

## NOTES & COMMENTS

### FY22 QUARTER 4 -- YEAR-END FINANCIALS AS OF 6/30/2022

#### FOR SCHOOL BOARD 10/6/2022 - PENDING AUDIT

#### Overview

This year-end financial report is provided as a supporting document for a presentation to the School Board at their meeting of October 6, 2022. FY22 began with intensive strategic planning to support our return to full time in-person learning, and ended with celebration of a successful giant step toward pre-pandemic conditions. This financial report describes the economic outcomes of that journey.

As usual, this report is marked "pending audit". Although we do not anticipate any significant changes, we will work with the Town auditors over the next few months to develop the official financial report for FY22. This introduction highlights major points of interest; the detailed financial statement begins on page 4.

#### General Fund Expenditures

The 2021-22 fiscal year ended with a significant surplus in the General Fund; while not as large as the surplus generated in FY21, spending in several areas continued to be lower than expected, owing to both pandemic and other factors. Expenditures came in under budget by \$1,568,436, representing 2.8% of the FY22 operating budget. New collective bargaining agreements ratified in FY22 for Bus Drivers, Custodians and Food Service Specialists established higher wages, and work hours increased with all students back in school full-time, so while we continued to struggle with turnover and open positions, we did not see budget savings in these areas as we did last year. Meanwhile, pandemic conditions and the tight labor market continued to adversely impact hiring for instructional positions. Here are some of the areas of FY22 spending that were most notably affected:

##### Personnel costs

- General savings in personnel turnover & changes in benefit election - \$300,000
- Special Services - \$500,000 under budget due to staff turnover and unfilled positions
- Substitute Wages - \$33,000 under budget district-wide due to unavailability of subs

##### Other expenses

- Special Education - \$80,000 unspent in tuition for out-of-district placements
- Facilities & Maintenance - \$77,000 under budget in contracted repairs with focus on COVID safety
- Athletics & Activities - \$69,000 under budget in projected program changes during turf & track project
- Instructional Materials - \$230,000 under budget with focus on learning recovery slowing curriculum updates
- Copiers - \$35,000 unspent due to deferred equipment replacement
- Insurance - \$33,000 savings due to conservative budget projections

##### Expenses over budget

- Energy & Utilities - actual costs \$108,000 over budget due to increased operation of HVAC systems
- Health Services - \$26,000 shortfall due to extra pay for hours spent in contact tracing and COVID protocols

Most budget categories ran a surplus this year, although Health Services and Guidance currently show a year-end deficit. As usual, there are some individual accounts which were overspent by more than \$10,000 in FY22. Under School Board policy DBJ, the Board is asked to approve budget transfers to cover these deficits at the end of each fiscal year; this Board action item will take place at their meeting on October 6, 2022. Once the budget transfers have been approved, all budget categories will have a positive balance.

## NOTES & COMMENTS

### FY22 QUARTER 4 -- YEAR-END FINANCIALS AS OF 6/30/2022

FOR SCHOOL BOARD 10/6/2022 - PENDING AUDIT

#### General Fund Revenues

The big story in revenue for FY22 was the late addition of increased General Purpose Aid for schools by the State Legislature, just as our school budget proposal was being approved in May of 2021. At that time, the School Board and Town Council voted to allocate half of the increase to tax relief and the balance to establish a new School Capital Reserve Fund. Final GPA revenues show a surplus of \$573,988, and considering the sizeable expenditure surplus also generated this year, the School Board Finance Committee is recommending a full \$600,000 be placed in reserve. Other revenues continued to show shortfalls, with State Agency Client reimbursements not received in FY22, and income from facility rentals, student activities and Community Services still showing the impact of pandemic restrictions.

#### Other Funds

As we saw with K-12 learning, most **Adult Education** courses returned to in-person classes in FY22, particularly in the workforce and ELL programs. Building on the opportunities created during the hybrid year, however, some popular online enrichment courses were continued. On the expenditure side, both personnel turnover and a gradual return to full programming helped to create a budget savings, while increased availability of grant funds and state subsidy offset a shortfall in program tuition. The year end Adult Education fund balance is a healthy \$35,368 after \$14,000 is set aside as non-tax revenue for the FY23 budget.

