

AGENDA
SCARBOROUGH TOWN COUNCIL WORKSHOP
WEDNESDAY – MARCH 29, 2023
WORKSHOP RE PRESENTATION PROPOSED
FY2024 MUNICIPAL/SCHOOL BUDGET - 6:00 P.M.
HYBRID MEETING

TO VIEW TOWN COUNCIL MEETING & OFFER PUBLIC COMMENT:

https://scarboroughmaine.zoom.us/webinar/register/WN_wWWrsBvZQc2PrKpW_SxWCw

TO VIEW TOWN COUNCIL MEETING ONLY:

<https://www.youtube.com/channel/UCD5Y8CFy5HpXMftV3xX73aw>

Item 1. Call to Order.

Item 2. Those Present.

Item 3. Presentation on the proposed FY2024 Municipal/School Budget by the Town Manager and Superintendent of Schools.

Item 4. Adjournment.

FY2024 Proposed Budget

Thomas Hall
Town Manager

Geoff Bruno
Superintendent of Schools



FY24 Proposed Budget – At A Glance

Accounts for:	FY2023 Gross	FY2023 Net	FY2024 Gross	FY2024 Net	\$ Net Change	% Net Change
Municipal	41,592,968	21,595,089	42,980,350	22,976,252	1,381,163	6.40%
Education, all areas	61,026,856	52,029,958	65,130,333	54,416,275	2,386,317	4.59%
County	3,119,411	3,119,411	3,481,081	3,481,081	361,670	11.59%
Capital - School & Town	10,578,155	1,258,500	147,654,383	2,256,100	997,600	79.27%
TIF's	2,019,728	2,019,728	3,265,000	3,265,000	1,245,272	61.66%
Other *	2,199,155	(3,254,638)	1,970,000	(3,948,179)	(693,541)	21.31%
Totals	120,536,273	76,768,048	264,481,147	82,446,529	5,678,481	7.40%

* Includes Credit Enhancements, Overlay, Capital Reserve, Senior Property Tax Relief, Homestead,

Municipal Budget Drivers

• Wages 4.7% Non-Union/4% Union	\$780,000
• Fuel Costs	\$240,000
• Electricity Increases	\$135,000
• Tipping Fees	\$115,000
• Health Insurance (7.5%)	<u>\$100,000</u>
	\$1.37M
 New Staff Investments	 \$266,000
 ❖ Debt Service Reduction	 (\$1.67M)

Aligning with Town Council Goals

- Strategic Capital & Facilities Planning
 - Land for future Community Center (\$500k)
- Traffic and Transportation
 - Payne Road Traffic Signal Upgrades (\$350k)
 - Spurwink Road - Phase 2 (\$1.36 mil)
- Housing Choice and Homelessness
 - Social Services Coordinator (\$53k)
- Public Engagement and Communications
 - Town Wide Survey Update (\$20k)
- Sustainability, Conservation and Climate Change
 - Red Brook Watershed Management Update (\$100k)
 - Sawyer Street/Spurwink Marsh Restoration Study (\$35k)
 - Replacement of the Catch Basin Truck (\$550k)



Overview of the FY24 School Budget

The FY24 school operating budget **reduces** FY23 funding:

- \$136,000 for personnel turnover & reallocation
- \$43,000 for contracted transportation
- \$35,000 for online and internet services
- \$22,000 for electricity and heating oil due to favorable contract pricing
- \$15,000 for projected unemployment costs per current job market

School Budget Drivers

Post-pandemic recovery continues

- Federal grant funds ending in FY23
- Enrollment rebounding & projected to grow
- Social-emotional needs of students increasing
- Learning gaps & need for academic support persist
- Labor market hinders ability to fill open positions
- Inflation impacts costs for supplies & services

School Budget Priorities

School Leaders' focus for FY24 budget development:

- ❖ Investments for compliance, mandates & safety that respond to current student needs and allow us to develop programming for incoming students
- ❖ Increasing access & inclusion efforts to address changing demographics and reduce learning gaps with specialized instruction
- ❖ Increasing literacy support, responding to student data with added general education and special services instruction
- ❖ Implementing targeted, developmentally appropriate social emotional learning curricula for grades K-8 to benefit both staff and students
- ❖ Collaborating with town leadership, the Board of Education, and Town Council to meet our facilities needs through the K-8 strategic project and new primary school

Overview of the FY24 School Budget

The FY24 school operating budget **proposes added** funding to:

- **Retain FY23 federal grant funded positions to maintain recommended class sizes, delivery of core curriculum and essential support services**
 - 3.0 Teacher positions (reduced from 4.0 positions in FY23)
 - 1.0 Guidance Counselor for K-2 schools
 - 0.5 Speech Pathologist for K-2 specialized instruction
 - Summer academies for targeted supplemental instruction

Overview of the FY24 School Budget

The FY24 school operating budget **proposes added** funding to:

