

ITEM: gb #1-208

STANDING COMMITTEE: **FINANCE AND OPERATIONS**

DATE OF MEETING: Tuesday, October 26, 2021

ITEM: Administration (August 10, 2021)

To review the status of the FY22 Budget and make appropriate transfers as required.

PRIOR ACTION:

8-26-21 - SCHOOL COMMITTEE MEETING

It was moved and voice voted to refer the item to the Standing Committee on Finance and Operations.

BACKUP:

Annex A (3 pages) contains a copy of the FY22 Budget First Quarter Budget Status Report.

Annex B (1 page) contains a copy of the FY22 Budget Account Summary First Quarter Report.

**WORCESTER PUBLIC SCHOOLS
 FY22 BUDGET
 FIRST QUARTER BUDGET STATUS REPORT**

The status of all Salary and Ordinary Maintenance accounts as of September 30, 2021 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 September 30th, and the projected balance at the closing on June 30, 2022. Salary and Ordinary Maintenance Account totals are:

<u>Budget Title</u>	<u>Budget Amount</u>	<u>Expended or Encumbered 09/30/21</u>	<u>Projected Balance 06/30/22</u>
Salaries	\$252,130,930	\$26,777,928	-\$1,107,389
Ordinary Maintenance	<u>\$136,341,124</u>	<u>\$85,850,509</u>	<u>\$1,156,321</u>
Total General Fund	\$386,215,142	\$112,628,437	\$48,932
Final State Budget Increase	<u>\$2,256,946</u>	-	
Total General Fund Status	<u>\$388,472,088</u>		

At this point in the fiscal year, a total of \$112,628,437 (29%) has been expended or committed. A description of the projected balances is as follows:

On July 16, 2021, the Governor and State Legislature adopted the FY22 Chapter 70 Aid for school districts as part of the state budget. The final state budget reflects an increase of \$2.3 million over the budget amounts adopted by the School Committee in June. As part of the use ESSER funds to support “hold harmless funding” (maintain existing programs, positions, and services in anticipation of the return of students after an unprecedented, pandemic related enrollment decline). Kindergarten Instructional Assistants will be restored to the general fund using this increased final state budget allocation as planned in the budget book (once adopted as part of the final city budget following the tax rate setting process).

The following accounts have budget changes based on current operating conditions for the current school year:

Accounts with Budget Impacts:

Teacher Substitute Salaries Account 500-91114 (-\$1,384,412): This account includes the addition of 68 building-based substitutes beginning in December through the end of the school year. This is due to the shortage of day-by-day substitutes, as well as instructional assistants that provide daily coverage to classrooms.

Building Utilities Account 500146-92000 (-\$446,006): The projected deficit in this account reflects the changes of the City of Worcester’s new gas supply contract. The City will be utilizing the Eversource default rate and will be reassessing the market conditions prior to the end of the current fiscal year.

Teacher Salaries Account 500-91111 (-\$514,585): This account the addition of three special education teachers within the district and one culinary teacher for South High school and a pending Level 4 settlement with the EAW. The account also reflects the change of five vacant English language learner teachers that were reallocated to supervisory positions within the Administration Salaries Account (500-91110). This account also includes approximately eighty (80) vacant teaching positions through end of September and the projection includes the cost of staggered replacement of these positions through the end of the school year.

Administration Salaries Account 500-91110 (-\$313,901): This account represents the reallocation of five vacant English language learner teaching positions that have been converted to four English language learner Supervisor positions. This accounts also includes an additional substitute building principal position necessary for school leadership coverage.

Transportation Salaries 540-91117 (-\$306,955): The account reflects the hiring of additional bus drivers and support staff using Transportation Account savings below in preparation for district-operated transportation next year. The account reflects 21 bus driver positions and six support staff positions to be filled as soon as possible.

Non-Instructional Salaries Account 500-91123 (-\$232,441): This account reflects the reallocation of the Building Assessment Coordinator that has been transferred from the Maintenance Salaries Account (500-91120), a new Assessment & Performance Specialist position located in the Office of School and Student Performance, and the addition of two IT Support Specialist positions to assist with increased technology supports.

Administrative Clerical Salaries Account 500-91121 (-\$92,419): This account reflects the reallocation of the Work Specialist position that has been transferred from the Maintenance Salaries Account (500-91120), as well as a new clerical position for the Office of Diversity.

Accounts with Projected Balances to Offset Deficit Accounts:

Transportation Account 540103-92000 (\$1,018,633): The projected balance in this account represents the twenty-seven bus routes that Durham School Services not currently providing through the end of December.

Instructional Assistant Salaries Account 500-91115 (\$739,966): The projected balance in this account includes the restoring of Kindergarten Instructional Assistants through the State’s final budget allocation. This account includes approximately eighty-seven (87) vacant positions through end of September and the projection includes the cost of replacement positions through the end of the school year.

Maintenance Salaries Account 500-91120 (\$373,914): The projected balance in this account represents several vacant positions through the end of September, as well as the reallocation of the Building Assessment Coordinator position that has been transferred to the Non-Instructional Salaries Account (500-91123) and the Work Specialist position that has been transferred to the Administrative Clerical Account (500-91121). The projection includes the cost of replacement positions through the end of the school year, however while these positions remain vacant, some district maintenance may be provided by vendor services as needed.