In **School Nutrition**, operations shifted once again to accommodate the return to full time in-person learning. The USDA program providing free meals for all students during the pandemic was extended throughout the 2021-22 school year, and meal reimbursements were more than high enough to cover costs. Meal counts at both breakfast and lunch rose with a huge increase in participation, and while expenditures on food, supplies and labor exceeded budget expectations, federal reimbursement revenues actually generated a substantial fund balance surplus at year end. This is a remarkable reversal, representing a swing of almost a million dollars from the \$420,000 deficit seen at the end of FY21, and creating a positive fund balance for the first time in 15 years. Based on similar revenue projections for FY23, we have been able to eliminate the request for local tax dollars, while the FY22 surplus will provide a cushion against any potential future changes in the federal/state reimbursement model.

The detailed financial statement closes with the year-end status of **federal grant funds** as well as local and state **grants and trusts**. While the allocation of COVID-related federal grant funds in FY22 was nothing like the huge amounts we received in FY21, we were able to continue providing supplemental services with the various remaining ESSER grant funds. A detailed description of the use of these funds was provided as a public resource during the FY23 budget development process, and is attached at the end of this report. Reimbursement revenues are still pending for Local Entitlement and two of the ARP grants at the time of this report, due to slow processing in the state's new grant management system, but revenues should equal expenditures in time for the audit reports.

In other items of note, most of the balance in the Tech Maintenance fund was used for device replacement in FY22; this fund will begin rebuilding in FY23 with the return to collecting annual fees. June reimbursement is still pending from the state for MLTI expenses, but is in process and expected shortly. The School Nutrition Special Programs fund shows a small fund deficit at year-end, however a \$10,000 grant was received in August, and the Backpack Program continues to receive regular donations that support our efforts to provide healthy food for families in need.

#### Capital Projects

This report includes a year-end summary of our capital improvement project (CIP) accounts. Although access to school buildings remained somewhat limited due to COVID protocols, several large projects were able to move forward. Roof repairs and restoration were scheduled according to the recommended maintenance cycle, worn-out furnishings were replaced across the district, and critical work to replace failing HVAC components at the Middle School continued. Also underway in FY22 were the project to convert space in the High School to create a new STEM lab and classroom, and the replacement and renovation of the turf and track.

## **NOTES & COMMENTS**

**FY22 QUARTER 4 -- YEAR-END FINANCIALS AS OF 6/30/2022**

**FOR SCHOOL BOARD 10/6/2022 - PENDING AUDIT**

### **In Summary**

The past three years have seen quite a roller coaster experience for our school community. The return to a degree of normalcy in school operations during FY22 was accompanied by the recognition that students, staff and families have an increased and ongoing need for resources to support learning recovery and social/emotional wellbeing. With the benefit of both a well-crafted budget and continued access to federal funds, we have ended the year in a positive financial position despite these challenges.

As of the end of FY22 we have preserved \$2,020,191 in undesignated fund balance pending audit adjustments (see page 5), which is equivalent to 3.6% of the total General Fund operating budget. As we saw in the FY23 budget development process, a large fund balance will be a critical asset as we forecast a return to a more typical economic picture in coming years. Last year, recognizing the unusual financial conditions created by the influx of federal funds to Maine school districts, the Legislature increased the statutory limit on undesignated surplus carry-over from 3% of the previous year's budget to 5%, with even higher exemptions allowed for FY22 through FY25. This change allows us to maintain a larger cushion against economic uncertainty, and to use surplus funds strategically to reduce the burden of increased costs on our local taxpayers.

We are pleased to be able to present a financial report which exemplifies our commitment to provide the best possible programs and services for the children of our community with the resources entrusted to our care.

**Scarborough Public Schools  
Financial Statement  
June 30, 2022**

**FOR SCHOOL BOARD 10/6/2022 - PENDING AUDIT**

|  |                                       |
|--|---------------------------------------|
| General Fund Surplus as of 6/30/2021 (audited) | \$ 3,049,619                          |
| Allocated to 2021-22 budget                    | \$ (1,000,000)                        |
| <b>Undesignated Surplus as of 7/1/2021</b>     | <b>(audited balance) \$ 2,049,619</b> |