- **Meet the needs of incoming Special Education students**
 - 4.0 additional Special Services Ed Tech 3 positions
- **Increase access & inclusion for our English Language Learners**
 - 1.0 ESL Teacher position
 - 2.0 ESL Ed Tech 3 positions
- **Increase literacy support & address learning gaps**
 - 1.0 Resource Room Teacher position at Middle School
 - 1.4 Literacy Support Ed Tech 3 positions at Wentworth
 - 0.5 K-2 Speech Pathologist (from part-time to full-time position)

School Budget Drivers

• Salaries & Wages (Level Services/per CBAs)	\$1,800,000
• Health Insurance - 8% Increase	\$500,000
• MainePERS contribution increase	\$400,000
• New staff investments	
○ Transition from ESSER funded positions	\$361,000
○ Compliance, mandates & safety	\$308,000
○ ELL & Literacy support	<u>\$388,000</u>
Total	\$3,757,000

Personnel costs make up 80.1% of the school operating budget

Education Budget

Leadership Council's FY24 Budget Proposal	FY23 Approved Budget	FY24 Proposed Budget	\$ Change	% Change
General Fund Operating Budget	58,801,486	62,619,250	3,817,764	6.49%
Adult Education Budget	184,370	183,391	-979	-0.53%
School Nutrition Budget	2,041,000	2,327,692	286,692	14.05%
Total Education Budget	61,026,856	65,130,333	4,103,477	6.72%
Non-Tax Revenues	8,996,898	10,714,058	1,717,160	19.09%
Tax Request	52,029,958	54,416,275	2,386,317	4.59%



As of March 28, 2023 - new GPA figures released

Historic View of Taxable Value, Budgets, & Tax Rates

Fiscal Year	Taxable Valuation	% Change in Valuation	Total Tax Levy	% Change in Net Annual Budget	Tax Rate/1000	% Change in Tax Rate
2014	3,660,305,700	0.79%	54,062,720	7.87%	14.77	7.03%
2015	3,700,489,700	1.10%	55,877,372	3.36%	15.10	2.23%
2016	3,745,548,100	1.22%	58,018,545	3.83%	15.49	2.58%
2017	3,776,362,500	0.82%	60,119,691	3.62%	15.92	2.78%
2018	3,785,488,342	0.24%	62,422,707	3.83%	16.49	3.58%
2019	4,012,292,612	5.99%	66,162,710	5.99%	16.49	0.00%
2020	4,696,461,415	17.05%	69,037,982	4.35%	14.70	-10.86%
2021	4,727,230,976	0.66%	70,246,652	1.75%	14.86	1.09%
2022	4,845,682,776	2.51%	72,782,156	3.61%	15.02	1.08%
2023	4,988,176,876	2.94%	76,768,048	5.48%	15.39	2.46%

Capital Investment

- FY24 Request \$ 10.1 M - excluding \$137.5M for new school
 - \$ 2.25M to be Appropriated
 - \$ 5.94M to be Bonded
 - \$ 825K supported by Downtown TIF
 - \$ 1.135M from Reserves
 - \$415K Rescue Revenue
 - \$550K Traffic Impact Fees (TMP Partnership)
 - \$170K Recreation Impact Fees
- Additional Items to Advance Town Council Goals

TIF Revenues

Haigis Parkway TIF:

➤ SEDCO Costs	\$284,512
➤ Reduction to GF Deficit*	\$1,229,076

Downtown TIF

➤ Public Safety Debt Service (75%)	\$ 928,491
➤ Dispatch CAD System (Capital)	\$ 825,000

Items Still in Motion

Town:

- New Staff Investments- Proposed and Deferred
- Funding for Capital investments
- Non-property Tax Revenues - Excise/Revenue Sharing/Permit
- Strategies for Fund Balance

School:

- Insurance renewal rates available in April
- Potential Use of Capital Equipment Reserve (\$400K)

The Bottom Line

	FY2023 Actual	FY2024 Proposed	% Change from FY23
Net Budget	\$76,768,048	\$82,446,529	7.4%
Valuation Estimate	\$4,988,176,876	\$5,130,670,976	2.9 %
Projected Mill Rate	\$15.39	\$16.07	4.42%

Stay Engaged in the Budget Process

- **Town E-Newsletter:** Sign up to receive our twice monthly email newsletter for ongoing updates
- **Budget Portal:** Visit the portal (accessible from our website homepage) for budget-specific resources
- **Attend Public Meetings:** All accessible virtually; find links on the website Town Calendar
- **Share Your Feedback:**
 - Email the Town Council at towncouncil@scarboroughmaine.org
 - Email the Board of Education at boe@scarboroughschools.org



Budget Process — Next Steps

School Board First Reading	Thursday, March 16 - 7:00 pm
Town Council First Reading	Wednesday, April 19 - 7:00 pm
School Board Public Hearing	Thursday, April 28 - 7:00 pm
Joint TC/SB Budget Workshop	Wednesday, May 3 - 6:00 pm
Town Council Public Hearing	Wednesday, May 17 - 7:00 pm
School Board Second Reading and Budget Vote	Thursday, May 18 - 7:00 pm
Town Council Second Reading and Adoption	Wednesday, June 7 - 7:00 pm
School Budget Validation Vote	Tuesday, June 27 - 7 am - 8 pm, High School