

Scarborough Public Schools

School Board Presentation



FY22 Year-end Financials

October 6, 2022



FY22 Year-End Financial Report

Two supporting documents are posted with SB agenda for tonight:

[FY22 Year-End Financial Statement](#)

[Year-End budget transfers](#)

Quarterly financial reports are posted on the Scarborough Public Schools website at www.scarboroughschools.org (see Finance Committee section of Standing Committees page).



General Fund Expenditure Review

General Fund expenditures came in under budget by \$1,568,436

Personnel costs represented 80.4% of the FY22 budget. Areas of impact:

- Typical turnover savings of ~ \$300,000
- \$500,000 - Special Services - unfilled professional & support staff positions
- \$33,000 - shortage of substitutes across the district

Over budget

- \$26,000 - Health Services - extra pay for hours spent in contact tracing & COVID protocols



General Fund Expenditure Review

General Fund expenditures came in under budget by \$1,568,436

Other savings - Programs & Services:

- \$80,000 - Special Education - lower than expected tuition costs
- \$230,000 - Instructional Materials - focus on learning recovery slowed curriculum updates
- \$69,000 - Athletics & Activities - funds budgeted for turf closure not used



General Fund Expenditure Review

General Fund expenditures came in under budget by \$1,568,436

Other savings - Facilities & Operations:

- \$77,000 - Facilities & Maintenance - contracted repairs
- \$35,000 - Copiers - equipment replacement deferred
- \$33,000 - Insurance - savings over conservative budget projections
- \$108,000 - Energy & Utilities - increased operation of HVAC systems



General Fund Expenditure Review

- School Board is required by policy DBJ to vote approval of budget transfers for any individual account overspent by \$10,000 or more.
- All overages can be offset by surplus in other budget lines, within the same voter-approved categories.



General Fund Revenue Review

**FY22 revenue showed an overall surplus of
\$507,075 over budgeted projections**

- State Subsidy (GPA) was increased after budget approval
 - FY22 budget order allocates surplus
- Miscellaneous revenues exceeded budgeted projections
- Some revenue shortfalls still occurred:
 - State Agency Client reimbursement - no eligible students
 - Limited facilities rental income



General Fund Revenue Review

**FY22 revenue showed an overall surplus of
\$507,075 over budgeted projections**

- ❑ SB & TC budget order set aside ½ of added GPA to establish a capital reserve fund
- ❑ Final GPA allocation increased by \$977,025
- ❑ \$418,513 added to non-tax revenue to reduce the FY22 school tax assessment
- ❑ \$418,512 is designated for the capital reserve fund

Due to the size of year-end surplus, we recommend that a total of \$600,000 be placed into capital reserves.



Statement of General Fund Surplus

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
FY22 Appropriations Balance	\$	1,568,436
FY22 Revenue Balance	\$	502,135
FY22 Year-end Adjustments	\$	(600,000)
FY22 Year-end Balance	\$	1,470,572
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

Along with General Fund data, the Financial Statement includes:

- Adult Education
- School Nutrition
- Federal Restricted Funds
- Grants & Trusts
- Capital Improvement Projects



Adult Education

- As with K-12 learning, most adult ed programs returned to in-person classes
- Some online offerings were maintained to serve the community
- Personnel turnover created savings in expenditures, while grant and subsidy revenues made up for reduced tuition
- Program year-end fund balance is \$35,368, after \$14,000 is applied as revenue to FY23 budget



School Nutrition

- Return to full time in-person learning coincided with continuation of free meals for all students
- Huge increase in both breakfast and lunch meal counts
- Expenditures over budget in labor, food and supply costs, HOWEVER...
- Reimbursement revenues more than made up for the additional costs, and the program ends the year with a surplus for the first time in decades.
- Continued universal free meal reimbursement from the state in 2022-23 allows us to forgo tax revenue request in FY23
- Fund surplus of \$475,017 can be used to support the program in future years even if outside funding is reduced.



Special Revenue Funds

Federal grant funds for COVID relief continued at a reduced level in FY22:

- ❑ ESSER I - balance of \$58,316 expended
- ❑ ESSER II - \$348,235 used for supplemental teaching staff at WS and MS
- ❑ ESSER III (ARP ESSER) - \$379,677 used for summer programming & supplemental staff (available through FY23)
- ❑ ARP Local Entitlement - \$85,446 in grants for Special Services

Also shown are the regular federal grants for education: Titles I, II and IV and Local Entitlement as well as local and state designated funds.



Capital Improvement Projects

During FY22 we were still limiting access to buildings, but some projects moved forward. The largest investments were:

- 3 new buses per replacement cycle
- Roof repairs and restoration
- Replacement of worn out furnishings
- HVAC updates at Middle School
- High School STEM lab/classroom retrofit
- Turf Field replacement initiated
- Multi-year project funds follow budget plan



Action Items

FY22 year-end action items for School Board

October 6, 2022

- 1) Request approval of [budget transfers](#) for accounts which were overspent by more than \$10,000.

- 2) Request approval of transfer of \$600,000 from General Fund surplus to new Capital Reserve Fund.