

STANDING COMMITTEE: **FINANCE AND OPERATIONS**

DATE OF MEETING: Wednesday, May 11, 2022

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.

10-26-21 - STANDING COMMITTEE ON FINANCE AND OPERATIONS

Mr. Allen discussed the status of the FY22 Budget and appropriate transfers.

Mr. Foley requested that a Public Hearing regarding ESSER and SOA funds be scheduled for mid-November or early December.

Superintendent Binienda stated that, at the Public Hearing, discussions should also include the funding of full day preschool and early college programs.

It was moved to approve the following transfers:

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

On a roll call of 2-1 (absent Miss Biancheria), the transfers were approved.

On a roll call of 2-1 (absent Miss Biancheria), the item was held for the second quarter report.

BACKUP:

Annex A (2 pages) contains a copy of the FY22 Budget Third Quarter Budget Status Report.

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

PRIOR ACTION (continued)

11-18-21 -- SCHOOL COMMITTEE MEETING - The School Committee on a roll call of 6-1 (nay Miss Biancheria), approved the actions of the Standing Committee as amended.

Ms. Novick voiced her concern over the transfer of \$400,000 from teacher salaries to administrative salaries for the reallocation of five English Learner teachers to four English Learner Supervisor positions. She indicated that putting this kind of a transfer in a quarterly report is not transparent and should have been discussed in June when the Budget was passed. She asked the Administration to provide an explanation of the decision regarding the transfer.

Ms. Melendez-Quintero stated that the numbers of English Learners have increased and with the current staff, it is very difficult to meet their needs and ensure that they receive a high quality and equity education. The ratio of coaches to EL students is 1 to 10 which does not allow the coaches to spend long periods of time at one school. She further stated that the English Learner Supervisors will be working on developing an EL curriculum.

Superintended Binienda stated that the Administration analyzes and assesses what the district needs are, then proposes certain transfers at each quarterly report. The Administration has discussed and decided to add the five new positions to address the needs of EL students.

On a roll call of 7-0, the following transfers were approved:

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

2-9-22 - STANDING COMMITTEE ON FINANCE AND OPERATIONS

Mr. Allen discussed the status of the Second Quarter FY22 Budget and appropriate transfers.

Ms. Novick made the following motion:

Request that the following transfers be approved:

Amount	From Account	Account Title	To Account	Account Title
\$94,000	500-91134	Ed Support	500-91123	Non-Instructional
\$155,000	500-91111	Teacher Salaries	500-91134	Educational Support Salaries
\$220,000	540103-92000	Transportation	540-97201	Transportation Overtime Salaries
\$250,000	540103-92000	Transportation	500-91118	Supplemental Salaries
\$850,000	540103-92000	Transportation	540103-93000	Transportation
\$373,320	500-91111	Teacher Salaries	500-91114	Teacher Substitutes Salaries
\$450,000	500-91115	Instructional Assistants	500-91118	Supplemental Program Salaries

PRIOR ACTION (continued)

2-9-22 (continued)

\$375,000	500-91115	Instructional Assistants	500-91123	Non-Instructional Salaries
\$894,000	500-91115	Instructional Assistants	500-91133	School Nurse Salaries
\$776,000	500-91115	Instructional Assistants	500-92204	Instructional Materials
\$1,200,000	500123-96000	Health Insurance	500-97203	Custodial Overtime Salaries
\$370,000	500-91119	Custodial Salaries	500152-92000	Facilities Ordinary Maintenance
\$340,000	500-91120	Maintenance ServiceSalaries	500152-92000	Facilities Ordinary Maintenance
\$790,000	540103-92000	Transportation	500152-92000	Facilities Ordinary Maintenance

On a roll call of 3-0, the transfers were approved.

11-18-21 -- SCHOOL COMMITTEE MEETING - The School Committee on a roll call of 7-0, approved the actions of the Standing Committee as amended. School Committee Member Novick requested a spelling correction on attendee Michael Freeman.

Ms. Novick made the following motion:

Request that the following transfers be approved:

Amount	From Account	Account Title	To Account	Account Title
\$94,000	500-91134	Ed Support	500-91123	Non-Instructional
\$155,000	500-91111	Teacher Salaries	500-91134	Educational Support Salaries
\$220,000	540103-92000	Transportation	540-97201	Transportation Overtime Salaries
\$250,000	540103-92000	Transportation	500-91118	Supplemental Salaries
\$850,000	540103-92000	Transportation	540103-93000	Transportation
\$373,320	500-91111	Teacher Salaries	500-91114	Teacher Substitutes Salaries
\$450,000	500-91115	Instructional Assistants	500-91118	Supplemental Program Salaries
\$375,000	500-91115	Instructional Assistants	500-91123	Non-Instructional Salaries
\$894,000	500-91115	Instructional Assistants	500-91133	School Nurse Salaries
\$776,000	500-91115	Instructional Assistants	500-92204	Instructional Materials
\$1,200,000	500123-96000	Health Insurance	500-97203	Custodial Overtime Salaries
\$370,000	500-91119	Custodial Salaries	500152-92000	Facilities Ordinary Maintenance
\$340,000	500-91120	Maintenance ServiceSalaries	500152-92000	Facilities Ordinary Maintenance
\$790,000	540103-92000	Transportation	500152-92000	Facilities Ordinary Maintenance

On a roll call of 7-0, the transfers were approved.

