

**MEMORANDUM**

Date: March 24, 2023  
To: Framingham School Committee  
From: Lincoln D Lynch IV, Executive Director of Finance and Operations  
Re: FY23 Finance and Operations budget update - Projections

---

The following is an FY23 budget update with end of year projections as required by School Committee policy. To date, the District has spent \$97,305,800.77 and has \$8,331,017.41 encumbered to be spent as the year progresses. Please keep in mind as projections are reviewed below, we are nine months into the fiscal year with three fluctuating months remaining. There are many shifts that could happen from now until the end of the year that may affect the projected numbers below in either direction(+/-). Included in the shifts, but not limited to are hiring of staff or not being able to hire staff, staff leaves of absences, changes in transportation - additional drivers and potential facility needs that involve the safety and well being of our staff, students and visitors.

As of the writing of this update, the total projected FY23 overall operating budget balance is a positive \$1,710,809. The projected balance results from a projected positive balance in salaries of \$1,927,200 and a projected negative balance in expenses of \$216,391. In addition, the current projected FY23 Circuit Breaker balance, separate from the FY23 operating budget available balance, is a positive \$904,029. The projected total available balance of the operating budget plus FY23 Circuit Breaker is \$2,614,837. This projected amount aligns with the District's FY24 operating budget plan to carry forward \$2,000,000 in the FY23 Circuit Breaker account. The \$2,000,000 carry forward will balance the FY24 operating budget by covering FY24 Special Education tuition and transportation costs.

My recommendation is to not factor the remaining \$614,837 available in the FY23 Circuit Breaker balance into any end of year financial decisions at this time. The reason for this recommendation is because out-of-district tuition and transportation costs could occur at any time when and if a student moves into Framingham this year and requires placement.

The total salary budget is projected to end the year with a positive balance of \$1,927,200. Vacant positions across the district have been a staple this year and the major factor for the available balance in this projection. Further, multiple leaves of absences contribute to the available balance as savings are seen if a staff member is out on leave beyond the forty (40) paid days the staff member receives. Other contributors include but are not limited to, late hires for positions that are fully budgeted for a full year, hiring staff that are on waivers but are placed

into fully budgeted licensed positions, staff that leave mid-year and staff that are hired at a lower than budgeted salary.

The total expense budget is projected to end the year with a negative balance of \$216,391. Contributing to the negative balance is the District's effort to increase the quality of our buildings and the security and safety of our students, staff and visitors. The District has invested in additional access controls and other safety measures in all buildings. Expense budget balance drivers are as follows:

Utilities are projected to end the year with a negative balance of \$402,000. The projection is based on the projected costs for electricity, gas and phones. This expense budget could fluctuate either up or down based on temperatures we experience over the next three months.

The Safety and Security Department's budget is projected to end the year with a negative balance of \$521,651. The department's FY23 Capital request for \$400,000 was denied during the capital approval process and it was then recommended that the District cover the gap with any expense savings.

The Transportation Department's budget is projected to end the year with an available balance of \$1,236,179. The projection is based on home to school transportation which is running on average 20-25 buses short each day combined with an increase in McKinney Vento transportation costs.

The Buildings and Grounds Department's budget is projected to end the year with a negative balance of \$953,538. Many repairs including but not limited to boiler repairs, masonry wall repairs, resurfacing courts, cooling and rooftop repairs have occurred across the District this year that were not anticipated but were needed to occur to maintain safe and healthy buildings. Furniture purchases for all buildings also contributed to the projected negative balance in this budget.