



MINUTES

BUDGET COMMITTEE
3RD FLOOR COUNCIL CHAMBERS
CITY HALL ANNEX
THURSDAY, MARCH 21, 2019
6:00 PM

1. Call to Order by Lance Hoenig @ 6:02 pm
2. Pledge of Allegiance
3. Roll-Call: Jonathan Mapes, Councilor Robert Stackpole, Councilor Maura Herlihy, Mayor Tom Cote, Lance Hoenig, Bruce Knight. Absent with notice: Mesha Quinn
 - a. Present Staff: City Manager Steve Buck, Finance Director Ronni Champlin, Superintendent Matt Nelson, School Business Manager Gwen Bedell.
 - b. School Committee Members: Emily Sheffield
 - c. City Council: Councilor Ayn Hanselmann,
4. Adjustments to the Agenda: Motion by Mayor Tom Cote to add, Between New Business and Future Agenda items, A conversation specific to the road maintenance, seconded by Jon Mapes. 6-0 in Favor.
5. Approval of the March 14, 2019 Meeting Minutes. Tabled
6. Public Participation
7. Old Business: To take action, if appropriate, on the following:
 - a. No Old Business
8. New Business: To take action, if appropriate, on the following:
 - a. Joint Public Hearing
 - i. Jonathan Martel. Looked at the budget and thought there was some significant wasteful spending. \$ 300,000 for communications, extra for Parks, extra for EMA. Hard to see the justification when driving down Main Street does damage to his car. Mentions ripping trash bags. Want to see his tax dollars spent more wisely.
 - b. 2019/2020 School Department Power Point Budget Presentation
 - i. Superintendent Matt Nelson comments about the work that goes into putting together the Budget.

SANFORD SCHOOL DEPARTMENT

FISCAL YEAR 2019-20

BUDGET COMMITTEE PRESENTATION

March 21,
2019

City Hall
Chambers

Sanford,
Maine

By: Gwen R.
Bedell
Gadbois
CPA, CFE

Business
Administrator

SUMMARY

Source or Use of Funds	18/19 Budget Amount	19/20 Budget Amount	Variance (19/20 vs. 18/19)
Operations:	\$48,760,762	\$53,027,037	\$4,266,275 (9%)
Gen. Ed.	748,462	647,065	-101,397 (14%)
+ Adult Ed	\$49,509,224	\$53,674,102	\$4,164,878 (8%)
Revenues:			
Gen. Ed. + FB	35,543,981	38,955,244	3,411,263 (10%)
Adult Ed.	279,000	190,153	-88,847 (32%)
Total Revenue	35,822,981	39,145,397	3,322,416 (9%)
= Net Tax from Operations	13,686,243	14,528,705	+842,462 (5.99%)
+ CIP	381,525	381,825	+300 (0%)
= Total Net Taxation	\$14,067,768	\$14,910,530	\$842,762 (5.99%)

Sanford
School
Department

FY 19/20

Budget
Review

As of
3/21/19

NOTES: Increase of 8% in the General Operations.

Increase in Revenue of roughly 10%, mostly in School Construction.

Decrease in Adult Education due to closure of childcare.

10-YR HISTORY NON-DEBT STATE SUBSIDY



EPS FUNDING HIGHLIGHTS & CHALLENGES

Component	18/19 Preliminary	19/20 Preliminary	Variance (19/20 v. 18/19)	Comment (PY = Prior Year)
# Subsidizable Stud.	3,101	3,061	-50 (1.6%)	PreK: -26; K-8: -34; 9-12: +10
Operating Allocation	6,764,719.2	6,744,719.6	-20/+4	Subsidy per Pupil PreK-8 / 9-12
a) Basic Stud Sub	\$21,490,730	\$21,167,655	-\$323,075 (1.5%)	Net Loss: 50 Students (avg. 6,462 ea.)
b) Weighted Counts	1,999,405	1,886,757	-112,648 (5.6%)	Loss: 90 Disadvantaged & 5 ELL Stud.
c) Targeted Fund	1,845,207	1,778,699	-66,508 (3.6%)	Loss: Students, PreK, Disadv & ELL
Total Operations	25,335,342	24,833,111	-502,231 (2%)	Net Loss of 50 Students (avg. 10,045 ea.)
Special Education	6,923,551	7,434,080	+510,529 (7.4%)	State's Net Calculation of PY Actuals
Career & Tech. Ed.	2,577,204	2,794,446	+217,242 (8.4%)	Max Allow = 7% Inflated PY Actuals + 2 New Programs
Transportation	1,664,541	1,692,838	+28,297 (1.7%)	Max Allow = 1.7% Inflated PY Allocation
Debt Service + Leases	7,262,626	10,693,405	+3,430,779 (47%)	State Share of Construction Projects
GT, Retire & Region.	988,022	1,178,306	+190,284 (19%)	Shift of Regionalization + \$100K, Retirement + \$74K, GT + \$16K
Gross Total w/Debts	44,751,286	48,626,188	+3,874,902 (9%)	Primarily Debt and Special Ed
State Share	\$33,194,493	\$37,249,744	+\$4,055,251 (12%)	\$3.4M Debt, \$700K Sped & CTE

EPS: Loss in Pre-K of 26 students due to failure to open the High School Program.

