



THE PUBLIC SCHOOLS OF BROOKLINE
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 FOR ADMINISTRATION AND FINANCE

To: Joseph Connolly, Interim Superintendent
 From: Mary Ellen N. Dunn, Deputy Superintendent for Administration and Finance
 Mike D’Onofrio, Director of Finance
 Date: April 14, 2016
 RE: FY 2016 3rd Quarter Financial Report

The FY 2016 School Department budget has a projected negative variance at the close of the 3rd Quarter of \$(180,215). The significant drivers of these shortfalls are directly related to Transportation.

| Salaries / Expenses | Original Appropriation | Transfers/ Amendments | Revised Budget | YTD Expended | Encumbrance/ Requisitions | Available Budget |
|--|------------------------|-----------------------|----------------------|----------------------|---------------------------|---------------------|
| Salaries | \$ 84,512,707 | | \$ 84,512,707 | \$ 56,037,075 | \$ 28,475,632 | \$ - |
| Expenses | \$ 14,744,286 | \$ (374,286) | \$ 14,370,000 | \$ 11,908,259 | \$ 2,641,956 | \$ (180,215) |
| Grand Total | \$ 99,256,993 | \$ (374,286) | \$ 98,882,707 | \$ 67,945,334 | \$ 31,117,588 | \$ (180,215) |
| *Original Appropriation was \$99,256,993, reduced by \$374,286 at Town Meeting | | | | | | |
| \$274,286 for Benefits and \$100,000 for Building Maintenance | | | | | | |

Personnel: Salaries and Wages are shown by bargaining group to highlight in summary the cost and FTE changes for the FY 2016 budget (Table 1). The third quarter focuses on ensuring that all positions budgeted are filled and any unfunded positions are accounted for and disclosed.¹ Included as factors in calculating the Salaries and Wages projection are vacant positions yet to be filled by the close of the quarter (Table 2) and unfunded positions (Table 3).

All collective bargaining agreements have yet to be settled. As a result we are showing no savings due to resignation, retirement, or terminations. We are showing the amount budgeted for each bargaining unit; however, this amount is not necessarily what will be finalized as part of negotiations. The override budget assumed a 2% COLA for FY16. 1% was spent on a tail on the one year contract agreements.

Of note, the Substitute line will show a deficit throughout the year and in FY17 will be broken out into two categories; Daily Substitutes and Long Term Substitutes, once we have established those accounts in our General Ledger. Long Term Substitutes, in theory, should be funded through salary savings in Unit A due to the length of leaves of absence and a cap on the use of sick time. In the first quarter, or the first 12 weeks of a leave we do not experience savings as we are paying both the employee and the substitute until the employee’s paid sick leave allocation has ended.

The likelihood of a deficit emerging within the Salaries and Wages lines are dependent upon the special education enrollment needs during the year. New students and student needs are being identified regularly. The new positions in the reorganization have been implemented for FY 2016 and their financial impact has

¹ October 13, 2015 School Committee Meeting: Update on Authorization of Unfunded FTEs

been included and will be updated as the positions are filled. Additionally, we have seen a growth over time of 8.25 positions over budget, which has put pressure on our salary accounts.

