viewed in the context of total position growth – the chart below shows how enrollment growth has impacted the organization in our total staffing pattern of Teacher and Support positions, as well as the relative mix of Top Step vs. In-Lane membership from FY08 – FY13. The mix of Top Step vs. In-Lane also impacts the annual budget for “Step and Lane” increases.



Enrollment

For the Public Schools of Brookline, total enrollment K-12 is up 232 students to 6,836 students K-12 for the 2012-2013 school year, compared to 6,604 students for the 2011-2012 school year. Early Childhood Program enrollment remained flat, at 304 students, compared to 302 in FY12.

Total K-8 enrollment has risen in FY13 by 240 students. This is the eighth consecutive year of K-8 enrollment growth. During this period, K-8 enrollment has grown by 1181 students, representing growth of 30%. The FY13 Kindergarten class cohort is the largest class that has entered during any of the years of recent enrollment growth, and based on the comparative birth cohort, it is the highest annual yield of students (100%) experienced during this eight year period. This pattern based on birth data and the 2010 census points to continued growth in the K-8 population for the foreseeable future. The current enrollment pattern has larger class cohorts (ranging from 539 to 666) at each grade K-3 with significantly smaller cohorts (ranging from 446-549) at grades 5-8. As a result, there are 485 more students in the lowest four grades (K-3) than at the highest four grades (5-8). It is this bulge which will put pressure on both the budget and classroom capacity during the foreseeable future, if high Kindergarten enrollment continues, as it is expected to.

The result of this growth in Elementary enrollment is that the K-8 Elementary class “section” count has risen from 205 in FY08 compared to 242 in FY13, while elementary average class size has remained steady at 20.98 in FY13 compared to 20.99 K-8 in FY12 (both years include substantially separate students). Anticipating enrollment growth the budget allowed for 7.3 FTE for new sections and specialist teachers K-8. Enrollment growth over the original projection resulted in the additional of three (3) Kindergarten class sections, two (2) Elementary class sections, each with a classroom aide, and 1.7 FTE specialist teachers.

Enrollment at Brookline High School is essentially flat for FY13 with 1,769 students, down eight (8) students from FY12 but significantly down from an FY04 high of 1,916. BHS has reached the bottom of the drop in total High School enrollment and will remain essentially flat for one more year. After that, beginning in FY15, the High School will begin to grow and we will see the High School enrollment rise dramatically, moving well above the 1,900 student level by FY2016, and continuing to approach 2,200 by FY2018. The current (FY13) K-3 cohort of students is 2,497 and would reach the High School in FY2022. Given our historic pattern of a strong cohort survival rate, we should anticipate a High School enrollment in this range by FY2022.

Special Education: Contracted Services

Historically the most significant area for concern in the budget has been the growth in Special Education costs. For FY13 we are seeing a continuation of relatively high Private Placement counts, paired with a new model for managing “Ancillary” Home Based Services, which in prior years were contracted out to private vendors at \$1M. This projection incorporates a full year of expenditures at a level to cover all the currently known Private Placement cases and includes a provision for certain cases under review, but not yet resolved. These projected Private Placement costs and the remaining Ancillary services, taken together, exceed the budget for

Special Education Contracted Services by \$403K, after applying the Special Education contingency reserve, budgeted at \$350K.

Second Quarter FY13 data indicates that Special Education Private Placement enrollments are lower than the First Quarter at 78, with a number of pending cases still under review. This has resulted in stability in the total projection for Contracted Services compared to the First Quarter. Additionally, the move of Home Based Services from “Ancillary” contract service to an in-house program for FY13, has incurred certain start up costs. Home Based Services, for a mixed population of students who are primarily served in-district, were previously served by contract service providers, for a spectrum of therapeutic and related services. The total cost of the services in FY10 was \$800K, in FY11 these services cost \$1M and for FY12 they were projected to be \$1.45M. As a result FY13 has a new in-house model with four (4) staff BCBA’s managing services through staff ABA specialists. The significant cost difference allowed for a shift of \$1M from contracted services to personnel and a budget reduction of \$300K for FY13, however certain start-up issues will likely reduce this savings in the first year of the model. Approximately \$150K of the total Contracted Services overage is the result of continuing private contract services during this transition period.

An historical look at the pattern of Private Placement and Ancillary service spending is:

**Private Placement Costs
50/50 and Circuit Breaker**

Fiscal Year	Count	Total	State Funding*
FY02	83	\$4.06M	\$700
FY03	80	\$4.44M	\$734
FY04	73	\$4.77M	\$1.02M
FY05	77	\$4.68M	\$1.86M
FY06	80	\$5.42M	\$1.93M
FY07	79	\$5.94M	\$2.11M
FY08	68	\$5.05M	\$2.00M
FY09	73	\$5.61M	\$1.71M
FY10	85	\$6.78M	\$1.01M
FY11	84	\$7.02M	\$1.18M
FY12	82	\$7.26M	\$1.83M
FY13	78	\$6.59M	\$1.90M

*FY02 and FY03 State Funding = “50/50 Program”

FY04 – FY13 State Funding = Circuit Breaker

Based on the restructuring of the Home Based Services component within Ancillary Services we should have experienced a \$1M reduction in spending within Contracted Services accounts in FY13, when compared to FY12 (See Chart above). Instead the spending is holding at approximately \$6.6M, which represents the \$403K of overspending within Contracted Services.

The result of the stable spending pattern within Contracted Services between FY03 and FY05, while Circuit Breaker funding was rising allowed us to accrue a surplus in the Circuit Breaker revolving fund. FY06 and FY07 however saw a significant variance from this pattern as costs rose dramatically. FY08 experience showed a significant move to lower spending, partly reflecting the aging out of certain students and the expansion of certain in-house programs as viable alternatives. FY09 showed a reversal of this trend with both total students and total costs up. FY10 continued this upward trend even more dramatically. While FY11 showed a reduction of students in Private Placements the cost of “Ancillary Services” pushed total contracted services costs above budget. The continuation of this trend into FY12, forced the change in the “Ancillary Services” model.

Special Education: Personnel

One component of reduced expenditure projection for the Second Quarter within personnel accounts can be attributed to the new Home Based Services model. Current projections are that the department will spend under budget for the hourly direct service providers, resulting in a projected savings of \$135K. This savings is a key component of the total savings projected in this report, and partly offsets the overage in the contracted services line.

Additionally, the movement of classroom Aide resources to each Kindergarten Classroom, on a full time basis, was premised on the goal of reducing the one-to-one correspondence between aides and students and, instead, moving to a program assignment model. The creation of the Dual Certification Interns in Grade 1 in FY11 was the corresponding initiative to meet similar goals. Unfortunately, Wheelock College has been unable to provide the fully anticipated number of Interns necessary to staff each 1st grade classroom. In FY11 the Intern staffing was 16 for 28 First grades, for FY12 this Intern number dropped to 10 for 26 First grades. For FY13 the Intern staff is 14 for 30 First grades. Since the FY13 budget assumed 20 Interns, the gap of 6 positions filled by Instructional Aides has put additional pressure on the budget.

The Spending Freeze included keeping two (2) 1st Grade Aide positions vacant at the end of the Second Quarter. The dynamics of program and enrollment interactions may cause changes to these specific situations before the end of the year. Including the Aides necessary to make up the shortage for the Dual Certification Program, the Second Quarter deployment of classroom Aides is staffed at 5.7 FTE under budget. A major initiative of the department during the past four budget cycles (FY10 – FY13) has been an attempt to control the growth in the number of classroom aides, while at the same time reallocating a full time classroom aide to each Kindergarten classroom. The FY13 classroom Aide count continues to show success at stabilizing the staff level of instructional aides to a level essentially equal to FY08.

