

NOTES & COMMENTS

FY22 QUARTER 1 -- FINANCIALS AS OF 9/30/2021

Overview

During the first quarter of FY22, our district focus has been on a successful return to full-time in-person learning for our students and staff. Despite continuing challenges, we are truly grateful for the opportunity to have everyone back in our schools. In the Business Office, we have spent the first quarter setting up our financials for the new fiscal year, while finishing up FY21 with the usual year-end invoicing, adjustments and financial reports required by the town and state. Here we turn our attention to the start of FY22.

Expenditures

During the first quarter of the fiscal year, spending patterns vary depending on the function of each expense account. Salary and benefit lines for year-round staff are used at a different rate from those for school-year staff. Expense accounts used for items like instructional supplies, online services, yearlong subscriptions, property insurance coverage and membership fees are spent at a higher rate during the first quarter as we prepare for the start of the school year.

As usual in these quarterly financial statements, we have included columns showing comparative percentages from the two prior fiscal years, to help us identify and address any notable variances. This tool helps us to recognize and account for the varied spending patterns from quarter to quarter. In most cases you will see that we are within one or two percentage points of prior year first quarter expenses.

Here are a few variances of note:

Health Services – an increase in spending over FY21 in this category reflects the cost of extra hours spent in critical preparations by the nursing staff at the start of the school year; in FY20 this extra time was paid from federal CARES Act grant funds.

Improvement of Instruction – a first quarter reduction in spending in this category is due to the shift of costs of new curriculum materials in FY21 to the individual school supply lines in FY22, as well as changes to the contracted service package purchased from iReady.

Transportation – spending is up slightly in this category due to our increased success in hiring new drivers for the fall of 2021. We currently have 21 of 23 driver positions filled, although several of our new hires are still in the process of attaining their CDL license through our driver training program.

Revenues

Our revenue receipts at the end of the first quarter are very similar to the patterns we have seen in prior years, including pre-pandemic. The exception is Student Activity Fees, which have rebounded to the level we would expect now that in-person activities have resumed with minimal restrictions. Comparing receipts posted in Miscellaneous Revenue, we received our annual MEMIC dividends and refunds in Quarter 1 of FY21; they will be reflected this year in Quarter 2.

Other Funds

Adult Education is running courses in person again this fall, while continuing to offer some of the more popular online courses they developed last school year. First quarter revenues have rebounded close to FY20 levels, and we are optimistic that this trend will continue.

The **School Nutrition Program** has certainly faced many challenges over the past 18 months, but the latest twist has actually been beneficial financially to our district. While we have always maintained that the health and wellbeing of our students depends on our providing a robust school meal program, we have often lamented the lack of funding support from the state and federal government, requiring the use of general fund surplus to resolve annual deficits. This year, with changes in both state and federal law responsive to the pandemic, the district has begun receiving reimbursement funds that cover the actual costs of running our program.

COVID-related **Federal grant funds** continue to be available in FY22, and represent a significant contribution to our operations this year, allowing us to provide supplemental resources to support our staff and students as we transition from the hybrid learning model of 2020-21. A summary of all of our FY22 grant project allocations is on page 3 of this report, and grant fund financial data is provided on page 6.

Capital Projects

The CIP expense report for Quarter 1 reflects a return to scheduled projects over the summer of 2021, when deferred roofing and HVAC work were able to resume. Regular planned maintenance in other budgeted areas will continue over school breaks to cause the least possible disruption for students and staff.

In Summary

At the time of this first quarter report, we are both encouraged by the overall stability of our financial status during these unusual times, and cognizant of the challenges that remain. As we work to provide a safe and healthy environment for learning in our district, we reaffirm our commitment to ensuring that our financial decisions put students' needs first, while working to serve the best interests of our community as a whole.