Table 1

| Bargaining Unit | Budgeted FTE | FTE | FTE Variance | Budgeted Salaries | Projected Salaries | Salaries Variance | Notes |
|---|-----------------|-----------------|---------------|----------------------|----------------------|-------------------|--|
| SAD1 SUPT, DPTY SUPT AND ASST SUPT | 5.00 | 5.00 | - | \$ 820,674 | \$ 631,022 | \$ 189,652 | |
| SAD2 PRINCIPALS AND BHS HEADMASTER | 10.00 | 11.00 | (1.00) | \$ 1,578,166 | \$ 1,638,601 | \$ (60,435) | Reclassification of VP (Unit B) to Principal at Devotion |
| SAD3 DEANS AND DIRECTORS | 11.88 | 12.88 | (1.00) | \$ 1,453,539 | \$ 1,465,543 | \$ (12,004) | |
| SAD4 INDIVIDUAL CONTRACTS | 10.80 | 11.00 | (0.20) | \$ 827,719 | \$ 842,079 | \$ (14,360) | Addition of Full Time SC Admin Assitant (.2) |
| SAFC AFSCME CUSTODIANS | 40.93 | 41.45 | (0.52) | \$ 2,183,560 | \$ 2,194,273 | \$ (10,713) | |
| OVERTIME | - | - | - | \$ 186,030 | \$ 186,030 | \$ - | |
| SUBSTITUTES | - | - | - | \$ 816,520 | \$ 1,193,752 | \$ (377,232) | Increase due to coverage for leaves |
| SNB SCHOOL NO BENEFITS | - | - | - | \$ 666,632 | \$ 666,632 | \$ - | |
| BESA SECRETARIES | 40.70 | 40.90 | (0.20) | \$ 2,112,614 | \$ 2,066,646 | \$ 45,968 | |
| STRN TRANSPORTATION | 1.00 | 0.50 | 0.50 | \$ 29,483 | \$ 19,697 | \$ 9,786 | |
| SUNA: Unit A- TEACHERS | 779.00 | 769.32 | 9.68 | \$ 62,631,353 | \$ 62,271,681 | \$ 359,672 | Savings due to leaves |
| SUNA: Unit A- STIPENDS, WORKSHOPS & COACHES | - | - | - | \$ 1,378,716 | \$ 1,378,716 | \$ - | |
| SUNB: Unit B- CURRICULUM COORDINATORS | 37.13 | 36.13 | 1.00 | \$ 3,922,684 | \$ 3,860,092 | \$ 62,592 | Reclassification of VP (Unit B) to Principal at Devotion |
| SUNC: Unit C- PARAS BIWEEKLY | 209.23 | 224.74 | (15.51) | \$ 5,201,175 | \$ 5,393,479 | \$ (192,304) | Unfunded positions and hours expansion |
| SUND: Unit D- PARAS WEEKLY | 11.00 | 11.00 | - | \$ 703,842 | \$ 671,195 | \$ 32,647 | |
| SUNE IND PARA LIKE CONTRACTS | - | 1.00 | (1.00) | \$ - | \$ 33,269 | \$ (33,269) | |
| Total | 1,156.67 | 1,164.92 | (8.25) | \$ 84,512,707 | \$ 84,512,707 | \$ (0) | |

Vacancies: The third quarter projection currently has 3.50 unfilled positons. It is anticipated that we will be filling all but one of these in the final three months of the fiscal year, and prorated estimated salary costs have been built into the projection for FY16. The only position still to be determined, the Digital Learning Specialist, is pending a finalized Technology Staffing Plan. The position has been budgeted for in FY17.

Table 2

| Description | FTE | Budgeted Cost | Comment |
|------------------------------|-------------|-------------------|--|
| Central Office Administrator | 1.00 | \$ 125,000 | Senior Director of Teaching and Learning |
| Bus Monitor | 0.50 | \$ 14,583 | |
| Digital Learning Specialist | 1.00 | \$ 70,000 | |
| Digital Analysis Specialist | 1.00 | \$ 50,000 | |
| Total Cost / Savings | 3.50 | \$ 259,583 | |

Unfunded Positions: The third quarter projection currently has 8.25 reconciled unfunded positions. These are positions that were added after the budget was finalized for FY16, due mainly to pressures in enrollment that affect the delivery of services outside of the anticipated classroom needs.

Table 3

| Description | FTE | Projected Cost | Comment |
|----------------------------------|-------------|------------------|---|
| Special Education Teacher @ BHS | 1.00 | \$ 58,338 | Additional Science program (self-contained classroom) |
| Special Education Aide @ BHS | 0.84 | \$ 19,284 | Supporting system wide programs |
| World Language - 7th & 8th Grade | 0.20 | \$ 13,000 | .2 @ Pierce School |
| BHS Social Studies Teacher | 0.20 | \$ 13,000 | 31 ELL students in the World History Class |
| ELL Teacher @ Upper Devotion | 0.20 | \$ 13,000 | Additional ELL students at Upper Devotion |
| ELA Teacher @ BHS | 0.25 | \$ 16,250 | Enrollment and Class Size concerns per The Headmaster |
| ELA Teacher @ BHS | 0.25 | \$ 16,250 | Enrollment and Class Size concerns per The Headmaster |
| Math Teacher @ BHS | 0.20 | \$ 13,000 | Enrollment and Class Size concerns per The Headmaster |
| Building Aide @ Pierce | 1.00 | \$ 26,338 | Additional space (Pierce Loft) |
| SC Admin. Assistant | 0.20 | \$ 25,372 | Increasing School Committee AA from .8 to 1.0 FTE |
| Library Assistant | 1.00 | \$ 65,000 | Providing support for Elementary Schools due to Enrollment |
| ELA @ Runkle | 0.20 | \$ 13,000 | Literacy Collaborative doubled the Math component |
| Elementary Math Teachers | 1.00 | \$ 65,000 | 1.0 @ Pierce for new 8th Grade - may be mix of Science & Math |
| Elementary Phys. Ed | 0.10 | \$ 6,500 | .1 @ Devotion School |
| K-6 World Language | 0.10 | \$ 6,500 | .1 @ Lawrence (originally a .1 add, now .2 FTE) |
| Math Specialists | 0.40 | \$ 26,000 | ELL/Math Specialists combo (.1 @ Baker & Lincoln & .2 @ BHS) |
| Performing Arts Conservatory | 0.10 | \$ 6,500 | .1 @ Upper Devotion at Old Lincoln School |
| Building Custodian | 1.00 | \$ 42,293 | .1 @ Upper Devotion at Old Lincoln School |
| Total Cost / (Savings) | 8.25 | \$444,625 | |