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

The status of all Salary and Ordinary Maintenance accounts as of March 31, 2022, 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 March 31, 2022, and the projected balance at the closing on June 30, 2022. Salary and Ordinary Maintenance Account totals are:

<b><u>Budget Title</u></b>	<b><u>Budget Amount</u></b>	<b><u>Expended or Encumbered 03/31/22</u></b>	<b><u>Projected Balance 06/30/22</u></b>
Salaries	\$252,130,930	\$164,090,252	-\$3,847,689
Ordinary Maintenance	<u>\$136,341,124</u>	<u>\$120,430,143</u>	<u>\$3,841,554</u>
<b>Total General Fund</b>	<b>\$388,472,088</b>	<b>\$284,520,395</b>	<b>-\$4,134</b>

At this point in the fiscal year, a total of \$284,520,395 (73%) has been expended or committed. A description of the projected balances is as follows:

**Accounts with Projected Balances:**

**Unemployment Insurance 500137-96000 (\$267,971):** The projected balance of this account is based on fewer claims processed for these benefits through March. This projection also includes estimates through the end of June.

**Tuition Account 500132-92000 (\$739,829):** The projected balance of this account is based on fewer students that are being serviced through the out-of-district specialized program than budgeted.

**Transportation Account 540103-92000 (\$1,627,693):** The projected balance in this account represents the twenty-seven bus routes that Durham School Services is currently not providing through the end of March, as well as the projections through June. This line also includes the reduction in special education out-of-town routes based on the number of students attending an out-of-district placement. This account included a partial transfer on the Second Quarter Report.

**Health Insurance Account 500123-92000 (\$3,032,261):** The projected balance of this account is based on the significant vacancies that are occurring within the district. This line item includes the vacant positions through the end of March, as well as some replacement costs for new hires through the end of the school year.

**Accounts with Projected Deficits:**

**Teacher Substitute Salaries Account 500-91114 (-\$2,012,725):** This deficit is due to the addition of 70 building-based substitutes beginning in December through the end of the school year to address the ongoing shortage of day-by-day substitutes, as well as instructional assistants that provide daily coverage to classrooms due to vacancies. This account also includes the transfer of Hold Harmless funds for day-by-day substitutes.

**Building Utilities Account 500146-92000 (-\$737,475):** The projected deficit in this account reflects the changes in the City of Worcester's new gas supply contract as noted in the Quarter 1 report, as well as actual usage trends through March. The City is utilizing the Eversource default rate and will be reassessing the market conditions in the coming months.

**Personal Services Account 500130-92000 (-\$543,779):** The projected deficit in this account includes the anticipated transfer of Hold Harmless funds for Advanced Placement (\$193,180) and Mentoring (\$24,162). This account also includes several legal settlements (\$175,157) that have been processed and the increase of translation services (\$91,386) provided through March. The translation services projection includes the remaining anticipated costs through the end of June. This account also includes additional police detail coverage (\$27,722) for Burncoat High & Middle School during arrival and dismissal times for ongoing safety concerns. The account includes an increase (\$35,000) for the public relations and alumni services provided by Worcester Educational Development Foundation.

**Workers Compensation Account 500129-96000 (-\$276,905):** The projected deficit in this account includes a recent settlement, as well as the increase in medical bills after the month of December and anticipated costs through June.

**Facilities Ordinary Maintenance Account 500152-92000 (-\$261,051):** This account represents the increase in HVAC (Heating, Ventilation & Air Condition Systems) and environmental management expenditures. These increases include the use of HVAC contractual services due to vacant district positions to address equipment repair and winter-related heating issues, routine abatement projects, and disposal of hazardous waste. This line also includes the increased cost of trash removal.

**Printing & Postage Account 500133-92000 (-\$65,724):** This account represents an increase in mailing costs for interim and semester report cards, as well as the printing costs associated.