Brookline Special Education Aides
 FY08 and FY09 Converted to Longer School day hours for comparison

Special Education Aides

	FY08 Actual	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budgeted	FY13 Actual
Instructional Aides	6.9	0	0	0	0	0	0
Aides	134.5	159.5	139	136.28	121.59	124.09	115.0
EC Aides	25	18.7	13.7	17.9	18.23	20.08	20.2
Kindergarten Aides	0	0	0	0	14.34	14.35	13.5
1st Grade Aides	0	0	0	0	13.5	5.06	12.2
General Fund Total	166.4	178.2	152.7	154.18	167.66	163.58	160.9

ARRA Grants (Kind.)	0	0	11.8	11.82	0	0	0
SPED Grant	10.2	10.1	13.1	12.3	13.53	12.9	11.8
EC Revolving Fund	0	0	3.4	3.4	3.4	3.4	3.4
Grant Funded Total	10.2	10.1	28.3	27.52	16.93	16.30	15.2

All Funds Total	176.6	188.3	181	181.7	184.6	179.88	176.1
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Transportation

The expenditure projection for FY13 Transportation services remains over budget by \$42K, as a result of Out of District service. The projection has, however, been reduced by \$58K since the First Quarter based on specific adjustments to routes and a better base of experience to calculate year-to-date service levels. Transportation service is expected to respond to the needs and program assignments based on student service decisions, which frequently do not consider transportation consequences. Special Education transportation provides a mix of In-Town and Out-of Town services. The network of routed vehicles is stretched toward the maximum to achieve as efficient an operation as possible. Additional costs for FY13 have come from complex out of district routes, that don't allow for ride sharing, and for an additional wheel chair vehicle, but total spending for the year is now projected to be down compared to First Quarter projections.

The department continues to work with vendors and surrounding school districts to take advantage of ride sharing where possible to out of town locations, but placement decisions that require additional vehicle routes have put a significant demand on the Transportation Budget as of the first months of school.

Conclusion

The implementation of a spending freeze is always a shock to the institution, resulting in modification to previously well thought out plans. For the Public Schools of Brookline to avoid significant overspending for FY13, as projected in the FY13 First Quarter Expenditure report, significant action to reverse spending patterns was required. Once enrollment patterns are set for the year the annual variability of salary spending tends to be low. Since payroll costs represent the largest component of departmental spending, eighty three percent (83%) of the General Fund, a significant portion of any savings needs to be accrued from salary actions.

The “FY2013 Spending Freeze” implemented during the Second Quarter has, as documented in this report, made a significant impact toward returning FY13 spending to budgeted levels. Final spending on budget for FY13 will only be achieved by a continuation of the actions begun during this period. Historically the greatest variability in cost growth during the year is driven by changes in student placements for Special Education Private Placement students or in-system students who require significant new services. This has represented the largest intra-year variability for cost projections, primarily because individual decisions can have significant cost implications. As we strengthen a new process for tracking and monitoring the source of these decisions our goal will be to have better data at earlier points in time to manage the cycles and budget accordingly. Results of this implementation have informed this report and will continue to do so as we move through the year.

The data within this report shows the significant complications placed on our budget choices as growing enrollment costs require increased funding. These patterns are not expected to abate anytime in the near future. Enrollments are projected to continue at the current pace for the foreseeable future, and young children with significant disabilities are growing as a percentage of our total service population, putting an increasing demand on our special programs and services. Continuing to plan with a multi-year horizon and taking actions to manage costs effectively, over the long term, will yield the best budget outcomes as we continue to face growing demand for our programs and services.

**The Public Schools of Brookline
FY2013 Second Quarter Report
General Fund**

Program/ Function	FY13 Total Adj. Budget	---- Thru 12/31/12 ----			% Budget Committed	Current Projection	Projected Surplus/ (Deficit)
		Expended Amount	Encumbered Amount	Committed Amount			
Administration 31050							
Personnel	\$1,010,318	\$513,368	\$0	\$513,368	50.81%	\$1,009,505	\$813
Services	\$193,553	\$138,803	\$54,156	\$192,960	99.69%	\$192,960	\$593
Supplies	\$16,727	\$11,878	\$2,723	\$14,601	87.29%	\$16,423	\$304
Other	\$71,773	\$56,302	\$3,429	\$59,731	83.22%	\$71,619	\$154
Capital	\$0	\$0	\$0	\$0	0.00%	\$0	\$0
Total	\$1,292,371	\$720,352	\$60,308	\$780,660	60.41%	\$1,290,507	\$1,864
Supervision 31100							
Personnel	\$4,359,939	\$2,160,431	\$0	\$2,160,431	49.55%	\$4,267,522	\$92,417
Services	\$77,262	\$39,460	\$35,215	\$74,675	96.65%	\$77,157	\$105
Supplies	\$57,530	\$19,293	\$783	\$20,076	34.90%	\$56,634	\$896
Other	\$186,884	\$90,808	\$6,495	\$97,303	52.07%	\$186,362	\$522
Capital	\$0	\$0	\$0	\$0	0.00%	\$0	\$0
Total	\$4,681,615	\$2,309,992	\$42,493	\$2,352,485	50.25%	\$4,587,675	\$93,940
Transportation 31300							
Personnel	\$110,388	\$57,684	\$0	\$57,684	52.26%	\$113,888	(\$3,500)
Services	\$1,501,407	\$541,444	\$859,014	\$1,400,458	93.28%	\$1,540,739	(\$39,332)
Total	\$1,611,795	\$599,128	\$859,014	\$1,458,142	90.47%	\$1,654,627	(\$42,832)
Student Body Activities 31350							
Personnel	\$199,408	\$0	\$0	\$0	0.00%	\$199,408	\$0
Services	\$0	\$0	\$0	\$0	0.00%	\$0	\$0
Other	\$0	\$0	\$0	\$0	0.00%	\$0	\$0
Total	\$199,408	\$0	\$0	\$0	0.00%	\$199,408	\$0

**The Public Schools of Brookline
FY2013 Second Quarter Report
General Fund**

Program/ Function	FY13 Total Adj. Budget	---- Thru 12/31/12 ----			% Budget Committed	Current Projection	Projected Surplus/ (Deficit)
		Expended Amount	Encumbered Amount	Committed Amount			
Educ Tech & Info Science 316031							
Personnel	\$1,900,372	\$819,820	\$0	\$819,820	43.14%	\$1,904,336	(\$3,964)
Services	\$90,367	\$57,440	\$3,820	\$61,260	67.79%	\$89,859	\$508
Supplies	\$146,106	\$82,845	\$24,184	\$107,029	73.25%	\$145,588	\$518
Other	\$21,300	\$3,679	\$791	\$4,470	20.99%	\$20,692	\$608
Capital	\$228,353	\$228,353	\$0	\$228,353	100.00%	\$228,353	\$0
Total	\$2,386,498	\$1,192,137	\$28,795	\$1,220,932	51.16%	\$2,388,828	(\$2,330)
Athletics/After School 31720							
Personnel	\$461,716	\$218,771	\$0	\$218,771	47.38%	\$461,537	\$179
Services	\$54,643	\$3,225	\$10,295	\$13,520	24.74%	\$54,318	\$325
Supplies	\$21,928	\$13,208	\$2,200	\$15,408	70.27%	\$21,808	\$120
Other	\$23,150	\$11,789	\$1,340	\$13,129	56.71%	\$22,951	\$199
Capital	\$0	\$0	\$0	\$0	0.00%	\$0	\$0
Total	\$561,437	\$246,993	\$13,835	\$260,829	46.46%	\$560,614	\$823
Psychological Services 31750							
Personnel	\$854,656	\$349,249	\$0	\$349,249	40.86%	\$785,365	\$69,291
Services	\$17,019	\$2,250	\$50	\$2,300	13.51%	\$16,567	\$452
Supplies	\$16,239	\$10,655	\$3,697	\$14,351	88.38%	\$16,093	\$146
Total	\$887,914	\$362,154	\$3,747	\$365,900	41.21%	\$818,025	\$69,889

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General Fund**

Program/ Function	FY13 Total Adj. Budget	---- Thru 12/31/12 ----			% Budget Committed	Current Projection	Projected Surplus/ (Deficit)
		Expended Amount	Encumbered Amount	Committed Amount			
Medical Services 31770							
Personnel	\$1,074,194	\$442,888	\$0	\$442,888	41.23%	\$1,030,971	\$43,223
Services	\$20,952	\$617	\$79	\$696	3.32%	\$20,807	\$145
Supplies	\$11,719	\$4,837	\$27	\$4,864	41.51%	\$11,522	\$197
Total	\$1,106,865	\$448,342	\$106	\$448,448	40.52%	\$1,063,300	\$43,565
Information Services 31780							
Personnel	\$508,309	\$257,872	\$0	\$257,872	50.73%	\$495,436	\$12,873
Services	\$86,122	\$59,257	\$4,248	\$63,504	73.74%	\$85,855	\$267
Supplies	\$171,400	\$159,001	\$7,326	\$166,327	97.04%	\$171,273	\$127
Other	\$3,156	\$1,300	\$0	\$1,300	41.19%	\$2,994	\$162
Capital	\$283,996	\$283,996	\$0	\$283,996	100.00%	\$283,996	\$0
Total	\$1,052,983	\$761,426	\$11,573	\$772,999	73.41%	\$1,039,554	\$13,429
Guidance 31790							
Personnel	\$2,201,232	\$952,325	\$0	\$952,325	43.26%	\$2,209,847	(\$8,615)
Services	\$20,070	\$14,222	\$5,380	\$19,602	97.67%	\$20,006	\$64
Supplies	\$17,100	\$2,576	\$330	\$2,905	16.99%	\$16,727	\$373
Other	\$1,600	\$444	\$160	\$604	0.00%	\$1,304	\$296
Total	\$2,240,002	\$969,566	\$5,870	\$975,436	43.55%	\$2,247,884	(\$7,882)
School Within A School 32200							
Personnel	\$393,980	\$160,302	\$0	\$160,302	40.69%	\$369,020	\$24,960
Services	\$4,184	\$717	\$1,260	\$1,977	47.25%	\$4,077	\$107
Supplies	\$6,140	\$3,771	\$43	\$3,814	62.12%	\$6,102	\$38
Total	\$404,304	\$164,790	\$1,303	\$166,094	41.08%	\$379,199	\$25,105