Based on the First Quarter Budget Status Report, the Administration recommends the following actions:

Amount	From Account	Account Title	To Account	Account Title
\$400,000	500-91111	Teacher Salaries	500-91110	Administrative Salaries
\$140,000	500-91120	Maintenance Salaries	500-91123	Non-Instructional Salaries
\$50,000	500-91120	Maintenance Salaries	500-91121	Administrative Clerical Salaries
\$100,000	540103-92000	Transportation	540103-93000	Transportation

The following table represents paid positions through the end of the first quarter:

<u>Account Title</u>	<u>FY22 Budget</u>	<u>Paid 09/25/21</u>	<u>Difference</u>
Administration Salaries	119	117	-2
Teacher Salaries	2,547	2,467	-80
Instructional Assistants Salaries	659	572	-87
Transportation Salaries	126	109	-17
Custodial Salaries	158	146	-12
Maintenance Service Salaries	28	18	-10
Administrative Clerical Salaries	67	63	-4
School Clerical Salaries	77	70	-7
Non-Instructional Salaries	56	56	0
School Nurse Salaries	110	104	-6
Educational Support Salaries	104	48	-56
Totals	4,051	3,770	-281

The first quarter report reflects the following new positions included in the general fund approved by the Superintendent.

Account	Account Title	Positions
500-91111	Teacher Salaries	Special Education Teachers (3)
500-91111	Teacher Salaries	Culinary Teacher - SHS
500-91121	Administrative Clerical Salaries	52 Administrative Clerical - Diversity Officer
500-91123	Non-Instructional Salaries	Assessment & Performance Specialist
500-91123	Non-Instructional Salaries	IT Support Specialists (2)

**WORCESTER PUBLIC SCHOOLS
 2021-2022 BUDGET ACCOUNT SUMMARY
 FIRST QUARTER REPORT**

<u>Account</u>	<u>Account Title</u>	<u>Adopted</u>	<u>Transfer</u>	<u>Budget</u>	<u>Expended or Encumbered</u>	<u>Balance</u>
500-91110	Administration Salaries	\$14,406,265		\$14,406,265	\$3,431,959	-\$313,901
500-91111	Teacher Salaries	\$189,377,358		\$189,377,358	\$15,387,747	-\$514,585
500-91112	School Committee Salaries	\$99,626		\$99,626	\$24,656	\$0
500-91114	Teacher Substitutes Salaries	\$1,583,050		\$1,583,050	\$62,324	-\$1,384,412
500-91115	Instructional Assistants Salaries	\$13,283,250		\$13,283,250	\$1,384,367	\$739,966
500-91116	Coach Salaries	\$712,702		\$712,702	\$3,868	\$31,620
540-91117	Transportation Salaries	\$4,515,683		\$4,515,683	\$791,805	-\$306,955
500-91118	Supplemental Program Salaries	\$1,245,628		\$1,245,628	\$364,958	\$56,004
500-91119	Custodial Salaries	\$7,729,888		\$7,729,888	\$1,633,980	\$292,125
500-91120	Maintenance Service Salaries	\$2,089,933		\$2,089,933	\$354,650	\$373,914
500-91121	Administrative Clerical Salaries	\$3,504,115		\$3,504,115	\$822,959	-\$92,419
500-91122	School Clerical Salaries	\$2,530,977		\$2,530,977	\$461,567	\$221,597
500-91123	Non Instructional Salaries	\$2,601,814		\$2,601,814	\$755,702	-\$232,441
540-91124	Crossing Guard Salaries	\$483,239		\$483,239	\$30,190	\$8,160
500-91133	School Nurse Salaries	\$5,407,329		\$5,407,329	\$562,530	\$248,414
500-91134	Educational Support Salaries	\$1,606,277		\$1,606,277	\$549,919	\$34,120
540-97201	Transportation Overtime Salaries	\$713,714		\$713,714	\$102,825	-\$247,012
500-97203	Custodial Overtime Salaries	\$0		\$0	\$0	\$0
500-97204	Maintenance Overtime Salaries	\$164,860		\$164,860	\$4,454	\$129,740
500-97205	Support Overtime Salaries	\$75,255		\$75,255	\$47,468	-\$151,324
	Salary Total	\$252,130,963	\$0	\$252,130,963	\$26,777,928	-\$1,107,389
500101-96000	Retirement	\$21,746,307		\$21,746,307	\$22,533,700	\$0
540103-92000	Transportation	\$17,949,410		\$17,949,410	\$17,454,229	\$1,018,633
500122-92000	Athletic Ordinary Maintenance	\$457,707		\$457,707	\$75,757	\$0
500123-96000	Health Insurance	\$53,647,839		\$53,647,839	\$9,655,888	\$329,301
500125-92000	Other Insurance Programs	\$66,030		\$66,030	\$20,129	\$0
500129-96000	Workers Compensation	\$1,983,982		\$1,983,982	\$442,450	\$2,040
500130-92000	Personal Services	\$2,156,939		\$2,156,939	\$1,716,092	-\$297,359
500132-92000	Tuition	\$20,441,132		\$20,441,132	\$22,365,672	\$648,631
500133-92000	Printing & Postage	\$317,459		\$317,459	\$211,506	-\$15,000
500-92204	Instructional Materials	\$2,218,356		\$2,218,356	\$856,081	\$0
500136-92000	Miscellaneous Educational OM	\$3,740,917		\$3,740,917	\$2,582,285	\$48,559
500137-96000	Unemployment Compensation	\$522,637		\$522,637	\$31,201	\$141,436
500146-92000	Building Utilities	\$6,514,506		\$6,514,506	\$5,068,095	-\$446,006
500152-92000	Facilities Ordinary Maintenance	\$4,577,904		\$4,577,904	\$2,837,423	-\$273,914
	Non Salary Total	\$136,341,125	\$0	\$136,341,125	\$85,850,509	\$1,156,321
	Total General Fund Budget	\$388,472,088	\$0	\$388,472,088	\$112,628,437	\$48,932