Expenses: In general, the overall program expense budget (Table 4) is as expected with the exception of Transportation and Out-of-District Tuition. Quarterly review of program budgets looks for accounts that show variances of \$10,000, \$25,000, or over \$50,000 in either direction from what was budgeted. Some are on target with their spending plan and while their balances are high, program managers are following their spending plan. In the case of Transportation and Out-of-District Tuitions, they fall into a highlighted category due to the high variability in these areas of service.

Program Budgets: Currently, we have identified non-salary savings in four primary accounts:

- Mathematics – An ongoing programmatic review of some consumables that were budgeted for has led to a decision to delay the purchase of those materials in FY16 in order to ensure that they meet the standards originally set forth by Teaching and Learning.
- Special Education – Non-tuition contracted service savings have been identified against the original budget. Additionally, while the actual number of out-of-district special education tuition students has risen from 46 to 49, we have benefited from the mix of students moving out / back to in-house programs against those who either moved into the district or require out of district placements as well as in district students requiring a higher level of service.
- Literacy – In FY16, we established funding for the training of a set number of coaches. We have not spent those funds this year, as we continue to look for high quality Literacy Coaches as part of the Literacy Collaborative.
- General Instruction – We continue to have a small balance (\$90K) in the Regular Education Reserve. This funding line, originally set at \$225,000, has been used to support a number of unexpected expenses, primarily related to the Superintendent’s search and building maintenance expenses across the K-12 system.

Table 4

| Program/ Function | FY16 Total Adj. Budget | Expended Amount | Encumbered Amount | Committed Amount | Budget Committed | Current Projection | Surplus/ (Deficit) |
|----------------------------------|---------------------------|--------------------|----------------------|---------------------|---------------------|-----------------------|-----------------------|
| Administration 31050 | \$402,741 | \$355,295 | \$46,410 | \$401,705 | 99.74% | \$402,741 | \$0 |
| Supervision 31100 | \$394,610 | \$179,286 | \$25,227 | \$204,513 | 51.83% | \$366,989 | \$27,621 |
| Transportation 31300 | \$1,643,900 | \$1,103,629 | \$440,433 | \$1,544,062 | 93.93% | \$2,136,527 | (\$492,627) |
| Student Body Activities 31350 | \$0 | \$0 | \$0 | \$0 | 0.00% | \$0 | \$0 |
| Educ Tech & Info Science 316031 | \$1,597,277 | \$1,341,054 | \$69,317 | \$1,410,371 | 88.30% | \$1,597,277 | \$0 |
| Athletics/After School 31720 | \$150,054 | \$68,088 | \$28,860 | \$96,948 | 64.61% | \$150,054 | \$0 |
| Psychological Services 31750 | \$41,258 | \$10,368 | \$1,156 | \$11,524 | 27.93% | \$41,258 | \$0 |
| Medical Services 31770 | \$36,113 | \$11,440 | \$1,346 | \$12,786 | 35.41% | \$36,113 | \$0 |
| Information Services 31780 | \$500,152 | \$337,308 | \$110,523 | \$447,831 | 89.54% | \$500,152 | \$0 |
| Guidance 31790 | \$38,620 | \$7,772 | \$1,378 | \$9,150 | 23.69% | \$38,620 | \$0 |
| School Within A School 32200 | \$10,324 | \$7,261 | \$658 | \$7,919 | 76.70% | \$10,324 | \$0 |
| World Languages 32250 | \$112,410 | \$43,551 | \$37,716 | \$81,267 | 72.30% | \$112,410 | \$0 |
| ELL / ESL 32270 | \$98,004 | \$47,218 | \$17,703 | \$64,921 | 66.24% | \$98,004 | \$0 |
| Visual Arts 32400 | \$112,843 | \$75,569 | \$22,691 | \$98,260 | 87.08% | \$112,843 | \$0 |
| English/Language Arts 32500 | \$228,728 | \$70,823 | \$4,383 | \$75,206 | 32.88% | \$228,728 | \$0 |
| Mathematics 32600 | \$224,621 | \$85,791 | \$11,100 | \$96,891 | 43.14% | \$198,343 | \$26,278 |
| Performing Arts 32650 | \$59,918 | \$39,821 | \$6,275 | \$46,096 | 76.93% | \$59,918 | \$0 |
| Physical Education 32700 | \$49,464 | \$45,221 | \$2,810 | \$48,031 | 97.10% | \$49,464 | \$0 |
| Special Education 32760 | \$6,096,410 | \$3,378,825 | \$1,988,953 | \$5,367,778 | 88.05% | \$5,954,585 | \$141,825 |
| Literacy Specialists 32770 | \$142,392 | \$88,100 | \$10,000 | \$98,100 | 68.89% | \$114,916 | \$27,476 |
| Health Education 32780 | \$27,240 | \$7,435 | \$1,259 | \$8,694 | 31.92% | \$27,240 | \$0 |
| Science 32850 | \$165,579 | \$136,376 | \$12,219 | \$148,595 | 89.74% | \$165,579 | \$0 |
| Social Studies 32900 | \$161,479 | \$144,276 | \$4,959 | \$149,235 | 92.42% | \$161,479 | \$0 |
| Career & Ed. Techn. 32920 | \$67,478 | \$41,106 | \$14,442 | \$55,548 | 82.32% | \$67,478 | \$0 |
| Kindergarten 33150 | \$118,765 | \$8,053 | \$614 | \$8,667 | 7.30% | \$118,765 | \$0 |
| Elementary 33200 | \$475,353 | \$268,157 | \$69,087 | \$337,244 | 70.95% | \$475,353 | \$0 |
| High School 33300 | \$428,877 | \$134,071 | \$108,184 | \$242,255 | 56.49% | \$428,877 | \$0 |
| General Instruction 33400 | \$171,935 | \$23,164 | \$983 | \$24,147 | 14.04% | \$82,723 | \$89,212 |
| Building Services 34250 | \$813,455 | \$684,489 | \$126,029 | \$810,518 | 99.64% | \$813,455 | \$0 |
| Total Non-Salary Expenses | \$14,370,000 | \$8,743,547 | \$3,164,715 | \$11,908,262 | 82.87% | \$14,550,215 | (\$180,215) |

