

**FY19
 BUDGET STATUS
 Second Quarter Report**

The status of all Salary and Ordinary Maintenance accounts as of December 31, 2018 are shown in Annex B. Presented for each account is the amount budgeted for the current fiscal year, the amount expended or committed as of December 31st and the projected balance at the closing on June 30, 2019. Salary and Ordinary Maintenance Account totals are:

<u>Budget Title</u>	<u>Budget Amount</u>	<u>Expended or Encumbered 12/31/18</u>	<u>Projected Balance 06/30/19</u>
Salaries	\$226,363,233	\$95,164,931	\$1,330,202
Ordinary Maintenance	<u>\$118,695,443</u>	<u>\$90,459,209</u>	<u>-\$241,951</u>
Total General Fund	\$345,058,676	\$185,624,140	\$1,088,251

At this point during the fiscal year, a total of \$185,624,140 (54%) has been expended or committed. A description of the projected balances is as follows:

Budget Impacts:

Transportation Overtime (-\$203,883): The projected deficit in this account represents overtime to support student transportation for drivers, monitors, and support staff. The district's transportation department has continuously been providing expanded customer service for parents and district staff, supervisory coverage for athletic trips during evening and weekends, as well as additional training for drivers.

Custodial Salaries (-\$167,156): The projected deficit in this account is attributed to the full staffing of custodial coverage throughout the district. The facilities department has backfilled vacant positions of staff collecting workers compensation benefits to ensure that all buildings are continuously cleaned and monitored.

Facilities Ordinary Maintenance (-\$155,065): The projected deficit in this account is attributed to the increase of the district's waste removal recycling service and fees that was finalized after the budget was approved. This account also includes additional costs associated with asbestos and lead testing throughout the district along with any associated abatement. The district has also increased the amount of painting in school locations and these necessary improvements require testing prior to any painting activities.

Educational Support (-\$144,155): The projected deficit in this account is attributed to the conversion of ESL teaching staff to five ESL tutor positions, as well as additional hours necessary for the EPL testers to accommodate testing requirements in a timely manner. This account also includes an additional BCBA position that has been added for increased caseloads.

Unemployment Compensation (-\$83,375): The district has experienced a reduction of claims through the end of January. Previously the account was processing approximately 83 claims, however that number is currently at 27 claims. The projected deficit also includes additional potential claims through the end of the fiscal year.

Accounts with Projected Balances to Offset Deficit Accounts:

Teachers (\$1,324,952): The projected balance represents vacancy savings of payrolls through the end of February. This is approximately 1% of the total budgeted amount. The projection includes the cost of replacement positions through the end of the school year.

Utilities (\$543,640): The City recently negotiated a new contract for the supply of natural gas and reallocated all district accounts into two new packages due to the capacity of each individual account. Nineteen accounts are moving to the new contract rates and the price has been reduced from \$0.848/therm to \$.49183/therm. With the remaining 36 accounts, these will return to the Eversource default supply at a winter rate of \$0.5982/therm. The previous rate on these accounts were \$0.848 per therm. This reduction of contracted rates, as well as a milder heating season has resulted in significant savings.

Maintenance Salaries (\$236,725): The balance in this account represents approximately five facilities staff that have been on workers compensations since the start of the school year, as well as the current vacancy of the Energy Management position.

Instructional Assistants (\$140,613): The projected balance represents vacancy savings of payrolls through the end of February. The projection includes the cost of any vacant positions through the end of the school year.

Based on the projected balance, the Administration recommends the following actions:

<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>
500-92204	Textbook Purchases For the purchase of Middle School (Grades 7 and 8) Math Textbooks, Grades 9, 10, and 11 Science Textbooks, and Grade 8 Social Studies Textbooks	\$1,163,250
500136-92000	Miscellaneous OM (Line N. School Safety) For the installation of upgraded security cameras at Worcester Technical High School and Claremont Academy.	\$110,000
500152-92000	Facilities Ordinary Maintenance (Line B. Building Repair) For building repair projects at schools	\$100,000
500152-92000	Facilities Ordinary Maintenance (Line F. Environmental Management) For required environmental abatement work at schools.	\$65,000

In order to provide funds necessary to reflect recent actions, the Administration recommends the following transfer of funds:

<u>Amount</u>	<u>From Account</u>	<u>From Account Title</u>	<u>To Account</u>	<u>To Account Title</u>
\$813,250	500-91111	Teacher Salaries	500-92204	Instructional Supplies
\$110,000	500-91111	Teacher Salaries	500136-92000	Miscellaneous OM (School Safety)
\$100,000	500-91111	Teacher Salaries	500152-92000	Facilities OM (Building Repairs)
\$65,000	500-91111	Teacher Salaries	500152-92000	Facilities OM (Environmental Management)
\$300,000	500-91111	Teacher Salaries	540103-97000	Transportation Overtime
\$210,000	500-91120	Maintenance Service Salaries	500-97201	Custodial Overtime
\$155,000	500146-92000	Building Utilities	500152-92000	Facilities OM (Trash Removal)