Lost \$ 20/student in the K-8 grade range

Gained \$ 4/student in the 9-12 grade range

Lost Basic Student subsidy of \$ 323,000 due to the loss of total students

Lost 90 disadvantaged and 5 ELL students which led to a loss of \$ 113,000 as well as some targeted funds in the range of \$ 67,000

Lost of about \$ 502,000, or 10k per student

Disadvantaged student is based on INCOME

Gain in Career & Tech. BUT Should be about \$ 3.3 million

Transportation does not match actuals

Regionalization Increase is actually an avoidance of a penalty.

GENERAL EDUCATION NON-LOCAL REVENUES

Source	17/18 Actual	18/19 Budget	19/20 Budget	Variance (19/20 v. 18/19)
State Subsidy [EPS/ED279] Preliminary	\$26,923,694	\$33,194,493	\$37,249,744	+ 627,000 Operations + 3,428,251 Debt + \$4,055,251 (12%)
Tuition Collected	963,004	1,040,275	995,500	-49,225 (4.7%) Bridge Tuition
State Agency Clients	63,987	200,000	50,000	-150,000 (75%) Change in Billing Allowance (-6 Mos.) and Fewer Students
Adult Ed	322,639	279,000	190,153	-88,847 (32%) Reduction in Academic Programs & Childcare Closure
Athletics, Facilities & Miscellaneous	20,290	55,000	35,000	-20,000 (36%) Reduce Misc Rev to Recent Actual, Temp Closure of Facilities
Fund Balance	<u>899,534</u>	<u>1,054,213</u>	<u>625,000</u>	-429,213 (41%) Increase in Operating Expenses related to New Construction & Value-Engineered Renovation Projects
Total Non-Local Revenues	\$29,193,148	\$35,822,981	\$39,145,397	+\$3,322,416 (9%) EPS increase offset by Decrease in Other General Ed Revenues, Adult Ed and Carryover

Acton is seeing a decrease in enrollment which is part of the Tuition line.

Adult Education: Primarily related to the reduction in academics and the discontinuation of the childcare.

Fund Balance: Delays in Construction have caused increases in the Operating Expenses. Absorbing Construction expenses internally due to the Value Engineering required to bring the project in on budget.

BUDGET ASSUMPTIONS

Salary increases mandated by Union Contract:

- Administrators 3.25%
 - Teachers 2.75%
 - Ed Techs 2.25%
 - Administrative Assistants 2%
 - Custodians 3%
 - Food Service Workers 2.25%
- Salary increases estimated for Miscellaneous Employees 2.75%
- Substitute Salary increases mandated by new Minimum Wage from \$11/hr to \$12/hr plus related payroll tax increase

Benefit increases mandated by Maine Public Employees Retirement System

- New Contribution from Employer for PLD Retiree Return to Work 5%
- Increase in Contribution from Employer for Teacher Retirement Participants (Teachers, Ed Techs and Administrators) from 3.97% to 4.16%; estimated additional cost \$39K

Benefit increases estimated by Insurer Pool:

- MEA Anthem – estimated premium increase of 15% for Administrators & Custodians; status quo* + 15% ER share = \$109,544
- Harvard Pilgrim Healthcare – estimated premium increase of 15% for Teachers, Ed Techs, Administrative Assistants, Food Service Workers and Miscellaneous Employees; status quo* + 15% ER share = \$1,050,937

*Status Quo does not reflect addition or deletion of positions

80% of School Expenses are cost of people.

Impact of the Minimum Wage Increase.

Increase of \$ 40,000 just due to the increased employer contribution toward retirement.

15% increases in Health Insurance almost across the board.

Plans for the Childcare facility: York County Community Action running a 2 year old program. Allowing them to pay costs.

BUDGET NUMBERS BY PHASE OF REVIEW

1/15/19 1st Draft \$56,340,812 (net taxation + 22%) including an increase of \$1.48M just to "turn on the page" on existing staff salaries and benefits, as well as \$980K for new positions.

