

February 8, 2006

Memorandum To: Thomas Fowler-Finn, Superintendent of Schools

From: James Conry, Chief Financial Officer

Subject: Monthly Financial Report as of 12/31/05

Attached for your information is a General Fund Financial Report as of December 31, 2005, with expenditure projections for the remainder of FY2005-06, and estimated end-of-year balances as of June 30, 2006.

As of this report, the projected end-of-year balance for FY05-06 is **\$4,880,639**, which represents 3.9% of the general fund budget of \$124,119,400. This estimate is an increase of **\$410,857** from the previous (11/30/05) monthly report, for the reasons stated below. The factors and assumptions reflected in this projected balance are as follows:

1. Salaries and Fringe Benefits - the projected overall 6/30/06 balance for salaries and fringe benefit accounts is estimated at **\$2,099,259**, an increase of \$48,792 over the 11/30/05 projection. The reason for the higher estimate is due primarily to vacancies in specialist teacher positions that continue to be unfilled, and continuing vacancies in aide positions to be filled. Although these vacancies generate savings in the current year, Principals are in the process of seeking qualified candidates for the positions, and therefore they do not provide opportunities for budget reductions in next year's budget. Also, extended term substitute costs are higher than estimated, and workers' compensation and substitute teacher payroll costs have increased slightly.

Significant balances are projected in administrative salaries (vacant position), teacher salaries (vacancies, staff turnover savings), paraprofessional salaries (vacancies) and benefits (lower costs than budgeted). Over-expenditures are projected in Food Services salaries (subsidy), custodial salaries (provisional staff covering extended sick leave), extended term substitutes (filling in for teacher paid medical leaves), workers' comp salary, and Medicare employer share.

Assumptions: no significant changes in staffing through June 30, temporary salary accounts in school and department budgets will be substantially expended by year-end, current vacant positions will be filled as year progresses.

2. Other Ordinary Maintenance – the projected 6/30/06 balance for Other Ordinary Maintenance is **\$2,780,406**, which is \$361,091 more than the 11/30/05 monthly report. This increase in the projected balance is due primarily to lower than estimated costs for Special Education tuition for out-placed students. It appears there will be fewer students out-placed and average tuition costs are lower than last year. In October, 2005, we estimated net tuition costs (after state circuit-breaker reimbursement) at \$7,837,984. The updated current estimate is \$7,246,195, a difference of \$591,789. Day program average tuition costs are down almost \$3,700/student, and residential average tuition is down almost \$9,000/student. Overall, we are projecting a balance of \$3,412,636 in tuition accounts, \$2,970,828 in special education tuition and \$441,808 in vocational education tuition for students at Minuteman. A positive balance of \$227,626 is also projected in unemployment costs due to lower charges.

These surpluses are offset by estimated shortfalls in energy accounts, estimated at (\$596,829). This shortfall has increased from the (\$399,194) estimate in September, 2005 due to higher energy prices. Also, project and repair overexpenditures are expected in several maintenance areas (roof repairs, plumbing, window replacement, HVAC services, and elevator repairs – totaling \$190,000). A small negative balance (\$45,000) is projected in transportation, resulting from higher than estimated costs for extended day program transportation, partially offset by lower than budgeted costs for transporting students to Minuteman vocational school (fewer students).

Assumptions: schools and departments will fully expend their OOM budgets, special education tuition students and costs will be consistent with estimates, no significant facility or emergency costs.

3. Travel & Training – the projected balance is \$918. Employee workers' compensation medical costs are expected to be over-expended by approximately \$30,000, offset by under-expenditures in systemwide professional development/training costs. Schools and departments are expected to fully expend their professional development and other T&T budget accounts
4. Extraordinary Expenditures – the projected balance is \$0. The largest item in this category is debt service, which is fixed cost. Also, this estimate assumes schools and departments will fully expend their equipment budgets, and the pay-as-you-go capital project budget will be expended.

The attached financial report provides information by major account code, including budget, encumbrances and expenditures to-date, balances as of 12/31/05, projected expenditures to end-of-year, and projected balances as of 6/30/06. As the year progresses, the projected year-end position will be modified by actual experience.