FEDERAL GRANT FUNDING SUMMARY FOR FY22

Grant	FY22 Allocation	Approved for:
COVID-related funding		
ESSER I	58,316 (FY21 balance)	Summer payroll & benefits for 2020-21 supplemental teacher; wages & contracted services for 2021 summer programs.
ESSER II	438,893	Supplemental teacher positions to reduce class size: 1.0 FTE at Blue Point 2.0 FTE at Wentworth 3.0 FTE at Middle School
ARP ESSER III	985,994	<ul style="list-style-type: none"> • Summer programs for 2021 and 2022 • Class size reduction – 2.0 teachers at Wentworth • RTI/Credit recovery – 1.0 specialist at High School • Quarantine transition support – 1.6 positions at Wentworth • K-12 tech specialist – 1.0 position • Pooled testing support staff • Tech equipment • Professional development for SEL • \$253,000 retained for use in FY23
ARP Pre-K Local Entitlement	19,251	One-to-one ed tech for incoming Kindergarten student in Special Education at Eight Corners. Funding covers 1.0 position for November – February.
ARP Local Entitlement	165,254	Certified Orton-Gillingham instructor (contracted service) to provide specialized reading instruction to identified students; 8-passenger van for Special Services transportation.
Regular grants		
Title IA	180,182	Supplemental literacy support services at Wentworth School – 1.0 teacher and 0.6 ed tech positions. Targeted intervention for economically disadvantaged students.
Title IIA	126,433	Professional development district-wide – 1.0 SEL specialist position to facilitate professional learning and staff support.
Pre-K Local Entitlement	11,660	One-to-one ed tech for incoming Kindergarten student in Special Education – used this year at Eight Corners. Funding covers 1.0 position for September – November.
Local Entitlement	966,704	Multiple uses in Special Education – 1.0 K-2 consulting teacher; 1.0 psychologist; 1.0 teacher of the deaf; 7.0 bus aides/van drivers; 0.75 assistant Special Services director. Contracted services, professional development, instructional supplies & equipment.

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	Approved Budget	Revised Budget	Year-to-date Expended	Budget Balance	FY22 % Used	FY21 % Used	FY20 % Used
General Fund Expenditures: (including encumbrances)							
Regular Instruction:							
Regular Instruction Programs	22,900,410	22,900,410	5,753,780	17,146,630	25.1%	24.8%	25.6%
English as a Second Language (ESL)	409,578	409,578	102,699	306,879	25.1%	26.1%	26.1%
Gifted and Talented Programs	366,073	366,073	94,806	271,267	25.9%	25.4%	26.4%
Special Education Instruction	10,258,945	10,258,945	2,140,344	8,118,601	20.9%	20.5%	20.4%
CTE Instruction (Career & Technical Ed)	0	0	0	0	0.0%	0.0%	0.0%
Other Instruction:							
Co-Curricular	200,338	200,338	2,638	197,701	1.3%	0.6%	7.0%
Extra-Curricular	1,211,674	1,211,674	135,355	1,076,319	11.2%	9.7%	20.8%
Student & Staff Support:							
Guidance Services	1,665,632	1,665,632	417,191	1,248,441	25.0%	25.2%	24.7%
Health Services	849,701	849,701	227,462	622,239	26.8%	20.5%	25.1%
Improvement of Instruction	977,217	977,217	322,329	654,888	33.0%	42.7%	31.3%
Instructional Technology	1,336,728	1,336,728	137,778	1,198,950	10.3%	9.1%	12.7%
Library Services	800,131	800,131	177,307	622,824	22.2%	20.9%	20.9%
System Administration	1,407,428	1,407,428	380,663	1,026,765	27.0%	26.5%	26.7%
School Administration	1,833,187	1,833,187	454,196	1,378,991	24.8%	22.9%	23.8%
Transportation	1,737,872	1,737,872	245,377	1,492,495	14.1%	11.8%	18.5%
Facilities & Maintenance	4,190,725	4,190,725	1,063,706	3,127,019	25.4%	24.1%	24.4%
Debt Service	5,537,376	5,537,376	0	5,537,376	0.0%	0.0%	0.0%
All Other	0	0	0	0	0.0%	0.0%	0.0%
Total General Fund Appropriations	55,683,015	55,683,015	11,655,633	44,027,383	20.9%		
FY21 Year-to-date	53,311,243	53,311,243	10,941,646	42,369,597		20.5%	
FY20 Year-to-date	51,426,993	51,426,993	10,919,102	40,507,891			21.2%