1/28/19 2nd Draft \$55,154,893 (net taxation 13.8%) reflecting reductions of \$1.2M for personnel and non-personnel expenses: Curriculum & PD \$171K, Athletics \$97K, Technology \$176K, High School \$147K, CTE \$29K, and K-8 Teaching & Other \$523K.

EPS Arrives 2/15/19 School Committee and A-Team briefed on impact of low subsidy; engage in series of brainstorming sessions to strategize more reductions.

3rd Draft 2/21/19 \$54,766,316 (net taxation +11%) reflecting further reductions of \$389K for personnel and non-personnel expenses: (2) Elementary Teaching Positions \$207K, Curriculum, RTI & PD \$164K, Athletics \$13K, High School Dues & Fees \$5K.

4th Draft 3/4/19 \$54,055,928 (net taxation + 5.99%) reflecting further net reductions of \$710K for personnel and non-personnel expenses: Special Ed \$153K, Technology \$87K, WSSR \$57K, Curriculum/RTI \$55K, Athletics \$28K, Adult Ed \$10K, (3) High School Teachers, Summer School & Other \$209K, (2) Elementary Teachers \$187K, and Student Supports \$93K. Offset by increase Maintenance \$169K for Moving, Value-Engineering Costs and Utilities/Heat for New and Renovated Buildings.

Stackpole: Teaching positions being eliminated, are they currently filled? Some of the positions will be absorbed thru retirements. A lot of the positions will not be.

BUDGET REQUESTS – NEW POSITIONS CUT FROM THE BUDGET

NEW POSITIONS (Salary & Benefits) – Requested & Cut

- Assistant Athletic Director SHS (Fulltime @ \$79,900)
 - Assistant Cross Country Coach SHS (Stipend @ \$3,360)
 - Social Studies Teacher SHS (Fulltime @ \$66,723)
 - Art Teacher SHS (Fulltime @ \$56,875)
 - Administrative Assistant SRTC Public Entrance (Part-time @ \$27,050)
 - Library Ed Tech III SHS (Fulltime @ \$53,575)
 - Academic Interventionist CJL (Fulltime @ \$68,884)
 - Behavioral Interventionist CJL (Fulltime @ \$104,527)
 - Kindergarten Ed Tech II (2) Elementary (Fulltime @ \$58,200)
 - Self-Contained Teacher & Ed Tech II CJL (Fulltime @ \$140,000)
 - Nurse CJL (1/2Ttime @ \$48,191)
 - (4) Indoor Track Coaches SHS (Stipend @ \$15,642 total)
 - (4) Lacrosse Coaches SJHS (Stipend @ \$8,232 total)
 - (3) Elementary Co-Curricular Leaders (Stipends @ \$3,000 total)
- Total \$734,159**

EXISTING POSITIONS CUT FROM THE BUDGET

EXISTING POSITIONS CUT FROM THE BUDGET - Salary & Benefits

- (4) Elementary Teaching Positions (Fulltime @ \$393,920)
 - Construction Manager/Superintendent Assistant (1/2 time @ \$70,375)
 - Curriculum Assistant/Teacher Leader (Fulltime @ \$72,370)
 - RTI Coordinator (3/5 time @ \$66,250)
 - (2) Summer School Sessions SHS (Stipend @ \$3,000 total)
 - (2) First Team Coaches SHS (Stipends @ \$6,586 total)
 - Self-Contained Ed Tech Willard (Fulltime @ \$33,481)
 - Performing Arts Liaison to SRTC (1/2 time @ \$28,500)
 - WSSR TV Coordinator (Fulltime @ \$57,090)
 - Foreign Language Teacher SHS (Fulltime @ \$72,216)
 - Science Teacher SHS (Fulltime @ \$52,962)
 - Family Consumer Science Teacher SHS (Fulltime @ \$79,820)
 - Library Ed Tech District-wide (Fulltime @ \$33,534)
 - Psychologist (Reduce from Full to Part-time @ \$46,279)
 - Elementary Nurse (3/5 time @ \$38,495)
 - (2) Spartan Time Coordinators SHS (Stipends @ \$1,700 Total)
 - Student Resources Coordinator (2/5 time @ \$32,780)
 - Tech Integrator Elementary (Part-time @ \$8,000)
 - Speech Pathologist Elementary (Part-time @ \$43,562)
- Total \$ 1,140,920**

Many of the positions being recommended for cuts are currently filled. About ½ of the positions being cut are currently occupied by people.