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

Amount	From Account	Account Title	To Account	Account Title
\$110,000	500-97204	Maintenance Overtime Salaries	500-97203	Custodial Overtime Salaries
\$200,000	500-91122	School Clerical Salaries	500-97203	Custodial Overtime Salaries
\$100,000	540-91117	Transportation Salaries	540-97201	Transportation Overtime Salaries
\$65,000	540-91124	Crossing Guard Salaries	540-97201	Transportation Overtime Salaries
\$100,000	540-91118	Supplemental Program Salaries	540-97201	Transportation Overtime Salaries
\$800,000	500123-96000	Health Insurance	500152-92000	Facilities Ordinary Maintenance
\$700,000	500123-96000	Health Insurance	500146-92000	Building Utilities
\$1,500,000	500123-96000	Health Insurance	500-91115	Instructional Assistants

**WORCESTER PUBLIC SCHOOLS  
2021-2022 BUDGET ACCOUNT SUMMARY  
THIRD 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	\$400,000	\$14,806,265	\$11,067,675	-\$65,812
500-91111	Teacher Salaries	\$189,377,358	-\$928,320	\$188,449,038	\$113,518,703	-\$6,446
500-91112	School Committee Salaries	\$99,626	\$0	\$99,626	\$73,969	-\$627
500-91114	Teacher Substitutes Salaries	\$1,583,050	\$373,320	\$1,956,370	\$2,085,641	-\$2,012,725
500-91115	Instructional Assistants Salaries	\$13,283,250	-\$2,495,000	\$10,788,250	\$10,945,810	-\$1,699,732
500-91116	Coach Salaries	\$712,702	\$0	\$712,702	\$471,764	\$76,517
540-91117	Transportation Salaries	\$4,515,683	\$0	\$4,515,683	\$3,161,524	\$137,341
500-91118	Supplemental Program Salaries	\$1,245,628	\$700,000	\$1,945,628	\$1,331,283	\$33,262
500-91119	Custodial Salaries	\$7,729,888	-\$370,000	\$7,359,888	\$5,411,433	\$196,690
500-91120	Maintenance Service Salaries	\$2,089,933	-\$530,000	\$1,559,933	\$1,104,064	\$70,861
500-91121	Administrative Clerical Salaries	\$3,504,115	\$50,000	\$3,554,115	\$2,704,121	-\$64,710
500-91122	School Clerical Salaries	\$2,530,977	\$0	\$2,530,977	\$1,580,108	\$226,770
500-91123	Non Instructional Salaries	\$2,601,814	\$609,000	\$3,210,814	\$2,748,511	\$192,110
540-91124	Crossing Guard Salaries	\$483,239	\$0	\$483,239	\$277,534	\$69,050
500-91133	School Nurse Salaries	\$5,407,329	\$894,000	\$6,301,329	\$3,750,540	\$179,779
500-91134	Educational Support Salaries	\$1,606,277	\$61,000	\$1,667,277	\$2,059,687	-\$327,501
540-97201	Transportation Overtime Salaries	\$713,714	\$220,000	\$933,714	\$669,857	-\$428,706
500-97203	Custodial Overtime Salaries	\$0	\$1,200,000	\$1,200,000	\$904,716	-\$380,031
500-97204	Maintenance Overtime Salaries	\$164,860	\$0	\$164,860	\$33,887	\$113,767
500-97205	Support Overtime Salaries	\$75,255	\$0	\$75,255	\$189,426	-\$155,546
	Salary Total	\$252,130,963	\$184,000	\$252,314,963	\$164,090,252	-\$3,845,689
500101-96000	Retirement	\$21,746,307	\$0	\$21,746,307	\$22,545,827	\$85,193
540103-92000	Transportation	\$17,949,410	-\$1,260,000	\$16,689,410	\$15,284,354	\$1,627,693
500122-92000	Athletic Ordinary Maintenance	\$457,707	\$0	\$457,707	\$319,946	\$6,722
500123-96000	Health Insurance	\$53,647,839	-\$1,200,000	\$52,447,839	\$38,498,072	\$3,032,261
500125-92000	Other Insurance Programs	\$66,030	\$0	\$66,030	\$71,321	-\$5,291
500129-96000	Workers Compensation	\$1,983,982	\$0	\$1,983,982	\$1,357,630	-\$276,905
500130-92000	Personal Services	\$2,156,939	\$0	\$2,156,939	\$2,670,910	-\$543,779
500132-92000	Tuition	\$20,441,132	\$0	\$20,441,132	\$19,444,676	\$739,829
500133-92000	Printing & Postage	\$317,459	\$0	\$317,459	\$338,944	-\$65,724
500-92204	Instructional Materials	\$2,218,356	\$776,000	\$2,994,356	\$2,414,790	-\$11,242
500136-92000	Miscellaneous Educational OM	\$3,740,917	\$0	\$3,740,917	\$3,956,623	-\$16,648
500137-96000	Unemployment Compensation	\$522,637	\$0	\$522,637	\$182,667	\$267,971
500146-92000	Building Utilities	\$6,514,506	\$0	\$6,514,506	\$6,288,246	-\$737,475
500152-92000	Facilities Ordinary Maintenance	\$4,577,904	\$1,500,000	\$6,077,904	\$7,056,136	-\$261,051
	Non Salary Total	\$136,341,125	-\$184,000	\$136,157,125	\$120,430,143	\$3,841,554
<b>Total General Fund Budget</b>		<b>\$388,472,088</b>	<b>\$0</b>	<b>\$388,472,088</b>	<b>\$284,520,395</b>	<b>-\$4,134</b>