



ON COURSE FOR STUDENT SUCCESS

FY 2027 Budget
March 10, 2026



**PORTLAND
PUBLIC SCHOOLS**
prepared & empowered

The proposed budget is aligned to the Strategic Plan and supports outcomes for all students.

Executive Summary

- The Portland Public Schools has developed an overall budget of \$179.9 million that is focused on student experiences and outcomes and aligned to the Strategic Plan.
- The Strategic Plan in the first two years has resulted in improved outcomes for all students and all subgroups in math and English.
- The proposed budget aims to address the challenges of declining enrollment, a significant decrease in state funding, and investments aligned to the Strategic Plan.
- The proposed budget would raise the school portion of property taxes by 7.3% (\$0.46 per \$1,000 of assessed value). For a median homeowner this would result in an increase of approximately \$261 per year.



The proposed budget is aligned to the Strategic Plan and supports outcomes for all students.

Agenda

- 1 One District, One Plan
- 2 Our Budget Process
- 3 Prioritized Funding
- 4 Fiscal Year 27 Expenses and Revenues
- 5 Tax Implications
- 6 Calendar Ahead



Vision and Mission

Vision

All learners will be fully prepared to participate and succeed in a diverse and ever-changing world.

Mission

The Portland Public Schools is responsible for ensuring a challenging, relevant, and joyful education that empowers every learner to make a difference in the world. We build relationships among families, educators and the community to promote the healthy development and academic achievement of every learner.



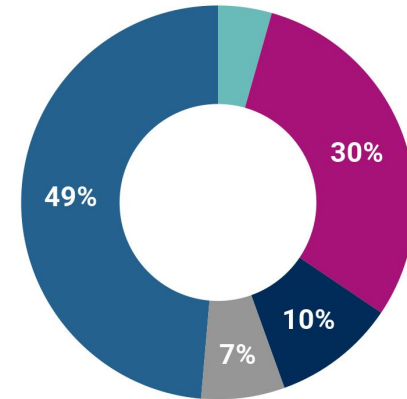
Portland serves a diverse population of approximately 6,250 PK-12 students across 18 schools and programs.

Student Enrollment & Demographic

PPS Total 25-26 Enrollment	
Students enrolled	PK-12 6,242 Adult 2,000
# of schools	18 PK-12 + adult education
% Economically disadvantaged	52%
% special education students (SpEd)	20%
% Multilingual learners (ML)	29%
% homeless	8%

Race / Ethnicity Breakdown 25-26

● Asian
 ● Black or African American
 ● Hispanic
 ● Other*
 ● White



51% students of color

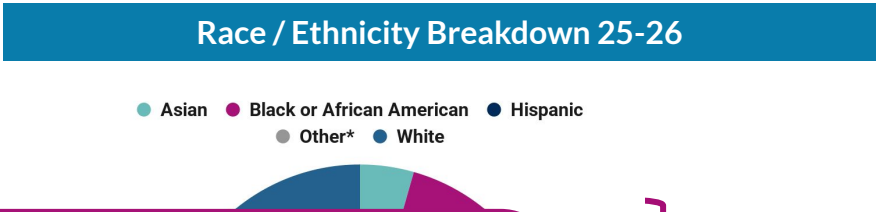
*Other includes students who identify as American Indian or Alaska Native, Native Hawaiian or Pacific Islander, Multiracial, or those who declined to answer.



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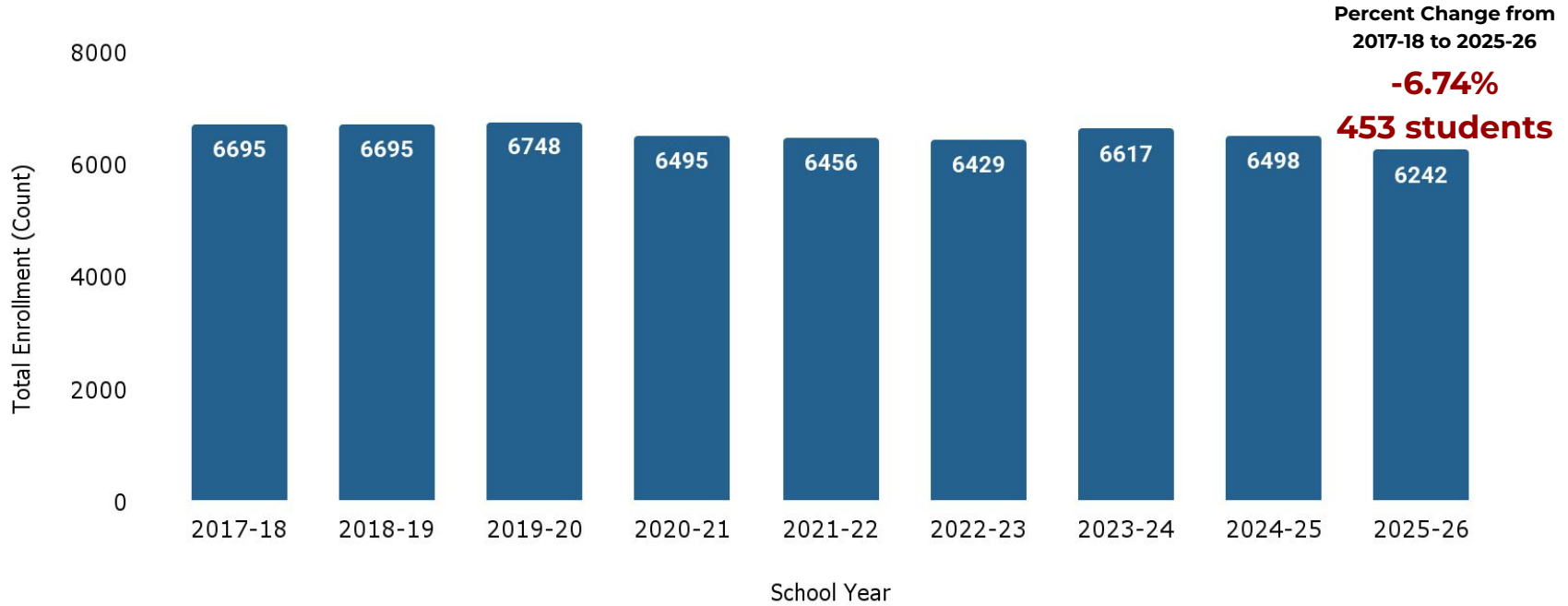
Because of student mobility, PPS has served 6,954 unique students this year - 11% higher than the Oct 1 enrollment count used for state funding.

51% students of color

*Other includes students who identify as American Indian or Alaska Native, Native Hawaiian or Pacific Islander, Multiracial, or those who declined to answer.

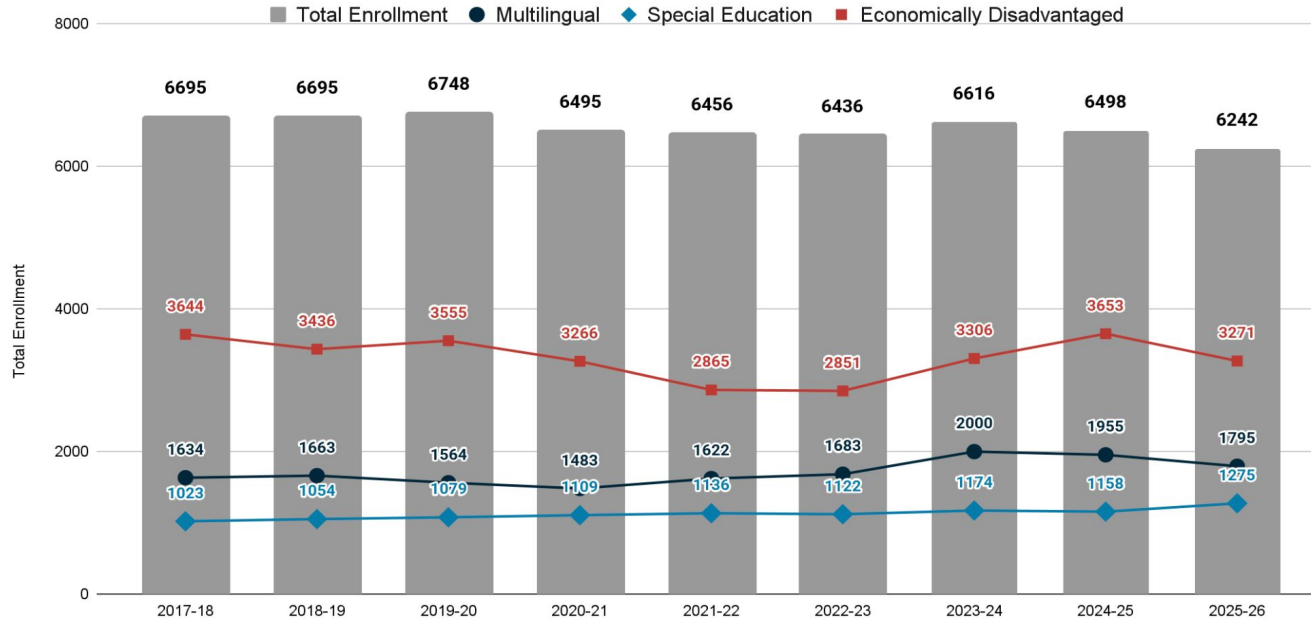
Our student population has decreased by 6.7%, 453 students, since 2017-2018.

