

**SANFORD SCHOOL
DEPARTMENT**

**FISCAL YEAR
2020-2021**

**BUDGET COMMITTEE
PRESENTATION**

**March 12,
2020**

**City Hall
Chambers**

**Sanford,
Maine**

**By: Matt
Nelson**

**Superintendent
of Sanford
Schools**

SUMMARY

Source or Use of Funds	19/20 Budget Amount	20/21 Budget Amount	Variance (20/21 vs. /19/20)
Operations:	\$52,947,153	\$55,115,774	\$2,168,621 (4%)
Gen. Ed.	<u>642,579</u>	<u>592,411</u>	<u>-50,168 (-8%)</u>
+ Adult Ed	53,589,732	55,708,185	2,118,453 (4%)
Revenues:	38,955,244	40,217,228	1,261,984 (3%)
Gen. Ed. +	<u>190,153</u>	<u>145,424</u>	<u>-44,729 (-24%)</u>
Adult Ed.	39,145,397	40,362,652	1,217,255 (3%)
Total Revenue			
= Net Tax from Operations	14,444,335	15,345,533	+901,198 (6%)
+ CIP	<u>381,825</u>	<u>322,025</u>	<u>-59,800 (-16%)</u>
= Total Net Taxation	\$14,826,160	\$15,667,558	\$841,398 (5.68%)

