Scarborough Public Schools

School Board Presentation

FY25 Year-end Financials

October 2, 2025

FY25 Year-End Financial Report

Two supporting documents are posted with BOE agenda for tonight:

FY25 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 $2,213,037

Savings in personnel costs were seen in several budget categories:

- ❏ Special Education staff - turnover & unfilled positions - $400,000
- ❏ Library Services - new K-2 position unfilled - $100,000
- ❏ Improvement of Instruction - unexpected resignation - $87,000
- ❏ System Administration - turnover savings - $78,000

Total surplus of $665,000 attributable to these factors.

General Fund Expenditure Review

General Fund expenditures came in under budget by $2,213,037

Some wage and benefit funds were used instead for contracted services to provide critical work when we were unable to fill positions:

- Special Education support staff - $185,000 (Amergis)
- Transportation - bus drivers - $239,000 (Dirigo)
- Facilities - custodians - $185,000 (Cadorette)

General Fund Expenditure Review

General Fund expenditures came in under budget by $2,213,037

Other savings - Programs & Services:

- $43,000 - Athletics & Activities - unfilled coaching positions
- $180,000 - Special Services - lower than expected tuition costs
- $157,000 - Pre-K Partnership Program - replaced with grant funds; used for FY26

Other savings - Operations:

- $140,000 - Facilities - reduced electricity costs through consortium
- $298,000 - Debt Service - reduced interest on delayed bond issue

Total surplus of $818,000 attributable to these factors.

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 year-end overages can be offset by surplus in other budget lines, within the same voter-approved categories.
- Mid-year inter-category transfers made in compliance with statute.

General Fund Revenue Review

FY25 revenue was $153,652 over budgeted projections

Significant surplus revenue:

- ❑ MLL Hardship Funds from DOE
- ❑ State Agency Clients
- ❑ Renewable Energy Credits

Statement of General Fund Surplus

Breakdown of General Fund Surplus Balances

As of 6/30/2024 fund balance was :	$ 3,625,999
Used For FY25 Budget	$ (1,500,000)
Undesignated Fund Balance 7/1/2024	$ 2,125,999
FY25 Appropriations Balance	$ 2,213,037
FY25 Revenue Balance	$ 154,002
FY25 Year-end Adjustments	$ (856,526)
FY25 Year-end Balance	$ 1,510,513
Total Available Fund Balance	$ 3,636,511
Used for FY26 Budget	$ (1,500,000)
Undesignated Fund Balance 6/30/2025	**$ 2,136,511**

Other Funds

Along with General Fund data, the Financial Statement includes:

- ❑ Adult Education
- ❑ School Nutrition
- ❑ Federal Restricted Funds
- ❑ Grants, Trusts & Special Revenues
- ❑ Capital Improvement Projects

Adult Education

- Enrichment courses continuing to rebound
- MLL programs are most popular, both literacy and workforce
- Grant funds uncertain, but continue into FY26
- Program year-end fund balance is $18,996, after $31,000 is applied as revenue to FY26 budget

School Nutrition

- State continues to provide funding for free meals for all students
- High demand continued to reflect in both breakfast and lunch meal counts
- Staffing challenges improved with new bargaining agreement
- Investments for production: replacement ovens, batter piping machine
- Year-end fund balance slightly reduced to comply with USDA requirements

Special Revenue Funds

Federal grant funds:

- ARP mini-grants from DOE completed in fall of 2024
- Regular federal grants for education: Titles I, II, III and Local Entitlement
- Concerns about federal funding allayed for FY26

Local Grants, Trusts & Special Revenues:

- Pre-K Partnership Development grant available through December 2025
- School Nutrition Special Programs/Backpack Program - grants continue
- Scarborough Education Foundation working through fund balance

Capital Improvement Projects

Multi-year projects continued with facilities maintenance and technology upgrades. Some highlights:

- ❑ 3 new buses per replacement cycle
- ❑ High School student chromebooks & network switches replaced
- ❑ Failed generator replaced at Middle School
- ❑ HVAC repairs & system controls district-wide
- ❑ Track restoration project begins

Long-range planning funds supported development of new SBAC proposal scheduled for November 2025 referendum (see building project web page for details).

School Reserve Funds



The School Capital Reserve Fund was established at the end of FY22 using year-end surplus funds to provide revenue for capital projects as determined by the Board through the annual budget process.

- ❑ Funded with $600,000 at the end of FY22 (unexpected GPA revenue)
- ❑ Used $199,000 in FY23 for capital budget revenue (district-wide equipment replacement)
- ❑ Added $800,000 at the end of FY23 from available surplus
- ❑ Used $405,783 in FY24 for capital budget revenue (buses)
- ❑ Added $800,000 at the end of FY24 from available surplus
- ❑ Committed $585,000 in FY25 for capital budget revenue (building project planning costs)

Business Office & Finance Committee recommend replenishing the fund with $700,000 of available year-end surplus from FY25 (Board Action Item)

School Reserve Funds



Establishing a new Pre-K Program Reserve Fund

- ❑ Addresses the loss of state grant funds in FY26
- ❑ Allocates funds that were approved for Pre-K in FY25 but not used
- ❑ Allows us to continue the Pre-K Partnership with Shooting Stars through June 2026 ($70,000)
- ❑ Provides seed funding for Pre-K program costs in future budget years

Business Office & Finance Committee recommend establishing the fund with $156,526 of unused funding from FY25 (Board Action Item)

Action Items

FY25 year-end action items for School Board
October 2, 2025

- ❑ 1) Request approval of budget transfers for accounts which were overspent by more than $10,000.
- ❑ 2) Request approval of transfer of $700,000 from General Fund surplus to School Capital Reserve Fund.
- ❑ 3) Request approval to create new Pre-K Program Reserve Fund, with transfer of $156,526 from General Fund surplus.