Total Enrollment Over Time



This year, we saw a decline in economically disadvantaged students and multilingual learners.

Enrollment Over Time by Student Subgroup



PORTLAND PUBLIC SCHOOLS' STRATEGIC PLAN

Charting a Course To Success, Together



Our steady focus on the strategic plan is improving outcomes for students.

Strategic Plan Priorities

Equity: Keeping Equity at the Center

The Portland Public Schools strives to be an anti-racist district by vigilantly supporting each and every student's particular path to achieving their potential and rooting out systemic inequities.

Achievement: Enhancing Academic Excellence and Equity

Implement a universally accessible, rigorous, and equitable curriculum that prepares students academically and ignites a joy of learning, through consistent, high-quality instruction and engaging, grade-level tasks that challenge and inspire students.

Whole Student, Connected Community: Cultivating Inclusivity and Belonging

Nurture supportive, inclusive school communities that promote belonging and engagement among all students, their families, and the broader community.

People: Developing Staff, Leaders, and Organizational Culture

Elevate recruitment, retention, and staff development practices focused on ensuring instructional excellence and cultivating an inclusive work environment that supports collaboration and staff well-being.

Systems: Streamlining Operations for Equity, Efficiency, and Accountability

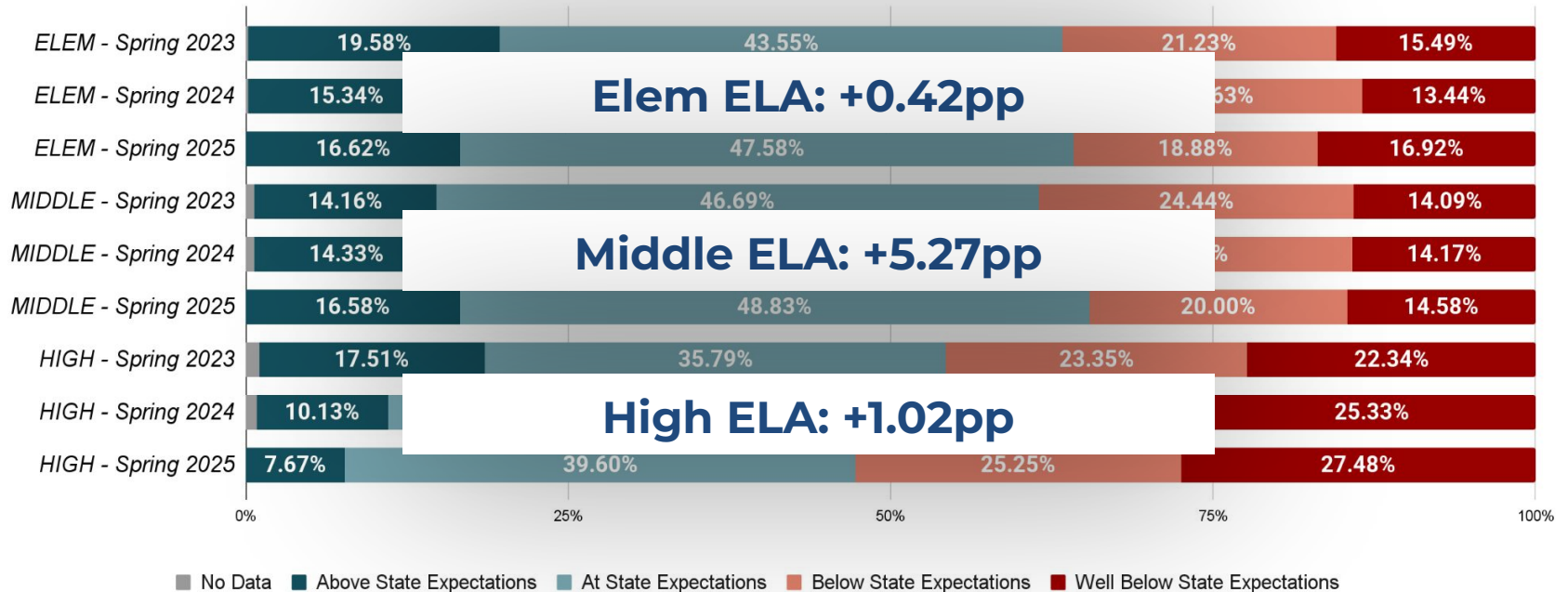
Develop and implement consistent and clear operational procedures and systems that enhance equity, efficacy, and accountability across the Portland Public Schools.



Overall ELA proficiency districtwide has increased by 1.37 percentage points since 2023.

ELA Proficiency Rates Over Time

Grade Band Results, Spring 2023-25: Reading



When we disaggregate the ELA results by subgroup, we see positive gains across all groups over time.

Subgroups: Percent of Student At/Above State Expectations ELA

	ED	Non-ED	ML	Non-ML	IEP	Non-IEP
<i>Spring 2023</i>	40.47%	74.41%	30.84%	74.78%	33.80%	66.30%
<i>Spring 2024</i>	41.30%	76.78%	30.98%	74.69%	35.57%	64.28%
<i>Spring 2025</i>	45.63%	81.74%	35.18%	75.34%	38.68%	66.85%
Change from 2024 to 2025	4.33%	4.96%	4.20%	0.65%	3.11%	2.57%
Change from 2023 to 2025	5.16%	7.33%	4.34%	0.56%	4.88%	0.55%



We have made progress in closing ELA outcome gaps for multilingual learners and students with IEPs.

Subgroups: Percent of Students At/Above State Expectations ELA

	ED vs. Non-ED	ML vs. Non-ML	IEP vs. Non-IEP
<i>Spring 2023</i>	33.94%	43.94%	32.50%
<i>Spring 2024</i>	35.48%	43.71%	28.71%
<i>Spring 2025</i>	36.11%	40.16%	28.17%
Change from 2023 to 2025	2.17%	-3.78%	-4.33%
Change from 2024 to 2025	0.63%	-3.55%	-0.54%