Sanford
School
Department

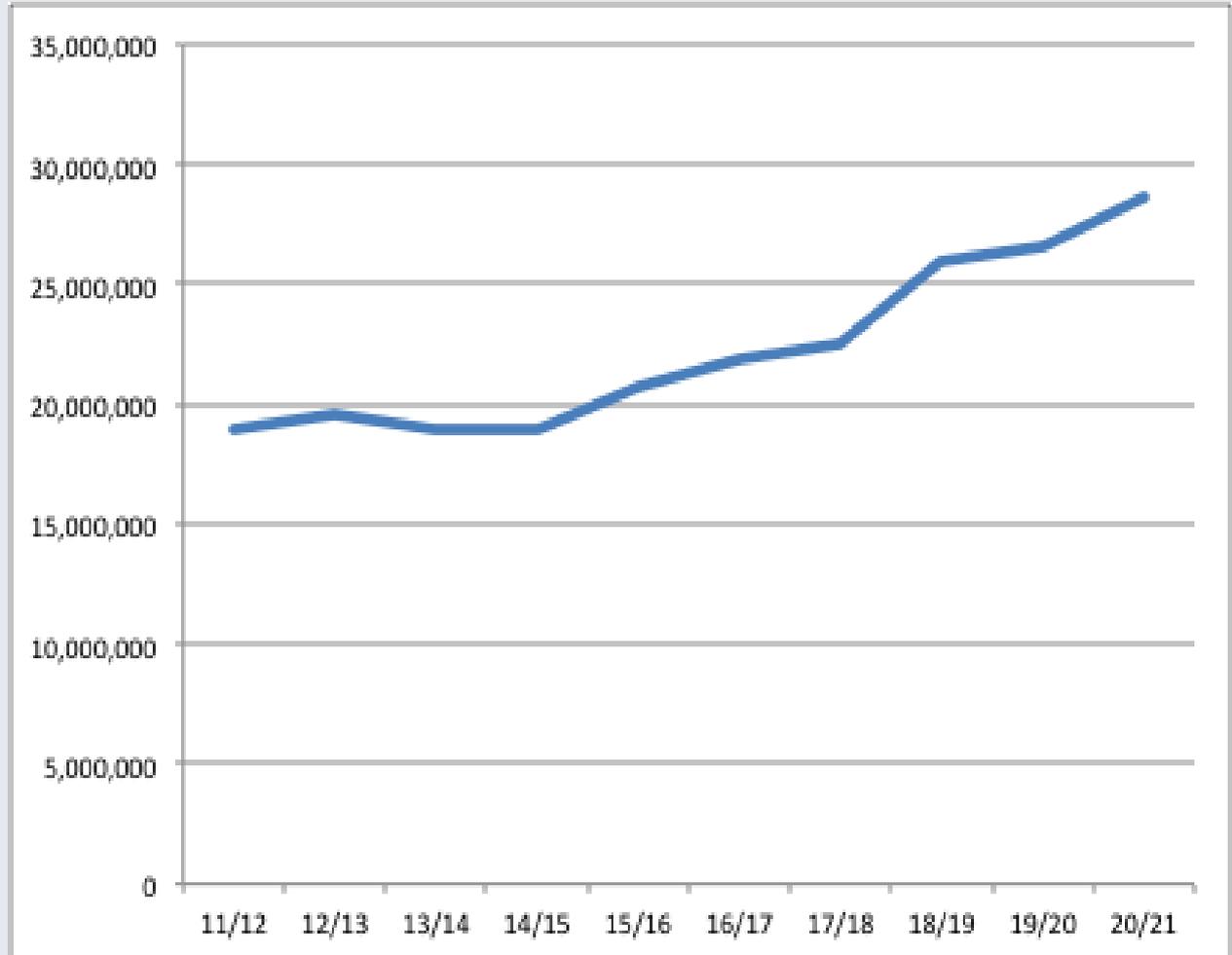
FY 20/21

Budget
Review

As of
3/12/20

10-YR HISTORY NON-DEBT STATE SUBSIDY

FY	STATE SUBSIDY
11/12	18,982,373
12/13	19,586,517
13/14	18,928,461
14/15	18,945,853
15/16	20,740,060
16/17	21,898,747
17/18*	22,539,406
w/o debt	
18/19*	25,956,155
w/o debt	Preliminary
19/20*	26,583,155
w/o debt	Preliminary
20/21*	28,603,676 (after
w/o debt	Pre-K deduction)



EPS FUNDING HIGHLIGHTS & CHALLENGES

Component	19/20 Preliminary	20/21 Preliminary	Variance (20/21 v. 19/20)	Comment (PY = Prior Year)
# Subsidizable Stud.	3,068	3,110	42	+9 Pre-K Students; +6 K-8; + 27 9-12
Operating Allocation Per Student K-8 Per Student 9-12 Total Operations	6,744 7,196 \$24,833,111	6,995 7,448 \$26,296,907	+251/ <i>per student</i> +252/ <i>per student</i> \$1,463,796	6% Increase in Basic Operating Allocation is result of higher enrollment, especially in the 9-12 range where the per student rate is highest, and higher per student support rates for all ages.
Special Education	7,434,080	7,844,696	\$410,616	Increase Rate of Reimbursement
Career & Tech. Ed.	2,794,446	3,389,760	595,314	Increase Rate of Funding per Formula
Transportation	1,692,838	1,730,081	37,243	Maximum Increase Allowed by Formula
Debt Service +Leases	10,693,405	10,565,753	(127,652)	State Share of ELEM and SHS/SRTC Bonds through Article 10
GT, Retire & Region.	<u>1,178,306</u>	<u>1,208,392</u>	30,086	Primarily Retirement Pass-Thru
Gross Total w/Debts	48,626,188	51,035,588	2,409,400	Primarily Basic Operating Allocation with Higher Enrollment and Increase Rates of Funding for CTE and Special Ed
State Share	\$37,249,744	\$39,339,005	\$2,089,261	State Share held steady at 75%

GENERAL EDUCATION NON-LOCAL REVENUES

Source	18/19 Actual	19/20 Budget	20/21 Budget	Variance (20/21 v. 19/20)
State Subsidy [EPS/ED279] Preliminary	\$33,812,893	\$37,249,744	\$39,134,228	+1,884,484 (5.1%); Primarily from Basic Operating Allocation, Special Ed and CTE, and higher student enrollment
Tuition Collected	946,461	995,500	983,000	Declining Enrollment from Acton
State Agency Clients	63,337	50,000	75,000	Revisions in Allowable Billing Policy
Adult Ed	181,878	190,153	145,424	Subsidy is Down due to Lower Expenses
Athletics, Facilities & Miscellaneous	<u>18,697</u>	<u>35,000</u>	<u>25,000</u>	Non-PAC Facility Rentals are Down
Total Non-Local Revenues	\$35,023,266	\$38,700,397	\$40,362,652	[Excludes Carryover estimated at \$625,000 in 19/20.]