	Estimated Revenue	Revised Estimate	Year-to-date Received	Balance/ (Shortfall)	FY22 % Rec'd	FY21 % Rec'd	FY20 % Rec'd
General Fund Revenues:							
Town Funding - Local Taxes	49,456,932	49,456,932	49,456,932	0	100.0%	100.0%	100.0%
Use of Fund Balance	1,000,000	1,000,000	1,000,000	0	100.0%	100.0%	100.0%
State Subsidy - GPA	4,903,083	4,903,083	1,359,427	(3,543,656)	27.7%	25.4%	24.8%
State Agency Client Funding	60,000	60,000	0	(60,000)	0.0%	0.0%	0.0%
Comm. Services Daycare (rent space)	35,000	35,000	0	(35,000)	0.0%	0.0%	0.0%
Community Services Transportation	25,000	25,000	0	(25,000)	0.0%	0.0%	0.0%
Winslow Homer/Facility Rental Fees	23,000	23,000	0	(23,000)	0.0%	0.0%	0.8%
Student Sports/Activity Fees	120,000	120,000	27,536	(92,464)	22.9%	16.0%	19.2%
Other Miscellaneous Revenue	60,000	60,000	5,569	(54,431)	9.3%	70.3%	3.5%
Total Revenue	55,683,015	55,683,015	51,849,464	(3,833,551)	93.1%	93.8%	94.1%

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OTHER FUNDS

Adult Education:

	Approved <u>Budget</u>	Revised <u>Budget</u>	Year-to-date <u>Expended</u>	Budget <u>Balance</u>	FY22 <u>% Used</u>	FY21 <u>% Used</u>	FY20 <u>% Used</u>
Expenditures							
Wages & benefits (instructors & program admin)	152,629	152,629	29,521	123,108	19.3%	11.1%	22.8%
General supplies & operations	11,760	11,760	4,886	6,874	41.5%	36.7%	34.6%
Instructional supplies, software & equipment	15,250	15,250	1,710	13,540	11.2%	22.0%	29.1%
Expenditure totals	179,639	179,639	36,117	143,522	20.1%	13.3%	24.0%
	Estimated <u>Revenue</u>	Revised <u>Estimate</u>	Year-to-date <u>Received</u>	Balance/ <u>(Shortfall)</u>	FY22 <u>% Rec'd</u>	FY21 <u>% Rec'd</u>	FY20 <u>% Rec'd</u>
Revenues							
Town Funding - Local Taxes	65,481	65,481	65,481	0	100.0%	100.0%	100.0%
Use of Fund Balance	30,000	30,000	30,000	0	100.0%	100.0%	100.0%
State Subsidy - Adult Ed	36,969	36,969	0	(36,969)	0.0%	0.0%	0.0%
Grant Funds	2,000	2,000	0	(2,000)	0.0%	0.0%	0.0%
Adult Ed Tuition	45,189	45,189	944	(44,245)	2.1%	4.5%	0.6%
Revenue totals	179,639	179,639	96,425	(83,214)	53.7%	49.6%	49.7%

Adult Education YTD fund balance

60,309

School Nutrition Program:

	Approved <u>Budget</u>	Revised <u>Budget</u>	Year-to-date <u>Expended</u>	Budget <u>Balance</u>	FY22 <u>% Used</u>	FY21 <u>% Used</u>	FY20 <u>% Used</u>
Expenditures							
Wages & Benefits	1,126,763	1,126,763	176,022	950,741	15.6%	12.6%	15.6%
Food & Beverages	595,500	595,500	111,331	484,169	18.7%	6.7%	15.9%
Contracted Services (software & repairs)	26,500	26,500	22,015	4,485	83.1%	64.1%	54.5%
Supplies & Equipment	56,450	56,450	23,515	32,935	41.7%	11.9%	13.0%
Operations	1,750	1,750	924	826	52.8%	48.4%	41.3%
Expenditure totals	1,806,963	1,806,963	333,807	1,473,156	18.5%	11.3%	16.0%
	Budgeted <u>Revenue</u>	Revised <u>Estimate</u>	Year-to-date <u>Received</u>	Balance/ <u>(Shortfall)</u>	FY22 <u>% Rec'd</u>	FY21 <u>% Rec'd</u>	FY20 <u>% Rec'd</u>
Revenues							
Town Funding - Local Taxes	200,000	200,000	200,000	0	100.0%	100.0%	100.0%
Food Sales	1,310,963	1,310,963	25,697	(1,285,266)	2.0%	0.1%	14.2%
Federal Funding (USDA)	272,000	272,000	116,077	(155,923)	42.7%	0.0%	0.0%
State Funding (DOE)	18,000	18,000	0	(18,000)	0.0%	0.0%	0.0%
Grants & Donations	6,000	6,000	0	(6,000)	0.0%	0.0%	0.0%
Revenue totals	1,806,963	1,806,963	341,773	(1,465,190)	18.9%	12.2%	22.0%

