

August 31, 2023

To: MERSD School Committee (SC)

From: Avi Urbas, Director of Finance & Operations

Copy: Pam Beaudoin, Superintendent of Schools

Re: Financials for 9/5/23 School Committee Meeting

Hello, MERSD School Committee. Attached please find attached financials for the 9/5/23 School Committee meeting, including:

- Accounts Payable (AP) warrants 1010-1012 (FY24) and 1085-6 (FY23).
- Payroll Vouchers for July

FY23:

V1085 – \$69K for 14 end of year invoices, funded entirely from the General Fund budget. These final amounts continue to wind down significantly, particularly after excluding the \$44K of FY24 prepaid out-of-district (OOD tuitions). Other items of note:

- \$8.4K to Town of Manchester for final quarterly water/sewer utility bills at the Middle High School (MSHS) and Manchester Memorial Elementary School (MMES)
- \$7.4K to Culture7 (Michael Eatman) for final monthly services in May and June
- \$5.8K to Project Adventure and \$458 to Salter associated with districtwide Grade 5 end-of-year activities.

V1086 – our first invoice for the Turf Field project, totaling \$118,198.89 for services completed in June, charged to our Stabilization fund. Recall that the bid contract is \$1.35 million, so this is not surprisingly a small amount, reflecting the small amount of work completed in that month.

A brief overview of the process for construction invoices may be helpful, which is similar to how MERSD received invoices for the MMES construction project. Each month, Sprinturf submits a monthly invoice to Gale Associates, documenting the percentage of work complete in that month for each of the various stages of project work. Gale reviews, discusses with MERSD, requests changes if necessary, and ultimately approves and sends to MERSD for payment. For each invoice, 5% of the work completed is held back as “retainage,” which is the amount we do not have to pay until all final closeout work is completed. Due to the delay in progress on our project, we held the June and July invoices (see Voucher 1012, below), but our contract does require payment at the next scheduled School Committee meeting. The June invoice covers the “preconstruction” phase, which includes project scheduling, coordination with Gale on permitting requirements, and, most significantly, order reviews/submittals for all turf materials, including placement and color of field lines.

With this payment, the estimated FY23 ending balance for Stabilization is \$88K.

FY24:

V1010: \$4,637.99 transfer request to replenish Essex Elementary Student Activities checking account from the EES Student Activity savings account. A listing of checks written since the last transfer is attached in the excel documentation. Checks include funds moved to the MSHS Student Activity accounts for graduating classes, which should be done annually, but had not happened while student activity fund usage had been mostly suspended at EES during the pandemic. Student Activities funds are generated by fundraising for non-curricular activities (e.g. field trips, or grade-wide extra-curricular

activities) and funds raised for a specific grade follow students as they move up through next grade levels and next schools.

V1011 – main AP voucher for FY24 expenditures totaling \$280,910.20, of which \$246K is charged to the General Fund budget, and \$31K to the employee-funded payroll withholding account (fund 903) for staff's share of benefits. This is a relatively small voucher, as we just sent one recently to coincide with the cancelled 8/22 school committee meeting. These costs are within budget. Some highlights of note:

- **Administrative & Instructional Technology:**
 - \$10K to Gov Connection for annual service contract on MERSD's wi-fi infrastructure. The MSHS and elementary units are entering their 8th and 6th year of life, respectively. The district has applied for and received a federal e-Rate grant to replace the units prior to the start of FY25. eRate grants fund 40% of capital improvements related to Internet connectivity, and MERSD intends to fund the remaining 60% with existing technology budgetary funds. Although the district will purchase the units outright, its 60% share will be paid over 5-years, using lease financing as has been done previously to smooth the budgetary impact.
 - \$2.9K for annual Adobe Creative Cloud license for MSHS, which includes a suite of creative software applications including most notably Photoshop and Illustrator.
 - \$2.8K to Mystery Science for annual elementary license for both elementary schools for science lesson planning software
- **Building Instructional Supplies:**
 - \$15K to KnowAtom for annual cost of consumable materials (e.g. lab materials, journals, etc.) associated with the elementary science curriculum for grades 3-5 at MMES. The EES payment was made on a previous voucher.
 - \$5.6K to McGraw Hill for annual consumable materials associated with elementary math curriculum at both MMES (\$3.7K) and EES (\$2.0K).
- **Facilities:**
 - \$5.1K to Delta Beckwith for annual service contract at MMES, including assistance with all Department of Public Safety inspections. The \$2.5K contract for EES was paid on the last vouchers and the invoice for the roughly \$8K MSHS contract will be coming soon.
 - \$4.7K to New England Sports floor for annual summer resurfacing of MSHS gym floor.

V1012: 2nd invoice for turf replacement construction from Sprinturf for services provided in July, totaling \$205,337.75. This represents the value (\$216K) of turf materials purchased for Hyland Field, but not yet installed by Sprinturf, less 5% retainage. Of this amount, \$88K is charged to Stabilization, bringing that balance down to \$0. The remaining \$117K is charged to School Choice reserves.

July Payroll Vouchers

Payroll vouchers in the summer are much smaller compared to the school year, as they exclude salaried payments to teachers and teaching assistants, and hourly work performed by substitutes, etc. The voucher for the 7/7 bi-weekly payroll is \$106.8K and for 7/20 is \$145.5K, compared to >\$700K when school year staff are working. Staff paid over the summer include district central office staff, facilities, technology, and principals and their administrative assistants. We also run the special education summer school program, using teaching staff and teaching assistants on an hourly basis. This accounts for the slightly larger size of the 7/20 voucher.

Please let me know if you have any questions.

Best regards,

Avi Urbas