We see widening gaps over time

Positive # = **increased gap**,

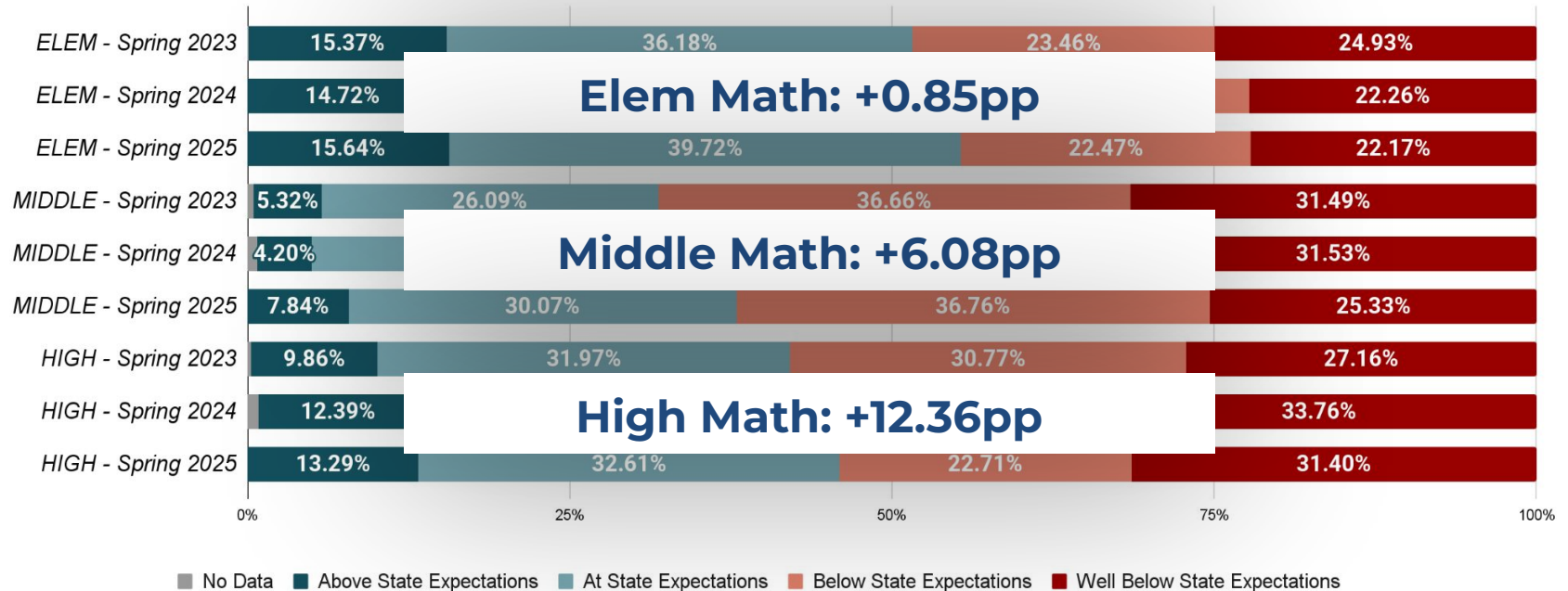
Negative # = **decreased gap**



Overall math proficiency districtwide has increased by 5.36 percentage points since 2023.

Math Proficiency Rates Over Time

Grade Band Results, Spring 2023-25: Math



When we disaggregate the math results by subgroup, we see positive gains across all groups over time.

Subgroups: Percent of Student At/Above State Expectations Math

	ED	Non-ED	ML	Non-ML	IEP	Non-IEP
<i>Spring 2023</i>	20.97%	57.06%	14.92%	55.96%	20.28%	45.57%
<i>Spring 2024</i>	22.28%	60.97%	16.07%	56.27%	21.57%	45.71%
<i>Spring 2025</i>	27.94%	69.83%	17.92%	62.08%	26.13%	50.91%
Change from 2024 to 2025	5.66%	8.86%	1.85%	5.81%	4.56%	5.20%
Change from 2023 to 2025	6.97%	12.77%	3.00%	6.12%	5.85%	5.34%



Subgroup gap analyses show a small improvement in closing math outcome gaps for students with IEPs.

Subgroups: Percent of Student At/Above State Expectations Math

	ED vs. Non-ED	ML vs. Non-ML	IEP vs. Non-IEP
<i>Spring 2023</i>	36.09%	41.04%	25.29%
<i>Spring 2024</i>	38.69%	40.20%	24.14%
<i>Spring 2025</i>	41.89%	44.16%	24.78%
Change from 2024 to 2025	2.60%	-0.84%	0.64%
Change from 2023 to 2025	5.80%	3.12%	-0.51%

We see widening gaps over time

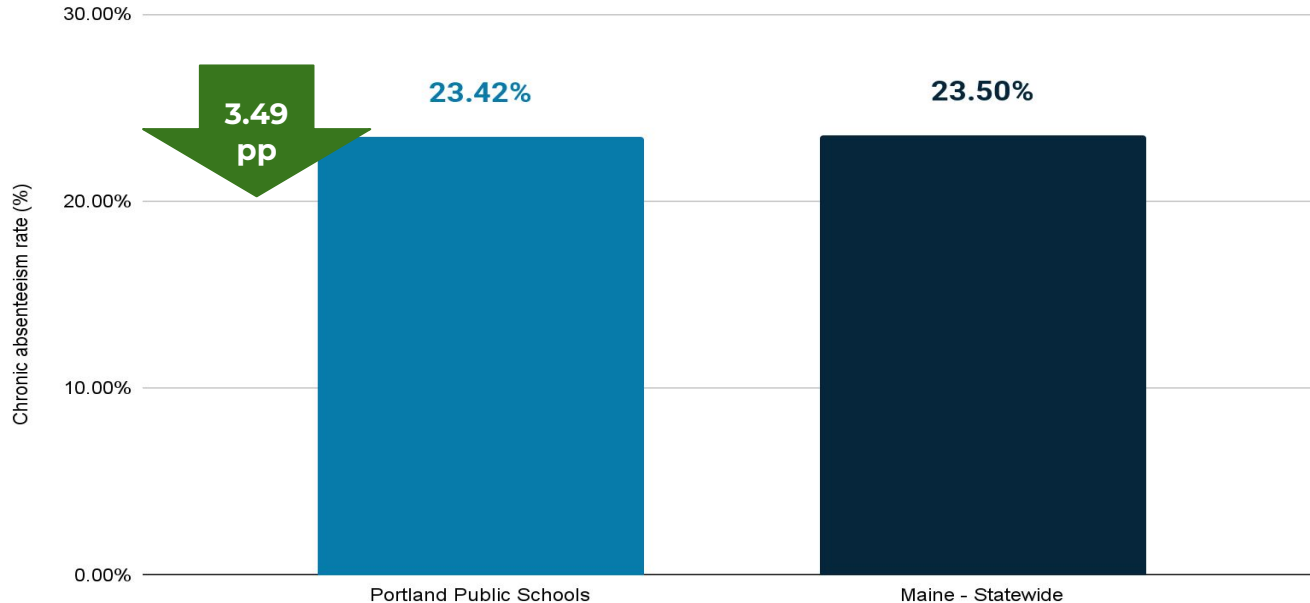
Positive # = **increased gap**,

Negative # = **decreased gap**



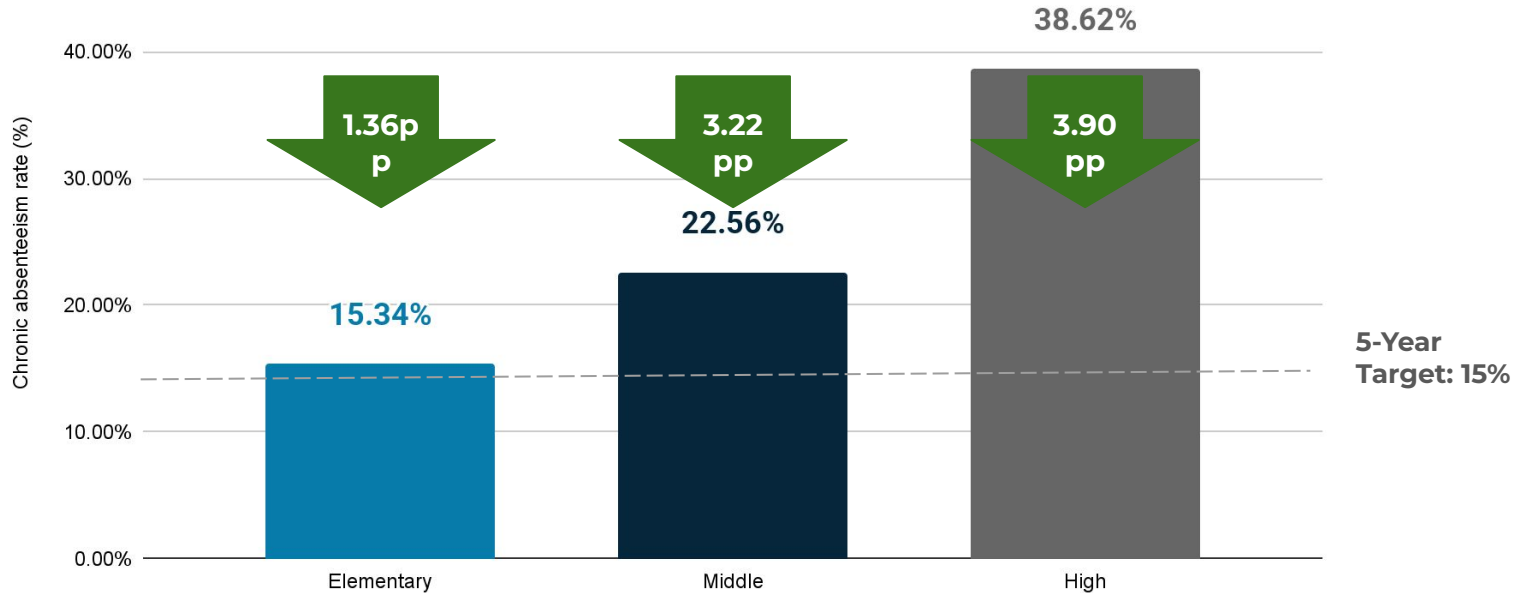
Beyond academics, our climate data has improved. The chronic absenteeism rate is comparable to the state.

