

Natick Public Schools

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Building the Future, One Child at a Time



Peter H. Gray, MCPPO
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To: Natick School Committee

From: Peter H. Gray, Director of Finance

Date: June 19, 2017

Re: FY17 Budget Update

As you are aware the FY17 budget will officially close on June 30th. We have analyzed all of our accounts and are providing you with our projected year-end balance based on the following practices and assumptions:

On May 3rd we issued a request to all departments to provide the business office with encumbrances for any expenses they would be anticipating by June 30th. An encumbrance is a process to identify funds for an authorized future purchase. With this information we are able to project what balances (if any) would be available on June 30th. In addition if an account was projected to be overspent we require documentation as to why the account was overspent as well as what other sources (such as identifying available funds from another account that showed a balance remaining) would be utilized.

We have identified the following two accounts that due to unanticipated spending will be overspent for FY17:

SPED Transportation- \$150,000
SPED Legal Fees - \$100,000

Both of these accounts will require additional offsets from our Circuit Breaker revolving account. This account is specifically designed for addressing these issues. After utilizing these offsets we will still have an appropriate balance to address any future SPED issues.

On page 2 is a summary of our projected year end balances. If you have any questions please let me know.

FY17 Year to Date Projected Balance as of June 30, 2017

Salaries	\$ 44,446,984
Expenses	<u>\$ 13,324,799</u>
Total	\$57,771,783
FY17 Budget	<u>\$ 57,778,570</u>
Projected Balance	\$ 6,787