BUDGET ASSUMPTIONS

Salary increases mandated by Union Contract:

- Administrators 3% (Contract Expires June 30, 2021)
 - Teachers est. 3% (Contract Expires 8/31/2020)
 - Ed Techs est. 3% (Contract Expires 8/31/2020)
 - Administrative Assistants est. 3% (Contract Expires June 30, 2020)
 - Custodians est. 3% (Contract Expires June 30, 2020)
 - Food Service Workers 2.25% (Contract Expires June 30, 2021)
-
- Salary increases estimated for Miscellaneous Employees 3%
 - Substitute Salary increases mandated by new Minimum Wage \$12/hr plus related payroll tax increase and increased usage

Benefit increases estimated by Insurer Pool:

- MEA Anthem – estimated premium increase of 7% for Administrators & Custodians;
- MPERS Retirement – 0.1% increase in PLD Employer Contributions
- Harvard Pilgrim Healthcare – estimated premium rate hold for Teachers, Ed Techs, Administrative Assistants, Food Service Workers and Miscellaneous Employees;
- MSMA Dental– estimated premium rate hold for all employees;
- MSMA Workers Comp – estimated premium to decrease due to instituting new Safety Program;
- SS/Medicare/Unemployment – no change in rate; increase or decrease tied to wage amt.

BUDGET CHANGES IN PERSONNEL

EXISTING POSITIONS CUT FROM THE BUDGET - Salary & Benefits

- 1 Elementary Teaching Position by Retirement @ \$60,432
- 3/5th Nurse Position by Retirement @ \$59,640

NEW POSITIONS (Salary & Benefits)

- 1/2 FTE Assistant Principal MCS @ \$60,000 est. (including HI & Retirement)
- Middle School Math Teacher @ \$83,010
- Elementary Resource Room Teacher @ \$88,768
- ELL Ed Tech III District-wide @ \$56,325
- Middle School Ed Tech III Support & Transitions @ \$56,125
- Bridge/Adult Ed 3/4 FTE Custodian @ \$52,106
- 1/4 FTE Admin Assistant for CTE Public Entrance @ \$9,834

BUDGET REQUESTS – NEW POSITIONS NOT INCLUDED IN THE BUDGET

NEW POSITIONS REQUESTED (Salary & Benefits) – NOT in the Budget

- 6 FTE Custodians District-wide @ \$417,135
- 6 FTE Ed Tech IIIs for K-Classrooms District-wide @ \$342,042
- 3 FTE Special Ed Teachers @ \$256,753
- 2 Pre-K Teachers (MCS and CJL) @ \$166,020
- 2 Pre-K Ed Tech IIIs (MCS and CJL) @ \$112,250
- Assistant Special Ed Director @ \$129,846
- FT Psychologist District-wide @ \$103,501
- Assistant Athletic Director SHS Fulltime @ \$98,712
- SJHS Math Interventionist @ \$94,427
- SJHS Tech Integrator @ \$88,099
- Elementary Guidance Counselor @ \$80,197
- SHS Art Teacher @ \$59,248
- SJHS Medical Admin Asst. @ \$ 52,803

TOTAL \$2,001,033

GENERAL EDUCATION & CIP EXPENSES BY FUNCTION [EXCLUDES ADULT ED]