| <b>General Fund Expenditures:</b>        | <u>Approved<br/>Budget</u> | <u>Revised<br/>Budget</u> | <u>Year-end<br/>Expended</u> | <u>Budget<br/>Balance</u> | <u>FY22<br/>% Used</u> | <u>FY21<br/>% Used</u> | <u>FY20<br/>% Used</u> |
|--|----------------------------|---------------------------|------------------------------|---------------------------|------------------------|------------------------|------------------------|
| Regular Instruction:                     |                            |                           |                              |                           |                        |                        |                        |
| Regular Instruction Programs             | 22,900,410                 | 22,900,410                | 22,466,886                   | 433,524                   | 98.1%                  | 97.7%                  | 97.2%                  |
| English as a Second Language (ESL)       | 409,578                    | 409,578                   | 395,298                      | 14,280                    | 96.5%                  | 99.1%                  | 97.6%                  |
| Gifted and Talented Programs             | 366,073                    | 366,073                   | 363,619                      | 2,454                     | 99.3%                  | 97.9%                  | 97.3%                  |
| Special Education Instruction            | 10,258,945                 | 10,258,945                | 9,629,367                    | 629,578                   | 93.9%                  | 90.8%                  | 96.6%                  |
| CTE Instruction (Career & Technical Ed)  | 0                          | 0                         | 0                            | 0                         | 0.0%                   | 0.0%                   | 0.0%                   |
| Other Instruction:                       |                            |                           |                              |                           |                        |                        |                        |
| Co-Curricular                            | 200,338                    | 200,338                   | 171,145                      | 29,193                    | 85.4%                  | 68.1%                  | 85.6%                  |
| Extra-Curricular                         | 1,211,674                  | 1,211,674                 | 1,155,553                    | 56,121                    | 95.4%                  | 79.3%                  | 87.3%                  |
| Student & Staff Support:                 |                            |                           |                              |                           |                        |                        |                        |
| Guidance Services                        | 1,665,632                  | 1,665,632                 | 1,673,652                    | (8,020)                   | 100.5%                 | 99.8%                  | 98.5%                  |
| Health Services                          | 849,701                    | 849,701                   | 875,478                      | (25,777)                  | 103.0%                 | 90.6%                  | 97.0%                  |
| Improvement of Instruction               | 977,217                    | 977,217                   | 802,517                      | 174,700                   | 82.1%                  | 84.8%                  | 92.7%                  |
| Instructional Technology                 | 1,336,728                  | 1,336,728                 | 1,291,454                    | 45,274                    | 96.6%                  | 96.4%                  | 89.8%                  |
| Library Services                         | 800,131                    | 800,131                   | 788,482                      | 11,649                    | 98.5%                  | 95.6%                  | 93.7%                  |
| System Administration                    | 1,407,428                  | 1,407,428                 | 1,290,969                    | 116,459                   | 91.7%                  | 94.6%                  | 97.0%                  |
| School Administration                    | 1,833,187                  | 1,833,187                 | 1,817,006                    | 16,181                    | 99.1%                  | 98.3%                  | 97.4%                  |
| Transportation                           | 1,737,872                  | 1,737,872                 | 1,706,321                    | 31,551                    | 98.2%                  | 80.0%                  | 95.2%                  |
| Facilities & Maintenance                 | 4,190,725                  | 4,190,725                 | 4,175,424                    | 15,301                    | 99.6%                  | 93.4%                  | 91.9%                  |
| Debt Service                             | 5,537,376                  | 5,537,376                 | 5,511,408                    | 25,968                    | 99.5%                  | 96.9%                  | 100.2%                 |
| All Other                                | 0                          | 0                         | 0                            | 0                         | 0.0%                   | 0.0%                   | 0.0%                   |
| <b>Total General Fund Appropriations</b> | <b>55,683,015</b>          | <b>55,683,015</b>         | <b>54,114,579</b>            | <b>1,568,436</b>          | <b>97.2%</b>           |                        |                        |
| <b>FY21 Year-to-date</b>                 | <b>53,311,243</b>          | <b>53,311,243</b>         | <b>50,389,962</b>            | <b>2,921,281</b>          |                        | <b>94.5%</b>           |                        |
| <b>FY20 Year-to-date</b>                 | <b>51,426,993</b>          | <b>51,426,993</b>         | <b>49,573,525</b>            | <b>1,853,468</b>          |                        |                        | <b>96.4%</b>           |

