



THE PUBLIC SCHOOLS OF BROOKLINE
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FOR ADMINISTRATION & FINANCE

To: Andrew Bott, Superintendent
From: Mary Ellen N. Dunn, Deputy Superintendent for Administration & Finance
Date: May 31, 2018
RE: FY 2018 3rd Quarter Financial Report

The School Department continues to be experiencing a deficit in the 3rd Quarter (\$463,000 or -0.43%). The primary cause continues to be circuit breaker funding shortage (even with new revenue from state), Special Education In-District Tuition, and Special Education Out-of-District Tuition. Finance and Student Services continue to review the Special Education Consulting budget to ensure that the district has completed all of our known contractual obligations and can release funds that are potentially available for reallocation.

The budget closed on May 1, to all expenditures as they should have been known and executed in the form of a purchase order by May 17. Funds continue to be held for vacancies, and projected unknown payroll for stipends, additional hours, vacation buyback and other contractual payments that were not always budgeted to the level of detail necessary for the obligations of the district. Our Salary Savings at this point in the year is approximately \$457,000. The Circuit Breaker also reflects the anticipated \$259,000 additional contribution from the legislature. However, those savings and additional revenue are only partially funding our deficit accounts highlighted above. Before June 30, the Finance Office will continue to resolve the \$261,000 expenditure deficit and the \$202,000 revenue shortfall (total \$463,000 deficit) to balance the FY 18 budget.

| Expenditures | Appropriation | Proj Expenditure | Balance |
|------------------------------|----------------------|-------------------------|----------------|
| Personnel | \$94,296,072 | \$93,839,093 | \$456,979 |
| Services | \$10,511,974 | \$11,229,974 | \$ (718,000) |
| Supplies | \$ 2,052,027 | \$2,052,027 | \$ (0) |
| Other | \$1,023,580 | \$ 1,023,580 | \$0 |
| Capital | \$1,005,066 | \$1,005,066 | \$- |
| | \$108,888,719 | \$109,149,740 | \$(261,021) |
| Revenue | | | |
| General Fund Budget | \$104,758,343 | \$104,758,343 | \$ - |
| Tuition and Fees | \$696,016 | \$696,016 | \$ - |
| Facility Rental | \$225,000 | \$225,000 | \$ - |
| Circuit Breaker Funding | \$2,700,000 | \$2,497,696 | \$ 202,304 |
| Revolving Fund Reimbursement | \$ 150,680 | \$ 150,680 | \$ - |
| Other Revenue | \$ 358,680 | \$358,680 | \$ - |
| | \$108,888,719 | \$108,686,415 | \$202,304 |
| Deficit | | \$(463,325) | \$463,325 |

In District Transportation

The Table summarizes transportation spending through the end of the second quarter. The table has not been updated as the projection and costs have not substantially changed. The projection continues to include the projection through 2/28/18 and includes known utilization for the remainder of FY18. As previously reported, there has been a significant increase in the use of in-town special education transportation this year, accounting for \$224,872 of the projected \$232,714 deficit. Transportation continues to work with and coordinate with Special Education on obtaining student information on who needs to be transported, where, and on what days. The continued improvement in the IEP records in our student information system is essential for avoiding providing services that were not agreed to and to assuring that when service is part of an IEP, the district is able to plan and anticipate any changes.

| Transportation Summary | | | |
|--|---------------------|---------------------|---------------------|
| Transportation FY2018 Contracts | FY18 Budget | Projected | Variance |
| Regular Transportation (Eastern Bus) | \$ 292,400 | \$ 296,430 | \$ (4,030) |
| Special Education Transportation (YCN) | \$ 1,781,959 | \$ 2,006,831 | \$ (224,872) |
| McKinney-Vento (Homeless) Transportation | \$ 15,800 | \$ 19,612 | \$ (3,812) |
| Total | \$ 2,090,159 | \$ 2,322,873 | \$ (232,714) |

Out of District Tuition:

With much appreciation, the district anticipates to receive approximately \$259,000 in additional circuit breaker funds as part of our fourth quarter payments. This will reduce our projected revenue loss in Circuit Breaker funds to \$202,000 from \$461,000 as previously reported. The table below does not reflect the additional circuit breaker offset, but the summary budget table above does include the new revenue offset. Since the 2nd Quarter Report we have added four (4) more students to our out-of-district rolls for a total of nine (9) for the fiscal year. Even with the increase of nine (9) students, the tuition budget is essentially balanced. The Circuit Breaker Offset not meeting the revenue projection directly causes the deficit shown. The Office of Student Services continues to work diligently on the management of the number of students in-district and those that will receive services out-of-district.