Expense Classification	2019/2020 Revised Budget	2020/2021 Proposed Budget	Variance (20/21 V. 19/20)
Salaries, Taxes & Benefits (51-52)	\$33,804,755	\$35,085,066	\$1,280,311; Est. 3% Increase in Salaries and Payroll Taxes; Est. 7% increase for Health Insurance increase for MEA employees; Slight Retirement increase for PLD employees
Purchased Prof. & Tech. Services (53)	\$2,162,699	\$2,166,050	\$3,351; Est. 3% Increase in Snowplowing offset by decreases in other Maintenance costs
Purchased Property Services (54)	\$496,274	\$577,002	\$80,728; Increased costs to operate Bridge Program offsite (rent & utilities); Increases in Technology Fees, as well as Sewer & Water for larger MCS, CMS/SJHS
Other Purchased Services (55)	\$2,625,219	\$3,058,609	\$433,390; Primarily the increase in Out-of-District Tuition, plus Property Insurance and Transportation
Supplies & Energy (56)	\$1,986,833	\$1,986,093	-\$740; Energy costs savings offset by increases in RTI
Equipment & Repairs (57)	\$397,577	\$405,624	\$8,047; CIP reductions offset by increase in Technology Equipment Costs
Dues, Debts & Other (58-59)	<u>\$11,855,621</u>	<u>\$12,159,355</u>	<u>\$303,734</u> New Debt on \$8.6M Bond as well as additional SRRF payment or SHS/CMS Abatement
Total Expenses (rounded)	\$53,328,978	\$55,437,799	\$2,108,821; The vast majority (\$1.3M) is attributable to salaries and benefits; the remainder is primarily Out of District Placements and additional Debt for new facility improvement bonds

GENERAL EDUCATION & CIP EXPENSES BY COST CENTER [EXC. ADULT ED.]

Cost Center	2019/2020 Revised Budget	2020/2021 Proposed Budget	Variance (20/21 vs. 19/20)
ARTICLE 1 – REGULAR INSTRUCTION	\$15,574,859	\$15,995,434	\$420,575; Salary and Benefit increases for Teachers and Ed Techs est. @ 3%+; No overall change in Supplies, Equipment, Purchased Services, Dues/Fees
ARTICLE 2 – SPECIAL EDUCATION	\$8,307,097	\$9,064,039	\$756,942; Salary and Benefit increases for Teachers, Ed Techs, Admins as well as \$340K additional for Out of District Placements
ARTICLE 3 – CAREER & TECHNICAL EDUCATION	\$3,428,470	\$3,520,169	\$91,699; Salary and Benefit increases for Teachers and Admins; additional Dues/Licenses/Insurance for CTE Programs serving the Public; Transportation for Students performing Live Fieldwork
ARTICLE 4 – OTHER INSTRUCTION	\$950,766	\$1,053,290	\$102,524 Costs Associated with Start-up of numerous Youth Athletic Programs cut last year, 3%+ increase in Stipends, as well as Contracted increases per MPA
ARTICLE 5 – STUDENT AND STAFF SUPPORT	\$3,930,616	\$4,028,100	\$97,484; Salary and Benefit increases for Guidance, Librarians, Nurses and District-wide Curriculum and Technology; Increase in RTI Materials and Tech Fees

CURRICULUM 5-YR PLAN

CONTENT AREA	SY 19-20	SY20-21	SY 21-22	SY 22-23	SY 23-24
ENGLISH	\$54,300	\$68,800	\$56,500	\$56,500	\$56,500
HANDWRITING	\$6,000	\$10,250	\$13,250	\$17,500	\$21,750
MATH	\$67,500	\$71,500	\$70,500	\$72,000	\$192,000
SCIENCE	\$63,000	\$35,000	\$80,000	\$25,000	\$25,000
CLASSRM LIBRARY	\$-	\$3,112	\$49,400	\$97,973	\$-
SOCIAL STUDIES	\$58,300	\$36,562	\$11,707	\$15,814	\$9,564
WORLD LANGUAGE	\$17,868	\$11,693	\$11,693	\$11,693	\$11,693
MUSIC	\$10,000	\$10,000	\$15,000	\$15,000	\$15,000
ART	\$10,000	\$10,000	\$15,000	\$15,000	\$15,000
SOC/EMOT LEARN	<u>\$26,700</u>	<u>\$11,000</u>	<u>\$26,000</u>	<u>\$7,700</u>	<u>\$7,700</u>
SUBTOTAL	\$313,668	\$267,916	\$349,050	\$334,180	\$354,207
R.T.I.	\$38,500	\$55,979	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
REMEDICATION	\$-	<u>\$40,000</u>	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
GRAND TOTAL	<u>\$352,168</u>	<u>\$363,895</u>	<u>\$349,050</u>	<u>\$334,180</u>	<u>\$354,207</u>