Transportation: The Transportation budget (Table 5) is currently over expended by \$(492,627). The Regular Education Transportation Budget is projected to be over expended by \$(202,870). The deficit is being caused by Devotion School transportation services. The transportation costs are not part of the Devotion Building Project. In FY17 the estimated expense for Devotion transportation will be charged to the Devotion Building Project, similar to the past practice of expenses occurring within the recent Runkle Building Project.

The Special Education projected deficit is down from \$(306,909) in November to \$(289,757) as a result of actual utilization reductions due to missed attendance days.

Table 5

| Transportation FY2016 PO estimates: | FY16 Budget | Actual | Variance |
|--|------------------------|------------------------|------------------------|
| Regular Transportation (Eastern Bus) | \$ 269,630.00 | \$ 472,500.00 | \$ (202,870.00) |
| Special Education Transportation (YCN) | \$ 1,374,270.00 | \$ 1,664,027.09 | \$ (289,757.09) |
| Total | \$ 1,643,900.00 | \$ 2,136,527.09 | \$ (492,627.09) |

We anticipate making up this deficit with salary savings once contracts are settled or by available unexpended funds after the budget closing on May 1.

Tuition: The Tuition budget (Table 6) has been affected by a number of students who have moved into the district. Currently, we have 49 out-of-district Tuition students, up from 46 as of November. Additionally, there are 16 Unilateral and Watch List students being monitored for potential placements. The district maintains its strong commitment to provide services within the district to all of our students.

Table 6

| Description | Budget | Projected | Variance |
|---|-----------------------|-----------------------|-------------------|
| Private Placements | \$ 4,829,147 | \$ 4,775,907 | \$ 53,240 |
| Ancillary/Other Contracted Services | \$ 1,267,263 | \$ 1,129,011 | \$ 138,252 |
| Highly Likely/Risk Liability | | | \$ - |
| | \$ 6,096,410 | \$ 5,904,918 | \$ 191,492 |
| Total | | | \$ - |
| Circuit Breaker Offset | \$ (1,556,509) | (\$1,506,842) | \$ (49,667) |
| Net Tuition & Ancillary Services | \$ (1,556,509) | \$ (1,506,842) | \$ 141,825 |
| | | | |
| *Number of Tuitioned Out Students: | 49 | | |

In addition, the third quarter reflects a \$49,667 reduction in estimated Circuit Breaker Revenue.

Table 7

| Description | Budget | Projected | Variance |
|------------------------|----------------|---------------|-------------|
| Circuit Breaker Offset | \$ (1,556,509) | (\$1,506,842) | \$ (49,667) |

FY16 Third Quarter Expenditure Report - Revolving Funds

Brookline Adult and Community Education – SE22

The Brookline Adult and Community Education program continues to provide an invaluable resource to the town, with a wide range of classes and events that appeal to our diverse population. New programs aimed at the ever growing numbers of young children who live in town have expanded the breadth of offerings, and helped increase revenues to this important demographic.

