NOTES & COMMENTS
FY25 QUARTER 2 -- FINANCIALS AS OF 12/31/2024

Overview

This financial season is always complex for the Business Office, as we work to complete the audit of the prior fiscal year at the same time that we launch into the development of a budget for the next. As we prepare for the coming months of strategic forward planning, we pause here to take a look at our current financial status.

Expenditures

Our story in recent quarters has centered on turnover and open positions, with the challenging labor market significantly impacting our projected expenditure levels. The ratification of new bargaining agreements for our Education Support Staff (signed September 2024) and Custodians and Food Service Specialists (signed November 2024) has allowed us to offer more competitive wages, and while we still have multiple open positions, hiring has been a bit more successful in recent weeks. Where critical services are impacted by short staffing, we continue to use contracted service providers.

The end of the second quarter is 50% through the fiscal year and 43% through the school year. As usual in our quarterly financial statements, this report includes columns showing comparative percentages from the second quarter of the two prior fiscal years, to help us identify and address any notable variances. As described in detail in the FY25 Q1 Financial Report, the timing of payrolls in July and December has an effect on our ability to compare expenditures closely in budget categories where expenses are principally payroll-driven (lower than average in FY24 and higher than average in FY23). All the same, it is useful to see the patterns of spending in each category year over year, and helps us to identify any areas of concern.

Here are a few variances of note:

Improvement of Instruction – This budget category comes in at a lower than usual expenditure percentage for Quarter 2 due to the unexpected resignation of our K-12 SEL Specialist in September (funded ½ in the local budget and ½ from Title IIA). Given this opportunity we are crafting a revised job description, as the specific SEL work of the past two years has been taken up more broadly by our building leaders and staff. With that process ongoing, we have not yet filled the position and spending for salary and benefits this quarter has been reduced.

Instructional Technology – Often we see a lower level of spending in this category due to the timing of funds being transferred to the Town under our shared services agreement; the transfer is done twice a year to cover the cost of personnel allocated to the School Department. This year the fund transfer was made effective on 12/31 and, combined with the early expenses noted in the Quarter 1 report, pushes this category's spending over 60%.

Library Services – Lower than usual spending in this category is due to our inability to find an elementary level librarian to fill the new position approved in this year's budget. A state-wide shortage of certified school librarians has led to some new certification pathways instituted by the DOE, and we plan to advertise again in the spring.

Transportation – Spending in this category is trending up a bit this quarter. We have been able to hire six new drivers and trainees since the start of the school year, which is a hopeful sign, but continue to lose ground with two resignations also occurring during this period. We are currently relying on contracted buses for two of our daily runs as well as sports trips.

Revenues

Revenue receipts at the end of the second quarter are trending as expected, with a continued increase in student activity fees as well as a jump in State Agency Client reimbursements which have been growing since last year at this time. As noted in Quarter 1, the amount collected in Summer Academy Fees did not meet our projected revenues because we were able to access new grant funds to support the cost of the High School's credit recovery program, and therefore did not charge student fees.

Other Funds

Spending in **Adult Education** has levelled off this quarter with some turnover in administrative personnel contributing to lower wage and benefit costs. Tuition is still trending upward with the expansion of enrichment courses complimenting our robust offerings in workforce and literacy programs.

The **School Nutrition Program** has an expenditure profile similar to last year at this time, with inflationary pressures on food and service costs offset by continuing staff turnover and open positions. As noted earlier, we are hopeful that the more competitive wages offered in the new collective bargaining agreement will help to improve our ability to attract qualified applicants. Federal and state revenues at the time of this report include reimbursements through the November claim, and funding is expected to continue to comfortably cover program costs this year.

In **Federal grant funds**, revenues lag behind expenditures because they are billed to the DOE after the expense has occurred. Our grant allocations are approved and set aside for us and this is only a question of timing, not potential revenue shortfall; we expect that all FY25 expenses will be reimbursed by year end. As noted above, spending in Title IIA has been slowed by the resignation of the K-12 SEL Specialist; we are currently working on amending our grant application to shift the use of our allocated funds to other areas of staff development.