Cc: J. Maloney, C. Turk

Cambridge Public Schools  
General Fund Financial Report as of December 31, 2005

		Prior Yr FY0405	Curr Yr FY0506	Curr Yr FY0506				Projected	Projected
		Expended &	Original	Revised		Expended		Expend. To	End-of-Year
Acct.	Description	Encumbered	Budget	Budget	Encumbered	To-Date	Balance	End-of-Year	Balance
					-				
51111	Perm Salaries - Administration	6,845,111	6,847,226	6,816,093	-	3,338,372	3,477,721	3,351,290	126,431
51112	Perm Salaries - Teacher	42,432,803	45,615,268	46,151,050	-	22,313,577	23,837,472	22,015,155	1,822,317
51113	Perm Salaries - Custodial	3,171,998	3,449,364	3,459,962	-	1,802,131	1,657,831	1,675,800	(17,969)
51114	Perm Salaries - Food Service	804,785	412,277	412,277	-	-	412,277	585,000	(172,723)
51115	Perm Salaries - Clerical	2,960,662	3,006,709	3,006,702	-	1,596,279	1,410,423	1,398,600	11,823
51116	Perm Salaries - Paraprof Aids	4,084,943	4,030,276	4,213,553	-	1,924,172	2,289,381	2,098,000	191,381
51117	Perm Salaries - Full Time Othe	3,905,963	3,897,796	4,097,254	-	2,050,052	2,047,202	2,013,000	34,202
51118	Perm Salaries - Aides 2/3/4 hr	909,465	809,761	884,228	-	351,464	532,764	533,000	(236)
51201	Temp Salaries - Professional	849,420	1,298,497	1,216,192	-	376,400	839,792	786,638	53,154
51202	Temp Salaries/Wages Other	807,321	1,830,632	963,138	-	537,232	425,906	372,221	53,685
51203	Substitute Teachers - Daily	704,939	694,510	703,223	-	275,467	427,756	498,716	(70,960)
51204	Extended Term Substitute	369,894	237,749	252,841	-	152,371	100,470	270,500	(170,030)
51206	Temporary Clerical Help	104,192	45,155	45,155	4,749	20,093	20,314	54,351	(34,037)
51301	Overtime	378,830	431,724	437,126	-	230,518	206,609	183,312	23,296
51410	Attendance Incentives	72,144	76,003	76,003	-	29,080	46,923	43,064	3,859
51413	Longevity/Non-Pos. Emp	-	92,350	-	-	-	-	-	-
51503	Grievance Payments	6,000	18,000	18,000	-	-	18,000	6,000	12,000
51504	Worker's Compensation Pyts.	347,219	333,610	333,610	-	200,968	132,642	205,000	(72,358)
51505	Sabbatical/Vol Career Chg	56,739	180,203	180,203	-	41,549	138,654	49,320	89,334
51710	Health Insurance	10,602,451	12,168,538	11,881,423	-	11,671,453	209,970	132,378	77,592
51720	Dental Insurance	910,507	971,980	971,980	233,147	489,956	248,877	202,403	46,473
51730	Pensions	2,672,805	2,891,939	2,891,939	-	2,739,625	152,314	-	152,314
51731	MTRS Pensions	148,250	148,442	148,442	-	148,250	192	-	192
51750	Medicare	673,518	648,560	648,560	-	356,095	292,465	361,452	(68,987)
51760	Clothing Allowance	69,110	85,114	85,114	-	50,765	34,349	25,845	8,504
51770	Fringe Benefits	32,005	(284,623)	190,188	-	7,209	182,979	182,979	0
51999	Payroll Reserves/Suspense	43,889	-	-	-	39,518	(39,518)	(39,518)	-
									-
	<b>Sub-total: Salaries &amp; Fringe Ben.</b>	<b>83,964,963</b>	<b>89,937,060</b>	<b>90,084,256</b>	<b>237,896</b>	<b>50,742,595</b>	<b>39,103,765</b>	<b>37,004,507</b>	<b>2,099,259</b>

