



# Shrewsbury Public Schools

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22 February 2019

To: School Committee

Subj: FY2019 BUDGET STATUS UPDATE

Attached you will find the FY19 Budget Status Update. It is a recap of our \$64,137,607 district appropriated budget as approved by Town Meeting. You will recall that this plan provided for a modest 2.83% increase over FY18.

The enclosed report retains the reporting format started in FY16 which expands the reportable categories from 11 to 19 while remaining to be a high-level, one-page summary.

For context it is important to note that reported expenditures and encumbrances are as of 2/20/2019 which is approximately 65% of the way through our fiscal year and 58% into the school year.

The FY19 budget is stable and I would expect a year-end surplus in the range of \$1.7M representing 2.6% of our overall budget plan. This is predicated upon year-to-date expenditures and encumbrances and projected spending through June 30, 2019.

Detailed below is more information on any category of our budget with a variance of 5% or greater.

At this point in the fiscal year, it's expected that all "discretionary" budgets for textbooks, materials, and equipment will be fully expensed at year end. These are categories D3, D4, D5, D6, and D7.

Category	Description	Projected Variance Percent	Notes
A5	Substitutes: Daily, Long-term, and Nurses	13.4% Over	Due to economic conditions, we raised our day-to-day substitute rate from \$75/day to \$85/day [a 13% increase] in order to remain regionally competitive and retain a pool of substitute staff.
A6	Other Wages (Club/activity stipends, custodian and police details, Summer SPED wages, crossing guards)	11.2% Over	We ran over-budget for summer special education program wages but this is a necessary service and difficult to budget nearly 8-10 months in advance of the program running.
A7	Employee Benefits	23.6% Over	This overage is primarily due to a greater than expected number of staff retiring at the end of this school year who will be eligible for a sick-leave sell back compensation. We have 13 eligible and budgeted for 8.

Category	Description	Projected Variance Percent	Notes
B2	Special Education Transportation	6.5% Under	We are running under budget here as we were able to use our IDEA special education grant to fund summer program transportation.
C1	Special education Tuitions	48.8% Under	We are running significantly under budget in this category due to the unpredictability of placements for several students-some of whom could have had residential placements each costing more than \$335K annually.
C2	Vocational and Recovery High School Tuitions	11.6% Under	Vocational enrollment was budgeted for 118 students and only 105 enrolled or continued. Eight fewer in the Freshman class enrolled than were accepted and the remainder were upper-class students who did not persist.
D1	Administrative Contract services	18.6% Over	Two reasons we are over-budget here include the purchase of the PowerSchool module for student registration and kindergarten/preschool lottery functions in an effort to modernize our systems. Secondly, we engaged the UMass Collins Center consultant group to conduct a staff capacity study and make recommendations for the future.
D2	Educational Contract Services	5.0% Under	We are running under-budget in several special education contract services accounts.
D8	Utilities-Telephone	31.2% Under	The expected purchase of a new telephone switch is deferred until at least FY20.

Provided the projected surplus persists to the end of the fiscal year, we could leverage these funds to close the gap between our FY20 Status Quo Budget and the current Town Manager's recommendation. This is effectively done by using less than budgeted Circuit Breaker funds on account and saving them for FY20 which is an allowable and often used budgeting strategy in Massachusetts public school systems.

Finally, it should be noted that our spending trend experience and decisions to date in FY19 have informed the preparation of our FY20 budget.