BUDGET REQUESTS – NEW POSITIONS INCLUDED IN THE BUDGET

NEW POSITIONS (Salary & Benefits)

- Assistant Principal SJHS Grades (Fulltime @ \$117,525)

- Math Interventionist SJHS (Fulltime @ \$55,387)

- In-School Suspension Ed Tech III SHS (Fulltime @ \$31,361)

- 3rd Shift Custodian SHS/SRTC (Fulltime @ \$41,294)

Total \$245,567

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

Expense Classification	2018/2019 Revised Budget	2019/2020 Proposed Budget	Variance (19/20 vs. 18/19)
Salaries, Taxes & Benefits (51-52)	\$23,719,630 <u>9,446,340</u> 33,165,970	\$23,903,127 <u>9,981,722</u> 33,884,849	+\$183,496 (0.8%) Salaries +535,382 (5.6%) Benefits & Taxes +718,879 (2.2%) Total
Purchased Prof. & Tech. Services (53)	2,051,120	2,155,558	+104,438 (5.1%) Contracted Maintenance Cleaning & Snow Removal
Purchased Property Services (54)	592,599	504,426	-88,173 (14.9%) Classroom Leased Space and Tech Software Fees Shifted to State
Other Purchased Services (55)	2,821,914	2,616,826	-205,088 (7.3%) K-8 Out of District Tuition Transferred to Local Entitlement
Supplies & Energy (56)	1,681,136	1,991,197	+310,062 (18.4%) Increased Cost and Consumption of Energy Sources
Equipment & Repairs (57)	373,083	404,958	+31,876 (8.5%) Camera System @ Middle School
Dues, Debts & Other (58-59)	<u>8,456,470</u>	<u>11,851,047</u>	+3,394,576 (40%) HS/CTE, Middle & Elementary Construction Debt State & Local Share
Total Expenses (rounded)	\$49,142,287	\$53,408,862	\$ 3,419,271 (80%) Construction Debt \$ 847,304 (20%) School Operations + \$4,266,575 (8.7%)

Currently a great deal of overtime in the Custodians due to lack of staff.

Stackpole: Student shifting:

All 5th grade to the Middle School as well as the majority of 4th grade due to the closure of MCS for the renovations.

What is the increase in population for next year compared to the current Middle School Population.

Currently 690, 950 to 960 for 2019/2020 school year with addition of 4th grade and 5th grade.

Jonathan Mapes: What will be the administrative levels at the schools following the completion of the school shuffle?

They have looked at the possible need for restructuring to meet the needs of the kids, especially with math. The one gap they felt needed a new position was the intervention at the Middle School.

In School Suspension: An attempt to deal with losing kids who are often out on suspension. Avoid disconnection, work on restorative actions.*

Bulk of Prof & Tech Services is the cost of maintenance, snow removal at the new HS.

Energy. Still do not have 100% control of the systems at the High School in order to gain efficiency. All Energy expenses are up across the District.

Other Purchased Services: A shift of locations and way of budgeting to avoid additional taxation caused by how Local Entitlement funds are spent. If in Payroll, additional taxes apply.

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

Cost Center	2018/2019 Revised Budget	2019/2020 Proposed Budget	Variance (19/20 vs. 18/19)
ARTICLE 1 – REGULAR INSTRUCTION	\$15,799,056	\$15,598,411	-\$200,645 (1.3%) Elimination of 7 Teaching Positions K-12; Offset by addition of ISS Ed Tech III and increases in existing Staff Salaries and Benefits
ARTICLE 2 – SPECIAL EDUCATION	8,206,816	8,318,134	+111,319 (1.4%) Elimination of Ed Tech III, reduction in Psychologist and Speech Services; Exchange some Out of District Tuition for Staff Salaries in Local Entitlement
ARTICLE 3 – CAREER & TECHNICAL EDUCATION	2,969,621	3,381,987	+412,366 (13.9%) Plan addition of 2 New Programs (upfront funding in EPS), increased share of Maintenance Costs, add share of SRO; Offset by eliminating WSSR Position
ARTICLE 4 – OTHER INSTRUCTION	943,570	950,533	+6,963 (0.7%) Increased MPA Fees and Stipends; Offset by eliminating Summer School, Spartan Time Coordinators, defer (6) New Teams and (2) 1 st Teams and shifting SRO costs to CTE (3) and Facilities (9)
ARTICLE 5 – STUDENT AND STAFF SUPPORT	3,937,412	3,943,058	+5,645 (0.1%) Add Math Interventionist @ JH; Offset by reductions in Curriculum, Technology, Nursing, Library Ed Tech, RTI Coordinator, Teacher Leader, Tech Integrator and Student Resources Coordinator

Additional CTE Programs for which upfront money comes thru EPS are: Career Exploratory and Diversified Occupations