Cambridge Public Schools  
General Fund Financial Report as of December 31, 2005

		Prior Yr FY0405	Curr Yr FY0506	Curr Yr FY0506				Projected	Projected
		Expended &	Original	Revised		Expended		Expend. To	End-of-Year
Acct.	Description	Encumbered	Budget	Budget	Encumbered	To-Date	Balance	End-of-Year	Balance
52102	Fuel Oil	624,475	582,072	582,072	607,544	318,029	(343,501)	24,062	(367,562)
52103	Electricity	2,086,277	1,971,403	1,971,403	456,944	718,891	795,568	693,441	102,126
52104	Natural Gas	427,539	360,164	360,164	557,114	38,864	(235,814)	77,477	(313,291)
52105	Chemicals	8,875		-	202	5,490	(5,692)	(5,692)	-
52401	Repairs and Maint (Services)	41,808	200	-	-	-	-	-	-
52403	Maint- Plumbing (Services)	66,745		-	5,251	17,254	(22,505)	2,960	(25,465)
52404	Maint- Roof (Services)	56,642	61,160	61,160	2,370	32,812	25,978	120,978	(95,000)
52405	Maint- Floor/Tile (Services)	9,516		28,532	-	29,112	(580)	(580)	-
52406	Maint-Carpentry (Services)			-	-	2,660	(2,660)	(2,660)	-
52407	Maint- Brickwork (Services)	2,610		18,140	-	7,140	11,000	11,000	-
52408	Maint- Electrical (Services)	24,491	17,500	37,500	1,024	2,566	33,910	33,910	-
52409	Maint- Ground/Fence (Svcs)	57,774	54,000	74,000	-	19,615	54,385	54,385	-
52410	Maint- Painting (Services)	-		15,000	1,675	6,288	7,037	7,037	-
52411	Maint- Windows (Services)	28,138	11,400	96,696	19,286	108,008	(30,597)	29,403	(60,000)
52412	Maint- HVAC (Services)	440,081	161,004	161,004	92,050	86,061	(17,107)	10,667	(27,774)
52413	Maint- Energy Services	56,830	75,996	75,996	31,136	21,722	23,138	23,138	-
52420	Maint-Elevator Svs.	136,377		38,832	30,630	24,890	(16,688)	35,100	(51,788)
52702	Rental of Buildings	174,867	172,030	172,030	72,905	93,251	5,874	5,874	(0)
52703	Rental of Equipment	27,572	18,750	18,750	2,539	4,893	11,318	11,318	-
52902	Moving Supplies/Services	5,559	13,000	13,000	-	855	12,145	12,145	-
52903	Trash Disposal	6,550	1,200	1,200	2,894	2,706	(4,400)	(4,400)	-
52904	Custodial Supplies/Services	121,365	163,038	163,038	11,515	117,381	34,142	34,142	-
52905	Extermination Services/Supp.	25,000	25,000	25,000	14,085	16,715	(5,800)	(5,800)	-
52999	Maint - Misc Services	23,073	250,550	199,434	225	24,083	175,126	175,126	-
53101	Professional & Technical Svc	1,564,245	1,459,962	1,469,467	584,348	361,826	523,293	523,293	-
53102	Legal Services	64,698	64,334	64,334	15,158	16,402	32,774	32,774	-
53103	EDP (Computer) Services	531	5,000	5,000	-	-	5,000	5,000	-
53104	Engineering Services	17,700	27,860	27,860	-	330	27,530	27,530	-
53201	Tuition to Other Schools	8,036,200	11,114,103	11,089,103	6,558,959	1,864,285	2,665,859	(746,777)	3,412,636
53301	Transportation Services	3,305,486	3,729,264	3,745,264	872,807	1,085,663	1,786,794	1,831,794	(45,000)
53302	Field Trips	63,690	40,786	42,786	28,998	3,728	10,061	10,061	-
53402	Telephone	439,233	239,057	239,057	36,037	30,823	172,197	172,197	-
53403	Advertising	88,315	52,182	52,182	2,507	34,649	15,027	15,027	-
53404	Reproduction and Printing	550,137	516,066	515,769	48,057	360,012	107,700	107,700	-

