Scarborough Public Schools

School Board Presentation

FY26 Year-end Financials

October 1, 2026

FY26 Year-End Financial Report

Two supporting documents are posted with BOE agenda for tonight:

FY26 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 $2,332,744

Savings in personnel costs were seen in several budget categories:

- ❏ Regular instruction - coverage shifts & open positions - $362,000
- ❏ Special Education staff - turnover & unfilled positions - $368,000
- ❏ Bus Driver positions - $105,000
- ❏ Improvement of Instruction/Curriculum & Assessment - $156,000

Total surplus of $1,591,000 attributable to these factors.

General Fund Expenditure Review

General Fund expenditures came in under budget by $2,332,744

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 - $670,000 (Amergis)
- ❑ Transportation - bus drivers - $145,000 (Dirigo)

General Fund Expenditure Review

General Fund expenditures came in under budget by $2,332,744

Other savings - Programs & Services:

- $177,000 - Special Services Tuition for out-of-district placement
- $126,000 - Facilities contracted services
- $127,000 - Transportation vehicle maintenance
- $88,000 - Athletics & Activities - staffing costs

Total surplus of $518,000 attributable to these additional factors.

General Fund Expenditure Review

General Fund expenditures came in under budget by $2,332,744

Notable shortfall/deficit:

- $136,921 - Debt Service - scheduled bond principal payments

General Fund Expenditure Review

- School Board required by Policy DB to vote approval of budget transfers for any individual account overspent by $10,000 or more.
- Fiscal policies were updated and revised in February 2026.
- Finance committee advised of any mid-year transfer situations.
- All but the debt service deficit are offset by surplus in other budget lines within the same voter-approved categories. Inter-category transfer for debt service made in compliance with statute.

General Fund Revenue Review

FY26 revenue was $1,668 over budgeted projections

Surplus revenue:

- ❑ MLL Hardship Funds from DOE
- ❑ State Agency Clients

Revenue shortfall:

- ❑ State Agency Clients

Pre-K Reserve Fund:

- ❑ Used $68,857
- ❑ Balance $87,651

Statement of General Fund Surplus

Breakdown of General Fund Surplus Balances

As of 6/30/2025 fund balance was :	$	3,636,511
Used For FY26 Budget	$	(1,500,000)
Undesignated Fund Balance 7/1/2025	$	2,136,511
FY26 Appropriations Balance	$	2,332,744
FY26 Revenue Balance	$	1,668
FY26 Year-end Adjustments	$	-
FY26 Year-end Balance	$	2,334,412
Total Available Fund Balance	$	4,470,923
Used for FY27 Budget	$	(1,500,000)
Undesignated Fund Balance 6/30/2026	**$**	**2,970,923**

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

- 90 Enrichment courses serving over 400 students
- MLL programs are heavily subscribed
  - New "bridge" programs created to combine literacy and workforce skill attainment
  - Classes held at convenient locations in town
  - Federal literacy grant funds (AEFLA) holding steady
- Program year-end fund balance is $7,915

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 levels improved with new bargaining agreement
- Expenditures exceed revenues by $83,680
  - Year-end fund balance complies with USDA requirements

Special Revenue Funds

Federal grant funds:

- Regular federal grants for education: Titles I, II, III and Local Entitlement
- Concerns about federal funding allayed for FY26
- ARP (Covid) grants ended in FY25, some funds remained at state level

Local Grants, Trusts & Special Revenues:

- School Nutrition Special Programs/Backpack Program community support
- MLTI Tech Hardware reimbursement program
- Maine DOE mini grants for Literacy and Outdoor Learning
- Pre-K Partnership Development grant extended into FY26

Capital Improvement Projects

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

- ❏ Building Project expenses
- ❏ 3 new buses per replacement cycle
- ❏ K-2 student chromebooks, HS & MS staff laptops & network switches replaced
- ❏ High School track completed
- ❏ HVAC repairs & replacements
- ❏ Energy efficient lighting
- ❏ Robotic floor scrubbers

Action Items

FY26 year-end action item for School Board
October 1, 2026

Request approval of budget transfers for accounts which were overspent by more than $10,000.