School Nutrition YTD fund balance

7,966

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Federal Restricted Funds:	<u>Beg. Balance</u>	<u>FY22 Grant Funds Available</u>	<u>Year-to-date Revenues</u>	<u>Year-to-date Expenses</u>	<u>Available Funds*</u>
ESSER I	0	58,316	58,316	58,316	0
ESSER II	0	438,893	0	29,129	409,764
ARP ESSER III	0	985,994	0	107,942	878,051
ARP Pre-K Local Entitlement	0	19,251	0	0	19,251
ARP Local Entitlement	0	165,254	0	27,310	137,944
Title IA	0	180,182	0	27,819	152,363
Title IIA	0	126,433	0	18,208	108,226
Pre-K Local Entitlement	0	11,660	0	0	11,660
Local Entitlement	0	966,704	0	267,860	698,844
Total Federal Restricted	0	2,952,686	58,316	536,584	2,416,102

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

Grants & Trusts:	<u>Beg. Balance</u>	<u>Year-to-date Revenues</u>	<u>Year-to-date Expenses</u>	<u>End. Balance</u>
Louis & Tina Fineberg Trust	136,743	0	0	136,743
Scarborough Education Foundation	25,555	0	2,588	22,967
Local grants & donations	30,331	500	0	30,831
CC Admin Recertification (fiscal agent)	245	0	0	245
Tech Maintenance Fees	64,338	0	60,452	3,887
School Nutrition Special Programs	6,886	300	3,647	3,539
MLTI State Reimbursement	102,787	0	1,599	101,188
PEPG State Grant	588	0	0	588
Proficiency-based Graduation Grant	3,083	0	0	3,083
Total Grants & Trusts	370,556	800	68,285	303,071

School CIP project account status
as of 9/30/2021

FACILITIES	Account #	Budget Balance as of 6/30/2021	FY22 Budgeted	FY22 YTD Expenses*	Budget Balance as of 9/30/2021
Long-range Planning	73001798 570000	103,173	286,250	0	389,423
District-wide Energy Impr	73001803 570000	162	0	0	162
District-wide Plumbing	74001739 570000	33,423	0	0	33,423
District-wide Roofing	74001771 570000	(0)	132,051	131,637	414
District-wide Interior Finishes	74001772 570000	52,847	0	0	52,847
District-wide Security & Access	74001787 570000	143,369	20,000	0	163,369
District-wide Flooring	74001791 570000	2,143	47,500	4,458	45,185
District-wide Movable Equipmt	74001792 573100	117,395	100,000	41,242	176,153
District-wide Building Envelope	74001794 570000	47,604	62,800	32,700	77,704
District-wide Grounds & Site Mtce	74001805 570000	412	150,000	34,331	116,081
Athletics Facilities/Equipment	74001807 570000	22,013	28,000	0	50,013
HS Science Labs Retrofit	74001808 570000	43,508	350,000	0	393,508
District-wide HVAC/Mechanical	74176800 573100	511,511	0	274,303	237,208
Facilities Support/Equipment	74176900 573100	44,499	0	23,604	20,895
Facilities Support/Vehicles	74176900 573200	714	50,000	49,228	1,486
TOTALS		1,181,536	1,226,601	591,503	1,816,633

TOWN/SCHOOL PROJECT

Turf field & track replacement	74001795 570000	0	1,900,800	0	1,900,800
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TRANSPORTATION

Bus purchase/lease	74001712 573600	31,927	346,500	0	378,427
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TECHNOLOGY

Equipment Replacement	74001784 573100	(0)	165,000	74,244	90,756
New Equipment	74001799 573100	7,352	0	3,051	4,301
TOTALS		7,352	165,000	77,295	95,057

*including encumbrances

GRAND TOTALS		1,220,815	3,638,901	668,798	2,290,118
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