| <b>General Fund Revenues:</b>       | <u>Estimated<br/>Revenue</u> | <u>Revised<br/>Estimate</u> | <u>Year-to-date<br/>Received</u> | <u>Balance/<br/>(Shortfall)</u> | <u>FY22<br/>% Rec'd</u> | <u>FY21<br/>% Rec'd</u> | <u>FY20<br/>% Rec'd</u> |
|-------------------------------------|------------------------------|-----------------------------|----------------------------------|---------------------------------|-------------------------|-------------------------|-------------------------|
| 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                   | 5,477,071                        | 573,988                         | 111.7%                  | 99.9%                   | 97.3%                   |
| State Agency Client Funding         | 60,000                       | 60,000                      | 0                                | (60,000)                        | 0.0%                    | 23.0%                   | 61.6%                   |
| Comm. Services Daycare (rent space) | 35,000                       | 35,000                      | 31,021                           | (3,979)                         | 88.6%                   | 0.0%                    | 86.4%                   |
| Community Services Transportation   | 25,000                       | 25,000                      | 20,242                           | (4,758)                         | 81.0%                   | 0.0%                    | 102.4%                  |
| Winslow Homer/Facility Rental Fees  | 23,000                       | 23,000                      | 6,931                            | (16,069)                        | 30.1%                   | 1.2%                    | 36.8%                   |
| Student Sports/Activity Fees        | 120,000                      | 120,000                     | 113,401                          | (6,599)                         | 94.5%                   | 45.0%                   | 55.9%                   |
| Other Miscellaneous Revenue         | 60,000                       | 60,000                      | 79,552                           | 19,552                          | 132.6%                  | 96.7%                   | 71.2%                   |
| <b>Total Revenue</b>                | <b>55,683,015</b>            | <b>55,683,015</b>           | <b>56,185,150</b>                | <b>502,135</b>                  | <b>100.9%</b>           | <b>99.6%</b>            | <b>99.5%</b>            |

**Scarborough Public Schools  
Financial Statement  
June 30, 2022**

**FOR SCHOOL BOARD 10/6/2022 - PENDING AUDIT**

**Year-end Fund Transfers**

|  |                     |
|--|---------------------|
| GPA revenue to capital reserve fund - per budget order of May 2021   | \$ (418,512)        |
| Additional surplus to capital reserve fund - per SBFC recommendation | \$ (181,488)        |
| Food Services fund deficit   | \$ -                |
| Audit adjustments  | \$ -                |
| <b>Total Transfers</b>   | <b>\$ (600,000)</b> |

**Breakdown of General Fund Surplus Balances**

|                                    |                |
|------------------------------------|----------------|
| As of 6/30/2021 fund balance was : | \$ 3,049,619   |
| Used For FY21 Budget               | \$ (1,000,000) |
| Undesignated Fund Balance 7/1/2021 | \$ 2,049,619   |
| <br>                               |                |
| FY22 Appropriations Balance        | \$ 1,568,436   |
| FY22 Revenue Balance               | \$ 502,135     |
| FY22 Year-end Adjustments          | \$ (600,000)   |
| FY22 Year-end Balance              | \$ 1,470,572   |
| <br>                               |                |
| Total Available Fund Balance       | \$ 3,520,191   |
| Used for FY23 Budget               | \$ (1,500,000) |

**Undesignated Fund Balance 6/30/2022 \$ 2,020,191**

**OTHER FUNDS**

**Adult Education:**

|  | Approved<br><u>Budget</u> | Revised<br><u>Budget</u> | Year-to-date<br><u>Expended</u> | Budget<br><u>Balance</u> | FY22<br><u>% Used</u> | FY21<br><u>% Used</u> | FY20<br><u>% Used</u> |
|--|---------------------------|--------------------------|---------------------------------|--------------------------|-----------------------|-----------------------|-----------------------|
| <b>Expenditures</b>                            |                           |                          |                                 |                          |                       |                       |                       |
| Wages & benefits (instructors & program admin) | 152,629                   | 152,629                  | 131,097                         | 21,532                   | 85.9%                 | 63.4%                 | 88.4%                 |
| General supplies & operations                  | 11,760                    | 11,760                   | 9,153                           | 2,607                    | 77.8%                 | 70.9%                 | 82.5%                 |
| Instructional supplies, software & equipment   | 15,250                    | 15,250                   | 7,353                           | 7,897                    | 48.2%                 | 58.4%                 | 66.8%                 |
| <b>Expenditure totals</b>                      | <b>179,639</b>            | <b>179,639</b>           | <b>147,602</b>                  | <b>32,037</b>            | <b>82.2%</b>          | <b>63.5%</b>          | <b>86.5%</b>          |

|                            | Estimated<br><u>Revenue</u> | Revised<br><u>Estimate</u> | Year-to-date<br><u>Received</u> | Balance/<br><u>(Shortfall)</u> | FY22<br><u>% Rec'd</u> | FY21<br><u>% Rec'd</u> | FY20<br><u>% Rec'd</u> |
|----------------------------|-----------------------------|----------------------------|---------------------------------|--------------------------------|------------------------|------------------------|------------------------|
| <b>Revenues</b>            |                             |                            |                                 |                                |                        |                        |                        |
| 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                     | 48,979                          | 12,010                         | 132.5%                 | 97.5%                  | 103.3%                 |
| Grant Funds                | 2,000                       | 2,000                      | 13,510                          | 11,510                         | 675.5%                 | 166.0%                 | 100.0%                 |
| Adult Ed Tuition           | 45,189                      | 45,189                     | 24,390                          | (20,799)                       | 54.0%                  | 46.1%                  | 34.3%                  |
| <b>Revenue totals</b>      | <b>179,639</b>              | <b>179,639</b>             | <b>182,361</b>                  | <b>2,722</b>                   | <b>101.5%</b>          | <b>85.0%</b>           | <b>86.0%</b>           |