**The Public Schools of Brookline
FY2013 Second Quarter Report
General Fund**

Program/ Function	FY13 Total Adj. Budget	---- Thru 12/31/12 ----			% Budget Committed	Current Projection	Projected Surplus/ (Deficit)
		Expended Amount	Encumbered Amount	Committed Amount			
World Languages 32250							
Personnel	\$3,311,765	\$1,385,934	\$0	\$1,385,934	41.85%	\$3,258,259	\$53,506
Services	\$13,832	\$4,970	\$4,262	\$9,232	66.74%	\$13,643	\$189
Supplies	\$59,273	\$50,798	\$2,587	\$53,384	90.07%	\$59,183	\$90
Other	\$4,660	\$250	\$225	\$475	10.19%	\$4,575	\$85
Capital	\$2,725	\$1,655	\$0	\$1,655	60.73%	\$2,543	\$182
Total	\$3,392,255	\$1,443,607	\$7,073	\$1,450,680	42.76%	\$3,338,203	\$54,052
ELL / ESL 32270							
Personnel	\$1,798,783	\$789,886	\$0	\$789,886	43.91%	\$1,839,630	(\$40,847)
Services	\$10,386	\$513	\$90	\$603	5.81%	\$10,225	\$161
Supplies	\$19,049	\$2,643	\$367	\$3,009	15.80%	\$18,797	\$252
Other	\$274	\$200	\$0	\$200	72.99%	\$200	\$74
Capital	\$0	\$0	\$0	\$0	0.00%	\$0	\$0
Total	\$1,828,492	\$793,242	\$457	\$793,698	43.41%	\$1,868,853	(\$40,361)
Visual Arts 32400							
Personnel	\$1,226,486	\$546,685	\$0	\$546,685	44.57%	\$1,229,648	(\$3,162)
Services	\$8,600	\$829	\$0	\$829	9.64%	\$8,051	\$549
Supplies	\$73,136	\$54,410	\$3,367	\$57,777	79.00%	\$72,999	\$137
Other	\$1,950	\$0	\$0	\$0	0.00%	\$1,788	\$162
Capital	\$2,660	\$0	\$0	\$0	0.00%	\$2,466	\$194
Total	\$1,312,832	\$601,924	\$3,367	\$605,291	46.11%	\$1,314,952	(\$2,120)
English/Language Arts 32500							
Personnel	\$2,490,270	\$1,067,983	\$0	\$1,067,983	42.89%	\$2,502,446	(\$12,176)
Services	\$2,868	\$1,545	\$0	\$1,545	53.87%	\$2,767	\$101
Supplies	\$133,360	\$84,358	\$230	\$84,588	63.43%	\$132,476	\$884
Other	\$3,000	\$0	\$0	\$0	0.00%	\$2,922	\$78
Total	\$2,629,498	\$1,153,886	\$230	\$1,154,116	43.89%	\$2,640,611	(\$11,113)

**The Public Schools of Brookline
FY2013 Second Quarter Report
General Fund**

Program/ Function	FY13 Total Adj. Budget	---- Thru 12/31/12 ----			% Budget Committed	Current Projection	Projected Surplus/ (Deficit)
		Expended Amount	Encumbered Amount	Committed Amount			
Mathematics 32600							
Personnel	\$3,352,702	\$1,466,588	\$0	\$1,466,588	43.74%	\$3,311,000	\$41,702
Services	\$3,460	\$765	\$355	\$1,120	32.37%	\$3,261	\$199
Supplies	\$180,742	\$146,854	\$8,231	\$155,085	85.80%	\$180,429	\$313
Other	\$3,179	\$410	\$0	\$410	12.90%	\$3,021	\$158
Total	\$3,540,083	\$1,614,618	\$8,586	\$1,623,204	45.85%	\$3,497,711	\$42,372
Performing Arts 32650							
Personnel	\$1,848,806	\$770,167	\$0	\$770,167	41.66%	\$1,860,589	(\$11,783)
Services	\$13,471	\$5,275	\$1,123	\$6,399	47.50%	\$13,181	\$290
Supplies	\$26,059	\$18,904	\$497	\$19,401	74.45%	\$25,919	\$140
Other	\$888	\$228	\$0	\$228	25.68%	\$793	\$95
Capital	\$7,460	\$3,460	\$0	\$3,460	46.38%	\$7,210	\$250
Total	\$1,896,684	\$798,035	\$1,620	\$799,655	42.16%	\$1,907,692	(\$11,008)
Physical Education 32700							
Personnel	\$1,618,946	\$708,337	\$0	\$708,337	43.75%	\$1,639,828	(\$20,882)
Services	\$5,500	\$408	\$733	\$1,140	20.73%	\$5,362	\$138
Supplies	\$27,981	\$21,426	\$1,424	\$22,850	81.66%	\$27,761	\$220
Other	\$3,605	\$203	\$0	\$203	5.63%	\$3,458	\$147
Total	\$1,656,032	\$730,373	\$2,156	\$732,529	44.23%	\$1,676,409	(\$20,377)
Special Education 32760							
Personnel	\$14,307,068	\$5,864,307	\$0	\$5,864,307	40.99%	\$14,030,777	\$276,291
Services	\$6,370,992	\$1,735,007	\$2,487,850	\$4,222,857	66.28%	\$6,774,102	(\$403,110)
Supplies	\$61,821	\$45,199	\$11,654	\$56,853	91.96%	\$61,641	\$180
Other	\$9,450	\$5,986	\$456	\$6,442	68.17%	\$9,442	\$8
Total	\$20,749,331	\$7,650,498	\$2,499,961	\$10,150,459	48.92%	\$20,875,962	(\$126,631)

**The Public Schools of Brookline
FY2013 Second Quarter Report
General Fund**

Program/ Function	FY13 Total Adj. Budget	---- Thru 12/31/12 ----			% Budget Committed	Current Projection	Projected Surplus/ (Deficit)
		Expended Amount	Encumbered Amount	Committed Amount			
Literacy Specialists 32770							
Personnel	\$1,288,339	\$554,181	\$0	\$554,181	43.02%	\$1,293,087	(\$4,748)
Services	\$25,000	\$10,000	\$15,000	\$25,000	100.00%	\$25,000	\$0
Supplies	\$15,400	\$15,015	\$0	\$15,015	97.50%	\$15,281	\$119
Other	\$36,000	\$36,000	\$0	\$36,000	0.00%	\$36,000	\$0
Total	\$1,364,739	\$615,196	\$15,000	\$630,196	46.18%	\$1,369,368	(\$4,629)
Health Education 32780							
Personnel	\$348,816	\$134,499	\$0	\$134,499	38.56%	\$363,354	(\$14,538)
Services	\$7,690	\$2,072	\$800	\$2,872	37.34%	\$7,483	\$207
Supplies	\$11,429	\$2,992	\$5,100	\$8,092	70.80%	\$11,214	\$215
Other	\$7,900	\$650	\$750	\$1,400	17.72%	\$7,758	\$142
Total	\$375,835	\$139,562	\$6,650	\$146,862	39.08%	\$389,809	(\$13,974)
Science 32850							
Personnel	\$2,347,020	\$1,010,368	\$0	\$1,010,368	43.05%	\$2,383,408	(\$36,388)
Services	\$6,914	\$2,301	\$1,752	\$4,053	58.62%	\$6,754	\$160
Supplies	\$161,330	\$133,582	\$21,672	\$155,254	96.23%	\$161,154	\$176
Other	\$3,293	\$338	\$410	\$748	22.71%	\$3,170	\$123
Capital	\$0	\$0	\$0	\$0	0.00%	\$0	\$0
Total	\$2,518,557	\$1,146,589	\$23,833	\$1,170,422	46.47%	\$2,554,485	(\$35,928)
Social Studies 32900							
Personnel	\$2,284,841	\$1,012,644	\$0	\$1,012,644	44.32%	\$2,318,233	(\$33,392)
Services	\$3,100	\$2,308	\$375	\$2,683	86.55%	\$2,883	\$217
Supplies	\$128,720	\$116,777	\$3,070	\$119,846	93.11%	\$128,517	\$203
Other	\$1,166	\$356	\$0	\$356	30.53%	\$1,133	\$33
Total	\$2,417,827	\$1,132,084	\$3,445	\$1,135,529	46.96%	\$2,450,766	(\$32,939)