TECHNOLOGY 5-YR PLAN & HIGHLIGHTS

Fiscal Year & Funding Source	19/20	20/21 LOCAL	21/22	22/23	23/24
Item & Description	LAST YR LOCAL	PROPOSED YR	FORWARD LOOKING LOCAL COSTS		
iPad Retina 2 HS Grades 480 MLTI 4yr Pymt Plan MacBk Airs K-6 Tchrs 130 Devices 4yr Pymt Plan iPad Airs 2 HS/ Grades K-5 480 Non-MLTI 4yr Pymt Plan <u>New devices (one grade level)</u>		\$ 95,975	\$ 100,000	\$ 105,000	\$ 110,000
MLTI Buyout <u>Staff K-8</u> 598 MLTi devices 7 & 8		\$ 14,580	\$ 15,000	\$ 16,000	\$ 17,000
<u>Staff 9-12</u>	\$ 81,250	\$ 14,588	\$ 15,000	\$ 16,000	\$ 17,000
<u>Projectors/DocCameras/APTV/Panels</u>	\$ 20,275	\$ 40,500	\$ 12,000	\$ 12,000	\$ 12,000
<u>Office/Wireless upgrades</u>	\$ 12,024	\$ 3,475	\$ 5,400	\$ 5,500	\$ 5,600
<u>Apple TVs/Chromecast</u>	\$ 3,380	\$ 3,320	\$ 3,400	\$ 3,500	\$ 3,600
<u>Network/Server/UPS upgrade</u>		\$ 11,500	\$ 11,500	\$ 11,500	\$ 11,500
<u>Multifunction Copier/Printer/S/F</u>	\$ 5,000	\$ 10,000	\$ 20,000	\$ 20,000	\$ 20,000
<u>Camera systems</u>	\$ 71,915				
TOTAL	\$ 193,844	\$ 193,938	\$ 182,300	\$ 189,500	\$ 196,700

We are currently 1:1 throughout the district, using a mixture of student devices:

- Grades K-5 Student iPads
- Grade 6 Chromebooks
- Grade 7-8 MLTI MacBook Air
- Grade 9-12 Convertible Tablet Chromebooks

GENERAL EDUCATION & CIP EXPENSES BY COST CENTER [EXC. ADULT ED.]

Cost Center	2019/2020 Revised Budget	2020/2021 Proposed Budget	Variance (20/21vs. 19/20)
ARTICLE 6 – SYSTEM ADMINISTRATION	\$906,920	\$948,950	\$42,030; 3% Salary increase per Contract plus increased cost of MSSA/MSBA/MSMA
ARTICLE 7 – SCHOOL ADMINISTRATION	\$2,391,798	\$2,465,614	\$73,816; 3% Salary increase per Contract plus Convert 1/2FTE Asst. Principal to 1FTE for MCS
ARTICLE 8 – TRANSPORTATION	\$1,987,432	\$2,046,692	\$59,260; Contracted 3% Increase
ARTICLE 9 – FACILITIES INCLUDING CIP	\$4,291,911	\$4,766,815	\$474,904; \$276K is for the new Elem/Middle School \$8.6M Bond Interest Only Payment, \$24K increase in SRRF Repayment for SHS/CMS, remainder is for Labor Cost Increases
ARTICLE 10 – CONSTRUCTION DEBT	\$11,514,404	\$11,505,845	(\$8,559;) Decrease in Interest Expense on SHS/SRTC and ELEM Construction Bonds
ARTICLE 11 – ALL OTHER EXPENDITURES	\$44,705	\$42,851	(\$1,854); Shift some PAC costs to Enterprise Fund