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		Expended &	Original	Revised		Expended		Expend. To	End-of-Year
Acct.	Description	Encumbered	Budget	Budget	Encumbered	To-Date	Balance	End-of-Year	Balance
53405	Postage	80,315	100,142	100,257	8,258	45,732	46,267	46,267	-
53802	Environmental Services	55,799	20,279	20,279	-	14,016	6,263	6,263	-
53803	Security Services	65,569	79,831	79,831	30,424	32,542	16,865	16,865	-
53804	Athletic Services	32,631	30,400	30,400	2,277	17,121	11,003	11,003	-
53805	Unemployment	306,615	517,698	517,698	-	86,940	430,758	203,132	227,626
53806	MBTA Passes	12,450	9,500	9,500	-	5,643	3,857	3,857	-
53807	Insurance	63,349	63,707	63,707	300	9,299	54,108	54,108	-
54201	Office Supplies Summary	194,439	155,366	143,433	19,850	79,827	43,756	43,756	-
54303	Maint- Plumbing (Supplies)	33,778	40,000	40,000	10,366	16,789	12,845	12,845	-
54305	Maint - Floor/Tile (Supplies)	4,298	7,000	-	-	-	-	-	-
54306	Maint - Gen Carp (Supplies)	114,841	50,000	98,000	23,541	68,597	5,862	5,862	0
54308	Maint - Electrical (Supplies)	101,630	59,832	59,832	9,931	25,235	24,666	24,666	-
54310	Maint- Painting (Supplies)	10,492	2,500	2,500	-	5,177	(2,677)	(2,677)	-
54311	Maint-Windows Supplies	2,133	15,000	-	-	-	-	-	-
54312	Maint-HVAC Supplies	64,353	60,000	60,000	2,138	27,679	30,182	30,182	-
54320	Maint-Elevator Supplies	21,031	38,832	-	-	100	(100)	(100)	-
54321	Equipment Maintenance	90,444	149,796	145,693	30,589	40,253	74,851	74,851	-
54399	Maint- Misc Materials	48,441	321,731	151,947	7,636	45,830	98,482	33,482	65,000
54802	Motor Vehicle Repair	84,740	61,531	61,531	49,972	85,412	(73,853)	(50,853)	(23,000)
54803	Gasoline and Oil	31,925	28,315	28,315	-	8,047	20,268	38,370	(18,102)
54902	Food Supplies	61,963	62,737	66,172	22,983	19,188	24,001	24,001	-
55102	Testing Service/Material	3,288	46,489	46,489	7,459	2,128	36,902	36,902	-
55103	Instructional Material	1,348,799	1,319,143	1,385,738	197,947	491,759	696,031	696,031	-
55104	Athletic Supplies	49,566	24,338	24,338	1,009	14,244	9,085	9,085	-
55106	Text Books	459,007	372,853	388,457	81,407	176,136	130,913	130,913	-
55107	Instruction Services	74,543	25,783	210,783	132,532	63,068	15,183	15,183	-
55201	Medical Supplies & Services	83,144	36,272	20,858	123	8,986	11,749	11,749	-
55802	Computer Supplies	70,107	71,350	78,623	9,794	47,426	21,403	21,403	-
55803	Graduations/Ceremonies	21,373	39,650	39,650	3,275	1,401	34,974	34,974	-
55804	Computer Software	265,428	153,915	135,653	35,694	73,030	26,929	26,929	-
55806	Misc Supplies and Services	484,776	776,053	500,672	51,292	124,154	325,226	325,226	-
	<b>Sub-total: Other Ordinary Maint.</b>	<b>22,923,666</b>	<b>25,927,124</b>	<b>25,874,129</b>	<b>10,795,057</b>	<b>7,092,763</b>	<b>7,986,309</b>	<b>5,205,903</b>	<b>2,780,406</b>

