NOTES & COMMENTS
FY26 QUARTER 3 -- FINANCIALS AS OF 3/31/2026

Overview

At the end of the third quarter our focus is primarily on budget development for the next fiscal year. At the same time, we must keep a careful eye on our financial position in FY26, and this report provides a current status update.

Expenditures

The end of the third quarter is 75% through the fiscal year and 73% through the school year. As usual in our quarterly financial statements, this report includes columns showing comparative percentages from the third quarter of the two prior fiscal years, to help us identify and address any notable variances.

While we have seen a marked change since last year in our ability to keep a full staff in Facilities, we continue to experience staff turnover and open positions in both Special Education and Transportation, where contracted services providers have been used to maintain required service levels. The School Board Finance Committee has already authorized mid-year budget transfers from wage and benefit accounts to contracted services accounts, and additional transfers will be planned for year-end once we have final balances.

At this point in the year, we are able to forecast some areas where we expect to see year-end surplus:

- **Special Services** – A familiar story in these reports is the impact of turnover and open positions in special education support staff roles. Contracted staff continue to be used to provide critical student services, and funds budgeted for wages and benefits are being transferred to cover these costs. Savings in both personnel costs and out-of-district tuition due to student program transitions should generate an unspent budget balance of around $400,000 in this budget category.
- **Improvement of Instruction** – As noted in the Quarter 2 report, this category is running under budget due to the unfilled K-12 Specialist position, which has been redesigned after an unexpected resignation last school year. A portion of current staff costs is being covered through Title II, and budget plans for FY27 call for the reduction of this position. We expect this category will end the year with a surplus of approximately $100,000.
- **Transportation** – Hiring and training of new drivers has continued throughout the school year, and by the end of Quarter 3 we were pleased to be in a position to need only one contracted bus for regular daily neighborhood runs, while still using these services for field trips and athletics. As noted above we will have a year-end transfer from personnel accounts to contracted services, but expect to have a surplus of around $50,000 as well.
- **Facilities & Maintenance** – With turnover and open positions less prevalent this year, we are much closer to expected spending targets than in recent years. Energy and fuel costs have been volatile, but with contracted pricing and alternative energy savings we anticipate savings in the range of $50,000. In supplies and contracted services lines, budgeting with an expectation of higher costs and economic pressures should put us in good standing to break even at year end.
- **Debt Service** – In the reverse scenario from what we experienced last year, we will be over budget in debt service costs by $136,000, due to the shift in timing of the Town's most recent bond issues. With bonds now being sent to market in January instead of May, going forward we will have more accurate cost estimates in time for budget development.

Revenues

Third quarter revenues are trending as expected, with a continued shortfall in State Agency Client billing due to student transitions, balanced by greater than anticipated Miscellaneous Revenues. This year we expect to receive a smaller but still welcome allocation of $27,620 from the state Dept. of Education for Multi-Lingual Learner expenses. As noted in Quarter 2, the allocation of Pre-K Reserve Funds will be posted at year end once we know the exact value of local expenses to be offset after state grant funds are exhausted. Overall revenues at year end are anticipated to be very close to the amount budgeted.

Other Funds

In **Adult Education**, expenditures are steady as programs continue to evolve to support the needs of English Language Learners to develop the skills that will enable them to join the workforce, and enrichment courses follow community trends. Tuition revenues are lagging but local, state and grant funding create a positive quarter-end fund balance.

The **School Nutrition Program** shows an increase in expenditure rate for wages and benefits, as we have finally been able to fill open positions. Food and supply costs have been volatile as any household can attest, however bulk and coop purchasing and strategic use of Federal commodity programs are helping us hold steady. As usual in revenues, reimbursement lags behind expenditures creating a fund balance deficit. This report shows funding received through the January claim; the February and March reimbursements received in April balance the fund. As in recent years we anticipate that all program costs will be covered by year-end.

As reported in previous quarters, **Federal Grant** revenues run behind expenses due to the structure of the state's reimbursement system. Despite the uncertainty around federal funding over the past 18 months, we expect that our current allocations will hold, and FY27 projected funds have now been announced at similar levels. As noted earlier, we have a large remaining balance in Title IIA which will be carried over and applied in the FY27 budget to support professional development for the new Math curriculum. In **Grants, Trusts & Special Revenues,** items of note are the activity in Scarborough Education Foundation grants which continue to support innovative projects across the district, as well as the robust revenues in School Nutrition Special Programs reflecting the outpouring of donations from our community to the Backpack Program. The state's Preschool Development Grant is now fully expended and reimbursement will be received prior to year-end.