For FY16, the third quarter report shows total revenues of \$1,046,153 against expenses of \$895,701.

| <i>Fund SE22 Adult Education</i> | FY11 Period Ending 6/30/11 | FY12 Period Ending 6/30/12 | FY13 Period Ending 6/30/13 | FY14 Period Ending 6/30/14 | FY15 Period Ending 6/30/15 | FY16 Period Ending 3/31/16 |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenue | \$1,422,283 | \$1,176,205 | \$1,183,305 | \$1,319,122 | \$1,142,166 | \$1,046,153 |
| Expense | (\$1,127,346) | (\$1,088,223) | (\$1,151,968) | (\$1,141,161) | (\$884,012) | (\$895,701) |
| Net Income Sub-Total | \$294,937 | \$87,982 | \$31,337 | \$177,961 | \$258,154 | \$150,452 |
| General Fund Transfers | \$0 | \$0 | (\$50,680) | (\$50,680) | \$0 | (\$50,680) |
| Net Income Total | \$294,937 | \$87,982 | (\$19,343) | \$127,281 | \$258,154 | \$99,772 |
| Cash Balance At End of Period | \$946,386 | \$1,116,648 | \$1,220,126 | \$1,414,350 | \$1,214,510 | \$1,314,282 |
| Receivables | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Assets | \$946,386 | \$1,116,648 | \$1,220,126 | \$1,414,350 | \$1,214,510 | \$1,314,282 |
| Liabilities & Encumbrances | (\$319,006) | (\$353,684) | (\$476,504) | (\$492,767) | \$0 | (\$42,780) |
| Fund Balance Adjustments (Prior Year) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Balance | \$627,381 | \$762,964 | \$743,622 | \$921,583 | \$1,214,510 | \$1,271,502 |

The FY16 Operating Budget requires the BA&CE budget to continue to make an annual contribution of \$50K toward facility use costs, and to budget the cost of all staff benefits. The \$50,680 funds a portion of district overhead expenses.

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. In FY15, it had been used to supplement the General Fund at \$150,000, based upon a mid-year implementation of collecting rental fees from groups that had not traditionally been charged for their use. This has been increased to \$225,000 for FY16 as we expect the impact of a full years' rental fee to those groups that use the space for extracurricular activities, such as Extended Day Programs and Brookline Music School.

| <i>Fund SE23 Use of School Buildings</i> | FY11 Period Ending 6/30/11 | FY12 Period Ending 6/30/12 | FY13 Period Ending 6/30/13 | FY14 Period Ending 6/30/14 | FY15 Period Ending 6/30/15 | FY16 Period Ending 3/31/16 |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenue | \$125,804 | \$106,075 | \$98,188 | \$146,253 | \$118,959 | \$216,990 |
| Expense | (\$127,904) | (\$64,483) | (\$114,991) | (\$68,737) | (\$148,336) | (\$100,906) |
| Net Income Sub-Total | (\$2,100) | \$41,592 | (\$16,803) | \$77,516 | (\$29,377) | \$116,084 |
| General Fund Transfers | \$0 | \$0 | \$0 | \$0 | \$0 | (\$225,000) |
| Net Income Total | (\$2,100) | \$41,592 | (\$16,803) | \$77,516 | (\$29,377) | (\$108,916) |
| Cash Balance At End of Period | \$134,952 | \$177,544 | \$174,862 | \$241,616 | \$207,880 | \$98,964 |
| Receivables | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Assets | \$134,952 | \$177,544 | \$174,862 | \$241,616 | \$207,880 | \$98,964 |
| Liabilities & Encumbrances | (\$1,439) | (\$1,000) | (\$15,121) | (\$4,359) | \$0 | \$0 |
| Fund Balance Adjustments (Prior Year) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Balance | \$133,513 | \$176,544 | \$159,741 | \$237,257 | \$207,880 | \$98,964 |

Non-Resident Tuition – SE52

This fund traditionally supplements the General Fund through full tuition payments, which is set at \$16,500 in FY16 and through the staff materials fee set at \$2,642 for this year (up from \$2,565 in FY15). These fees are budgeted to supplement the General Fund by \$675,744.