|   |               |
|---|---------------|
| <b>Adult Education YTD fund balance</b> | <b>34,759</b> |
| Fund balance as of 6/30/21              | 14,609        |
| Used for FY23 budget                    | (14,000)      |
| <b>Total undesignated fund balance</b>  | <b>35,368</b> |

**Scarborough Public Schools  
Financial Statement  
June 30, 2022**

**FOR SCHOOL BOARD 10/6/2022 - PENDING AUDIT**

**School Nutrition Program:**

|  | Approved<br><u>Budget</u>  | Revised<br><u>Budget</u>   | Year-to-date<br><u>Expended</u> | Budget<br><u>Balance</u>       | FY22<br><u>% Used</u>  | FY21<br><u>% Used</u>  | FY20<br><u>% Used</u>  |
|--|----------------------------|----------------------------|---------------------------------|--------------------------------|------------------------|------------------------|------------------------|
| <b>Expenditures</b>                      |                            |                            |                                 |                                |                        |                        |                        |
| Wages & Benefits                         | 1,126,763                  | 1,126,763                  | 1,137,600                       | (10,837)                       | 101.0%                 | 92.0%                  | 102.9%                 |
| Food & Beverages                         | 595,500                    | 595,500                    | 725,981                         | (130,481)                      | 121.9%                 | 54.0%                  | 76.7%                  |
| Contracted Services (software & repairs) | 26,500                     | 26,500                     | 25,754                          | 746                            | 97.2%                  | 111.6%                 | 152.4%                 |
| Supplies & Equipment                     | 56,450                     | 56,450                     | 101,599                         | (45,149)                       | 180.0%                 | 54.3%                  | 83.4%                  |
| Operations                               | 1,750                      | 1,750                      | 2,623                           | (873)                          | 149.9%                 | 105.1%                 | 59.6%                  |
| <b>Expenditure totals</b>                | <b>1,806,963</b>           | <b>1,806,963</b>           | <b>1,993,558</b>                | <b>(186,595)</b>               | <b>110.3%</b>          | <b>78.9%</b>           | <b>93.9%</b>           |
|  | Budgeted<br><u>Revenue</u> | Revised<br><u>Estimate</u> | Year-to-date<br><u>Received</u> | Balance/<br><u>(Shortfall)</u> | FY22<br><u>% Rec'd</u> | FY21<br><u>% Rec'd</u> | FY20<br><u>% Rec'd</u> |
| <b>Revenues</b>                          |                            |                            |                                 |                                |                        |                        |                        |
| 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                  | 207,855                         | (1,103,108)                    | 15.9%                  | 0.3%                   | 63.4%                  |
| Federal Funding (USDA)                   | 272,000                    | 272,000                    | 2,023,851                       | 1,751,851                      | 744.1%                 | 0.0%                   | 43.6%                  |
| State Funding (DOE)                      | 18,000                     | 18,000                     | 35,232                          | 17,232                         | 195.7%                 | 59.5%                  | 83.0%                  |
| Grants & Donations                       | 6,000                      | 6,000                      | 1,638                           | (4,362)                        | 27.3%                  | 3765.8%                | 444.8%                 |
| <b>Revenue totals</b>                    | <b>1,806,963</b>           | <b>1,806,963</b>           | <b>2,468,575</b>                | <b>661,612</b>                 | <b>136.6%</b>          | <b>55.3%</b>           | <b>68.4%</b>           |