Cambridge Public Schools  
General Fund Financial Report as of December 31, 2005

		Prior Yr FY0405	Curr Yr FY0506	Curr Yr FY0506				Projected	Projected
		Expended &	Original	Revised		Expended		Expend. To	End-of-Year
<u>Acct.</u>	<u>Description</u>	<u>Encumbered</u>	<u>Budget</u>	<u>Budget</u>	<u>Encumbered</u>	<u>To-Date</u>	<u>Balance</u>	<u>End-of-Year</u>	<u>Balance</u>
57101	Business Travel	36,016	46,268	57,730	11,291	12,760	33,678	33,678	-
57102	Business Travel in State	1,800	2,000	2,000	1,200	621	179	179	-
57104	Seminar/Conf/Train. (in St.)	44,886	3,850	11,791	4,690	8,591	(1,490)	(1,490)	-
57105	Workshop Stipends/Prof Dev	344,782	538,159	448,934	6,488	91,350	351,096	351,096	-
57201	Business Travel Outside State	7,168	7,575	-	596	1,544	(2,140)	(2,140)	-
57202	Seminars/Conf/Train. (out St.)	219,783	847,964	846,239	12,261	124,035	709,942	678,942	31,000
57301	Dues and Subscriptions	41,578	46,294	74,971	4,590	55,303	15,078	15,078	-
57302	Prof Memberships & Affiliation	16,061	6,700	-	-	9,728	(9,728)	(9,728)	-
57303	Prof Publication/Subscriptions	2,407	2,500	-	-	758	(758)	(758)	-
57601	Court Jdgmnts/Damage Settle	147,555	-	-	-	-	-	-	-
57602	LumpSumSettle - Wkr's Comp	220,781	152,000	152,000	972	47,078	103,951	103,951	-
57604	Empl WC Medical Services	145,334	113,142	113,140	-	101,165	11,975	42,000	(30,025)
		-							
<b>Sub-total: Travel &amp; Training</b>		<b>1,228,152</b>	<b>1,766,452</b>	<b>1,706,805</b>	<b>42,088</b>	<b>452,934</b>	<b>1,211,783</b>	<b>1,210,808</b>	<b>975</b>
		-							
58302	Energy Conservation Lease	460,340	460,340	460,340	191,808	268,532	(0)	(0)	-
58501	Equipment & Furniture	169,665	169,756	284,275	31,023	105,835	147,417	147,417	-
58502	Computer Network	68,950	100,000	103,465	675	95,158	7,632	7,632	(0)
58504	New Equip. - Motor Vehicle	26,475	35,370	42,187	3,309	7,557	31,321	31,321	-
58506	Nequip-Educ. Equip	602	60,950	-	500	18,278	(18,778)	(18,778)	-
58550	Computer Hardware	797,152	420,198	425,234	9,097	255,906	160,232	160,232	(0)
58801	Major Maintenance Summary	49,473		-	-	-	-	-	-
58805	Capital - Flooring			-	46,100	-	(46,100)	(46,100)	-
58920	Construction	488,873	580,000	580,000	-	10,960	569,040	569,040	-
58925	Engineering	25,850		-	-	-	-	-	-
59102	Debt Svs-Principal LTD	4,808,000	3,935,000	3,906,559	-	1,975,000	1,931,559	1,931,559	(0)
59202	Debt Svs. LT Debt Interest	847,686	652,150	652,150	-	342,225	309,925	309,925	-
<b>Sub-total: Extraordinary Expend.</b>		<b>7,743,067</b>	<b>6,413,764</b>	<b>6,454,210</b>	<b>282,513</b>	<b>3,079,450</b>	<b>3,092,247</b>	<b>3,092,248</b>	<b>(1)</b>
<b>Total:</b>		<b>115,859,848</b>	<b>124,044,400</b>	<b>124,119,400</b>	<b>11,357,553</b>	<b>61,367,742</b>	<b>51,394,105</b>	<b>46,513,465</b>	<b>4,880,639</b>

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		Expended &	Original	Revised		Expended		Expend. To	End-of-Year
<u>Acct.</u>	<u>Description</u>	<u>Encumbered</u>	<u>Budget</u>	<u>Budget</u>	<u>Encumbered</u>	<u>To-Date</u>	<u>Balance</u>	<u>End-of-Year</u>	<u>Balance</u>
	<b>Summary:</b>								
	<b>Sub-total: Salaries &amp; Fringe Ben.</b>	<b>83,964,963</b>	<b>89,937,060</b>	<b>90,084,256</b>	<b>237,896</b>	<b>50,742,595</b>	<b>39,103,765</b>	<b>37,004,507</b>	<b>2,099,259</b>
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	<b>Sub-total: Travel &amp; Training</b>	<b>1,228,152</b>	<b>1,766,452</b>	<b>1,706,805</b>	<b>42,088</b>	<b>452,934</b>	<b>1,211,783</b>	<b>1,210,808</b>	<b>975</b>
	<b>Sub-total: Extraordinary Expend.</b>	<b>7,743,067</b>	<b>6,413,764</b>	<b>6,454,210</b>	<b>282,513</b>	<b>3,079,450</b>	<b>3,092,247</b>	<b>3,092,248</b>	<b>(1)</b>
	<b>Total:</b>	<b>115,859,848</b>	<b>124,044,400</b>	<b>124,119,400</b>	<b>11,357,553</b>	<b>61,367,742</b>	<b>51,394,105</b>	<b>46,513,465</b>	<b>4,880,639</b>