**The Public Schools of Brookline
FY2013 Second Quarter Report
General Fund**

Program/ Function	FY13 Total Adj. Budget	---- Thru 12/31/12 ----			% Budget Committed	Current Projection	Projected Surplus/ (Deficit)
		Expended Amount	Encumbered Amount	Committed Amount			
Career & Ed. Techn. 32920							
Personnel	\$665,937	\$274,978	\$0	\$274,978	41.29%	\$663,044	\$2,893
Services	\$5,732	\$1,581	\$3,032	\$4,613	80.47%	\$5,624	\$108
Supplies	\$50,300	\$15,410	\$19,390	\$34,799	69.18%	\$49,687	\$613
Other	\$150	\$150	\$0	\$150	100.00%	\$150	\$0
Capital	\$11,296	\$1,735	\$1,649	\$3,384	29.96%	\$11,184	\$112
Total	\$733,415	\$293,854	\$24,070	\$317,924	43.35%	\$729,689	\$3,726
Kindergarten 33150							
Personnel	\$2,659,241	\$1,139,151	\$0	\$1,139,151	42.84%	\$2,774,735	(\$115,494)
Supplies	\$14,965	\$8,597	\$141	\$8,738	58.39%	\$14,926	\$39
Total	\$2,674,206	\$1,147,748	\$141	\$1,147,889	42.92%	\$2,789,661	(\$115,455)
Elementary 33200							
Personnel	\$12,171,971	\$5,281,654	\$0	\$5,281,654	43.39%	\$12,182,041	(\$10,070)
Services	\$412,844	\$155,807	\$95,599	\$251,405	60.90%	\$412,393	\$451
Supplies	\$129,484	\$64,218	\$43,981	\$108,198	83.56%	\$129,209	\$275
Other	\$50,523	\$2,698	\$0	\$2,698	5.34%	\$50,164	\$359
Capital	\$13,946	\$9,469	\$1,031	\$10,500	75.29%	\$13,858	\$88
Total	\$12,778,768	\$5,513,846	\$140,610	\$5,654,456	44.25%	\$12,787,666	(\$8,898)
High School 33300							
Personnel	\$801,808	\$343,624	\$0	\$343,624	42.86%	\$837,866	(\$36,058)
Services	\$228,254	\$103,980	\$86,729	\$190,708	83.55%	\$227,930	\$324
Supplies	\$61,386	\$28,006	\$16,403	\$44,409	72.34%	\$61,253	\$133
Other	\$22,848	\$15,791	\$709	\$16,500	72.22%	\$22,700	\$148
Capital	\$0	\$0	\$0	\$0	0.00%	\$0	\$0
Total	\$1,114,296	\$491,401	\$103,841	\$595,242	53.42%	\$1,149,750	(\$35,454)

**The Public Schools of Brookline
FY2013 Second Quarter Report
General Fund**

Program/ Function	FY13 Total Adj. Budget	---- Thru 12/31/12 ----			% Budget Committed	Current Projection	Projected Surplus/ (Deficit)
		Expended Amount	Encumbered Amount	Committed Amount			
General Instruction 33400							
Personnel	\$1,499,360	\$505,714	\$0	\$505,714	33.73%	\$1,511,636	(\$12,276)
Services	\$6,600	\$848	\$5,500	\$6,348	96.17%	\$6,348	\$253
Supplies	\$24,723	\$20,285	\$830	\$21,115	85.41%	\$24,670	\$53
Other	\$259,763	\$0	\$0	\$0	0.00%	\$109,000	\$150,763
Capital	\$0	\$0	\$0	\$0	0.00%	\$0	\$0
Total	\$1,790,446	\$526,847	\$6,330	\$533,177	29.78%	\$1,651,653	\$138,792
Building Services 34250							
Personnel	\$2,192,101	\$1,153,405	\$0	\$1,153,405	52.62%	\$2,190,318	\$1,783
Services	\$544,874	\$278,846	\$241,865	\$520,711	95.57%	\$543,722	\$1,152
Supplies	\$132,821	\$68,743	\$13,935	\$82,678	62.25%	\$131,678	\$1,143
Other	\$100	\$0	\$0	\$0	0.00%	\$0	\$100
Capital	\$18,600	\$0	\$0	\$0	0.00%	\$18,222	\$378
Total	\$2,888,496	\$1,500,993	\$255,800	\$1,756,794	60.82%	\$2,883,940	\$4,556
Gross School Dept. Budget							
Personnel	\$69,288,771	\$29,942,814	\$0	\$29,942,814	43.21%	\$69,036,734	\$252,038
Services	\$9,735,696	\$3,154,488	\$3,903,581	\$7,058,070	72.50%	\$10,171,074	(\$435,378)
Supplies	\$1,776,868	\$1,206,281	\$194,188	\$1,400,469	78.82%	\$1,768,967	\$7,901
Other	\$716,612	\$227,138	\$13,855	\$241,743	33.73%	\$562,196	\$154,416
Capital	\$569,036	\$528,668	\$2,680	\$531,348	93.38%	\$567,832	\$1,204
Total	\$82,086,983	\$35,059,390	\$4,114,304	\$39,173,694	47.72%	\$82,106,803	(\$19,819)
% of Appr Bud.							
Special Revenues Funds:							
Tuition and Facilities Funds:	(\$553,744)					(\$553,744)	\$0
Circuit Breaker Funds:	(\$1,902,739)					(\$1,902,739)	\$0
Revolving Fund Reimbursement	(\$550,680)					(\$550,680)	\$0
Circuit Breaker Increase:	\$0					\$0	\$0
Fall TM Supplementary:	(\$430,222)					(\$430,222)	\$0
Town Appropriation:	\$78,649,598					\$78,669,418	(\$19,819)

**THE PUBLIC SCHOOLS OF BROOKLINE
FY2013 FIRST QUARTER REPORT**

FUNCTION:	ACCOUNT	FY13 TOTAL ADJ. BUDGET	PROJECTED AS OF 9/30/12	SURPLUS/ (DEFICIT)
<u>ADMINISTRATION & SUPPORT:</u>				
Administration:	31050	1,292,371	1,290,507	1,864
Supervision:	31100	4,681,615	4,587,675	93,940
Information Services:	31780	1,052,983	1,039,554	13,429
Transportation:	31300	1,611,795	1,654,627	(42,832)
High School Support:	33300	1,114,296	1,149,750	(35,454)
General Instruction:	33400	1,790,446	1,651,653	138,792
Building Services:	34250	<u>2,888,496</u>	<u>2,883,940</u>	<u>4,556</u>
TOTAL:		\$14,432,002	\$14,257,706	\$174,295
<u>STUDENT SERVICES:</u>				
Psychological Services:	31750	887,914	818,025	69,889
Medical Services:	31770	1,106,865	1,063,300	43,565
Guidance:	31790	2,240,002	2,247,884	(7,882)
Engl. Lang. Learners / ESL:	32270	1,828,492	1,868,853	(40,361)
Special Education:	32760	<u>20,749,331</u>	<u>20,875,962</u>	<u>(126,631)</u>
TOTAL:		\$26,812,604	\$26,874,024	(\$61,420)
<u>EXTRA CURRICULAR ACTIVITIES:</u>				
Student Body Activities:	31350	199,408	199,408	0
Athletics/After School:	31720	<u>561,437</u>	<u>560,614</u>	<u>823</u>
TOTAL:		\$760,845	\$760,022	\$823
<u>CURRICULUM & INSTRUCTION:</u>				
Education Tech and Info Services	31600	2,386,498	2,388,828	(2,330)
School-Within-A-School:	32200	404,304	379,199	25,105
World Language:	32250	3,392,255	3,338,203	54,052
Visual Arts:	32400	1,312,832	1,314,952	(2,120)
English/Language Arts:	32500	2,629,498	2,640,611	(11,113)
Mathematics:	32600	3,540,083	3,497,711	42,372
Performing Arts:	32650	1,896,684	1,907,692	(11,008)
Physical Education:	32700	1,656,032	1,676,409	(20,377)
Literacy Specialists:	32770	1,364,739	1,369,368	(4,629)
Health Education:	32780	375,835	389,809	(13,974)
Science:	32850	2,518,557	2,554,485	(35,928)
Social Studies:	32900	2,417,827	2,450,766	(32,939)
Career & Techn. Education:	32920	733,415	729,689	3,726
Kindergarten:	33150	2,674,206	2,789,661	(115,455)
Elementary:	33200	12,778,768	12,787,666	(8,898)
TOTAL:		\$40,081,533	\$40,215,050	(\$133,517)
GROSS SCHOOL DEPT. BUDGET:		\$82,086,984	\$82,106,803	(\$19,819)
Tuition and Facilities Funds:		(\$553,744)	(\$553,744)	\$0
Circuit Breaker Funds:		(\$1,902,739)	(\$1,902,739)	\$0
Revolving Fund Reimbursement		(\$550,680)	(\$550,680)	\$0
Supplementary:		(\$430,222)	(\$430,222)	\$0
Town Appropriation:		\$78,649,599	\$78,669,418	(\$19,819)