Capital Projects

After a push to complete projects over the summer months, regular repairs and maintenance continue as they can be scheduled to minimize disruptions for staff and students. The CIP expense report for Quarter 2 shows ongoing expenditures in Facilities, particularly HVAC repairs, energy improvements and moveable equipment. In one notable project, a replacement for the failing dividing wall in the High School auditorium has been ordered, and preparations are currently underway for installation. In Technology, the cyclical replacement of student chromebooks at Wentworth accounts for the bulk of this year's spending.

In Summary

As we turn our attention to budget development for FY26, we are pleased to report a healthy financial position in the current year to date. School leaders are committed to making financial decisions that put students' needs first, while working to serve the best interests of our community as a whole, and we trust that this partnership will continue to enable us to work together to create a positive learning environment for all students.

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General Fund Expenditures: (including encumbrances)	Approved Budget	Revised Budget	Year-to-date Expended	Budget Balance	FY25 % Used	FY24 % Used	FY23 % Used
Regular Instruction:							
Regular Instruction Programs	26,591,031	26,591,031	12,905,859	13,685,172	48.5%	46.6%	51.4%
English as a Second Language (MLL)	641,397	641,397	279,959	361,438	43.6%	42.1%	52.3%
Gifted and Talented Programs	418,717	418,717	204,601	214,116	48.9%	48.5%	51.8%
Special Education Instruction	13,527,143	13,527,143	6,007,032	7,520,111	44.4%	43.9%	47.4%
CTE Instruction (Career & Technical Ed)	0	0	0	0	0.0%	0.0%	0.0%
Other Instruction:							
Co-Curricular	294,108	294,108	147,568	146,540	50.2%	50.2%	48.5%
Extra-Curricular	1,483,049	1,483,049	757,629	725,420	51.1%	46.2%	49.5%
Student & Staff Support:							
Guidance Services	2,010,296	2,010,296	970,584	1,039,712	48.3%	49.0%	51.2%
Health Services	934,130	934,130	441,859	492,271	47.3%	46.9%	52.6%
Improvement of Instruction	1,019,971	1,019,971	523,843	496,128	51.4%	58.2%	54.1%
Instructional Technology	1,684,285	1,684,285	1,092,074	592,211	64.8%	32.4%	24.1%
Library Services	975,814	975,814	410,164	565,650	42.0%	46.5%	47.3%
System Administration	1,532,309	1,532,309	726,077	806,232	47.4%	51.3%	49.6%
School Administration	2,044,429	2,044,429	965,562	1,078,867	47.2%	46.6%	50.0%
Transportation	2,181,439	2,181,439	946,917	1,234,522	43.4%	42.2%	41.5%
Facilities & Maintenance	5,296,481	5,296,481	2,343,518	2,952,963	44.2%	44.0%	47.5%
Debt Service	5,193,479	5,193,479	4,116,813	1,076,666	79.3%	83.2%	76.0%
All Other	0	0	0	0	0.0%	0.0%	0.0%
Total General Fund Appropriations	**65,828,078**	**65,828,078**	**32,840,057**	**32,988,021**	49.9%		
FY24 Year-to-date	**62,052,141**	**62,052,141**	**30,384,600**	**31,667,541**		49.0%	
FY23 Year-to-date	**58,801,486**	**58,801,486**	**30,319,384**	**28,482,102**			51.6%

General Fund Revenues:	Estimated Revenue	Revised Estimate	Year-to-date Received	Balance/ (Shortfall)	FY25 % Rec'd	FY24 % Rec'd	FY23 % Rec'd
Town Funding - Local Taxes	56,057,382	56,057,382	56,057,382	0	100.0%	100.0%	100.0%
Use of Fund Balance	1,500,000	1,500,000	1,500,000	0	100.0%	100.0%	100.0%
State Subsidy - GPA	7,879,696	7,879,696	3,962,301	(3,917,395)	50.3%	50.7%	50.1%
State Agency Client Funding	75,000	75,000	42,041	(32,959)	56.1%	37.7%	6.7%
Comm. Services Daycare (rent space)	37,000	37,000	0	(37,000)	0.0%	0.0%	0.0%
Community Services Transportation	25,000	25,000	0	(25,000)	0.0%	97.4%	0.0%
Winslow Homer/Facility Rental Fees	25,000	25,000	3,963	(21,038)	15.9%	22.3%	18.2%
Student Sports/Activity Fees	145,000	145,000	101,484	(43,516)	70.0%	62.3%	53.4%
Summer Academy Fees	6,000	6,000	2,750	(3,250)	45.8%	60.0%	100.0%
Renewable Energy Credits	12,000	12,000	0	(12,000)	0.0%	0.0%	0.0%
Other Miscellaneous Revenue	66,000	66,000	33,813	(32,187)	51.2%	59.0%	59.7%
Total Revenue	**65,828,078**	**65,828,078**	**61,703,734**	**(4,124,344)**	93.7%	95.0%	95.4%