Capital Projects

By the end of Quarter 3 most large-scale Facilities maintenance projects are either completed or on hold until school is out for the summer. Funding in capital accounts is available on a multi-year basis, allowing for project scheduling to minimize disruption for staff and students. In Technology, purchase of replacement tech equipment continues in preparation for work over the summer to allow implementation for the coming school year.

In Summary

Despite economic turbulence and new challenges with cost of goods and services, we expect to end the fiscal year in a good position. While it's likely that we will not have sufficient surplus to add to our capital reserve account as we have in recent years, that fund currently has a sizeable balance, and the surplus we do generate will allow us to both sustain the non-tax revenue level in our FY27 budget proposal and leave a cushion for use in the next budget year. We are grateful for the support of our community as we face the work that lies ahead.

Scarborough Public Schools
2025-26 Financial Report
As of March 31, 2026

General Fund Expenditures: (including encumbrances)	Approved Budget	Revised Budget	Year-to-date Expended	Budget Balance	FY26 % Used	FY25 % Used	FY24 % Used
Regular Instruction:							
Regular Instruction Programs	28,340,927	28,340,927	20,598,559	7,742,368	72.7%	74.0%	69.8%
English as a Second Language (MLL)	697,708	697,708	479,796	217,912	68.8%	69.9%	64.6%
Gifted and Talented Programs	449,985	449,985	332,090	117,895	73.8%	75.2%	71.5%
Special Education Instruction	15,168,596	15,168,596	10,761,477	4,407,119	70.9%	69.9%	66.6%
CTE Instruction (Career & Technical Ed)	0	0	0	0	0.0%	0.0%	0.0%
Other Instruction:							
Co-Curricular	322,564	322,564	174,369	148,195	54.1%	56.2%	56.3%
Extra-Curricular	1,630,522	1,630,522	1,239,064	391,458	76.0%	76.1%	69.2%
Student & Staff Support:							
Guidance Services	2,173,873	2,173,873	1,563,835	610,038	71.9%	74.2%	70.8%
Health Services	992,171	992,171	735,699	256,472	74.2%	74.2%	70.4%
Improvement of Instruction	1,100,649	1,100,649	709,199	391,450	64.4%	67.3%	73.1%
Instructional Technology	1,883,782	1,883,782	1,124,718	759,064	59.7%	69.9%	68.4%
Library Services	1,050,723	1,050,723	719,200	331,523	68.4%	64.6%	68.8%
System Administration	1,569,369	1,569,369	1,152,705	416,664	73.5%	68.5%	73.6%
School Administration	2,200,279	2,200,279	1,639,798	560,481	74.5%	74.8%	70.3%
Transportation	2,309,149	2,309,149	1,567,766	741,383	67.9%	68.4%	63.6%
Facilities & Maintenance	5,645,300	5,645,300	4,318,368	1,326,932	76.5%	71.2%	66.1%
Debt Service	5,530,831	5,530,831	4,908,078	622,753	88.7%	79.3%	83.9%
All Other	0	0	0	0	0.0%	0.0%	0.0%
Total General Fund Appropriations	**71,066,428**	**71,066,428**	**52,024,723**	**19,041,705**	73.2%		
FY25 Year-to-date	**65,828,078**	**65,828,078**	**32,840,057**	**32,988,021**		72.6%	
FY24 Year-to-date	**62,052,141**	**62,052,141**	**30,384,600**	**31,667,541**			69.9%