**School Nutrition YTD fund balance 475,017**

| <b>Federal Restricted Funds:</b> | Beg. Balance | FY22 Grant<br>Funds Available | Year-to-date<br>Revenues | Year-to-date<br>Expenses | Ending Balance*  |
|----------------------------------|--------------|-------------------------------|--------------------------|--------------------------|------------------|
| ESSER I                          | 0            | 58,316                        | 58,316                   | 58,316                   | 0                |
| ESSER II                         | 0            | 438,893                       | 348,235                  | 348,235                  | 90,658           |
| ARP ESSER III                    | 0            | 985,994                       | 329,562                  | 379,677                  | 606,317          |
| ARP Pre-K Local Entitlement      | 0            | 19,251                        | 0                        | 19,251                   | 0                |
| ARP Local Entitlement            | 0            | 165,254                       | 53,490                   | 66,195                   | 99,059           |
| Title IA                         | 0            | 180,182                       | 137,772                  | 137,772                  | 42,410           |
| Title IIA                        | 0            | 126,433                       | 66,942                   | 66,942                   | 59,492           |
| Title IVA                        | 0            | 137                           | 137                      | 137                      | 0                |
| Pre-K Local Entitlement          | 0            | 11,660                        | 11,660                   | 11,660                   | 0                |
| Local Entitlement                | 0            | 966,704                       | 402,913                  | 752,407                  | 214,297          |
| <b>Total Federal Restricted</b>  | <b>0</b>     | <b>2,952,823</b>              | <b>1,409,026</b>         | <b>1,840,590</b>         | <b>1,112,233</b> |

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

| <b>Grants, Trusts &amp; Special Revenues:</b>      | Beg. Balance   | Year-to-date<br>Revenues | Year-to-date<br>Expenses | End. Balance   |
|--|----------------|--------------------------|--------------------------|----------------|
| Louis & Tina Fineberg Trust                        | 136,743        | 0                        | 0                        | 136,743        |
| Scarborough Education Foundation                   | 25,555         | 10,996                   | 12,699                   | 23,851         |
| Local grants & donations                           | 30,331         | 10,109                   | 8,502                    | 31,938         |
| CC Admin Recertification (fiscal agent)            | 245            | 9,775                    | 8,686                    | 1,334          |
| Tech Maintenance Fees                              | 64,338         | 605                      | 60,452                   | 4,492          |
| School Nutrition Special Programs                  | 6,886          | 2,550                    | 11,003                   | (1,567)        |
| MLTI State Reimbursement                           | 102,787        | 77,090                   | 83,150                   | 19,637         |
| PEPG State Grant                                   | 588            | 0                        | 0                        | 588            |
| Proficiency-based Graduation Grant                 | 3,083          | 0                        | 0                        | 3,083          |
| <b>Total Grants, Trusts &amp; Special Revenues</b> | <b>370,556</b> | <b>111,124</b>           | <b>184,491</b>           | <b>220,099</b> |

School CIP project account status  
as of 6/30/2022

FOR SCHOOL BOARD 10/6/2022 - PENDING AUDIT

| FACILITIES                           | Account #       | Budget Balance<br>as of 6/30/2021 | FY22 Budget      | FY22 Expenses    | Budget Balance<br>as of 6/30/2022 |
|--------------------------------------|-----------------|-----------------------------------|------------------|------------------|-----------------------------------|
| Long-range Planning                  | 73001798 570000 | 103,173                           | 286,250          | 70,408           | 319,015                           |
| District-wide Energy Improvements    | 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                | 19,297           | 33,550                            |
| District-wide Security & Access Mgmt | 74001787 570000 | 143,369                           | 20,000           | 31,272           | 132,097                           |
| District-wide Flooring               | 74001791 570000 | 2,143                             | 47,500           | 4,458            | 45,185                            |
| District-wide Movable Equipment      | 74001792 573100 | 117,370                           | 100,000          | 111,468          | 105,902                           |
| District-wide Building Envelope      | 74001794 570000 | 47,604                            | 62,800           | 35,600           | 74,804                            |
| District-wide Grounds & Site Mtce    | 74001805 570000 | 412                               | 150,000          | 43,356           | 107,056                           |
| Athletics Facilities/Equipment       | 74001807 570000 | 22,005                            | 28,000           | 18,000           | 32,005                            |
| HS Science Labs Retrofit             | 74001808 570000 | 43,508                            | 350,000          | 280,391          | 113,117                           |
| District-wide HVAC/Mechanical        | 74176800 573100 | 511,511                           | 0                | 310,080          | 201,431                           |
| Facilities Support/Equipment         | 74176900 573100 | 44,417                            | 0                | 25,423           | 18,995                            |
| Facilities Support/Vehicles          | 74176900 573200 | 714                               | 50,000           | 50,000           | 714                               |
| <b>TOTALS</b>                        |                 | <b>1,181,404</b>                  | <b>1,226,601</b> | <b>1,131,390</b> | <b>1,276,616</b>                  |
| <b>TOWN/SCHOOL PROJECT</b>           |                 |                                   |                  |                  |                                   |
| Turf field & track replacement       | 74001795 570000 | 0                                 | 1,900,800        | 68,838           | 1,831,962                         |
| <b>TRANSPORTATION</b>                |                 |                                   |                  |                  |                                   |
| Bus purchase/lease                   | 74001712 573600 | 31,927                            | 346,500          | 359,100          | 19,327                            |
| <b>TECHNOLOGY</b>                    |                 |                                   |                  |                  |                                   |
| Equipment Replacement                | 74001784 573100 | (0)                               | 165,000          | 85,695           | 79,305                            |
| New Equipment                        | 74001799 573100 | 7,283.05                          | 0                | 7,283            | (0)                               |
| <b>TOTALS</b>                        |                 | <b>7,283</b>                      | <b>165,000</b>   | <b>92,978</b>    | <b>79,305</b>                     |
| <b>GRAND TOTALS</b>                  |                 | <b>1,220,614</b>                  | <b>3,638,901</b> | <b>1,652,305</b> | <b>1,375,248</b>                  |

