

MSAD NO. 75
FY 2021 BUDGET PROCESS
SUPERINTENDENT'S BUDGET
RECOMMENDATIONS



FY 2021 Budget Process

Desired Outcomes

- A budget that is centered around the needs of students
- A budget that supports the goals of the District and our individual schools
- A budget that strikes the right balance between the needs of students and the needs of taxpayers

Budget Development and Approval Process

Step
1

Superintendent develops a FY 2021 budget proposal

Note: These dates are subject to change based on changing circumstances.

Step
2

Finance Committee reviews budget and makes a recommendation to the Board

Virtual Hearing
April 9th, 6:00 pm

Step
3

Full Board reviews budget and makes a recommendation to the voters

District Budget Meeting, May 21st, 6:30 pm, Orion PAC

Step
4

Voters approve a FY 2021 school budget

District Validation Referendum
June 9, Town Polling Places

Superintendent's Recommended Budget Summary

Item	FY 2021	\$ Change	% Change
FY 2020 (Current Operating Budget	\$42,137,543		
Increase to Maintain Services (MOE)	\$43,028,475	\$890,932	2.1%
Increase in Debt Service Costs	\$46,176,956	\$3,148,481	9.6%
Superintendent's Recommendations*	\$45,911,301	(\$265,655)	9.0%

*The Superintendent's recommendations include \$142,282 in new resources, offset by \$407,555 in resource reductions and a \$382 net reduction from line-item adjustments.

Notable Cost Increases (Excluding the new High School)

- Special Education out-of-district placements: \$100,000
- Support for the Food Service Program: \$51,069 (11.8%)
 - A new concern is the growing level of unpaid fees, totaling almost \$12,000
- Stipends (all positions): \$32,775 (7.4%)
 - Resulting from the increase in the base salary for teachers
- Property & Liability Insurance: \$39,258 (26.6%)
 - Resulting from an assumed 12% rate ↑ and the increased value of the new HS
- Facilities Contingency Account \$15,000 (from \$85,000 to \$100,000)
 - To be conservative with unknown costs for the new High School

Notable Cost Decreases (Excluding the New High School)

- Temporary elimination of funding to School-Based Health Clinic: (\$41,000)
 - Prior accruals to dedicated fund balance can be used for support
- Buy-out of state technology leases (student/staff devices): (\$122,752)
- All utilities: (\$10,500)
 - Based on declining costs for natural gas and electricity
- Reduction in the roof repair allowance: (\$20,000)
 - Reduced from \$40,000 in FY 2020 to \$20,000 in FY 2021
- Elimination of Empower software licenses: (\$10,300)
 - Based on changes in grading systems

Budget Considerations for the New High School

- Additional costs: Five additional copiers (\$47,364) and a one-time allowance for fit-up costs (\$10,000)
- A reduction in cost: The moving allowance is reduced from \$95,000 in FY 2020 to \$20,000 in FY 2021
- The cost of natural gas and electricity are (collectively) budgeted at \$235,740 in both FY 2020 and FY 2021, but \$46,000 has been shifted from natural gas to electricity
 - Long-term energy savings have been projected as high as \$50,000/year
 - There is no assumption of savings from the array of solar panels

Increasing Debt Service Costs

- FY 2021 is the first year of principal payments for the High School and Roof Replacement bonds
- Debt service on the bonds will begin to slowly decline beginning in FY 2022
- Capital leases assume purchase of three new buses
- There is no interest on the Bowdoin Central or Middle School bonds

Cost	FY 2020	FY 2021	\$ Increase
HS Bond - Principal	\$0	\$2,943,355	\$2,943,355
HS Bond - Interest	\$1,488,108	\$1,558,183	\$70,075
Roof Bond-Principal	\$0	\$118,800	\$118,800
Roof Bond - Interest	\$23,030	\$23,392	\$362
BCS Bond - Principal	\$285,965	\$285,965	\$0
MAMS Bond-Principal	\$805,250	\$805,250	\$0
Capital Leases	\$660,560	\$676,449	\$15,889
TOTAL	\$3,262,913	\$6,411,394	\$3,148,481

Superintendent's Recommended Budget Priorities for New Resources

Description	Location	\$ Amount
Increase music teacher from half time to full time	Middle School	\$35,850
Increase social worker one day per week to full time	The Center	\$11,300
Add one van driver with a van (1 st year leasing costs)	District-wide	\$51,836
Increase substitute rates (drivers, custodians, LT subs)	District-wide	\$12,796
Add van for teacher use (1 st year leasing costs)	The Center	\$6,500
Purchase new lawn mower	District-wide	\$24,000
Total Increase		\$142,282

Superintendent's Recommended Budget Requests for New Resources Not Proposed for Funding

Description	Location	\$ Amount
Additional Special Education teacher	High School	\$75,185
Increase social worker one day per week to full time	Bowdoinham	\$11,300
Add a floating custodian	District-wide	\$48,771
Provide back-up generator for IT network	District-wide	\$35,000
Total Increase		\$170,256

Note: Personnel costs include salaries and benefits

Superintendent's Recommended Budget Reductions in Resources

Description	Location	\$ Amount
Eliminate PT District Office administrative assistant	District Office	(\$43,754)
Eliminate Harpswell teaching position (declining student enrollment)	Harpswell	(\$71,700)
Eliminate 2.3 FTE elementary literacy teacher leaders (positions now vacant; 2.5 FTE positions remain)	District-wide	(\$176,916)
Eliminate one teacher leader position	Middle School	(\$75,185)
Eliminate Teachers College contract (bring in-house)	District-wide	(\$40,000)
Total Decrease		(\$407,555)

NOTE. PERSONNEL COSTS INCLUDE SALARIES AND BENEFITS

FY 2021 Recommended Budget Projected Revenue

Description	FY 2020	FY 2021	\$ Change	% Difference
State Contribution	\$15,187,393	\$18,701,640	\$3,514,247	23.1%
Local Share - Total	\$26,441,150	\$26,195,661	(\$245,489)	(0.9%)
Other Revenues	\$109,000	\$114,000	\$5,000	4.6%
Fund Balance Carry-over	\$400,000	\$900,000	\$500,000	125.0%
Total Revenue	\$42,137,543	\$45,911,301	\$3,773,758	9.0%

Notes:

- The above numbers do not include \$142,428 for the local share of Adult Education; this is not expected to increase next year
- The increase in the State contribution includes an increase of \$642,330 in operating subsidy, and \$209,519 for Harpswell debt service

FY 2021 Recommended Budget Impact on Local Assessments

Description	FY 2020	FY 2021	\$ Change	% Change
Bowdoin	\$3,231,970	\$3,198,512	(\$33,458)	(1.04%)
Bowdoinham	\$3,367,082	\$3,377,889	\$10,806	0.32%
Harpswell	\$8,812,360	\$8,628,528	(\$183,832)	(2.09%)
Topsham	\$11,172,166	\$11,133,161	(\$39,005)	(0.35%)
Total Revenue	\$26,583,578	\$26,338,089	(\$245,489)	(0.92%)

Note: The changes in assessments from town to town vary based on changes in student enrollment and state valuation of property. The above assessments include Adult Education.