General Fund Revenues:	Estimated Revenue	Revised Estimate	Year-to-date Received	Balance/ (Shortfall)	FY26 % Rec'd	FY25 % Rec'd	FY24 % Rec'd
Town Funding - Local Taxes	60,091,681	60,091,681	60,091,681	0	100.0%	100.0%	100.0%
Use of Fund Balance	1,500,000	1,500,000	1,500,000	0	100.0%	100.0%	100.0%
Pre-K Reserve Fund	70,000	70,000	0	(70,000)	0.0%	0.0%	0.0%
State Subsidy - GPA	8,903,247	8,903,247	6,712,415	(2,190,832)	75.4%	75.3%	76.2%
State Agency Client Funding	165,000	165,000	39,709	(125,291)	24.1%	151.8%	117.4%
Comm. Services Daycare (rent space)	38,500	38,500	0	(38,500)	0.0%	39.0%	0.0%
Community Services Transportation	20,000	20,000	31,476	11,476	157.4%	97.3%	97.4%
Winslow Homer/Facility Rental Fees	20,000	20,000	16,395	(3,606)	82.0%	39.4%	50.5%
Student Sports/Activity Fees	145,000	145,000	147,070	2,070	101.4%	110.1%	90.4%
Summer Academy Fees	5,000	5,000	5,350	350	107.0%	45.8%	60.0%
Renewable Energy Credits	45,000	45,000	25,887	(19,113)	57.5%	177.2%	0.0%
Other Miscellaneous Revenue	63,000	63,000	102,148	39,148	162.1%	119.4%	93.8%
Total Revenue	**71,066,428**	**71,066,428**	**68,672,131**	**(2,394,297)**	96.6%	97.1%	97.6%

Scarborough Public Schools
2025-26 Financial Report
As of March 31, 2026

OTHER FUNDS

Adult Education:

Expenditures	Approved Budget	Revised Budget	Year-to-date Expended	Budget Balance	FY26 % Used	FY25 % Used	FY24 % Used
Wages & benefits (instructors & program admin)	206,157	206,157	146,219	59,938	70.9%	71.2%	70.8%
General supplies & operations	16,300	16,300	12,665	3,635	77.7%	87.9%	88.4%
Instructional supplies, software & equipment	10,600	10,600	4,067	6,533	38.4%	31.6%	70.4%
Expenditure totals	**233,057**	**233,057**	**162,950**	**70,107**	69.9%	69.8%	72.0%

Revenues	Estimated Revenue	Revised Estimate	Year-to-date Received	Balance/ (Shortfall)	FY26 % Rec'd	FY25 % Rec'd	FY24 % Rec'd
Town Funding - Local Taxes	97,048	97,048	97,048	0	100.0%	100.0%	100.0%
Use of Fund Balance	31,000	31,000	31,000	0	100.0%	100.0%	100.0%
State Subsidy - Adult Ed	40,009	40,009	40,009	0	100.0%	100.0%	99.9%
Grant Funds	14,000	14,000	10,740	(3,260)	76.7%	72.6%	16.1%
Adult Ed Tuition	51,000	51,000	19,539	(31,461)	38.3%	64.2%	51.7%
Revenue totals	**233,057**	**233,057**	**198,337**	**(34,720)**	85.1%	91.3%	82.1%

Adult Education YTD fund balance	**35,386**

School Nutrition Program:

Expenditures	Approved Budget	Revised Budget	Year-to-date Expended	Budget Balance	FY26 % Used	FY25 % Used	FY24 % Used
Wages & Benefits	1,511,144	1,511,144	1,044,632	466,512	69.1%	66.4%	61.8%
Food & Beverages	877,000	877,000	562,181	314,819	64.1%	70.3%	69.9%
Contracted Services (software & repairs)	34,200	34,200	32,301	1,899	94.4%	80.6%	97.2%
Supplies & Equipment	103,000	103,000	50,903	52,097	49.4%	63.5%	135.6%
Operations	4,000	4,000	2,435	1,565	60.9%	60.9%	55.3%
Expenditure totals	**2,529,344**	**2,529,344**	**1,692,452**	**836,892**	66.9%	67.9%	68.1%

Revenues	Budgeted Revenue	Revised Estimate	Year-to-date Received	Balance/ (Shortfall)	FY26 % Rec'd	FY25 % Rec'd	FY24 % Rec'd
Food Sales	400,000	400,000	224,024	(175,976)	56.0%	68.3%	85.1%
Federal Funding (USDA)	475,000	475,000	197,944	(277,056)	41.7%	39.4%	40.1%
State Funding (DOE)	1,601,844	1,601,844	808,951	(792,893)	50.5%	67.1%	54.1%
Grants & Donations	2,500	2,500	0	(2,500)	0.0%	0.0%	0.0%
Use of Fund Balance	50,000	50,000	50,000	0	100.0%	0.0%	0.0%
Revenue totals	**2,529,344**	**2,529,344**	**1,280,919**	**(1,248,425)**	50.6%	60.1%	54.2%