**THE PUBLIC SCHOOLS OF BROOKLINE
FY2013 FIRST QUARTER REPORT**

FUNCTION:	ACCOUNT	FY13 TOTAL ADJ. BUD.	PROJECTED AS OF 9/30/12	SURPLUS/ (DEFICIT)
Administrative, Supervision and General Instruction				
Administration	31050	\$1,292,371	\$1,290,507	\$1,864
Supervision	31100	\$4,681,615	\$4,587,675	\$93,940
General Instruction	33400	<u>\$1,790,446</u>	<u>\$1,651,653</u>	<u>\$138,792</u>
Sub-Total:		\$7,764,432	\$7,529,836	\$234,596
Building/Transportation Services				
Transportation	31300	\$1,611,795	\$1,654,627	(\$42,832)
Building Services	34250	<u>\$2,888,496</u>	<u>\$2,883,940</u>	<u>\$4,556</u>
Sub-Total:		\$4,500,291	\$4,538,567	(\$38,276)
Students, Non-Academic				
Student Activities	31350	\$199,408	\$199,408	\$0
Athletics	31720	\$561,437	\$560,614	\$823
Performing Arts	32650	<u>\$1,896,684</u>	<u>\$1,907,692</u>	<u>(\$11,008)</u>
Sub-Total:		\$2,657,529	\$2,667,715	(\$10,186)
Information Technology				
Instructional Technology	31780	<u>\$1,052,983</u>	<u>\$1,039,554</u>	<u>\$13,429</u>
Sub-Total:		\$1,052,983	\$1,039,554	\$13,429
Guidance and Medical Services				
Psychological Services	31750	\$887,914	\$818,025	\$69,889
Medical Services	31770	\$1,106,865	\$1,063,300	\$43,565
Guidance	31790	<u>\$2,240,002</u>	<u>\$2,247,884</u>	<u>(\$7,882)</u>
Sub-Total:		\$4,234,781	\$4,129,210	\$105,571
Mainstream Student Academic Program Accounts				
Educational Tech and Info Services	31600	\$2,386,498	\$2,388,828	(\$2,330)
School-Within-A-School	32200	\$404,304	\$379,199	\$25,105
World Language	32250	\$3,392,255	\$3,338,203	\$54,052
Visual Arts	32400	\$1,312,832	\$1,314,952	(\$2,120)
English / Language Arts	32500	\$2,629,498	\$2,640,611	(\$11,113)
Mathematics	32600	\$3,540,083	\$3,497,711	\$42,372
Physical Education	32700	\$1,656,032	\$1,676,409	(\$20,377)
Health Education	32780	\$375,835	\$389,809	(\$13,974)
Science	32850	\$2,518,557	\$2,554,485	(\$35,928)
Social Studies	32900	\$2,417,827	\$2,450,766	(\$32,939)
Career and Technical Education	32920	\$733,415	\$729,689	\$3,726
BHS Support	33300	<u>\$1,114,296</u>	<u>\$1,149,750</u>	<u>(\$35,454)</u>
Sub-Total:		\$22,481,432	\$22,510,412	(\$28,980)

**THE PUBLIC SCHOOLS OF BROOKLINE
FY2013 FIRST QUARTER REPORT**

FUNCTION:	ACCOUNT	FY13 TOTAL ADJ. BUD.	PROJECTED AS OF 9/30/12	SURPLUS/ (DEFICIT)
Special Challenge Academic Accounts				
English Language Learners / ESL	32270	\$1,828,492	\$1,868,853	(\$40,361)
Special Education	32760	\$20,749,331	\$20,875,962	(\$126,631)
Literacy Specialists	32770	<u>\$1,364,739</u>	<u>\$1,369,368</u>	<u>(\$4,629)</u>
Sub-Total:		\$23,942,562	\$24,114,183	(\$171,621)
Elementary & Pre-Elementary Student Academic				
Kindergarten	33150	\$2,674,206	\$2,789,661	(\$115,455)
Elementary	33200	<u>\$12,778,768</u>	<u>\$12,787,666</u>	<u>(\$8,898)</u>
Sub-Total:		\$15,452,974	\$15,577,327	(\$124,353)
GROSS SCHOOL DEPT. BUDGET:		\$82,086,984	\$82,106,803	(\$19,819)
TUITION AND FACILITIES FUNDS:		(\$553,744)	(\$553,744)	\$0
CIRCUIT BREAKER:		(\$1,902,739)	(\$1,902,739)	\$0
REVOLVING FUND REIMBURSEMENT		(\$550,680)	(\$550,680)	\$0
SUPPLEMENTARY:		(\$430,222)	(\$430,222)	\$0
Town Appropriation:		\$78,649,599	\$79,220,098	(\$19,819)

THE PUBLIC SCHOOLS OF BROOKLINE
TEN YEAR TREND (FY04 - FY13)

Fiscal Year	Appropriation Amount	Percent Growth	Actual Spending	Percent Growth	Year End Surplus/Deficit	Special Education Prog. Costs *	Percent Growth
2004 Actual	\$54,167,582	2.46%	\$53,936,109	2.40%	\$231,473	\$11,668,892	5.08%
2005 Actual	\$56,825,064	4.91%	\$56,713,501	5.15%	\$111,563	\$12,417,985	6.42%
2006 Actual	\$60,414,543	6.32%	\$60,414,543	6.53%	\$0	\$14,122,176	13.72%
2007 Actual	\$62,916,637	4.14%	\$62,916,637	4.14%	\$0	\$15,676,812	11.01%
2008 Actual	\$65,296,114	3.78%	\$64,786,212	2.97%	\$509,902	\$15,395,752	-1.79%
2009 Actual	\$70,773,226	8.39%	\$70,987,572	9.57%	(\$214,346)	\$17,124,783	11.23%
2010 Actual	\$71,528,950	1.07%	\$72,515,419	2.15%	(\$986,469)	\$18,871,798	10.20%
2011 Actual	\$75,346,929	5.34%	\$75,521,702	4.15%	(\$174,773)	\$19,610,115	3.91%
2012 Actual	\$78,462,178	4.13%	\$78,443,875	3.87%	\$18,303	\$20,075,062	2.37%
2013 Projected	\$82,086,983	4.62%	\$82,106,803	4.67%	(\$19,819)	\$20,875,962	3.99%
Total Ten Year Increase		55.28%		55.89%			88.00%
Average Annual Growth		4.52%		4.56%			6.61%

Notes:

* FY13 Appropriation amount includes \$1,902,739 in Circuit Breaker funding, \$350K in One Time Revenues, \$200K in benefit reimbursement funding from Revolving Funds, and \$553,744 in Tuition, Fees and Facilities Funds.

* Spec. Ed. program costs excludes transportation, guidance, psychological and medical costs of special education students.