District Chronic Absenteeism Compared to 23-24 Statewide Rate



Chronic absenteeism rates improved in each of the grade bands last year.

Chronic Absenteeism Rate by Grade Band



1

The suspension rate in 24-25 improved significantly.

Total Incidents Resulting in Suspension, SY24-25

500 total
suspensions
assigned in
SY 24-25



552 total
suspensions
assigned in
SY 23-24

10.4% Decrease





2. Our Budget Process and Important Changes in FY27



PORTLAND PUBLIC SCHOOLS

We identified priorities by engaging community, reviewing data, and aligning to our Strategic Plan.

Budget Development Process

- Engagement with community, school leaders, and staff identified over \$12 million in new requested expenses for FY27
- Reviewing each of these investments next to our Strategic Plan helped us identify the key priorities for our budget
- Requiring a zero-based budget for our departments helped us ensure that each expense was aligned with our core work



Building on last year's process, our proposed FY27 budget is more comprehensive.

FY27 Materials Available

- All revenues and expenses are presented, not just those in the local budget
- 5-year budget for the District and 1-year budgets for the District, departments, and schools
- 5-year and 1-year budgets for our fund balance
- Development of a roll-forward budget
- Detailed non-personnel budgets for each department – built from a zero-based budget where every dollar of non-personnel costs is justified and aligned to the Strategic Plan



This year, we face both opportunities and challenges as we build the budget.

Opportunities

1. Decrease of \$2.7 million in pension bond obligations
2. Better HR and finance data
3. Support from the Foundation for Portland Public Schools
4. Fund balance availability

Challenges

1. Decrease of \$4.1 million in state funding
2. Significant needs identified across the district
3. Decrease in grant funding for Portland Adult Education (PAE)
4. Balancing decreasing staffing from lower enrollment with increased staff to support the Strategic Plan



The pension obligation bonds expire in FY 26. FY27 has a resulting reduction of \$2.7 million in debt service.

Opportunity #1: Pension Obligation Bond Expiration

- This is an obligation from 2001 when the state required municipalities and districts to help close the pension obligation gap
- The removal of this recurring debt service payment lowers our expenses in FY27 by \$2.7 million dollars
- This alone would result in an approximately 2.1% lower increase in the tax levy in FY27
- We must be careful, however, as this is a one-time reduction in expenses. In a typical year, factoring in inflation and collective bargaining agreement raises, we would expect to see an increase in the local budget between 5-6%



Our HR and Finance teams have been working to clean up our data and we are now able to use actual salaries.

Opportunity #2: Better HR and Finance Data

- In FY23, there was no position control or an accurate list of all full- and part-time staff and their position(s)
- Since the transition to ADP, we have a complete list of staff
- This past year, we implemented position control and a process to review positions prior to their addition to the budget
- As a result, we are able to use actual salaries instead of average salaries. This lowers our overall costs but does limit the ability to compare year-to-year changes in salaries at the school and department level



We receive funding, programming and capacity from the Foundation for Portland Public Schools (FPPS).

Opportunity #3: FPPS Overview (1 of 2)

The Foundation is an invaluable partner to the Portland Public Schools and the funding, programming and capacity we receive is a significant return on the small investment we make to cover the salary and benefits of the Foundation's executive director.

Areas of Support

- Academics
- Grants for Staff
- Basic Needs for Students and Families
- System-Wide Supports



We continue to leverage our general fund balance to lower the tax burden on residents.

Opportunity #4: Fund Balance Overview

Overview:

- The general fund balance is revenues that have been received in previous years but went unspent. They could come from a number of different sources
- As a result, these funds function as a savings account and when the budget includes the use of fund balance, the result is that it lowers the amount of tax levy the District needs in one year
- The District needs to be careful and maintain a fund balance for a rainy day and not get dependent on one-time funding to fill budget gaps

Recent Fund Balance Use and Remaining Funds

- In FY25, we budgeted \$3.6 million in general fund balance and used \$1.3 million
- In FY26, we budgeted \$3.9 million in general fund balance and estimate that we will use \$1.4 million
- For FY27, we anticipate that there will be \$12.3 million in general fund balance available
- For FY27, we currently have budgeted to use the same amount, \$3.9 million, as in FY26, but would recommend lowering this if possible



The state funding formula has resulted in a decline of \$4.1 million in revenue for FY27.

Challenge #1: State Funding Formula

The state's EPS (Essential Programs & Services) formula consists of 2 main parts:

Operating Allocation (Cost of Education):

The state's calculation of the resources required to provide an equitable education in a given district.

Local Contribution:

The amount of a district's own resources it should contribute to the cost of education.

$$\text{Operating Allocation} - \text{Local Contribution} = \text{State Subsidy}$$

Key Drivers of Operating Allocation

- Enrollment and demographics
- Admin and personnel costs
- Changes to the EPS formula

Key Drivers of Local Contribution

- Property tax valuation
- Mill rate (applied uniformly statewide)

$$\text{Local Contribution} = \text{EPS Valuation} * \text{EPS Mill Rate}$$



We have declining enrollment, increasing property valuations, and are not a minimum receiver.

Challenge #1: State Funding Formula



Declining Student Enrollment

- Average enrollment on Oct 1st for the last two years
- Overall declined by 2.9%
- Low Income declined by 7.0%
- Multilingual declined by 8.0%

- \$774,382



Increasing Property Valuations

- The lower of your state property valuation or a three year trailing average of your state property valuation
- Increased by 15%

- \$3,100,000



Not a Minimum Receiver

- All districts are guaranteed either 5% of overall expenses or the special education minimum adjustment
- As a result, they may contribute less than Portland

*There are additional increases and decreases in state funding for debt service, career and technical education, and service center that accounts for the additional decrease to a total of \$4.1 million



The needs of the District, as identified by school leaders, staff, and departments, continues to grow.

Challenge #2: Significant Needs Across the District

- School leaders and department heads completed two budget templates:
 - Personnel expenses: increases/decreases to current staffing, stipends, teacher additional pay
 - Non-personnel expenses:
 - Schools were given a guideline of an average 2% increase on items such as books, supplies, and printing. They were asked to project needed funds for all other items such as contracted services, dues and fees, employee training, etc.
 - Departments were required to start with a zero-based budget and project all expenses without assuming any given increase
- The budget requests above the roll-forward budget would total \$12 million
 - Personnel: \$9 million
 - Non-personnel: \$3 million



Portland Adult Education (PAE) is our largest school and will see a decrease in grant funding in FY27.

Challenge #3: Portland Adult Education Grant Funding

- PAE receives their funding from three primary sources:

Tax Levy

FY27 proposed budget continues with the practice of increasing by the same rate of increase as the PreK-12 tax levy

State Funding

Overall state funding for PAE increases by 1.3% compared to FY26 to a total of \$952,516 in FY27

Grants

Grants decrease in FY27 by -5.4% to a total of \$1,735,280

- While the PAE team has done an amazing job seeking out grants, the loss of grant funding will result in a lower overall budget for PAE of -3.1% or \$163,278



In this budget, we must balance the tension of decreasing enrollment with strategic initiatives.

Challenge #4: Decreasing Enrollment and Strategic Initiatives

How do we address decreasing enrollment?

How do we strategically invest to improve student outcomes?





3. Prioritized Funding and Reductions in FY27



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Our Strategic Plan and budget make investments to improve outcomes for students and improve systems.

Budget Aligned to the Strategic Plan

1.2 & 1.4 Improving Outcomes and Experiences for Historically Underserved Students: Cabinet level leadership to develop and support additional partnerships and programming for all students starting with historically underserved students (\$188,000)

2.1 Early Childhood Literacy: Expansion of the early literacy ed technicians to 1st grade at three schools (\$256,000)

2.1, 2.2 & 2.3 High Quality Math Curriculum: Our elementary schools will maintain their current math curriculum and our secondary schools will be adopting new, high quality instructional materials (\$300,000)

2.1, 2.2 & 2.3 Local Black History Curriculum: Support the development of new curriculum with a 0.5 staff member. Non-personnel will be covered by FPPS (\$50,805)



Our Strategic Plan and budget make investments to improve outcomes for students and improve systems.