CURRICULUM 6-YR PLAN

CONTENT AREA	18-19	19-20	20-21	21-22	22-23	23-24
ENGLISH LANGUAGE ARTS	\$38,752	\$54,300	\$56,400	\$56,500	\$56,500	\$56,500
HANDWRITING	\$6,000	\$6,000	\$9,000	\$13,250	\$17,500	\$21,750
MATHEMATICS	\$63,000	\$67,500	\$68,500	\$70,500	\$72,000	\$192,000
SCIENCE	\$96,000	\$63,000	\$32,000	\$80,000	\$25,000	\$25,000
CLASSROOM LIBRARIES	\$78,280	-	\$74,506	\$49,400	\$97,973	-
SOCIAL STUDIES	-	\$58,300	\$36,562	\$11,707	\$15,814	\$9,564
HEALTH & PHYS ED	-	-	-	-	-	-
WORLD LANGUAGES	-	\$17,868	\$11,693	\$11,693	\$11,693	\$11,693
MUSIC	-	\$10,000	\$15,000	\$15,000	\$15,000	\$15,000
ART	-	\$10,000	\$15,000	\$15,000	\$15,000	\$15,000
SOCIAL & EMOTIONAL LEARNING	\$67,048	\$26,700	\$30,400	\$26,000	\$7,700	\$7,700
TOTALS	\$349,080	\$313,668	\$349,061	\$349,050	\$334,180	\$354,207

Tom Cote: Has there been reductions in outside contracted positions? Yes, tech coordinator. Eliminated an outside Speech Therapist. With vendors, can't get away from some of the outside vendors. The majority of Curriculum is coming from Title IIA funds.

TECHNOLOGY 5-YR PLAN & HIGHLIGHTS

Technology	18/19	19/20	20/21	21/22	22/23
MacBook Airs K-6 Teachers	\$27,357			\$29,000	\$29,000
iPad Airs 2 High School	\$55,838				
New Devices 4-5th Grade					\$162,500
New Devices 6th Grade	-	\$81,250			
MLTI Momentum Buyout Element	\$14,450				
New Devices High School (2 Grades)			\$162,500	\$162,500	
Projectors/Doc Cameras	\$20,275	\$20,275	\$23,000		
Office/Wireless Upgrades	\$4,734	\$12,024			
Apple TVs/Chromecasts	\$3,380	\$3,380			
Network/Server/UPS upgrade	\$7,277				\$20,000
Camera Systems	\$2,600	\$71,915			
Total	\$135,911	\$188,844	\$185,500	\$191,500	\$211,500

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

Annual licensing fees. Particularly important with increase of technology usage. District is 1 to 1 for technology. 1 device per student.

No money for technology in the new construction projects. It was value engineered out.

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

Cost Center	2018/2019 Revised Budget	2019/2020 Proposed Budget	Variance (19/20 vs. 18/19)
ARTICLE 6 – SYSTEM ADMINISTRATION	\$976,331	\$909,965	-\$66,366 (6.8%) Eliminate Construction Mgr./Superintendent Asst.
ARTICLE 7 – SCHOOL ADMINISTRATION	2,173,605	2,431,710	+258,105 (11.9%) Add Asst. Principal for expanded Middle School and increase in existing Staff Salaries & Benefits
ARTICLE 8 – TRANSPORTATION	1,941,784	1,987,432	+44,648 (2.3%) Contracted Student Bussing
ARTICLE 9 – FACILITIES INCLUDING CIP	4,064,884	4,328,462	+263,579 (6.5%) Shift SRO Cost, Addition of 1 FT 3 rd Shift Custodian at SHS/SRTC, Moving Expenses and Costs Associated with Construction Value-Engineering
ARTICLE 10 – CONSTRUCTION DEBT	8,095,134	11,514,405	+3,419,271 (42%) School Construction Debt mandated per Bond Bond; Offset by \$10.7M in EPS Revenue
ARTICLE 11 – ALL OTHER EXPENDITURES	33,076	44,766	+11,690 (35%) Generate Interest (and Revenues) in PAC through Advertising, Supplies and Networking

Maura Herlihy: Is there any benefit to floating a small bond to pay for some of the expenses being caused by Value Engineering the Grade School Projects? Open for thoughts as we continue discussing the School Budget. School will look at this option and return with a potential bond discussion on March 28, 2019 Budget Committee meeting.