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OTHER FUNDS

Adult Education:

Expenditures	Approved Budget	Revised Budget	Year-to-date Expended	Budget Balance	FY25 % Used	FY24 % Used	FY23 % Used
Wages & benefits (instructors & program admin)	184,119	184,119	89,264	94,855	48.5%	50.5%	40.4%
General supplies & operations	15,910	15,910	9,425	6,485	59.2%	62.3%	90.6%
Instructional supplies, software & equipment	14,100	14,100	2,994	11,106	21.2%	49.2%	24.6%
Expenditure totals	**214,129**	**214,129**	**101,683**	**112,446**	47.5%	51.2%	17.9%

Revenues	Estimated Revenue	Revised Estimate	Year-to-date Received	Balance/ (Shortfall)	FY25 % Rec'd	FY24 % Rec'd	FY23 % Rec'd
Town Funding - Local Taxes	73,560	73,560	73,560	0	100.0%	100.0%	100.0%
Use of Fund Balance	35,000	35,000	35,000	0	100.0%	100.0%	0.0%
State Subsidy - Adult Ed	49,569	49,569	49,569	(0)	100.0%	99.9%	99.8%
Grant Funds	16,000	16,000	3,706	(12,294)	23.2%	16.1%	16.5%
Adult Ed Tuition	40,000	40,000	19,549	(20,451)	48.9%	37.1%	23.7%
Revenue totals	**214,129**	**214,129**	**181,385**	**(32,744)**	84.7%	79.7%	77.2%

Adult Education YTD fund balance	**79,702**

School Nutrition Program:

Expenditures	Approved Budget	Revised Budget	Year-to-date Expended	Budget Balance	FY25 % Used	FY24 % Used	FY23 % Used
Wages & Benefits	1,373,206	1,373,206	550,955	822,251	40.1%	40.3%	41.6%
Food & Beverages	880,700	880,700	394,142	486,558	44.8%	40.1%	57.9%
Contracted Services (software & repairs)	33,600	33,600	25,668	7,932	76.4%	81.8%	76.7%
Supplies & Equipment	100,800	100,800	53,363	47,437	52.9%	105.8%	58.9%
Operations	3,350	3,350	1,479	1,871	44.1%	46.3%	74.7%
Expenditure totals	**2,391,656**	**2,391,656**	**1,025,607**	**1,366,049**	42.9%	43.3%	47.9%

Revenues	Budgeted Revenue	Revised Estimate	Year-to-date Received	Balance/ (Shortfall)	FY25 % Rec'd	FY24 % Rec'd	FY23 % Rec'd
Food Sales	378,000	378,000	159,375	(218,625)	42.2%	51.8%	71.1%
Federal Funding (USDA)	607,000	607,000	135,073	(471,927)	22.3%	12.9%	11.5%
State Funding (DOE)	1,401,656	1,401,656	509,080	(892,576)	36.3%	22.6%	1098.0%
Grants & Donations	5,000	5,000	0	(5,000)	0.0%	0.0%	32.3%
Revenue totals	**2,391,656**	**2,391,656**	**803,528**	**(1,588,128)**	33.6%	23.7%	36.6%