Budget Aligned to the Strategic Plan

2.7 Access to Enrichment Subjects: One music teacher at the middle school level to provide more access to instrumental music and release some school scheduling challenges (\$102,000)

3.7 Early Childhood and Kindergarten Readiness: Expansion of pre-k programming to deliver early intervention services to 4 year old students (\$4,057,816)

4.1 Strong and Inclusive School Culture: Civil Rights Officer and Equity Audit (\$258,000)

4.4 Strengthen Practices of School Leaders: Leadership professional development including the opportunity for cohorts of leaders to attend nationally recognized trainings (\$75,000)

5.3 Effective Operational and Financial Systems: Increased the budget for school supplies by 5%, facilities assessment to ensure strong facilities management, and continued work with BerryDunn and MainePERS (\$1,004,000)



We also have operational cost increases which are necessary for the District but not Strategic Plan driven.

FY27 Budget Increases

- **Tuition Reimbursement:** Our contracts provide for tuition reimbursement for staff and they are using it more! This is great news and we need to increase our budget to \$364,000 in FY27 from \$195,000
- **ESOL Credentialing:** In support of the Board resolution to increase the percentage of staff who have ESOL (660) credentials, we have budgeted \$20,000 in FY27
- **Secondary Staffing:** Two social studies teachers were added after the approval of the FY26 budget to address school scheduling needs and those positions are maintained in FY27
- **Transportation Staffing:** Four bus assistants are needed to address out of district transportation routes for students with IEPs attending non-PPS schools



This year, we are also proposing reductions based on declining student enrollment and budget challenges.

Historical Staffing Changes - FY24 to FY26

- **Central staff** decreased by 7.8%
 - With the additions (19) and the reductions (6) in central staff, that represents a 4.23% increase. However, if you remove Early Childhood Special Education (ECSE), it would be 6 additions and 6 reductions for 0% increase in FTE count
- **School-based staff** increased by 2.4%
 - With the proposed additions (30.5) and reductions (14.5) in school-based staff, it represents an 1.36% additional increase. If you exclude ECSE, it would be a reduction of 0.6%
 - Over the last 9 years, enrollment has decreased by 6.7% and school-based staffing has not decreased at the same rate



We are proposing to remove 6 central positions from the FY27 budget that are currently vacant.

1 of 2: Elimination of Vacant Central Office/Central Departments

- 1 IT position (\$128K)
- 1 Enrollment Specialist (\$64K)
- 1 HR Analyst (\$100K)
- 0.5 Family & Community Specialist (\$47K)
- 2 Bus Drivers (\$150K)
- TV3 Manager (\$57K)



We are proposing to reduce school-based staff by 7 positions that are currently vacant.

2 of 2: Elimination of Vacant School Based Positions

- High School - 3 SPED Ed Techs (\$179K)
- Middle School - 1 Reading Specialist (\$99K)
- Elementary
 - 1 Multilingual Ed Tech (\$64K)
 - 2 SPED Ed Techs (\$119K)



Reduced enrollment within secondary schools will result in a reduction in staff.

Elimination of positions due to enrollment changes

- 4.5 Teachers (\$457K)
- 1 Dedicated Substitute (\$65K)
- 0.5 Guidance Counselor (\$57K)
- 1 Social Worker (\$103K)



The FY27 budget addresses both declining enrollment and the need for strategic investments.

FY27 Summary of Additions

	Expense	Reimbursement
Assistant Superintendent for Student, Family, Community Engage	\$188,000	
Early Literacy Education Technicians	\$256,000	
High Quality Instructional Materials for Math	\$300,000	
Local Black History Curriculum	\$50,805	
Music Teacher	\$102,000	
Early Childhood Costs	\$4,057,816	\$4,057,816
Equity Audit	\$80,000	
Civil Rights Officer	\$178,000	
Leader Professional Development	\$75,000	
BerryDunn Contract for MainePERS	\$600,000	
Facilities Assessment	\$350,000	
School Supplies	\$48,000	
Tuition Reimbursement	\$168,763	
ESOL Credentialing	\$20,000	
Secondary Social Studies	\$204,000	
Four Bus Assistants	\$213,000	
Total Net Increases	\$2,833,568	



The FY27 budget addresses both declining enrollment and the need for strategic investments.

FY27 Summary of Reductions

	Expense	Reimbursement
IT Position	\$128,700	
Enrollment Specialist	\$64,000	
HR Analyst	\$100,000	
0.5 Family and Community Specialist	\$47,000	
2 Bus Drivers	\$150,000	
.5 TV3 Manager	\$57,000	
3 Sped Ed Techs (High School)	\$179,000	
Reading Specialist (Middle School)	\$99,000	
Multilingual Ed Tech (Elem School)	\$64,000	
2 Sped Ed Techs (Elem School)	\$119,000	
4.5 Teachers (High School)	\$457,000	
Dedicated Substitute (High School)	\$65,000	
0.5 School Counselor (High School)	\$57,000	
Social Worker (High School)	\$103,000	
Total Net Decreases	\$1,689,700	



Each year, the budget is challenging. It requires us to think about bigger structural changes.

Analysis of Cliff Island

- Cliff Island currently educates 2 students
- The budget for Cliff Island in FY27 is \$123,420 (note that transportation costs for staff is on the Peaks Island budget)
- If the Board decided to close Cliff Island, we would offer to tuition the two students to any of the surrounding islands. Our typical tuition is approximately \$30,000 or \$60,000 for two students
- As a result, the net savings for closing Cliff Island would be \$63,420 in FY27
- In future years, there may be some additional savings from deferred maintenance on the school building
- Because this is a significant change, we did not include the closing of Cliff in the budget but would look to the Board for guidance on that decision



Moving forward in our 5-year plan, we need to consider bigger changes and lower the use of fund balance.

Additional Areas of Exploration

- Middle school consolidation
- Central Office and school staffing structures
- Slow down implementation of the Strategic Plan to lower expenses
- Identify additional revenue streams for the District (e.g. grants, increased MaineCare billing)
- Leverage local partners for high impact, low cost strategies





4. FY27 Revenues and Expenses



PORTLAND PUBLIC SCHOOLS

Our budget is built on a set of assumptions that may change some during the course of the fiscal year.

Underlying Assumptions in FY27 Proposed Budget

- Salaries increases:
 - Represented Staff: Contract negotiated
 - Non-Represented Staff: 3 percentage point increase
- Benefits:
 - Assumed 9% increase in health benefits
- Staff Counts:
 - Assumed a vacancy rate of 0.75%
 - This is similar to the assumed rate this year and below the actual 4-5% vacancy rate across the system throughout the year



Our budget is built on a set of assumptions that may change some during the course of the fiscal year.

Underlying Assumptions in FY27 Proposed Budget

- Non-Personnel:
 - Departments were required to provide zero-based budgets
 - Schools budgeted a 2% increase and a 5% increase in school supplies
- Revenues:
 - Property valuation of \$20,300,000,000
 - This does not yet include any increase in FY27 valuations
 - Budgeted estimated revenues for Federal Title funds and other grants



FY27 Local Budget

4

	FY24 ACTUAL	FY25 ACTUAL	FY26 BUDGET	FY27 SUPT REC Mar 10	\$ +/- v FY26	% +/- v FY26
Local Revenue (non-tax)						
General	\$1,325,741	\$1,510,369	\$478,000	\$478,000	\$0	0.0%
Adult Ed	\$132,677	\$111,358	\$80,000	\$80,000	\$0	0.0%
Food Service	\$63,205	\$56,532	\$51,500	\$63,150	\$11,650	22.6%
Total Local Revenue	\$1,521,623	\$1,678,259	\$609,500	\$621,150	\$11,650	1.9%
State Revenue						
General	\$25,930,307	\$24,180,785	\$23,861,285	\$19,663,251	-\$4,198,034	-17.6%
Adult Ed	\$650,923	\$901,223	\$940,184	\$952,516	\$12,332	1.3%
Food Services	\$1,533,203	\$1,609,677	\$1,578,214	\$1,653,000	\$74,786	4.7%
Total State Revenue	\$28,114,433	\$26,691,684	\$26,379,683	\$22,268,767	-\$4,110,916	-15.6%
Federal Revenue						
General	\$282,040	\$257,807	\$445,000	\$445,000	\$0	0.0%
Food Services	\$3,000,577	\$3,150,598	\$3,147,141	\$3,654,875	\$507,734	16.1%
Total Federal Revenue	\$3,282,617	\$3,408,405	\$3,592,141	\$4,099,875	\$507,734	14.1%
Total Non-Tax Revenue	\$32,918,673	\$31,778,349	\$30,581,324	\$26,989,792	-\$3,591,532	-11.7%
Use of Fund Balance						
General	\$557,270	\$1,272,572	\$3,900,000	\$3,900,000	\$0	0.0%
Adult Education	\$190,736	\$89,270	\$236,889	\$0	-\$236,889	-100.0%
Food Services	\$18,048	\$395,291	\$856,782	\$0	-\$856,782	-100.0%
Total Fund Balance	\$766,055	\$1,757,133	\$4,993,671	\$3,900,000	-\$1,093,671	-21.9%
Property Taxes						
General Education	\$108,928,268	\$117,333,679	\$125,019,522	\$134,146,619	\$9,127,097	7.3%
Adult Education	\$1,921,740	\$2,068,945	\$2,206,457	\$2,367,541	\$161,084	7.3%
Food Services	\$0	\$0	\$0	\$0	\$0	0.0%
Total Property Tax	\$110,850,008	\$119,402,624	\$127,225,979	\$136,514,160	\$9,288,181	7.3%
Total Revenue	\$144,534,735	\$152,938,106	\$162,800,974	\$167,403,952	\$4,602,978	2.8%

