



OFFICE OF BUSINESS AND PERSONNEL ADMINISTRATION

TO: Finance and Administration Subcommittee
District School Committee
James Quaglia, Superintendent - Director

FROM: Steven Moore, Assistant Superintendent

DATE: January 16, 2019

SUBJECTS: 2019 Budget Update

Q2 Budget Report

Attached is the Q2 FY19 Budget Report for the period ending December 31, 2018.

Salary Lines

Salary lines are tracking as expected for the second quarter. In the third quarter teachers will put in for their mid-year lane changes. Currently the district has reserved \$40,000 to cover the anticipated salary increases due to mid-year lane changes. Typically all of the teachers who have put in for lane changes do not make the move, so the district should have additional funds available after the deadline for making a lane change passes.

Additionally as noted in the first quarter report salary exchanges gained through the hiring process will leave a surplus in the account and will also positively impact the budget in 2020.

Substitute costs are tracking below the 2018 expenditures and more in line with normal years such as 2017 and 2016 (see attached chart).

Expense Lines

The building project has caused a slowdown in purchasing, as many of the vocational programs are still in the process of encumbering funds for program materials.

1000 District Leadership Expense

The majority of the unencumbered / unexpended funds are for ongoing services (legal and payroll), contracted service and membership payments that are currently not due, public relations / recruitment activities, and software licenses fees that are not yet due.

2000 Instructional Expense

As previously stated many instructional departments purchases were delayed due to the renovation project. In the third quarter, the departments will be reevaluating their 2019 needs, so the district could see a surplus in many accounts. This surplus could be used to augment future needs.

3000 Student Services Expense

The majority of the unencumbered funds are for athletic related transportation, officials and materials.

4000 Plant Operation and Maintenance Expense

The majority of the unencumbered funds relate to building and vehicle maintenance. As in 2018, there will be below normal expenditures on building maintenance, so these funds too could be used to augment future needs.

Utility costs in the aggregate are within budget, though it is too early to truly evaluate heating costs. Water and sewer costs are trending about 6% above budget.

5000 Fixed Costs Expense

5000 series accounts cover insurance and benefit related costs. A surplus is possible in these accounts at year end, as health insurance costs are projecting out less than budgeted (see attached charts). This is an area where funds could be transferred from to fund a Superintendent search in FY 19.

8000 Debt Service Expense

On target, all funds will be expended in the third quarter

Request to Transfer Funds – Funds for Superintendent Search

Should the school committee desire to run a Superintendent search during the 2019 school year the following transfer should be recorded:

Decrease budget 5200 Series, Retiree Insurance by \$20,000

Increase budget 1000 Series, School Committee Contracted Services by \$20,000

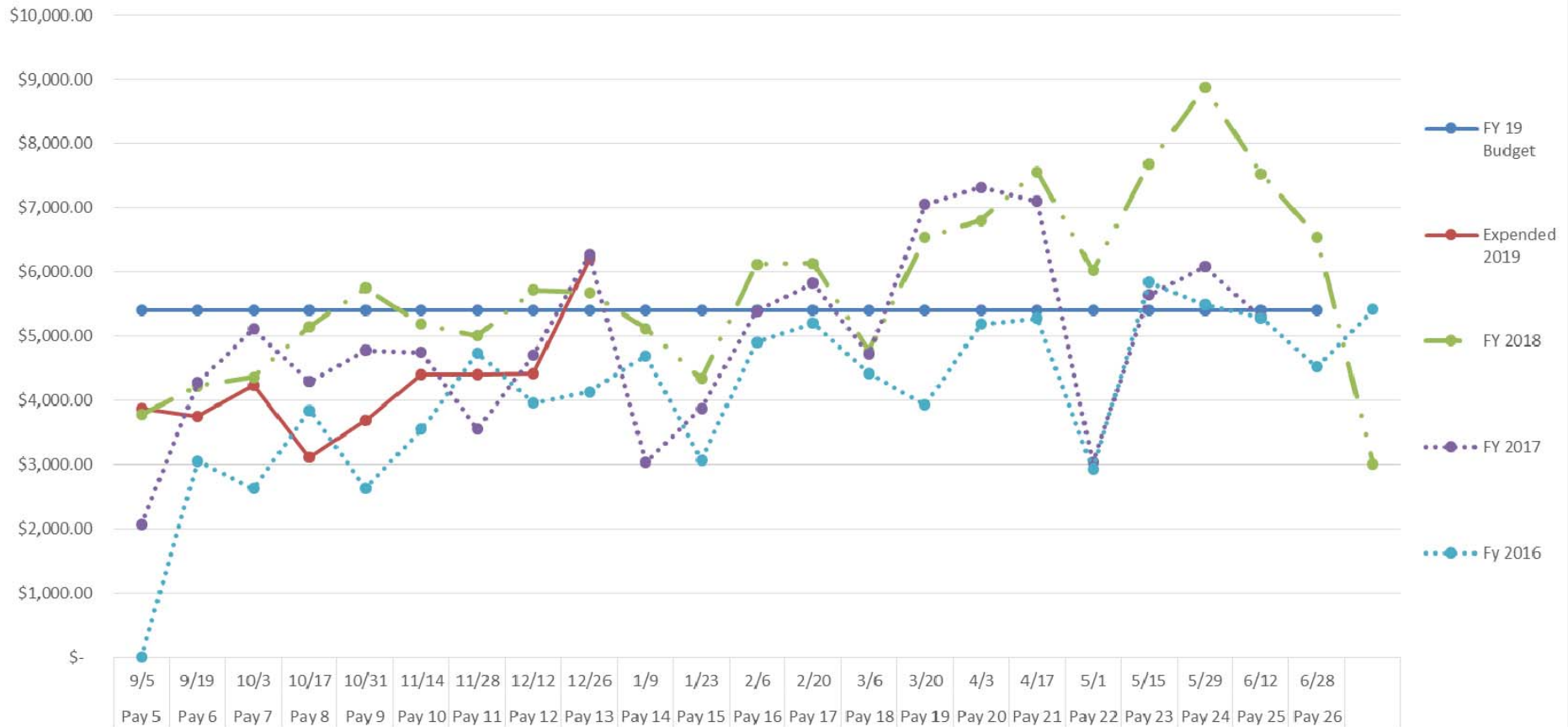


BLUE HILLS

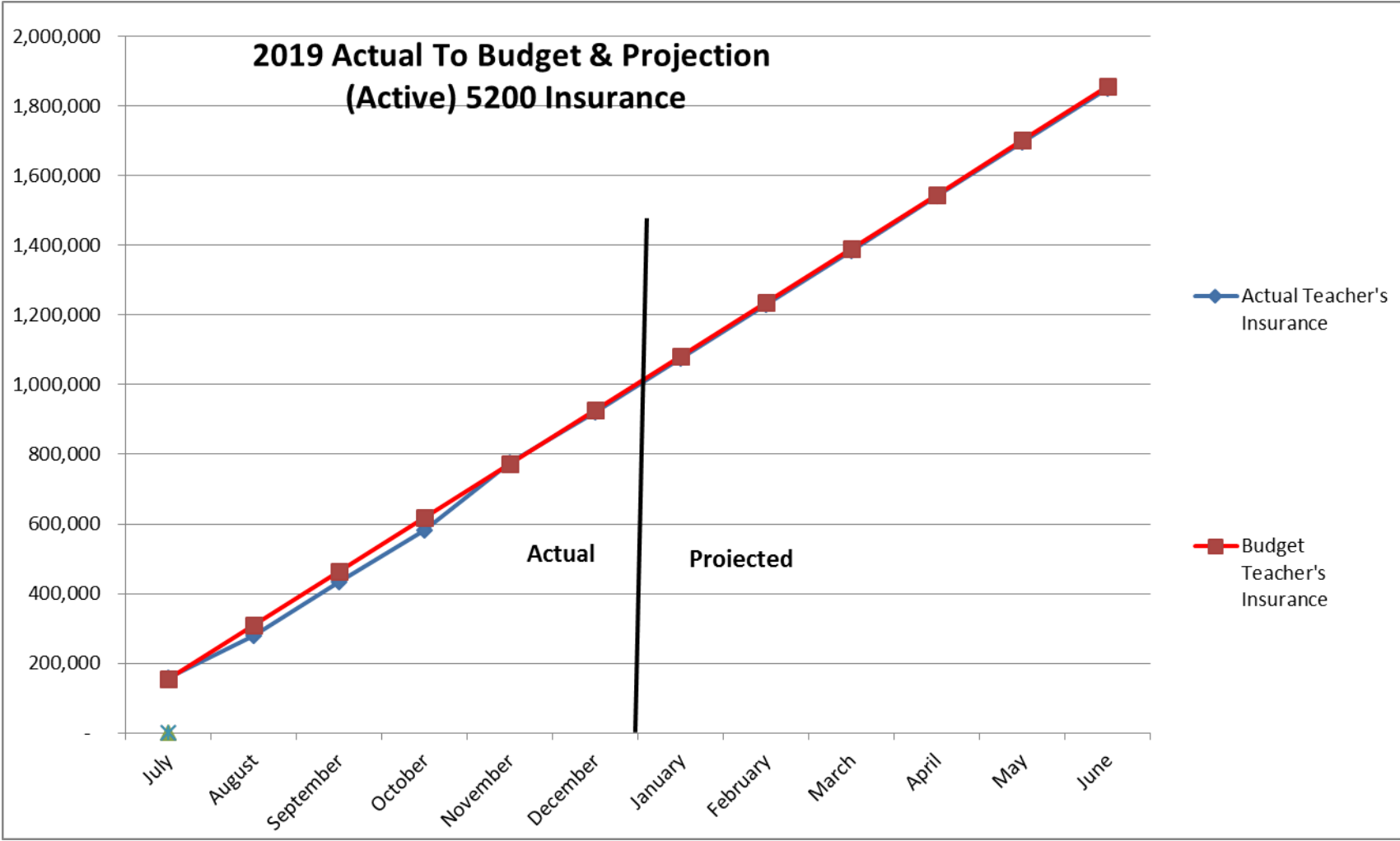
REGIONAL TECHNICAL SCHOOL

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FY 19 Substitute Costs



2019 Actual To Budget & Projection (Active) 5200 Insurance



2019 Actual To Budget (Retired) 5250 Insurance