LOCAL SHARE OF SCHOOL DEBT SERVICE

AMOUNTS INCLUDE PRINCIPLE + INTEREST

FY 18/19

- 4TH PAYMENT ON \$1.5M ENERGY BOND \$170,955.00*
- 2ND PAYMENT ON \$600K SRRF LOANS JH&HS \$ 20,751.70*
- 2ND PAYMENT ON \$10M HS/CTE LOCAL-ONLY BOND
\$856,796.20**

TOTAL FY18/19 DEBT SERVICE: \$1,048,502.90

FY 19/20

- 5TH PAYMENT ON \$1.5M ENERGY BOND \$168,802.50*
- 3RD PAYMENT ON \$600K SRRF LOANS OLD JH&HS \$ 20,751.70*
- 2ND PAYMENT ON \$10M HS/RTC BOND \$847,815.16**

TOTAL FY19/20 DEBT SERVICE: \$1,037,369.36

DECREASE IN LOCAL SHARE OF SCHOOL DEBT SERVICE -\$11,133.54

*Included in Article 9

** Included in Article 10

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

AMOUNTS INCLUDE PRINCIPAL + INTEREST

FY 18/19

- 1ST PAYMENT ON \$43M MIDDLE, ELEM & MCS BOND* \$ 688,909.12
- 2ND PAYMENT ON \$90M HS/CTE BOND \$7,238,337.55

TOTAL STATE-SHARE DEBT SERVICE: \$7,927,246.67

**THIS BOND PAYMENT WAS ADDED TO EPS AFTER REFERENDUM*

FY 19/20

- 2ND PAYMENT ON \$43M MIDDLE, ELEM & MCS BOND \$3,504,124.97
- 3RD PAYMENT ON \$90M HS/CTE BOND \$7,162,464.47

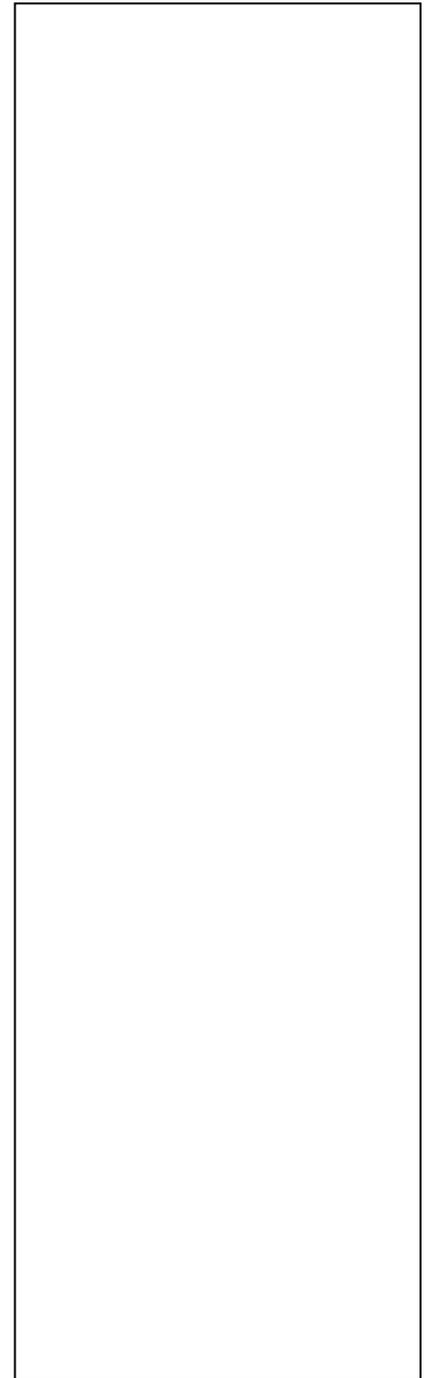
TOTAL STATE-SHARE DEBT SERVICE: \$10,666,589.44

CAPITAL IMPROVEMENTS 2019-2020

Area	Amount	Project & Location
Interior Trim	\$63,100	\$63,100 Middle School Renovations including but not limited to Replacing Ceiling Tiles and Insulation, Installing Benches, as well as Painting Doors, Walls, Trim and Lockers
Fire & Safety	\$27,800	\$6,450 District-wide Crisis Go Software \$3,350 Carl J. Lamb Sprinkler System Flush \$18,000 Central Elementary School Sprinkler Extension/Repairs
A.D.A. Compliance	\$11,600	\$11,600 Middle School Renovations including but not limited to Ramps and Stairs
Site Improvements	\$63,125	\$32,125 Middle School Playground \$31,000 Carl J. Lamb Concrete Walkway Replacement
Vehicles	\$64,000	\$24,000 Payment 1 of 5: 2 New Compact Utility Tractors (PV\$60K ea.) \$13,200 Payment 1 of 5: New Dump Truck (PV\$63K) \$16,000 Payment 1 of 5: New Bucket Truck (PV\$76K) \$10,800 One-time Purchase of Used Forklift (PV\$11K)