**The Public Schools of Brookline
Six Year Expenditure Growth Pattern
FY08 - FY13**

Attachment 2

	Final FY08 Expenditures	Final FY09 Expenditures	Final FY10 Expenditures	Final FY11 Expenditures	Final FY12 Expenditures	Projected FY13 Expenditures	FY08 - FY13 6-Year Expenditure Growth	
Total BPS	\$ 64,786,212	\$ 70,987,572	\$ 72,515,419	\$ 75,521,702	\$ 78,443,875	\$ 82,106,803	\$ 17,320,591	27.5%
Total Special Education (SPED)	\$ 15,395,752	\$ 17,124,783	\$ 18,871,798	\$ 19,610,115	\$ 20,075,062	\$ 20,875,962	\$ 5,480,210	35.0%
SPED Percent of Total	23.76%	24.12%	26.02%	25.97%	25.59%	25.43%	31.64%	

	Final FY08 Expenditures	Final FY09 Expenditures	Final FY10 Expenditures	Final FY11 Expenditures	Final FY12 Expenditures	Projected FY13 Expenditures	FY08 - FY13 6-Year Expenditure Growth	
Total SPED, Transportation and Medical	\$ 17,552,415	\$ 19,330,740	\$ 21,141,499	\$ 22,146,194	\$ 22,648,038	\$ 23,593,889	\$ 6,041,474	34.0%
SPED Percent of Total	27.1%	27.2%	29.2%	29.3%	28.9%	28.7%		
Total w/o SPED, Transportation and Medical	\$ 47,233,797	\$ 51,656,832	\$ 51,373,920	\$ 53,375,508	\$ 55,795,837	\$ 58,512,914	\$ 11,279,117	25.0%
Non-SPED Percent of Total	72.9%	72.8%	70.8%	70.7%	71.1%	71.3%		

FY13 Second Quarter Expenditure Report - Revolving Funds

Brookline Adult and Community Education – SE22

The Brookline Adult and Community Education program continued to maintain profitability in FY12, the 3rd consecutive year of positive performance, although net profit was significantly lower than FY10 and FY11. Revenues for FY12 exceeded expenses by \$88K, and the program continued to offer a wide variety of courses.

For FY13, the second quarter report shows total revenues of \$933,670 against expenses of \$578,539, mostly due to the realization of deferred revenues. While the program continues to be successful, it is important to recognize that overall profit decreased from \$294K in FY11 to \$88K in FY12. While this is still showing better than break even performance, it will be important to more closely manage course offerings in response to the public's interest in such classes.

The stabilization of the organization has allowed it to hire a .5FTE additional program coordinator to meet the demand exhibited for new course design in certain areas of the curriculum. The FY13 Operating Budget will require the BA&CE budget to make an annual contribution of \$60K toward facility use costs, previously paid by the General Fund. It is anticipated that the Brookline Adult and Community Education program will continue to be a viable institution in the Town in FY13 while operating at a profit.

Use of School Buildings – SE23

The Use of School Buildings fund reflects the expenses incurred to prepare and operate buildings throughout the year for events held after school and on weekends offset by revenues from the lease of school buildings. Traditionally, it has been used to supplement the General Fund at \$30,000.

The fund balance in this account stood at \$176K following FY12. While there have been some rental activity during the summer, the great preponderance of usage occurs during the school year. We have seen an uptick in rental revenues and it is anticipated that within this account revenues generated will continue to outperform expenses.

Through the second quarter of FY13, The Public Schools of Brookline collected revenues of \$52,450 against \$72,036 in incurred expenses, mostly used to reconfigure Early Childhood spaces and augment the startup of new Kindergarten classrooms throughout the District.

Non-Resident Tuition – SE52

This fund traditionally supplements the General Fund through full tuition payments, which has remains at \$14,000 in FY13 and through the staff materials fee set at \$2,417 for this year (up from \$2,347 last year). These fees supplement the General Fund by \$523,744.

This fund is also used as a clearing account to accept and expend certain other revenue streams (i.e., Music Extension program, transportation revenues and costs associated with these programs).

The FY13 second quarter report shows revenues of \$574,376 against expenses of \$270,115. Since the Department has moved to a payroll deduction model, fees are collected on a consistent basis throughout the year, as opposed to one time lump sum payments (or multiple payments). This has smoothed out the revenue stream, and eliminated defaulting on payments. Additionally, a fee schedule has been proposed which can provide for reasonable increases per student for the next several years.

School Athletics – SE26

This fund contains the student athletic fee paid at \$200 per sport, per season for FY13. This revenue supplements the operating budget of the athletics program and was budgeted at \$360,108 for FY13. A mix of decreased participation and increased scholarships resulted in a net loss of \$29K in FY12.

The second quarter report shows revenues of \$149,618 against expenses of \$176,665, which is line with past underperformance. The Athletic Department continues to struggle with increased costs related to rental space and equipment, as well as fewer paid participants and an increased demand for scholarships, both full and partial. A review of participation and the scholarship process will occur this year in order to determine the scope of athletic teams the system will continue to offer.

School Restaurant - SE27

The School Restaurant Revolving Fund accounts for the revenue generated by the School Restaurant at Brookline High School. This program provides real-life training for students interested in the culinary arts as a part of our Career Education program at BHS.

The second quarter revenues of \$27,664 outperformed expenses of \$26,467 only slightly, but this is catching up to the front loaded costs of preparing the school restaurant for it's opening in September. Given the past performance of the program and the front loading of these onetime costs, it is anticipated that the School Restaurant will continue to remain profitable. The continued success of this program has enabled us to continue to replace high cost equipment, some of which is greater than 50 years old, and assist in updating durable goods costs associated with the Career and Tech program, such as a new sander for the woodworking class and a new paper punch machine for the copy center.

Summer School – SE28

This fund contains the revenue and expenses of the Summer School program operated annually at Brookline High School. A review of this program in FY04 and FY05 showed that the program was operating at a structural deficit in the range of \$15K. This deficit rose to the \$30K mark for FY06 and FY07. The structural deficit is primarily to support courses for students who need to complete graduation requirements or who need extra support for MCAS test retake services. Additionally, this account provides scholarship support for some students.

The program saw expenses climb rise significantly from \$121K in FY08 to \$136K in FY09, and dropping slightly to \$130K in FY10. Expenses rose significantly again in FY11, ending at \$143K and continued that trend with expenses totaling \$165 in FY12. Revenues during this time have remained in the \$100-120K range. Current data indicates that the program run during the summer of FY13 (July-August of 2012) had expenses of \$141K against revenues of \$104K. Increased expenditures (97% of which are related to salaries) and revenue collection issues continue to put pressure on the targeted allocation of General Fund spending on behalf of the program. Tighter controls, as well as targeted programming, will need to be put into place in order to ensure that the program operates within budget allocations. A number of classes could be consolidated, and less popular ones cancelled in order to achieve this in the future.

Early Childhood – SE20

The Brookline Early Education Program (BEEP) operated by the Public Schools of Brookline is a fee for service model. These programs are subsidized by the General Fund for both Special Education and collective bargaining costs and supplemented by external grants – primarily the several grants distributed by the Massachusetts Department of Education.

BEEP Principal Vicki Milstein increased fees in FY13 in order to keep up with anticipated expenses. The second quarter report shows revenues of \$1,184,573 against \$1,036,806 in expenses. This includes approximately \$64K in revenues that should have been allocated in FY12. The program raised tuition rates by 2% for the 2012-2013 school year in order to continue to offset increased costs related to decreasing federal and state aid for Early Childhood programming, increased demand for Special Education services and an increase in scholarship applications. It is anticipated that the program will break even in FY13.

Food Service – SE25

The Food Service Program implemented a price increase in FY09, which pushed the program past breakeven performance. In FY10, that trend continued due to an increase in participation. Because of this, in FY10 the Food Services Revolving Fund had a positive fund balance for the first time in more than 10 years. For FY12, this program had an operating profit of \$246K.

Second quarter results for FY13 show revenues at \$925,433 against expenses of \$859,692. While the program has continued to outperform expenses, this net revenue increase (\$65K) is \$87K less than at the 2nd Quarter Report for FY12. Some additional improvements were made for FY13 aimed at growing the program even further, as a new wok station was installed over the summer at the High School. The Second Quarter's participation numbers have decreased over FY13's Second Quarter numbers, across the board, mainly due to the implementation of federal regulations which place new limits on the offerings made at both the Elementary and High School level. This has been a challenge that all Food Service programs throughout the nation have had to face in an effort to retain participation. Additionally, the new cafeterias at both the Runkle and Heath Schools were closed for the beginning of school. This decreased participation significantly at both locations and affected initial revenues. Both the Runkle School and the Heath's cafeteria are now fully operational.