LOCAL SHARE OF SCHOOL DEBT SERVICE

AMOUNTS INCLUDE PRINCIPLE + INTEREST

FY 19/20

■ 5 TH PAYMENT ON \$1.5M ENERGY BOND	\$168,803*
■ 3 RD PAYMENT ON \$600K SRRF LOANS OLD JH&HS	\$ 20,752*
■ 2 ND PAYMENT ON \$10M SHS/SRTC BOND	<u>\$847,815**</u>
TOTAL FY19/20 DEBT SERVICE:	<u>\$1,037,370</u>

FY 20/21

■ 6 TH PAYMENT ON \$1.5M ENERGY BOND	\$166,185*
■ 4 th PAYMENT ON ORG.\$600K SRRF LOANS	\$ 20,752*
■ 1 st PAYMENT ON ADD. \$700K SRRF LOANS	\$ 23,543*
■ 1 st PAYMENT ON \$8.6M ELEM/MS IMPROV. BOND	\$275,734*
■ 3 rd PAYMENT ON \$10M SHS/SRTC BOND	<u>\$837,426**</u>
TOTAL FY20/21 DEBT SERVICE:	<u>\$1,323,640,</u>

INCREASE IN LOCAL SHARE OF SCHOOL DEBT SERVICE \$286,270

*Included in Article 9

** Included in Article 10

STATE SHARE OF SCHOOL DEBT SERVICE ARTICLE 10 + EPS PASS-THRU

AMOUNTS INCLUDE PRINCIPAL + INTEREST

FY 19/20

■ 2 ND PAYMENT ON \$43M MIDDLE, ELEM & MCS BOND	\$3,504,124.97
■ 3 RD PAYMENT ON \$90M HS/CTE BOND	<u>\$7,162,464.47</u>
TOTAL STATE-SHARE DEBT SERVICE:	\$10,666,589.44

FY 20/21

■ 3 RD PAYMENT ON \$43M MIDDLE, ELEM & MCS BOND	\$3,455,858.45
■ 4 th PAYMENT ON \$90M HS/CTE BOND	<u>\$7,074,694.12</u>
TOTAL STATE-SHARE DEBT SERVICE:	\$10,530,552.57

CAPITAL IMPROVEMENTS 2019-2024

Area	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Roofs	\$28,000	\$41,000	\$40,000	\$40,000	\$40,000
Exterior Walls	51,300	49,900	50,350	49,300	49,300
HVAC	40,000	40,000	40,000	40,000	40,000
Electrical	17,600	18,800	18,800	19,500	19,500
Plumbing	15,300	15,300	15,300	15,300	15,300
Interior Trim	63,100	48,900	46,400	44,700	44,700
Fire & Safety	27,800	20,800	20,800	19,300	19,300
ADA Compliance	11,600	12,200	11,200	12,000	12,000
Site Improvements	63,125	23,125	23,125	26,000	26,000
Vehicles & Equip	<u>64,000</u>	<u>52,000</u>	<u>68,000</u>	<u>72,000</u>	<u>72,000</u>
Totals:	\$381,825	\$322,025	\$333,975	\$338,100	\$338,100