CAPITAL IMPROVEMENTS 2019-2023

Area	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Roof Systems	28,000	41,000	40,000	40,000
Ext. Walls	51,300	49,900	50,350	49,300
HVAC	40,000	40,000	40,000	40,000
Electrical	17,600	18,800	18,800	19,500
Plumbing	15,300	15,300	15,300	15,300
Interior Trim	63,100	48,900	46,400	44,700
Fire & Safety	27,800	20,800	20,800	19,300
ADA Comp.	11,600	12,200	11,200	12,000
Site Improv.	63,125	23,125	23,125	26,000
Vehicles	64,000	52,000	68,000	72,000
Total	\$381,825	\$322,025	\$333,975	\$338,100



CAPITAL IMPROVEMENTS 2019-2020

Area	Amount	Project & Location
Roof Systems	\$28,000	\$28,000 District-wide Preventative Maintenance Service Contracts
Exterior Walls	\$51,300	\$5,600 Willard Tuck Pointing \$10,300 Central Elementary Tuck Pointing \$35,400 Central Elementary Windows & Doors
HVAC	\$40,000	\$32,000 Carl J. Lamb Duct Cleaning \$8,000 Carl J. Lamb Pneumatic Controls
Electrical	\$17,600	\$17,600 Middle School Renovations including but not limited to Lighting Upgrades and Replacements
Plumbing	\$15,300	\$15,300 District-wide Replacements of Toilets, Flushometers and Sinks; possible Repairs to Sewer Lines at Central Elementary (\$?)

CAPITAL IMPROVEMENTS BEYOND 2020

CIP Area	Amount	Project & Location
Roof Systems	\$2,100,000	Carl J. Lamb - Roof Replacement needed in 2023; estimated cost to replace in 2018 was \$2.1Million. Bond?
Roof Systems	\$795,000	Central Elementary – Roof Replacement needed in 2018; “Value-Engineered” out of the State-Funded Construction project.
Exterior Walls	\$475,000	Middle School – Window and Door Replacements as well as Masonry/Stucco Repair needed in 2018; “Value-Engineered” out of the State-Funded Construction project.
Site Improvements	\$81,000	Carl J. Lamb and Central Elementary – Parking lots need crack-filling and sealcoating.

Roofs: Preventative Maintenance



ADULT EDUCATION EXPENSES BY FUNCTION ACADEMIC FUND 1500 ONLY

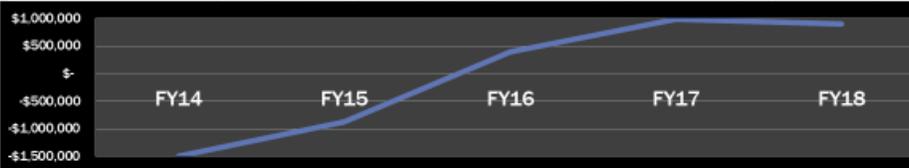
Expense Classification	2018/2019 Revised Budget	2019/2020 Proposed Budget	Variance (19/20 vs. 18/19)
Salaries, Taxes & Benefits (51-52)	\$632,512	\$530,764	-\$101,748 (16%) Close Childcare & Summer Evening Academic Classes
Purchased Professional & Technical Services (53)	15,600	15,500	- \$100 (1%) Childcare Professional Development
Purchased Property Services (54)	14,000	10,500	-\$3,500 (25%) Computer Equip
Other Purchased Services (55)	24,344	26,919	+\$2,575 (6%) Advertising & Postage/Communications
Supplies, Rent & Energy (56)	59,685	61,062	+\$1,377 (2%) Rent
Equip & Tech (57)	0	0	N/A
Dues, Fees, Debts & Other (58-59)	<u>2,320</u>	<u>2,320</u>	\$0
Total Adult Education	\$748,461	\$647,065	-\$101,396 (13.5%) Primarily due to Childcare Closing

Eliminating summer evening adult education classes.