### Federal COVID-related Grant Funding

A major factor in school finance over the past two years has been the influx of federal grant funds distributed through the state Department of Education to individual school districts. Over \$5.8M in multiple grants have been used in Scarborough to mitigate the extra costs and resources needed to keep schools open under pandemic conditions, and to protect the health and safety of our students, staff and community. The availability of these grant funds has allowed us to reduce the anticipated burden on local taxpayers while remaining on a solid financial footing.

On March 27, 2020, the CARES Act was signed into law, providing emergency federal funds to states for the purpose of addressing COVID-19 related impacts to education. The Elementary and Secondary School Emergency Relief Fund (ESSERF) was made available to state education departments through the US Department of Education, and funding was allocated to local districts according to the Title IA funding formula under existing statute. Scarborough's ESSER I allocation was **\$106,145**, a relatively small amount due to the way the Title IA formula distributes the most funding to the neediest districts. School leaders developed a plan to use these funds to support supplemental staff positions for the 2020-21 school year.

On July 17, 2020, Governor Mills announced the distribution of a new round of federal funding to schools, through the state's **Coronavirus Relief Fund (CRF)**. School districts across the state were provided an allocation from this fund based on criteria developed by the Department of Education's finance office, using student enrollment as the primary determining factor rather than economic status. Benefitting from this new funding model, Scarborough's first CRF allocation was **\$2,120,670**. Our first CRF grant application was submitted to the Department of Education on August 26, 2020. The timeline for expenditure was extremely short: funds had to be committed by September 30, 2020, and had to be expended and items or services purchased in use by December 30, 2020. Small grants were also provided separately for Adult Education and Child Care services.

In mid-September of 2020, Governor Mills announced an additional \$164 million in Coronavirus Relief Funds to support Maine schools. Allocation of **CRF#2** funds was announced on September 20, 2020, with an application deadline of October 15, 2020. The restrictions and timeline for CRF#2 funds were the same as those for CRF#1. Scarborough's CRF#2 allocation was **\$2,216,442**. In January 2021, the expenditure deadline for both CRF grants was extended to June 30, 2021, allowing school districts additional time to thoughtfully manage the use of this funding.

A second round of Federal ESSERF grant funds (**ESSER II**) was allocated to school districts in January 2021 and made available for expenditures through September 30, 2023. Scarborough's ESSER II grant was **\$438,893**, which is being used in FY22 for supplemental staff positions to support school reopening and student transitions.

Finally, the **American Rescue Plan (ARP)** was passed in March of 2021, sending another round of grants (**ESSER 3**) to Maine schools, with funds available for use through September 30, 2024. This grant was targeted specifically toward addressing the academic impacts of lost instructional time as well as providing support and interventions for the social, emotional and mental health of students. Scarborough's ESSER 3 allocation was \$985,994, which is being used to fund supplemental teaching staff, specialists, software, and summer programs for both FY22 and FY23. ARP also provided additional targeted funding for Special Education, providing Scarborough with \$165,254 in K-12 and \$19,251 in pre-K grant funds.