Our K-12 programming will see a significant drop in state funds this year.

FY27 Projected Revenue - All Revenue Streams

	FY24 ACTUAL	FY25 ACTUAL	FY26 BUDGET	FY27 SUPT REC Mar 10	\$ +/- v FY26	% +/- v FY26
PREK-12						
Local Revenue						
Total Local Revenue	\$112,371,631	\$121,080,883	\$127,835,479	\$137,135,310	\$9,299,831	7.3%
Total Local Grants	\$307,665	\$195,120	\$195,000	\$110,000	(\$85,000)	-43.6%
TOTAL LOCAL FUNDS	\$112,679,296	\$121,276,004	\$128,030,479	\$137,245,310	\$9,214,831	7.2%
State Revenue						
Total State Programming Revenue	\$25,930,307	\$24,180,785	\$23,861,285	\$19,663,251	(\$4,198,034)	-17.6%
Total State and Local Grants	\$1,797,968	\$1,049,475	\$443,141	\$35,000	(\$408,141)	-92.1%
TOTAL STATE FUNDS	\$27,728,275	\$25,230,260	\$24,304,426	\$19,698,251	(\$4,606,175)	-19.0%
Federal Revenue						
Total MaineCare	\$282,040	\$257,807	\$445,000	\$445,000	\$0	0.0%
Total Title Funds	\$2,880,104	\$5,661,812	\$2,790,059	\$2,659,649	(\$130,410)	-4.7%
Total Federal Grant Funds	\$15,171,356	\$4,508,816	\$2,436,440	\$2,625,630	\$189,190	7.8%
TOTAL FEDERAL FUNDS	\$18,333,500	\$10,170,628	\$5,226,499	\$5,285,279	\$58,780	1.1%
EARLY CHILDHOOD INTER REIMBURSE	\$1,081,229	\$1,206,559	\$1,265,000	\$5,322,816	\$4,057,816	320.8%
FUND BALANCE	\$557,270	\$1,272,572	\$3,900,000	\$3,900,000	\$0	0.0%
TOTAL PREK-12 PROGRAMMING	\$158,261,947	\$157,176,994	\$160,833,447	\$169,385,965	\$8,552,518	5.3%

Adult Education and Food Services experience declines in revenue because of local grants & fund balance use.

FY27 Projected Revenue - All Revenue Streams

	FY24 ACTUAL	FY25 ACTUAL	FY26 BUDGET	FY27 SUPT REC Mar 10	\$ +/- v FY26	% +/- v FY26
ADULT EDUCATION						
Local and State Revenue						
Adult Education Local Revenue	\$1,923,712	\$2,070,088	\$2,286,457	\$2,447,541	\$161,084	7.0%
Adult Education State Subsidy	\$650,923	\$901,223	\$940,184	\$952,516	\$12,332	1.3%
Total Adult Education Local Grants	\$1,707,970	\$2,816,079	\$1,835,085	\$1,735,280	(\$99,805)	-5.4%
TOTAL LOCAL AND STATE FUNDS	\$4,282,605	\$5,787,390	\$5,061,726	\$5,135,337	\$73,611	1.5%
USE OF FUND BALANCE	\$190,736	\$89,270	\$236,889	\$0	(\$236,889)	-100.0%
TOTAL ADULT EDUCATION REVENUE	\$4,473,341	\$5,876,660	\$5,298,615	\$5,135,337	(\$163,278)	-3.1%
FOOD SERVICE						
Local, State, and Federal Revenue						
Food Services Local Revenue	\$63,205	\$56,532	\$51,500	\$63,150	\$11,650	22.6%
Food Services State Revenue	\$1,533,203	\$1,609,677	\$1,578,214	\$1,653,000	\$74,786	4.7%
Food Services Federal Revenue	\$3,000,577	\$3,150,598	\$3,147,141	\$3,654,875	\$507,734	16.1%
TOTAL LOCAL, STATE, AND FEDERAL FUNDS	\$4,596,984	\$4,816,807	\$4,776,855	\$5,371,025	\$594,170	12.4%
USE OF FUND BALANCE	\$18,048	\$395,291	\$856,782	\$0	(\$856,782)	-100.0%
TOTAL FOOD SERVICES REVENUE	\$4,615,033	\$5,212,098	\$5,633,637	\$5,371,025	(\$262,612)	-4.7%

Our overall budget increases by 4.7% with the majority funding PreK-12 programming.

FY27 Projected Revenue - All Revenue Streams

	FY24 ACTUAL	FY25 ACTUAL	FY26 BUDGET	FY27 SUPT REC Mar 10	\$ +/- v FY26	% +/- v FY26
TOTAL PREK-12 PROGRAMMING	\$158,261,947	\$157,176,994	\$160,833,447	\$169,385,965	\$8,552,518	5.3%
TOTAL ADULT EDUCATION REVENUE	\$4,473,341	\$5,876,660	\$5,298,615	\$5,135,337	(\$163,278)	-3.1%
TOTAL FOOD SERVICES REVENUE	\$4,615,033	\$5,212,098	\$5,633,637	\$5,371,025	(\$262,612)	-4.7%
TOTAL REVENUE & OTHER	\$167,350,321	\$168,265,752	\$171,765,699	\$179,892,327	\$8,126,628	4.7%

*Adult Education should not be compared between years because of the variation of grants that are included in their revenue.

Our budget increases expenses by 4.7% and is largely driven by increases in salary and benefits.

FY27 Expense Categories - All Funding Streams

	FY25 ACTUAL	FY26 BUDGET	FY27 SUPT REC Mar 10	\$ +/- v FY26	% +/- v FY26
SALARIES & BENEFITS					
Total Regular Salaries	\$88,228,118	\$96,878,693	\$102,899,411	\$6,020,718	6.2%
Total Temporary Salaries	\$5,951,814	\$6,339,262	\$6,513,853	\$174,591	2.8%
Total Benefits	\$27,947,431	\$31,904,675	\$34,527,295	\$2,622,620	8.2%
TOTAL SALARIES & BENEFITS	\$122,127,363	\$135,122,630	\$143,940,560	\$8,817,930	6.5%
CONTRACTED SERVICES					
Total PreK-12th Contracted Services	\$1,425,949	\$1,675,239	\$1,943,941	\$268,702	16.0%
Total SPED Contracted Services	\$7,448,681	\$4,028,950	\$4,784,797	\$755,847	18.8%
Total Adult Ed Contracted Services	\$23,953	\$27,764	\$26,164	-\$1,600	-5.8%
Total Operations & Communications Contracted Services	\$4,564,695	\$3,477,823	\$3,818,000	\$340,177	9.8%
Total Insurance & Legal Contracted Services	\$992,440	\$1,175,544	\$1,063,634	-\$111,910	-9.5%
Total Facilities Contracted Services	\$3,465,943	\$3,762,225	\$4,086,676	\$324,451	8.6%
Total Transport Contracted Services	\$921,832	\$867,000	\$838,500	-\$28,500	-3.3%
TOTAL CONTRACTED SERVICES	\$18,843,492	\$15,014,545	\$16,561,712	\$1,547,167	10.3%
SUPPLIES					
Total Academic Supplies	\$2,675,205	\$2,102,894	\$2,531,537	\$428,643	20.4%
Total Operations Supplies	\$5,050,791	\$4,793,514	\$5,101,150	\$307,636	6.4%
TOTAL SUPPLIES	\$7,725,996	\$6,896,408	\$7,632,687	\$736,279	10.7%
OTHER NON-PERSONNEL					
Total Miscellaneous	\$2,411,916	\$693,992	\$360,641	-\$333,351	-48.0%
Total Capital Equipment	\$379,547	\$482,400	\$468,600	-\$13,800	-2.9%
Total Debt Services	\$13,075,224	\$13,555,724	\$10,928,127	-\$2,627,597	-19.4%
TOTAL OTHER NON-PERSONNEL	\$15,866,687	\$14,732,116	\$11,757,368	-\$2,974,748	-20.2%
TOTAL NON SALARY AND BENEFITS	\$42,436,176	\$36,643,069	\$35,951,767	-\$691,302	-1.9%
TOTAL EXPENDITURES	\$164,563,538	\$171,765,699	\$179,892,327	\$8,126,628	4.7%