Eliminating Childcare Facility

SCHOOL FUND BALANCE HISTORY SOURCE: SCHOOL-ONLY AUDITED FINANCIAL STATEMENTS

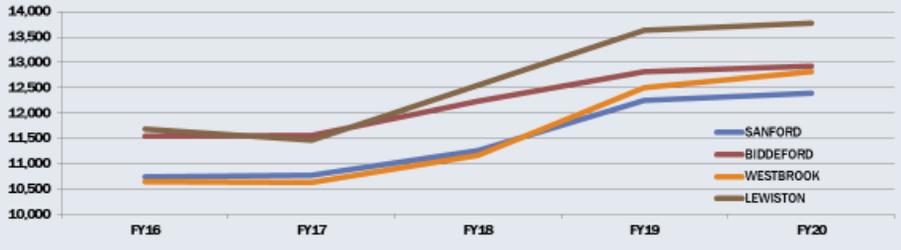
SUMMARY OF OPERATIONS	FY14	FY15	FY16	FY17	FY18 (Post BVR)
BUDGETED REVENUE	\$35,108,329	\$35,266,468	\$36,337,950	\$38,124,930	\$42,692,114
ACTUAL REVENUE	<u>33,650,621</u>	<u>34,548,922</u>	<u>36,500,736</u>	<u>37,642,165</u>	<u>42,696,280</u>
REVENUE GAIN (LOSS)	(1,457,708)	(717,546)	162,786	(482,765)	4,166
BUDGETED EXPENSE	35,108,329	35,266,468	36,337,950	38,124,930	43,817,114
ACTUAL EXPENSE	<u>34,192,531</u>	<u>34,206,169</u>	<u>35,207,756</u>	<u>37,038,716</u>	<u>42,839,484</u>
EXPENSE SAVED (OVERSPENT)	915,798	1,060,299	1,130,194	1,086,214	977,630
CHANGE IN FUND BAL.	(634,316)	594,432	1,257,336	582,098	981,796
ENDING FUND BALANCE	(1,501,924)	(881,483)	400,282	986,297	899,534



EPS PER-PUPIL COST COMPARISON FOR SCHOOLS WITH CAREER & TECH. ED.

(NON-DEBT EPS / # SUBSIDIZABLE STUDENTS)

YEAR	SANFORD	BIDDEFORD	WESTBROOK	LEWISTON
FY20	\$12,392	\$12,923	\$12,816	\$13,770
FY19 <small>EPS @ 100%</small>	12,259	12,815	12,504	13,630
FY18	11,268	12,230	11,171	12,555
FY17	10,774	11,554	10,625	11,464
FY16	10,742	11,538	10,645	11,684



Difference between FY18 and FY19, State started reimbursing CTE at 100% rather than at 90%.

SUMMARY

Source or Use of Funds	18/19 Budget Amount	19/20 Budget Amount	Variance (19/20 vs. 18/19)
Operations:			
Gen. Ed.	\$48,760,762	\$53,027,037	\$4,266,275 (9%)
+ Adult Ed	748,462	647,065	-101,397 (14%)
	\$49,509,224	\$53,674,102	\$4,164,878 (8%)
Revenues:			
Gen. Ed. + FB	35,543,981	38,955,244	3,411,263 (10%)
Adult Ed.	279,000	190,153	-88,847 (32%)
Total Revenue	35,822,981	39,145,397	3,322,416 (9%)
= Net Tax from Operations	13,686,243	14,528,705	+842,462 (5.99%)
+ CIP	381,525	381,825	+300 (0%)
= Total Net Taxation	\$14,067,768	\$14,910,530	\$842,762 (5.99%)

Sanford
School
Department

FY 19/20

Budget
Review

As of
3/21/19



Further discussion on a potential bond to correct some of the problems being caused by Value Engineering the Elementary School Projects.

9. Road Discussion

- a. Presentation of what a 50 million dollar bond would look like for road infrastructure.
- b. Will discuss a more detailed bond situation at the next Budget Committee meeting.

10. Future Agenda items – Confirm date, time and agenda for next meeting:

- a. Thursday, March 28, 2019 Last Budget Committee Meeting
- b. Tuesday, April 2, 2019 Budget Committee Presentation to the City Council

11. Budget Committee Member Comments

- a. Mesha Quinn: Absent with notice
- b. Jonathan Mapes: Liked presentation on the bond for the roads. Ready to discuss overall budgeting and a number that will be passed on to the voter. Disheartening to see the cuts that the Schools must make.
- c. Bruce Knight:
- d. Councilor Robert Stackpole: Roads, how do we do that and maintain our other services. Deflated by the cuts from the School Department.
- e. Mayor Tom Cote: Worst budget season. This year, no comfort level with the Budget situation. Budget Committee does not determine where positions are added or cut. Need to formalize some better communication on long range planning between both the School and City.
- f. Councilor Maura Herlihy: Roads even if sacrifices must be made. People feel the road issues, they do not notice additional staff or new buildings to the same degree.
- g. Chairman Lance Hoenig: Excellent presentation from the School side on detailing how the School gets to where they are for Budget meetings and the tough decisions that must be made.
- h. City Manager Steve Buck: Substantial money into the roads and they seem to be getting worse. What does it take to keep up the roads. 2.4 million per year in just asphalt for maintenance, not the reconstruction.

12. Chairman Lance Hoenig adjourns the meeting at 8:03 pm.