## FY23 Budget Proposal - Executive Summary

### FEDERAL GRANT FUNDS SUMMARY

| Date authorized   | Amount      | Funding period                                   | Scarborough expense period | Used for:  |
|---|-------------|--|----------------------------|--|
| <b>ESSER I</b>  |             |  |                            |  |
| 3/27/2020   | \$106,145   | 03/13/2020 to 09/30/2022                         | 01/01/2021 to 09/01/2021   | <ul style="list-style-type: none"> <li>Supplemental substitute wages &amp; benefits</li> <li>Staffing &amp; health services for summer 2021 programs</li> </ul>  |
| <b>Coronavirus Relief Funds (CRF) #1</b> <span style="float: right;"><a href="#">CRF#1 expense detail</a></span>  |             |  |                            |  |
| 7/17/2020   | \$2,120,670 | 03/01/2020 to 12/30/2020, extended to 06/30/2021 | 07/01/2020 to 05/07/2021   | <ul style="list-style-type: none"> <li>Pay for supplemental substitutes &amp; extra hours for instructional staff</li> <li>Professional development &amp; modification of instructional resources</li> <li>Instructional supplies &amp; materials for hybrid and distance learning</li> <li>Tech devices, equipment &amp; software to support remote &amp; hybrid learning</li> <li>Five 8-passenger vans</li> <li>Facilities modifications: health clinics, HVAC, furnishings, outdoor learning spaces</li> <li>Safety protocol signage &amp; storage</li> <li>Sanitizing supplies &amp; equipment and PPE</li> <li>Equipment, software &amp; supplies for remote ordering and "to go" school meal service</li> </ul> |
| <b>Coronavirus Relief Funds (CRF) #2</b> <span style="float: right;"><a href="#">CRF #2 expense detail</a></span> |             |  |                            |  |
| 9/20/2020   | \$2,216,442 | 03/01/2020 to 12/30/2020, extended to 06/30/2021 | 11/02/2020 to 06/30/2021   | <ul style="list-style-type: none"> <li>Pay for supplemental substitutes (continued from CRF #1)</li> <li>Classroom audio equipment to improve sound quality (hybrid &amp; masks)</li> <li>Supplemental desks, tables &amp; rolling barriers</li> <li>Outdoor shelters, furnishings &amp; equipment</li> <li>Convert water fountains to bottle filling stations</li> <li>Floor scrubbers, vacuums &amp; carpet cleaners</li> <li>Construct facilities garage to move stored equipment out of instructional space</li> <li>HVAC system review &amp; maintenance</li> <li>Room air purifiers for all learning spaces</li> </ul>   |
| <b>CRF Day Programming</b>  |             |  |                            |  |
| 9/17/2020   | \$59,160    | 03/01/2020 to 12/30/2020, extended to 06/30/2021 | 09/26/2020 to 02/22/2021   | Support establishment of Community Services HUB program (staff, supplies, equipment) for students in hybrid learning model   |
| <b>CRF Adult Education</b>  |             |  |                            |  |
| 9/14/2020   | \$8,575     | 03/01/2020 to 12/30/2020, extended to 06/30/2021 | 10/07/2020 to 12/29/2020   | Purchase of tech devices & peripherals to support remote instruction   |

## FY23 Budget Proposal - Executive Summary

| <b>ESSER II</b>                          |           |                          |                          |   |
|--|-----------|--------------------------|--------------------------|---|
| 1/21/2021                                | \$438,893 | 03/13/2020 to 09/30/2023 | 09/01/2021 to 09/30/2022 | 5 one-year teacher positions (salaries & benefits) to allow smaller class sizes and increased student transition support  |
| <b>ESSER III/ARP ESSER</b>               |           |                          |                          |   |
| 3/19/2021                                | \$985,994 | 03/13/2020 to 09/30/2024 | 06/14/2021 to 09/30/2023 | <b>FY22:</b> <ul style="list-style-type: none"> <li>• 2 classroom teachers (WS)</li> <li>• Quarantine transition specialists (WS)</li> <li>• Credit recovery specialist (HS)</li> <li>• Summer academies July – August 2021</li> <li>• Assessment &amp; instructional software</li> <li>• Tech specialist &amp; equipment</li> <li>• SEL Professional Development</li> </ul> <b>FY23:</b> <ul style="list-style-type: none"> <li>• 2 classroom teachers (MS)</li> <li>• 2 classroom teachers (WS)</li> <li>• Guidance Counselor (K-2)</li> <li>• Summer academies July – August 2022</li> </ul> |
| <b>ARP IDEA K-12 (Special Services)</b>  |           |                          |                          |   |
| 07/01/2021                               | \$165,254 | 07/01/2021 to 06/30/2023 | 07/01/2021 to 06/30/2023 | Certified Orton-Gillingham specialist for specialized reading instruction   |
| <b>ARP IDEA Pre-K (Special Services)</b> |           |                          |                          |   |
| 07/01/2021                               | \$19,251  | 07/01/2021 to 06/30/2023 | 07/01/2021 to 06/30/2023 | Supplemental one-to-one ed tech for incoming K student  |

### Federal Grant distribution