School Nutrition YTD fund balance	**(411,532)**

Scarborough Public Schools
2025-26 Financial Report
As of March 31, 2026

Federal Restricted Funds:	Beg. Balance	FY26 Grant Funds Available	Year-to-date Revenues*	Year-to-date Expenses	Available Funds
Title IA	1,553	90,824	35,495	64,728	27,649
Title IIA	96,548	84,920	35,583	55,441	126,027
Title III	0	10,953	0	0	10,953
Pre-K Local Entitlement	0	20,971	0	0	20,971
Local Entitlement	59,146	794,539	64,619	507,189	346,496
Total Federal Restricted	**157,246**	**1,002,207**	**135,697**	**627,358**	**532,095**

*Does not include pending reimbursement - Federal funds are disbursed after actual expenditures are reported.

Grants, Trusts & Special Revenues:	Beg. Balance	FY26 Grant Funds Available	Year-to-date Revenues	Year-to-date Expenses	End. Balance
Louis & Tina Fineberg Trust	136,743		0	0	136,743
Scarborough Education Foundation	26,119		17,738	16,967	26,890
Local grants & donations	39,430		9,823	3,054	46,199
CC Admin Recertification (fiscal agent)	4,199		5,750	4,259	5,690
Tech Maintenance Fees	99,242		22,703	0	121,945
School Nutrition Special Programs	(5,433)		36,844	18,084	13,328
MLTI Tech Hardware	0		114,960	114,960	0
Preventing Student Homelessness Grant	6,378		1,935	5,498	880
Maine DOE Mini Grants	0	39,146	5,000	9,302	29,844
Preschool Development Grant	15,708	76,707	58,742	92,415	0
Total Grants & Trusts	**322,386**		**273,495**	**264,538**	**381,520**

School CIP project account status
as of 3/31/2026

FACILITIES	Budget Balance as of 6/30/2025	FY26 Budgeted	FY26 YTD Expenses*	Budget Balance as of 3/31/2026
Long-range Planning	303,132	0	212,608	90,524
District-wide Energy Improvements	62,011	168,000	97,501	132,510
Kitchen Equipment	6,911	0	1,424	5,487
District-wide Plumbing	16,276	0	2,559	13,717
District-wide Roofing	705,687	829,000	409,066	1,125,621
District-wide Exterior/Interior Finishes	675	280,000	264,634	16,042
District-wide Interior Construction	660	0	0	660
District-wide Security & Access Mgmt	158,470	607,000	345,909	419,561
District-wide Flooring	200,815	0	86,418	114,397
District-wide Movable Equipment	13,308	260,000	169,679	103,629
HS Auditorium Equipment	332,136	190,000	216,170	305,966
District-wide Building Envelope	86,421	220,000	165,147	141,275
District-wide Grounds & Site Mtce	441,153	230,000	503,243	167,910
Athletics Facilities/Equipment	180,992	67,000	155,485	92,507
District-wide HVAC/Mechanical	235,671	280,000	308,668	207,003
Facilities Support/Equipment	100,067	120,000	84,107	135,960
Facilities Support/Vehicles	5,105	65,000	46,697	23,408
TOTALS	**2,849,492**	**3,316,000**	**3,069,314**	**3,096,178**

TOWN/SCHOOL PROJECTS				
Turf field & track replacement	979,349	0	865,496	113,854
School Building Project pre-referendum	0	600,000	0	600,000
School Building Project voter approved	0	139,850,000	109,853	139,740,147
TOTALS	**979,349**	**140,450,000**	**975,349**	**140,454,001**

TRANSPORTATION				
Bus purchase/replacement	44,000	423,000	458,608	8,392
Van purchase/replacement	0	30,000	0	30,000
Transportation software	68	0	0	68
TOTALS	**44,069**	**453,000**	**458,608**	**38,461**

TECHNOLOGY				
Equipment Replacement	67,439	955,000	706,369	316,070
New Equipment	(2,709)	0	0	(2,709)
TOTALS	**64,731**	**955,000**	**706,369**	**313,361**

*including encumbrances

GRAND TOTALS	**3,937,641**	**145,174,000**	**5,209,640**	**143,902,001**