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

| <i>Fund SE52 Non-Resident Tuition</i> | FY11 Period Ending 6/30/11 | FY12 Period Ending 6/30/12 | FY13 Period Ending 6/30/13 | FY14 Period Ending 6/30/14 | FY15 Period Ending 6/30/15 | FY16 Period Ending 3/31/16 |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenue | \$518,068 | \$839,902 | \$906,767 | \$1,005,143 | \$1,075,092 | \$661,357 |
| Expense | (\$226,871) | (\$705,098) | (\$413,442) | (\$447,213) | (\$536,423) | (\$145,824) |
| Net Income Sub-Total | \$291,196 | \$134,804 | \$493,325 | \$557,930 | \$538,669 | \$515,533 |
| General Fund Transfers | (\$442,249) | (\$293,445) | (\$490,016) | (\$716,451) | (\$586,441) | (\$675,744) |
| Net Income Total | (\$151,053) | (\$158,641) | \$3,309 | (\$158,521) | (\$47,772) | (\$160,211) |
| Cash Balance At End of Period | \$587,962 | \$361,951 | \$423,852 | \$229,371 | \$161,428 | \$1,217 |
| Receivables | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Assets | \$587,962 | \$361,951 | \$423,852 | \$229,371 | \$161,428 | \$1,217 |
| Liabilities & Encumbrances | (\$67,370) | \$0 | (\$52,718) | (\$17,438) | \$0 | \$5,118 |
| Fund Balance Adjustments (Prior Year) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Balance | \$520,592 | \$361,951 | \$371,134 | \$211,933 | \$161,428 | \$6,335 |

School Athletics – SE26

This fund contains the student athletic fee which supplements the operating budget of the athletics program.

Fees were raised in FY14 to \$300 per sport, per season in an attempt to close a persistent gap in the costs and revenue shortfalls associated with the Athletics Department. Additionally, the FY16 General Fund Budget contains a line item for a \$50,000 Athletics Subsidy Fund. This has provided the program with additional funds, but not enough to cover a structural deficit that needs to be addressed. The Athletics Department is reviewing cost drivers that are putting pressure on the fund, but also identifying participants that are in arrears of paying the Athletics Fee. The current list of participants in arrears totals an outstanding balance of \$73,750.

| <i>Fund SE26 School Athletics</i> | FY11 Period Ending 6/30/11 | FY12 Period Ending 6/30/12 | FY13 Period Ending 6/30/13 | FY14 Period Ending 6/30/14 | FY15 Period Ending 6/30/15 | FY16 Period Ending 3/31/16 |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenue | \$288,676 | \$312,904 | \$290,869 | \$392,162 | \$388,240 | \$259,583 |
| Expense | (\$342,835) | (\$341,596) | (\$382,069) | (\$521,572) | (\$522,227) | (\$426,554) |
| Net Income Sub-Total | (\$54,159) | (\$28,692) | (\$91,200) | (\$129,410) | (\$133,987) | (\$166,971) |
| General Fund Transfers | \$54,159 | \$28,692 | \$91,200 | \$100,601 | \$133,987 | \$50,000 |
| Net Income Total | \$0 | \$0 | \$0 | (\$28,809) | \$0 | (\$116,971) |
| Cash Balance At End of Period | \$6,286 | \$47,158 | \$61,459 | \$28,809 | \$12,426 | (\$116,971) |
| Receivables | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Assets | \$6,286 | \$47,158 | \$61,459 | \$28,809 | \$12,426 | (\$116,971) |
| Liabilities & Encumbrances | (\$6,286) | (\$16,535) | (\$61,459) | (\$28,809) | (\$12,426) | (\$4,038) |
| Fund Balance Adjustments (Prior Year) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Balance | \$0 | \$30,623 | \$0 | \$0 | \$0 | (\$121,009) |

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 program continues to operate as a break even operation.

| <i>Fund SE27 School Restaurant</i> | FY11 Period Ending 6/30/11 | FY12 Period Ending 6/30/12 | FY13 Period Ending 6/30/13 | FY14 Period Ending 6/30/14 | FY15 Period Ending 6/30/15 | FY16 Period Ending 3/31/16 |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenue | \$136,853 | \$125,558 | \$85,118 | \$102,730 | \$112,243 | \$90,029 |
| Expense | (\$103,799) | (\$140,183) | (\$71,370) | (\$99,096) | (\$88,977) | (\$85,316) |
| Net Income | \$33,054 | (\$14,625) | \$13,748 | \$3,634 | \$23,266 | \$4,713 |
| Cash Balance At End of Period | \$150,607 | \$140,129 | \$149,731 | \$159,103 | \$176,631 | \$181,344 |
| Receivables | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Assets | \$150,607 | \$140,129 | \$149,731 | \$159,103 | \$176,631 | \$181,344 |
| Liabilities & Encumbrances | \$0 | (\$4,147) | \$0 | (\$5,738) | \$0 | (\$15,911) |
| Fund Balance Adjustments (Prior Year) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Balance | \$150,607 | \$135,982 | \$149,731 | \$153,365 | \$176,631 | \$165,433 |