**SHREWSBURY PUBLIC SCHOOLS**  
**FY19 BUDGET STATUS UPDATE**  
as of February 20, 2019

School Committee Recap Sheet	Description	FY19 Budget	YTD Actual	Encumbrance	Remaining Balance	Year End Projection	Dollar Variance	Percent Variance	Notes
A1	Administrative Central Office, Principals & Unit B	\$ 3,071,111	\$ 1,945,511	\$ 1,052,265	\$ 73,335	\$ 3,070,000	\$ 1,111	0.0%	Running very close to budget
A2	Unit A (Teachers & Nurses)	\$ 39,930,542	\$ 19,805,245	\$ 19,614,733	\$ 510,564	\$ 39,546,705	\$ 383,837	1.0%	Projected to be within 1% of budget
A3	Aides/ABA/Paraprofessionals	\$ 6,741,104	\$ 3,723,193	\$ 2,557,128	\$ 460,783	\$ 6,448,594	\$ 292,510	4.3%	Projected to be under budget due to vacancies
A4	Secretaries, Technology & Other Non-Represented	\$ 2,260,859	\$ 1,275,338	\$ 887,878	\$ 97,643	\$ 2,252,637	\$ 8,222	0.4%	Projected to be on budget
A5	Substitutes - Daily, Long Term & Sub Nurses	\$ 845,900	\$ 505,548	\$ 17,940	\$ 322,412	\$ 958,900	\$ (113,000)	-13.4%	Projecting to be approx \$113K over budget
A6	Other Wages (See Note 1)	\$ 739,382	\$ 586,822	\$ -	\$ 152,560	\$ 822,199	\$ (82,817)	-11.2%	Over budget on Summer SPED wages
A7	Employee Benefits	\$ 331,030	\$ 119,107	\$ 200	\$ 211,723	\$ 409,280	\$ (78,250)	-23.6%	Projecting over budget for retiree sick leave sell-back
B1	Regular Education & Voke Transportation	\$ 2,066,380	\$ 1,704,287	\$ 349,733	\$ 12,360	\$ 2,059,520	\$ 6,860	0.3%	Running very close to budget
B2	Special Education Transportation	\$ 585,000	\$ 242,389	\$ 290,306	\$ 52,305	\$ 546,915	\$ 38,085	6.5%	Over budget due to add monitors and 1 more bus
C1	Special Education Tuitions (See Note 2)	\$ 2,153,760	\$ 2,153,760	\$ -	\$ -	\$ 1,102,021	\$ 1,051,739	48.8%	Projecting under budget - fewer placements
C2	Vocational & Recovery H.S. Out of District Tuitions	\$ 1,965,224	\$ 864,570	\$ 864,570	\$ 236,084	\$ 1,736,640	\$ 228,584	11.6%	Under budget. 105 v. 118 enrolled at AV
D1	Administrative Contracted Services	\$ 553,401	\$ 429,015	\$ 193,700	\$ (69,314)	\$ 656,069	\$ (102,668)	-18.6%	Over budget. Purchased online student reg. pkg.
D2	Educational Contracted Services	\$ 693,970	\$ 280,289	\$ 233,321	\$ 180,360	\$ 659,006	\$ 34,964	5.0%	Running under budget on SPED services
D3	Textbooks/Curriculum Materials	\$ 172,652	\$ 68,288	\$ 18,729	\$ 85,635	\$ 172,652	\$ -	0.0%	Expect on budget at this time
D4	Professional Development	\$ 247,973	\$ 128,217	\$ 22,282	\$ 97,474	\$ 247,973	\$ -	0.0%	Expect on budget at this time
D5	Educational Supplies & Materials	\$ 269,034	\$ 91,678	\$ 40,859	\$ 136,497	\$ 269,034	\$ -	0.0%	Expect on budget at this time
D6	Other Miscellaneous (i.e. Off. Supp., Ref. Mat.)	\$ 660,812	\$ 390,495	\$ 185,983	\$ 84,334	\$ 660,812	\$ -	0.0%	Expect on budget at this time
D7	Equipment	\$ 764,473	\$ 745,495	\$ 4,727	\$ 14,251	\$ 764,473	\$ -	0.0%	Expect on budget at this time
D8	Utilities - Telephone Exp.	\$ 85,000	\$ 11,016	\$ 495	\$ 73,489	\$ 58,450	\$ 26,550	31.2%	Repl. Phone switch purchase is deferred
	<b>Total:</b>	<b>64,137,607</b>	<b>35,070,263</b>	<b>26,334,849</b>	<b>2,732,495</b>	<b>62,441,880</b>	<b>1,695,727</b>	<b>2.6%</b>	
	<b>Percentages</b>		<b>54.7%</b>	<b>41.1%</b>	<b>4.3%</b>				

Note 1 Other Wages includes clubs/activities stipends, custodian & police details, extra duty & mentoring stipends, Summer Special Education salaries, and crossing guards.

Note 2 SPED Tuition is net \$4.1M use of Special Education Circuit Breaker Reimbursement funding.