School Nutrition YTD fund balance	**(222,079)**

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Federal Restricted Funds:	Beg. Balance	FY25 Grant Funds Available	Year-to-date Revenues	Year-to-date Expenses	Available Funds*
ARP Literacy Grant	28,360	(5,378)	22,983	22,983	0
ARP Summer Learning Grant	48,149	(7,167)	40,983	40,983	0
ARP GEER - MOLI Grant	52,978	(35,670)	17,308	17,308	0
Title IA	67,377	104,347	33,120	80,823	90,901
Title IIA	23,662	82,365	6,758	6,758	99,270
Title III	0	11,592	0	0	11,592
Pre-K Local Entitlement	0	13,192	0	13,192	0
Local Entitlement	170,016	756,259	274,324	480,685	445,589
Total Federal Restricted	**390,542**	**919,541**	**395,475**	**662,733**	**647,351**

*reimbursement pending - Federal funds are disbursed after actual expenditures are reported

Grants, Trusts & Special Revenues:	Beg. Balance	FY25 Grant Funds Available	Year-to-date Revenues	Year-to-date Expenses	End. Balance
Louis & Tina Fineberg Trust	136,743		0	0	136,743
Scarborough Education Foundation	28,032		0	2,066	25,966
Local grants & donations	38,860		500	3,072	36,288
CC Admin Recertification (fiscal agent)	4,552		3,220	0	7,772
Tech Maintenance Fees	62,877		19,303	14,293	67,887
School Nutrition Special Programs	(4,935)		1,950	1,725	(4,710)
MLTI Tech Hardware	0		0	0	0
Preventing Student Homelessness Grant	1,748		0	0	1,748
PEPG State Grant	588		0	588	0
Preschool Development Grant	0	176,000	34,364	72,484	137,880
Proficiency-based Graduation Grant	3,083		0	0	3,083
Total Grants & Trusts	**271,548**		**59,338**	**94,229**	**412,657**

School CIP project account status
as of 12/31/2024

FACILITIES	Account #	Budget Balance as of 6/30/2024	FY25 Budgeted	FY25 YTD Expenses*	Budget Balance as of 12/31/2024
Long-range Planning	73001798 570000	0	585,000	1,131	583,869
District-wide Energy Improvements	73001803 570000	54,589	150,000	55,152	149,437
Kitchen Equipment	74001736 570000	0	31,000	24,089	6,911
District-wide Plumbing	74001739 570000	16,276	0	0	16,276
District-wide Roofing	74001771 570000	416,163	330,000	39,001	707,162
District-wide Interior Finishes	74001772 570000	0	200,000	199,325	675
District-wide Interior Construction	74001773 570000	0	35,000	34,340	660
District-wide Security & Access Mgmt	74001787 570000	9,471	570,000	275,326	304,145
District-wide Flooring	74001791 570000	61,345	250,000	103,985	207,360
District-wide Movable Equipment	74001792 573100	85,205	180,500	227,000	38,706
HS Auditorium Equipment	74001793 570000	4,700	418,000	300,560	122,140
District-wide Building Envelope	74001794 570000	51,766	267,600	232,605	86,761
District-wide Grounds & Site Mtce	74001805 570000	127,380	486,000	169,027	444,353
Athletics Facilities/Equipment	74001807 570000	119,464	71,000	9,472	180,992
District-wide HVAC/Mechanical	74176800 573100	110,480	739,000	470,672	378,808
Facilities Support/Equipment	74176900 573100	69,584	110,000	79,517	100,067
Facilities Support/Vehicles	74176900 573200	5,105	0	0	5,105
TOTALS		**1,131,530**	**4,423,100**	**2,221,201**	**3,333,428**
TOWN/SCHOOL PROJECTS					
Turf field & track replacement	74001795 570000	1,120,097	500,000	0	1,620,097
Unified Primary School 2027	73007800 545000	137,500,000	0	0	137,500,000
TOTALS		**138,620,097**	**500,000**	**0**	**139,120,097**
TRANSPORTATION					
Bus purchase/lease	74001712 573600	0	534,500	490,500	44,000
Transportation software	74001786 570000	68	0	0	68
TOTALS		**69**	**534,500**	**490,500**	**44,069**
TECHNOLOGY					
Equipment Replacement	74001784 573100	61,988	700,875	511,103	251,760
New Equipment	74001799 573100	(2,709)	0	0	(2,709)
TOTALS		**59,280**	**700,875**	**511,103**	**249,052**
GRAND TOTALS		**139,810,975**	**6,158,475**	**3,222,804**	**142,746,646**