Summer School – SE28

The Summer School Program at Brookline High School provides both required and enrichment based courses. This program has historically operated with an assumed General Fund line item of \$30,000 in order to support students who need additional credits to graduate. Recent changes in administering the program attempted to limit offerings while at the same time meeting the needs of those who were just short of credits needing to graduate/advance. For FY14, the \$30K support from the General Fund was eliminated. Despite this, we continued to see a deficit of roughly \$14K in the Summer School program.

| <i>Fund SE28 Summer School</i> | FY11 Period Ending 6/30/11 | FY12 Period Ending 6/30/12 | FY13 Period Ending 6/30/13 | FY14 Period Ending 6/30/14 | FY15 Period Ending 6/30/15 | FY16 Period Ending 3/31/16 |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenue | \$113,242 | \$118,960 | \$105,138 | \$108,052 | \$99,298 | \$114,016 |
| Expense | (\$143,935) | (\$165,099) | (\$141,155) | (\$136,641) | (\$111,698) | (\$128,442) |
| Net Income Sub-Total | (\$30,693) | (\$46,139) | (\$36,017) | (\$28,589) | (\$12,400) | (\$14,426) |
| General Fund Transfers | \$30,693 | \$46,139 | \$36,017 | \$37,136 | \$12,400 | \$14,426 |
| Net Income Total | \$0 | \$0 | \$0 | \$8,547 | \$0 | \$0 |
| Cash Balance At End of Period | \$0 | \$0 | \$0 | \$8,609 | \$0 | \$0 |
| Receivables | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Assets | \$0 | \$0 | \$0 | \$8,609 | \$0 | \$0 |
| Liabilities & Encumbrances | \$0 | \$0 | \$0 | (\$8,609) | \$0 | \$0 |
| Fund Balance Adjustments (Prior Year) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Balance | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

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 Elementary and Secondary Education.

| <i>Fund SE20 Early Childhood Ed.</i> | FY11 Period Ending 6/30/11 | FY12 Period Ending 6/30/12 | FY13 Period Ending 6/30/13 | FY14 Period Ending 6/30/14 | FY15 Period Ending 6/30/15 | FY16 Period Ending 3/31/16 |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenue | \$1,656,550 | \$1,947,697 | \$1,976,792 | \$2,122,866 | \$2,246,937 | \$1,626,200 |
| Expense | (\$2,004,188) | (\$2,325,918) | (\$2,162,186) | (\$2,177,399) | (\$2,435,109) | (\$1,737,634) |
| Net Income Sub-Total | (\$347,639) | (\$378,221) | (\$185,394) | (\$54,533) | (\$188,172) | (\$111,434) |
| General Fund Transfers | \$191,701 | \$194,905 | \$198,803 | \$253,839 | \$254,933 | \$0 |
| Net Income Total | (\$155,938) | (\$183,316) | \$13,409 | \$199,306 | \$66,761 | (\$111,434) |
| Cash Balance At End of Period | \$243,052 | \$48,056 | \$253,099 | \$351,739 | \$234,986 | \$123,552 |
| Receivables | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Assets | \$243,052 | \$48,056 | \$253,099 | \$351,739 | \$234,986 | \$123,552 |
| Liabilities & Encumbrances | (\$91) | \$0 | (\$191,634) | (\$183,514) | \$0 | (\$3,584) |
| Fund Balance Adjustments (Prior Year) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Balance | \$242,961 | \$48,056 | \$61,465 | \$168,225 | \$234,986 | \$119,968 |

For FY16, the program raised tuition rates 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. Additionally, many programs have been relocated from on-site

Elementary School locations at Baker, Lincoln and Pierce over the past several years to rental space. The costs associated with relocation are funded by the CIP in FY16 and beyond.

The fund balance in this account reflects the annual General Fund support from Special Education and Kindergarten accounts that supplement costs associated with those populations, but is subject to ever diminishing space issues. Additionally in FY16, the General Fund established a line to provide scholarships funding support at \$100,000.

Food Service – SE25

The Food Service Program has dealt with fluctuations in revenue and expense costs over the past five years. Raw food prices, transportation costs associated with fresh produce, and implementation of federal mandates regarding school nutrition programs nationwide have affected the predictability of the system in place. While the current fund balance shows as a negative, this is due to full encumbrances for food purchases that will occur over the next several months. Current sales projections indicate that the program will once again show a favorable balance similar to the past three years.