FY 2018 3rd Quarter Financial Report

| <i>Public Schools of Brookline</i> | | | | | | | |
|------------------------------------|---|---------------|-------------------|-----------------------|---------------------------|---------------------------|-----------------|
| DDE Function Code | DDE Function Title | Program Type | FY2018 Head Count | FY2018 Tuition Budget | FY2018 3rd Qtr Head Count | FY2018 Tuition Projection | FY2018 Variance |
| 9100 | Tuition to Mass School | Day | 4 | \$231,927 | 3 | \$168,353 | \$63,574 |
| | | Extended Svs | | | | | |
| | | Short Term | | | | | |
| | | Summer | | \$8,452 | | \$8,161 | \$291 |
| | | Day | | | | | |
| 9100 | Total | | 4 | \$240,379 | 3 | \$176,514 | \$63,865 |
| 9200 | Tuition to Out-of-State | Residential | 3 | \$392,304 | 4 | \$394,971 | (\$2,667) |
| | | Summer | | | | \$13,692 | (\$13,692) |
| 9200 | Total | | 3 | \$392,304 | 4 | \$408,663 | (\$16,359) |
| 9300 | Tuition to Non-Public Schools | 1:01 | | | | | |
| | | Day | 44 | \$3,488,339 | 50 | \$3,103,676 | \$384,663 |
| | | PT | | | | | \$0 |
| | | Residential | 5 | \$830,788 | 7 | \$1,147,311 | (\$316,523) |
| | | 45 Day | | \$50,000 | | \$144,721 | (\$94,721) |
| | | Summer | | \$78,870 | | \$99,547 | (\$20,677) |
| 9300 | Total | | 49 | \$4,447,997 | 57 | \$4,495,254 | (\$47,258) |
| 9400 | Tuition to Collaboratives (Member) | Day | 2 | \$63,630 | 2 | \$87,262 | (\$23,632) |
| | | Extended Svs | | | | | |
| | | Short Term | | | | | |
| | | Summer | | | | | |
| | | Day | | | | | |
| 9400 | Total | | 1 | \$63,630 | 2 | \$87,262 | (\$23,632) |
| 9500 | Tuition to Regional School Districts (Member) | Day | | | | Transfer to Town Account | |
| | | Total | | \$42,561 | | | |
| 9500 | Total | | | | | | \$0 |
| | | Grand Totals: | 57 | 5,144,310 | 66 | 5,167,693 | (\$23,384) |
| | Operating Budget | | | (\$2,444,310) | | (\$2,444,310) | \$0 |
| | Vacational and Technical Program Account | | | \$0 | | \$0 | \$0 |
| | Circuit Breaker Account | | | (\$2,700,000) | | (\$2,238,695) | (\$461,305) |
| | (Balance)/Deficit | | | (0) | | 484,689 | (\$484,689) |

Update on Finance Office Staffing:

The Finance Office underwent restructuring with the vacancy of two positions; one in November 2017 and the second in February 2018. The Finance Office is now fully staffed as of May 30. The Finance Office consists of an Administrative Assistant, Budget Analyst – A/P Manager, Financial Analyst – Payroll Manager, and Accounts Payable Clerk. As you are aware, this restructuring contributed to the override budget and assisted in funding other positions in the district scheduled to be cut. All positions in the Finance Office report directly to the Deputy Superintendent. The Administrative Assistant will also support the Director of Human Resources. By splitting the duties and responsibilities by function and primary expertise, process/procedures and reporting will be maintained and ultimately improve. Administrative support that has been inadequate due to time available is now being utilized to keep the department leadership team responsive to the demands of the district.

Future updates will include summary reports on all funds (Operating, Special Revenue (gifts, grants, revolving funds), and eventually Student Activities).