FY13 will also require a charge to the Food Service account of \$150K to offset certain Employee Benefit costs previously paid by the General Fund. The goal of this plan is to have the Food Service Revolving Fund pick up the full cost of employee benefits by FY15.

Special Education: METCO Fund –SE14

Until FY03, the State Department of Education calculated the impact of special education services for METCO students on each METCO receiving community and made a supplementary payment to the community. This fund contains the supplemental revenue and expenses attributable to the services provided to METCO students for Special Education services. New revenue for this account ended in FY03.

As we move forward, we have chosen to use these funds for one-time services. In FY09 and FY10, funds were used from this account to renovate space at Brookline High School specifically for the use of Special Education program. No activity occurred here in FY11 or FY12. Our fund balance remains at \$53K in this account.

Circuit Breaker - SEB3

FY13 is the tenth year of "Circuit Breaker" funding. These funds are received by the department from the state as partial funding for high cost Special Education students. Circuit Breaker funds are carried in a revolving fund.

Prior to FY04, the Massachusetts Department of Education paid Residential Schools directly for approximately 50% of the cost of Residential student's tuition. The Circuit Breaker language requires school departments to pay the entire cost for Residential students and has created a funding formula for distributing funds to school systems based upon a restructured formula for all "high cost" students. This formula allows school systems to receive supplementary funding for any student whose total educational cost exceeds \$40,512, up from \$38,916 in FY12, \$38,028 in FY11, \$38,636 in FY10, \$37,000 in FY09, \$35,408 in FY08 and \$33,700 in FY07.

Total funding for this account for FY13 based on FY12 claims was estimated at \$1.9M. The state increase in the funding rate for FY13 had originally allowed this to grow to \$2.01M, but 9C cuts initiated by the Governor in early December have reduced this number back down to our original allocation and forced us to implement additional budget freeze actions in order to support private placement costs in Special Education.

**The Public Schools of Brookline
Revolving Fund Balance Sheet**

Fund SE22 Adult Education

	FY08 Period Ending 6/30/08	FY09 Period Ending 6/30/09	FY10 Period Ending 6/30/10	FY11 Period Ending 6/30/11	FY12 Period Ending 12/31/11	FY12 Period Ending 6/30/12	FY13 Period Ending 12/31/12
Revenue	\$1,425,195	\$1,209,613	\$1,339,181	\$1,422,283	\$730,637	\$1,176,205	\$933,670
Expense	(\$1,484,303)	(\$1,257,442)	(\$1,125,689)	(\$1,127,346)	(\$567,467)	(\$1,088,223)	(\$578,539)
Net Income Sub-Total	(\$59,108)	(\$47,829)	\$213,492	\$294,937	\$163,170	\$87,982	\$355,132
General Fund Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income Total	(\$59,108)	(\$47,829)	\$213,492	\$294,937	\$163,170	\$87,982	\$355,132
Cash Balance At End of Period	\$563,552	\$537,585	\$771,691	\$946,386	\$843,619	\$1,116,648	\$1,118,096
Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Assets	\$563,552	\$537,585	\$771,691	\$946,386	\$843,619	\$1,116,648	\$1,118,096
Liabilities & Encumbrances	(\$397,564)	(\$418,634)	(\$442,861)	(\$319,006)	(\$5,467)	(\$353,684)	(\$350,383)
Fund Balance Adjustments (Prior Year)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Balance	\$165,988	\$118,951	\$328,830	\$627,381	\$838,152	\$762,964	\$767,713

Fund SE23 Use of School Buildings

	FY08 Period Ending 6/30/08	FY09 Period Ending 6/30/09	FY10 Period Ending 6/30/10	FY11 Period Ending 6/30/11	FY12 Period Ending 12/31/11	FY12 Period Ending 6/30/12	FY13 Period Ending 12/31/12
Revenue	\$52,766	\$112,386	\$208,768	\$125,804	\$67,265	\$106,075	\$52,450
Expense	(\$7,105)	(\$92,309)	(\$159,187)	(\$127,904)	(\$35,273)	(\$64,483)	(\$72,036)
Net Income Sub-Total	\$45,661	\$20,077	\$49,581	(\$2,100)	\$31,992	\$41,592	(\$19,586)
General Fund Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income Total	\$45,661	\$20,077	\$49,581	(\$2,100)	\$31,992	\$41,592	(\$19,586)
Cash Balance At End of Period	\$72,839	\$101,585	\$139,081	\$134,952	\$167,944	\$177,544	\$156,958
Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Assets	\$72,839	\$101,585	\$139,081	\$134,952	\$167,944	\$177,544	\$156,958
Liabilities & Encumbrances	(\$1,344)	(\$10,015)	(\$2,000)	(\$1,439)	(\$1,000)	(\$1,000)	(\$23,229)
Fund Balance Adjustments (Prior Year)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Balance	\$71,494	\$91,570	\$137,081	\$133,513	\$166,944	\$176,544	\$133,729

**The Public Schools of Brookline
Revolving Fund Balance Sheet**

Fund SE52 Non-Resident Tuition

	FY08 Period Ending 6/30/08	FY09 Period Ending 6/30/09	FY10 Period Ending 6/30/10	FY11 Period Ending 6/30/11	FY12 Period Ending 12/31/11	FY12 Period Ending 6/30/12	FY13 Period Ending 12/31/12
Revenue	\$684,026	\$567,119	\$773,033	\$518,068	\$364,907	\$839,902	\$574,376
Expense	(\$20,850)	(\$267,205)	(\$517,527)	(\$226,871)	(\$154,549)	(\$705,098)	(\$270,115)
Net Income Sub-Total	\$663,176	\$299,914	\$255,506	\$291,196	\$210,359	\$134,804	\$304,261
General Fund Transfers	\$0	(\$371,251)	(\$386,251)	(\$442,249)	\$0	(\$293,445)	\$0
Net Income Total	\$663,176	(\$71,337)	(\$130,745)	(\$151,053)	\$210,359	(\$158,641)	\$304,261
Cash Balance At End of Period	\$860,457	\$848,072	\$625,688	\$587,962	\$1,148,525	\$361,951	\$666,212
Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Assets	\$860,457	\$848,072	\$625,688	\$587,962	\$1,148,525	\$361,951	\$666,212
Liabilities & Encumbrances	(\$78,099)	(\$133,371)	(\$75,733)	(\$67,370)	(\$357,659)	\$0	(\$5,226)
Fund Balance Adjustments (Prior Year)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Balance	\$782,359	\$714,701	\$549,955	\$520,592	\$790,866	\$361,951	\$660,986

Fund SE26 School Athletics

	FY08 Period Ending 6/30/08	FY09 Period Ending 6/30/09	FY10 Period Ending 6/30/10	FY11 Period Ending 6/30/11	FY12 Period Ending 12/31/11	FY12 Period Ending 6/30/12	FY13 Period Ending 12/31/12
Revenue	\$280,237	\$279,933	\$284,061	\$288,676	\$160,199	\$312,904	\$149,618
Expense	(\$325,903)	(\$330,146)	(\$358,387)	(\$342,835)	(\$140,958)	(\$341,596)	(\$176,665)
Net Income Sub-Total	(\$45,667)	(\$50,214)	(\$74,326)	(\$54,159)	\$19,241	(\$28,692)	(\$27,047)
General Fund Transfers	\$54,477	\$50,214	\$74,326	\$54,159	\$0	\$28,692	\$0
Net Income Total	\$8,810	\$0	\$0	\$0	\$19,241	\$0	(\$27,047)
Cash Balance At End of Period	\$65,050	\$28,040	\$27,291	\$6,286	\$24,295	\$47,158	(\$4,511)
Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Assets	\$65,050	\$28,040	\$27,291	\$6,286	\$24,295	\$47,158	(\$4,511)
Liabilities & Encumbrances	(\$15,671)	(\$18,770)	(\$27,291)	(\$6,286)	\$0	(\$16,535)	\$0
Fund Balance Adjustments (Prior Year)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Balance	\$49,379	\$9,270	\$0	\$0	\$24,295	\$30,623	(\$4,511)