| <i>Fund SE25 School Lunch</i> | FY11 Period Ending 6/30/11 | FY12 Period Ending 6/30/12 | FY13 Period Ending 6/30/13 | FY14 Period Ending 6/30/14 | FY15 Period Ending 6/30/15 | FY16 Period Ending 3/31/16 |
|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenue | \$2,129,497 | \$2,250,802 | \$2,041,672 | \$2,458,804 | \$2,465,401 | \$1,929,815 |
| Expense | (\$1,888,501) | (\$2,005,312) | (\$2,096,235) | (\$2,312,781) | (\$2,242,677) | (\$1,902,373) |
| Net Income Sub-Total | \$240,996 | \$245,490 | (\$54,563) | \$146,024 | \$222,724 | \$27,442 |
| General Fund Transfers | \$0 | \$0 | (\$150,000) | (\$150,000) | (\$200,000) | (\$100,000) |
| Net Income Total | \$240,996 | \$245,490 | (\$204,563) | (\$3,976) | \$22,724 | (\$72,558) |
| Cash Balance At End of Period | \$238,217 | \$506,214 | \$313,903 | \$316,458 | \$298,913 | \$226,356 |
| Receivables: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Assets | \$238,217 | \$506,214 | \$313,903 | \$316,458 | \$298,913 | \$226,356 |
| Liabilities & Encumbrances | (\$50,232) | (\$21,486) | (\$33,738) | (\$40,269) | \$0 | (\$399,112) |
| Fund Balance Adjustments (Prior Year) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Balance | \$187,986 | \$484,728 | \$280,165 | \$276,189 | \$298,913 | (\$172,756) |

Circuit Breaker - SEB3

During FY04, the Circuit Breaker Reimbursement Program replaced a program referred to as the 50/50 account, where the State paid 50% of the residential tuitions directly to the residential school in which the placement had been made; the school district paid the other 50%. The program reimburses a school district for students with disabilities who require individual education program (IEP) services that cost greater than four times the statewide foundation budget. The school district may be reimbursed subject to appropriation, for up to 75% of these costs. In FY05, The state shifted from a pay-as you go reimbursement program for residential tuitions to a broader-based, still partial, special education reimbursement program. The 2004 legislation expanded the types of expenditures eligible for reimbursement. Each year, there is a potential for a change in the percentage of reimbursement utilized by the State within the Special Education Circuit Breaker Account.²

² <http://www.doe.mass.edu/finance/circuitbreaker/finance.html>

The state's Circuit Breaker Fund reimburses the school district at the rate of 35-75% for in-district and out-of-district student costs which exceed four times per pupil foundation amount. The state sets this amount annually as part of the annual state budget deliberations. The district does not know the actual reimbursement rate for the fiscal year until after it submits its annual claim in July. Eligible costs include instructional services, various types of therapies, and specialized equipment. Circuit Breaker specifically excludes transportation and building infrastructure costs.

At the end of the fiscal year, the school district submits a final claim form to the DESE (typically in July) for the prior fiscal year expenditures. During the next fiscal year, the school district receives quarterly progress payments based on the prior-year's approved claim submission. A fifth and final payment is made in August or September to fully fund the prior year obligations. (If the progress payments totaled less than the Fund's full obligation, that final adjustment is an additional payment; if the progress payments totaled more than the Fund's full obligation, the excess would be netted from the next-following progress payment.). All Circuit Breaker funds received go into the Circuit Breaker Revolving Account, and does not require further appropriation, and must be expended by the following June 30.

| <i>Fund SEB3 Circuit Breaker</i> | FY11 Period Ending 6/30/11 | FY12 Period Ending 6/30/12 | FY13 Period Ending 6/30/13 | FY14 Period Ending 6/30/14 | FY15 Period Ending 6/30/15 | FY16 Period Ending 3/31/16 |
|----------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Revenue | \$1,291,163 | \$2,466,501 | \$2,142,130 | \$2,220,051 | \$1,347,174 | \$753,420 |
| Expense | (\$1,409,938) | (\$2,105,991) | (\$2,038,098) | (\$2,142,130) | (\$1,288,407) | (\$1,107,149) |
| Net Income Sub-Total | (\$118,775) | \$360,511 | \$104,032 | \$77,921 | \$58,767 | (\$353,729) |
| General Fund Transfers | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Income Total | (\$118,775) | \$360,511 | \$104,032 | \$77,921 | \$58,767 | (\$353,729) |
| Cash Balance At End of Period | \$756,123 | \$1,048,051 | \$1,046,144 | \$1,065,236 | \$1,088,658 | \$728,679 |
| Receivables: | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Net Fund Assets | \$756,123 | \$1,048,051 | \$1,046,144 | \$1,065,236 | \$1,088,658 | \$728,679 |
| Liabilities & Encumbrances | (\$68,582) | (\$40,428) | (\$143,174) | (\$41,595) | (\$6,250) | (\$448,970) |
| Net Fund Balance | \$687,541 | \$1,007,623 | \$902,970 | \$1,023,641 | \$1,082,408 | \$279,709 |