Salary & Benefits = 80% of budget

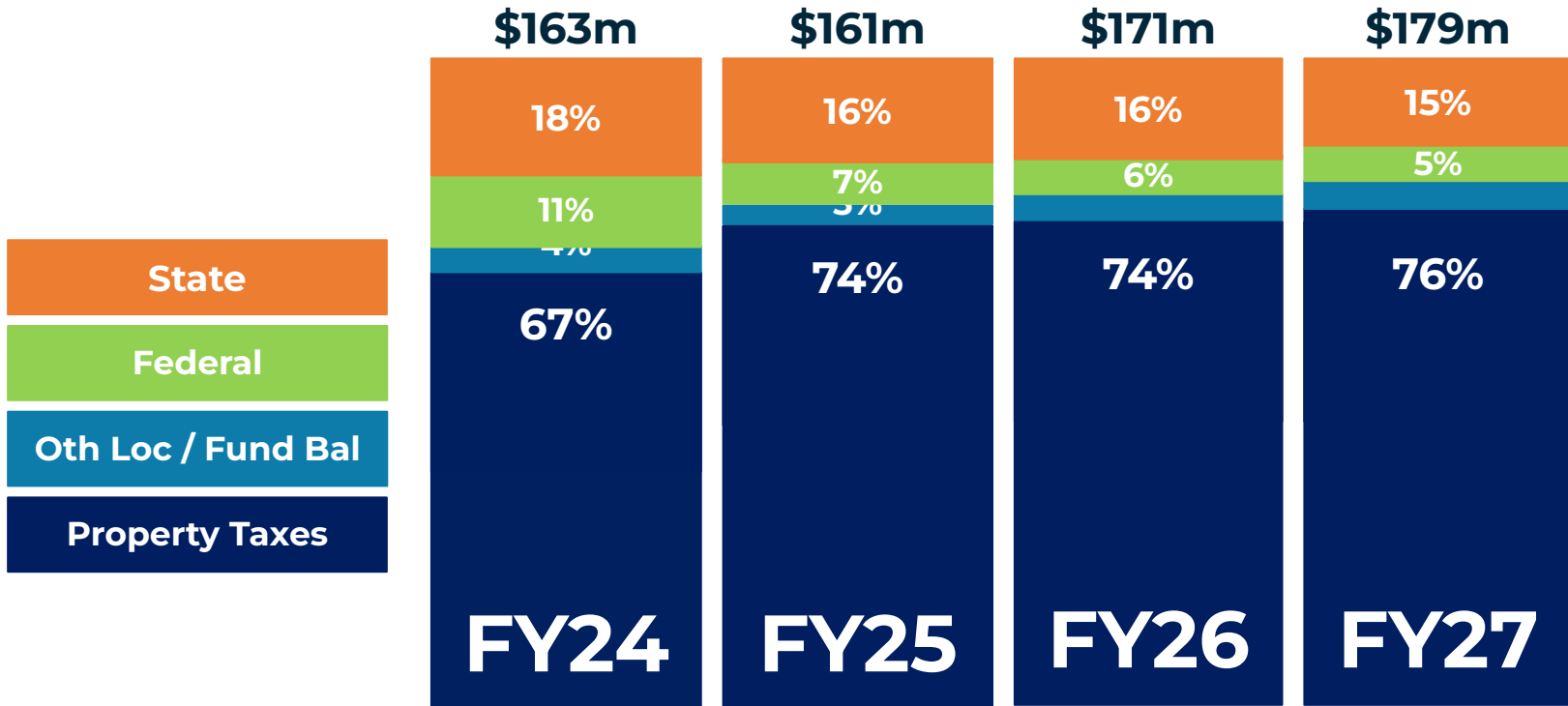
Contracted Serv = 9.2% of budget

Supplies = 4.2% of budget

Other = 6.5% of budget

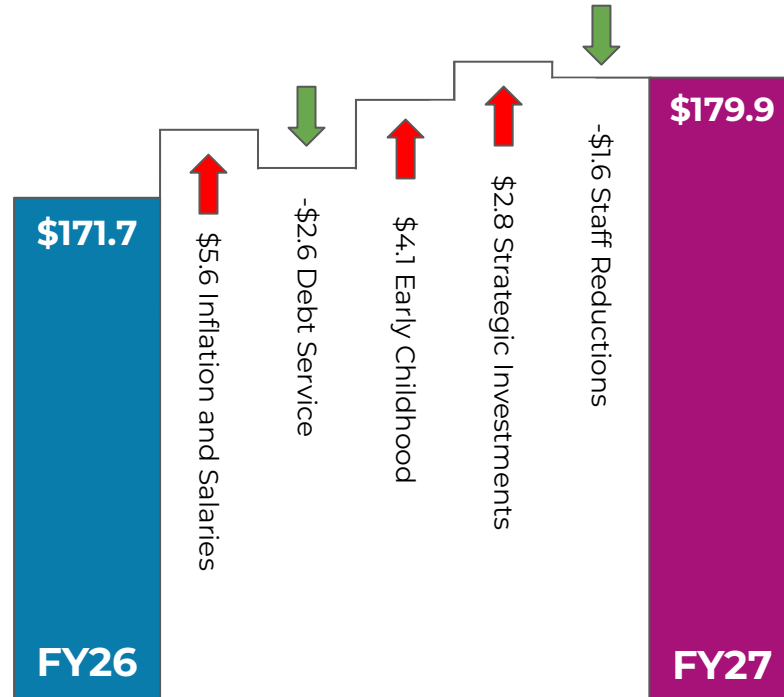
The Portland Public Schools receives revenue from local, state, and federal sources to pay for our programs.

FY24 to FY27 Comparison of Funding Sources



Inflation, negotiated salary increases, and early childhood are the biggest increased expenses.

FY27 Projected Expenses - Changes from FY26 (millions)





5. Tax Implications



PORTLAND PUBLIC SCHOOLS

The proposed school tax increase this year is \$0.46 per \$1,000 of assessed value or 7.3%*.

Property Tax History

FY	Tax Levy	School Tax	%
2021	\$94,338,744	\$11.69	0.0%
2022	\$99,083,251	\$12.15 → \$6.77	3.9%
2023	\$103,851,072	\$7.05	4.1%
2024	\$110,850,008	\$7.45	5.7%
2025	\$119,402,624	\$7.88	5.8%
2026	\$127,225,979	\$6.27	5.3%
2027	\$136,514,160	\$6.72	7.3%

Portion of FY27 Tax Levy

PreK-12: \$ 134,146,619
Adult Ed: \$2,367,541

Impact to Median Homeowner (\$566,000):

\$261 per year
\$21.75 per month



Wait, the local budget increases by 2.8% and the overall budget by 4.7%, why is the tax levy increase 7.3%?

Decreasing Revenue Drives Tax Increase

- The **local budget** increases by only 2.8%
 - Largely driven by the decrease in debt service
- The **overall budget** increases by 4.7%
 - Difference with the local budget is primarily the increase in early childhood education
 - These costs should be 100% reimbursed by the state so it increases expenses and revenues at an equal amount and does not increase the tax levy
- The **tax levy** increases by 7.3%
 - Lower state revenue, and the state's formula determining a city's ability to pay, requires that the tax levy increase to fill the revenue gap



The city has programs to support property owners with local property taxes.

Programs to Support Residents with Property Taxes

Available at both the city and state level, many of these programs are under-utilized but do provide substantial relief. Visit the [city website](#) and [state website](#) for more information.