**The Public Schools of Brookline
Revolving Fund Balance Sheet**

Fund SE27 School Restaurant

	FY08 Period Ending 6/30/08	FY09 Period Ending 6/30/09	FY10 Period Ending 6/30/10	FY11 Period Ending 6/30/11	FY12 Period Ending 12/31/11	FY12 Period Ending 6/30/12	FY13 Period Ending 12/31/12
Revenue	\$100,111	\$114,852	\$138,924	\$136,853	\$52,412	\$125,558	\$27,664
Expense	(\$108,746)	(\$103,345)	(\$106,224)	(\$103,799)	(\$65,311)	(\$140,183)	(\$26,467)
Net Income	(\$8,635)	\$11,507	\$32,700	\$33,054	(\$12,900)	(\$14,625)	\$1,197
Cash Balance At End of Period	\$73,347	\$84,854	\$117,553	\$150,607	\$137,708	\$140,129	\$137,179
Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Assets	\$73,347	\$84,854	\$117,553	\$150,607	\$137,708	\$140,129	\$137,179
Liabilities & Encumbrances	\$0	\$0	\$0	\$0	\$0	(\$4,147)	\$0
Fund Balance Adjustments (Prior Year)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Balance	\$73,347	\$84,854	\$117,553	\$150,607	\$137,708	\$135,982	\$137,179

Fund SE28 Summer School

	FY08 Period Ending 6/30/08	FY09 Period Ending 6/30/09	FY10 Period Ending 6/30/10	FY11 Period Ending 6/30/11	FY12 Period Ending 12/31/11	FY12 Period Ending 6/30/12	FY13 Period Ending 12/31/12
Revenue	\$102,006	\$85,113	\$93,578	\$113,242	\$103,954	\$118,960	\$104,018
Expense	(\$121,048)	(\$135,595)	(\$130,327)	(\$143,935)	(\$158,305)	(\$165,099)	(\$141,155)
Net Income Sub-Total	(\$19,042)	(\$50,482)	(\$36,749)	(\$30,693)	(\$54,351)	(\$46,139)	(\$37,137)
General Fund Transfers	\$19,719	\$50,482	\$36,749	\$30,693	\$0	\$46,139	\$0
Net Income Total	\$677	\$0	\$0	\$0	(\$54,351)	\$0	(\$37,137)
Cash Balance At End of Period	\$677	\$3,940	\$0	\$0	(\$57,289)	\$0	(\$37,137)
Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Assets	\$677	\$3,940	\$0	\$0	(\$57,289)	\$0	(\$37,137)
Liabilities & Encumbrances	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fund Balance Adjustments (Prior Year)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Balance	\$677	\$3,940	\$0	\$0	(\$57,289)	\$0	(\$37,137)

**The Public Schools of Brookline
Revolving Fund Balance Sheet**

Fund SE20 Early Childhood Ed.

	FY08 Period Ending 6/30/08	FY09 Period Ending 6/30/09	FY10 Period Ending 6/30/10	FY11 Period Ending 6/30/11	FY12 Period Ending 12/31/11	FY12 Period Ending 6/30/12	FY13 Period Ending 12/31/12
Revenue	\$1,409,246	\$1,442,247	\$1,557,995	\$1,656,550	\$1,129,079	\$1,947,697	\$1,184,573
Expense	(\$1,499,886)	(\$1,746,241)	(\$1,860,237)	(\$2,004,188)	(\$917,284)	(\$2,131,013)	(\$1,036,806)
Net Income Sub-Total	(\$90,641)	(\$303,994)	(\$302,242)	(\$347,639)	\$211,794	(\$183,316)	\$147,767
General Fund Transfers	\$681,811	\$294,339	\$294,339	\$191,701	\$0	\$0	\$0
Net Income Total	\$591,170	(\$9,655)	(\$7,903)	(\$155,938)	\$211,794	(\$183,316)	\$147,767
Cash Balance At End of Period	\$875,841	\$528,295	\$523,328	\$243,052	\$249,262	\$48,056	\$196,863
Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Assets	\$875,841	\$528,295	\$523,328	\$243,052	\$249,262	\$48,056	\$196,863
Liabilities & Encumbrances	(\$152,905)	(\$173,949)	(\$177,219)	(\$91)	(\$1,000)	\$0	(\$1,040)
Fund Balance Adjustments (Prior Year)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Balance	\$722,936	\$354,346	\$346,109	\$242,961	\$248,262	\$48,056	\$195,823

Fund SE25 School Lunch

	FY08 Period Ending 6/30/08	FY09 Period Ending 6/30/09	FY10 Period Ending 6/30/10	FY11 Period Ending 6/30/11	FY12 Period Ending 12/31/11	FY12 Period Ending 6/30/12	FY13 Period Ending 12/31/12
Revenue	\$1,451,448	\$1,761,868	\$1,956,206	\$2,129,497	\$996,586	\$2,250,802	\$925,433
Expense	(\$1,596,828)	(\$1,655,619)	(\$1,744,285)	(\$1,888,501)	(\$844,331)	(\$2,005,312)	(\$859,692)
Net Income Sub-Total	(\$145,380)	\$106,249	\$211,921	\$240,996	\$152,255	\$245,490	\$65,741
General Fund Transfers	(\$206,929)	\$0	\$0	\$0	\$0	\$0	\$0
Net Income Total	\$61,549	\$106,249	\$211,921	\$240,996	\$152,255	\$245,490	\$65,741
Cash Balance At End of Period	(\$263,491)	(\$138,852)	\$79,612	\$238,217	\$411,137	\$506,214	\$550,469
Receivables:	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Assets	(\$263,491)	(\$138,852)	\$79,612	\$238,217	\$411,137	\$506,214	\$550,469
Liabilities & Encumbrances	(\$11,549)	(\$18,566)	(\$26,396)	(\$50,232)	(\$19,644)	(\$21,486)	\$0
Fund Balance Adjustments (Prior Year)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Balance	(\$275,040)	(\$157,418)	\$53,216	\$187,986	\$391,493	\$484,728	\$550,469

**The Public Schools of Brookline
Revolving Fund Balance Sheet**

Fund SE14 CH76:12A METCO

	FY08 Period Ending 6/30/08	FY09 Period Ending 6/30/09	FY10 Period Ending 6/30/10	FY11 Period Ending 6/30/11	FY12 Period Ending 12/31/11	FY12 Period Ending 6/30/12	FY13 Period Ending 12/31/12
Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense	\$0	(\$71,595)	(\$57,216)	\$0	\$0	\$0	\$0
Net Income	\$0	(\$71,595)	(\$57,216)	\$0	\$0	\$0	\$0
Cash Balance At End of Period	\$110,334	\$38,739	\$53,118	\$53,118	\$53,118	\$53,118	\$53,118
Receivables:	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Assets	\$110,334	\$38,739	\$53,118	\$53,118	\$53,118	\$53,118	\$53,118
Liabilities & Encumbrances	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Fund Balance Adjustments (Prior Year)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Fund Balance	\$110,334	\$38,739	\$53,118	\$53,118	\$53,118	\$53,118	\$53,118

Fund SEB3 Circuit Breaker

	FY08 Period Ending 6/30/08	FY09 Period Ending 6/30/09	FY10 Period Ending 6/30/10	FY11 Period Ending 6/30/11	FY12 Period Ending 12/31/11	FY12 Period Ending 6/30/12	FY13 Period Ending 12/31/12
Revenue	\$1,506,369	\$1,278,647	\$1,185,699	\$1,291,163	\$495,239	\$2,466,501	\$502,532
Expense	(\$2,011,981)	(\$1,885,520)	(\$1,687,159)	(\$1,409,938)	(\$683,725)	(\$2,105,991)	(\$758,845)
Net Income Sub-Total	(\$505,612)	(\$606,873)	(\$501,460)	(\$118,775)	(\$188,486)	\$360,511	(\$256,313)
General Fund Transfers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income Total	(\$505,612)	(\$606,873)	(\$501,460)	(\$118,775)	(\$188,486)	\$360,511	(\$256,313)
Cash Balance At End of Period	\$1,195,788	\$995,327	\$836,110	\$756,123	\$663,457	\$1,048,051	\$751,310
Receivables:	\$585,815	\$426,216	\$0	\$0	\$0	\$0	\$0
Net Fund Assets	\$1,781,603	\$1,421,543	\$836,110	\$756,123	\$663,457	\$1,048,051	\$751,310
Liabilities & Encumbrances	(\$322,987)	(\$122,344)	(\$66,064)	(\$68,582)	(\$10,605)	(\$40,428)	\$0
Net Fund Balance	\$1,458,617	\$1,299,199	\$770,045	\$687,541	\$652,852	\$1,007,623	\$751,310