ADULT EDUCATION EXPENSES BY FUNCTION

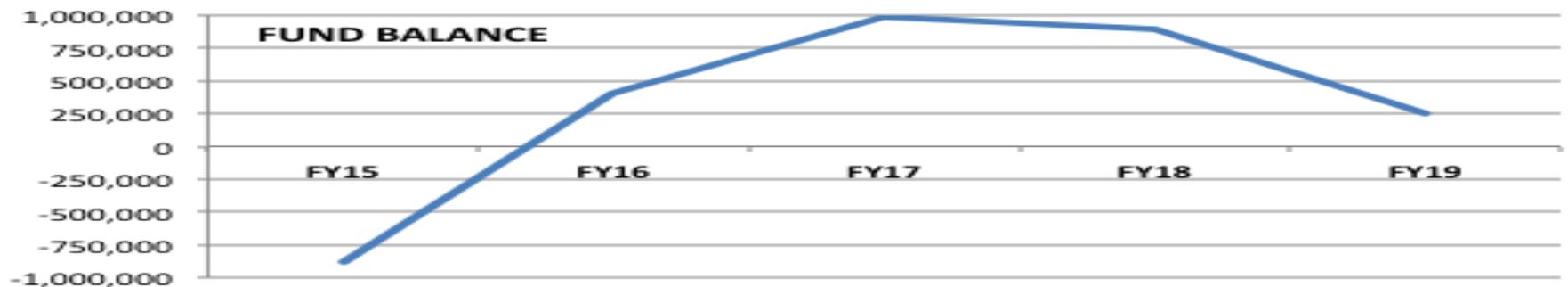
ACADEMIC FUND 1500 ONLY

Expense Classification	2019/2020 Proposed Budget	2020/2021 Proposed Budget	Variance (20/21 vs. 19/20)
Salaries, Taxes & Benefits (51-52)	\$524,538	\$472,970	(51,568) Administration
Purchased Professional & Technical Services (53)	17,380	15,500	(1,880) Contracted Services
Purchased Property Services (54)	10,500	12,500	2,000 Repairs
Other Purchased Services (55)	26,919	27,419	500
Supplies, Rent & Energy (56)	61,062	61,842	780 Supplies
Equip & Tech (57)	0	0	-0-
Dues, Fees, Debts & Other (58-59)	<u>2,180</u>	<u>2,180</u>	-0-
Total Adult Education	\$642,579	\$592,411	(\$50,168) Personnel Costs

SCHOOL FUND BALANCE HISTORY

SOURCE: SCHOOL-ONLY AUDITED FINANCIAL STATEMENTS

SUMMARY OF OPERATIONS	FY15	FY16	FY17	FY18	FY19
BUDGETED REVENUE	\$35,266,468	\$36,337,950	\$38,124,930	\$42,692,114	\$48,836,536
ACTUAL REVENUE	<u>34,548,922</u>	<u>36,500,736</u>	<u>37,642,165</u>	<u>42,696,280</u>	<u>49,091,34</u>
REVENUE GAIN (LOSS)	(717,546)	162,786	(482,765)	4,166	254,498
BUDGETED EXPENSE	35,266,468	36,337,950	38,124,930	43,817,114	49,890,749
ACTUAL EXPENSE	<u>34,206,169</u>	<u>35,207,756</u>	<u>37,038,716</u>	<u>42,839,484</u>	<u>49,679,720</u>
EXPENSE SAVED (OVERSPENT)	1,060,299	1,130,194	1,086,214	977,630	211,029
CHANGE IN FUND BAL.	<u>594,432</u>	<u>1,257,336</u>	<u>582,098</u>	<u>981,796</u>	<u>465,527</u>
ENDING FUND BALANCE	(881,483)	400,282	986,297	899,534	248,945



SUMMARY

Source or Use of Funds	19/20 Budget Amount	20/21 Budget Amount	Variance (20/21 vs. /19/20)
Operations:	\$52,947,153	\$55,115,774	\$2,168,621 (4%)
Gen. Ed.	<u>642,579</u>	<u>592,411</u>	<u>-50,168 (-8%)</u>
+ Adult Ed	53,589,732	55,708,185	2,118,453 (4%)
Revenues:	38,955,244	40,217,228	1,261,984 (3%)
Gen. Ed. +	<u>190,153</u>	<u>145,424</u>	<u>-44,729 (-24%)</u>
Adult Ed.	39,145,397	40,362,652	1,217,255 (3%)
Total Revenue			
= Net Tax from Operations	14,444,335	15,345,533	+901,198 (6%)
+ CIP	<u>381,825</u>	<u>322,025</u>	<u>-59,800 (-16%)</u>
= Total Net Taxation	\$14,826,160	\$15,667,558	\$841,398 (5.68%)

Sanford
School
Department

FY 20/21

Budget
Review

As of
3/12/20