Portland Senior Tax Equity Program (P-Step)

For those 62 years old and up, this program provides tax relief to low-income seniors in Portland by providing property tax or rent rebates for qualified applicants.

Maine Homestead Exemption Program

Provides a measure of property tax relief for certain individuals that have owned homestead property in Maine for at least 12 months and make the property they occupy on April 1 their permanent residence.

Additional programs exist for veterans, those that are blind, and taxpayers 65 years and older.





6. Calendar



PORTLAND PUBLIC SCHOOLS

Our budget timeline has been designed to align to the Strategic Plan and to gather stakeholders' input.

Key Dates (subject to change)

- **February 10:** Public Forum on the FY 2027 Budget
- **March 10:** Superintendent Presents Recommended Budget
- **March 23:** FPO Committee Public Hearing & Move Budget to School Board for Approval
- **March 26:** Joint City & School Finance Committee Meeting and Budget Review #1
- **March 31:** 1st Reading of Recommended Budget and Public Hearing
- **April 2:** Joint City & School Finance Committee Meeting and Budget Review #2
- **April 14:** 2nd Reading of Recommended Budget and Public Hearing

Full calendar available at:

portlandschools.org/departments/finance/fy-2027-budget/timeline



The proposed budget is aligned to the Strategic Plan and supports outcomes for all students.

Executive Summary

- The Portland Public Schools has developed an overall budget of \$179.9 million that is focused on student experiences and outcomes and aligned to the Strategic Plan.
- The Strategic Plan in the first two years has resulted in improved outcomes for all students and all subgroups in math and English.
- The budget aims to address the challenges of declining enrollment, a significant decrease in state funding, and investments aligned to the Strategic Plan.
- The proposed budget would raise the school portion of property taxes by 7.3% (\$0.46 per \$1,000 of assessed value). For a median homeowner this would result in an increase of approximately \$261 per year.



Questions



PORTLAND PUBLIC SCHOOLS

Supplemental Slides



PORTLAND PUBLIC SCHOOLS

The Ass't Super will expand opportunities and accelerate outcomes for students.

Ass't Super for Student, Family, & Community Engagement

This position is at the intersection of increased access to opportunities (e.g. Spring Ahead, dual enrollment, workforce credentials), accelerating outcomes (e.g. Make it Happen), and our external partners who want to deepen their work in Portland Public Schools but need an easier system to navigate. The establishment of this position will bring resources to the district and experiences to students that will go beyond the cost of the position.

Priority	Equity: Expand opportunities and improve systems that accelerate outcomes for our historically underserved students and families.
FY27	\$188,000 for salary and benefits



We propose expanding the Early Literacy Ed Techs to 1st grade at three schools.

Reading Support and Elementary Capacity

Our pilot program with Early Literacy Education Technicians at Title I schools in kindergarten has generally gone well. Early evidence of success include: more students receiving progress monitoring than in other grades; mClass data is trending positively, SWIS data shows a decrease in physical incidents. We are proposing to expand to have one Ed Tech for every two 1st grade classes at Reiche, East End, and Talbot.

Priority	Achievement: Support the use of high-quality instructional materials that provide students with consistent access to grade-level tasks and foster high levels of cognitive engagement by building deep knowledge of the adopted curricula, growing capacity to use aligned assessments to inform instruction, and building systems to respond to student needs.
FY27	\$256,000 - Salary and benefits for 4 Education Technicians



High-quality instructional materials (HQIM) are essential to ensure access and opportunity for all.

High-Quality Instructional Materials for Secondary Schools

Our academic data is trending up across English and Math. In math we need to deepen our work to close opportunity and outcome gaps. That requires that all students have access to HQIM in math. This year, we have piloted several math curriculums at the middle and high school levels. Next year, we will adopt and implement that new curriculum. The elementary level already has HQIM for math and will focus on deepening implementation.

Priority	Achievement: Support the use of high-quality instructional materials that provide students with consistent access to grade level tasks and foster high levels of cognitive engagement by building deep knowledge of the adopted curricula, growing capacity to use aligned assessments to inform instruction, and building systems to respond to students needs.
FY27	\$300,000 increase in school-based personnel



We are a leader in the state for our Wabanaki studies and will become a leader for Local Black History.

Local Black History Curriculum

It is essential that our curriculum represents all students. The Portland Public Schools has committed to developing and implementing a Local Black History curriculum. The Foundation for Portland Public Schools has agreed to provide funding for non-personnel costs in FY27. We are requesting a half time staff member to support the development and piloting of the new curriculum.

Priority	Achievement: Support the use of high-quality instructional materials that provide students with consistent access to grade level tasks and foster high levels of cognitive engagement by building deep knowledge of the adopted curricula, growing capacity to use aligned assessments to inform instruction, and building systems to respond to students needs.
FY27	\$50,805 - Salary and benefits for 0.5FTE staff



While not a Strategic Plan initiative yet, we propose expanding music opportunities at the middle schools.

Music at the Middle School Level

Currently, instrumental music teachers at the middle and elementary school level are required to cover multiple schools. It results in inequitable access. Adding one music teacher helps provide access to instrumental music to more students and expands the number of musicians throughout our district.

Priority	Whole Student: Design and implement a plan to increase students' access to enrichment subjects (e.g., arts, computer science, world languages) to engage students and better prepare for their futures.
FY27	\$102,000 - Salary and benefits for one music teacher



We have committed to providing early intervention services for four-year-olds in SY26-27.

Early Childhood Capacity

By 2028, the District must take responsibility for special education identification and services for 3- and 4-year-olds (with screening starting at 2.3 years). FY26 included investment to plan for this work. We have now committed to this work and to collaborating with the state on a budget to cover all costs associated with providing early intervention programming to 4-year-olds.

Priority	Whole Child: Ensure we meet the commitment to universal readiness for kindergarten through partnership with community organizations.
FY27	\$4,057,816 in state reimbursed costs. See the backup slides for details on the exact positions and non-personnel costs



Early Childhood Special Education expenses are expected to be fully funded by state revenues.

Addition of Early Childhood Special Education for 4-year-olds

- We've budgeted for increased expenses (\$5.5M) for PPS assuming responsibility for Early Childhood Special Education (ECSE) services, which we anticipate will be 100% funded by the state.
- This is \$5.1M in personnel and \$339K in non-personnel.
- The budgeted new positions include:
 - 4 Speech Pathologist
 - 1 Occupational Therapist
 - 1 Social Worker
 - 9 Teachers
 - 2 DLL Teachers
 - 12 Ed Techs
 - 3 Mini Bus Drivers
 - 3 Bus Assistants
 - Business Manager
 - Services Coordinator
 - Inclusion Coach
 - Data & Enrollment Manager



Our FY27 budget includes funds to support our equity initiatives.

Supporting our Equity Work

The Educators of Color report in 2021 highlighted the need for the District to change how we support our diverse workforce. In response to public comments, the Board passed a resolution that directed staff to budget for an equity audit and a Civil Rights Officer.

Priority	People: Refine and implement a shared vision for a strong and inclusive staff culture where staff are valued, affirmed, effective, and supported.
FY27	\$80,000 - Equity Audit \$178,000 - Salary and benefits for Civil Rights Officer



School leaders are important leaders in the City. We proposing deepening their development opportunities.

School Leader Professional Development

This year, we budgeted \$45,000 in one time funding to support professional development. We are requesting to increase this to \$75,000 and a recurring cost that will allow us to deepen our leader development and include cohorts of leaders attending nationally recognized external professional development.

Priority	People: Strengthen practice of all staff, teachers, and leaders through improved systems to provide all staff with regular feedback, coaching, professional development, and evaluation aligned to PPS's instructional, cultural, and operational vision.
FY27	\$75,000 - Professional Development



We are building stronger operational and financial systems. The FY27 budget proposal deepens that work.

Effective Facilities and Financial Systems

This year, we budget \$600,000 for the continuation of the MainePERS reconciliation. We anticipate this cost continues into FY28 as well. We are also budgeting for a facilities assessment to develop a facilities master plan. Last, we increased our school supply budget by 5% using an equity-based formula.

Priority	Systems: Design and implement a sustainable multi year financial model that enables PPS to successfully implement the Strategic Plan and equitably allocate resources across the district.
FY27	\$600,000 - BerryDunn contract for MainePERS reconciliation \$350,000 - Facilities Assessment \$64,000 - Additional funding for school supplies

