

School Liaison July 2022 Meeting

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Overall Trends Observed:

- Underspending.
 - o Some lines are under-spent as we move into the end of the FY. This isn't a function of over-budgeting, however. The district must budget for worst case scenarios for retirement payouts, SPED student attendance, healthcare cost increases, benefit changes, etc. Uncertainty of timing for these factors makes planning difficult.
 - o Difficulty and timing of hiring (and contingency plans) also impacts some line items. Taking longer and poor timing of some departures has meant positions aren't getting filled.

- Encumbrances are working well. For many of the large expenses, the district is generating Purchase Orders, which show as "encumbered" dollars. Then the POs are spent down over the year. In August there will be several journal entries that will zero out the POs that weren't fully spent.

Recommendations:

- The district would benefit from spending some time data mining to better understand trends in retirement, attendance at SPED schools, etc. to move to a more "likely" scenario rather than always having to budget for the "worst case" scenario.

- Article 43 from the May 2022 ballot, which authorized the SC to use up to \$200k from fund balance without having to go back to voters needs to be extended and possibly for multiple years. If the district could move to a more "likely" scenario, they'd need to know this contingency plan is secure for the budget year.

Notes from Zak:

When closing out the fiscal year we need to ensure we have received all the FY22 invoices so we will run a final batch of payments on August 4th. There is also a payroll entry to allocate the portion of the July 7th pay to FY22 for the pay period that bridges both years - for hourly employees.

The financial position improved, this differs from the last month of FY21 and here are the most significant items:

- Special Education - Purchase orders closed out for out of district schools, days not attended at Maine schools are not billable. Schools vary from \$250 to \$398 per day plus related services charges. Closing out saved roughly \$250,000 across about 15 placements.

- *BC NOTE: It is Maine law that districts do not pay for days “unused” at a special purpose school. So, if a student who goes to Landmark School, misses 40 days during the school year, the York Schools do not have to pay Landmark for those 40 days, resulting in a savings of \$X daily tuition * 40 days = savings.*
- Transportation - Purchase order closed & reflects reduced number of buses. Special Education transportation for out of district schools - missed days. Change results in net increase of the article of roughly \$50,000.
 - *BC NOTE: Going down in buses is a savings but a huge problem for families. This is not to be celebrated. Finding bus drivers needs to be a priority so that all children have an option to get to school.*
- Student Staff Support - We did not receive the set of Chromebooks for the 6th grade by the end of the FY. We had to close out the purchase order and reopen in FY23 - savings of \$63,066.
 - *BC NOTE: While this is an FY22 savings, it'll be an FY23 expense.*

Notes from Heather

- Operating budget by warrant articles
 - Regular instruction comes from fewer retirement payouts, hiring teachers lower on the pay scale, changes in benefits (both + and -), fewer sick day payouts.
 - SPED costs are down significantly from budget. A large portion of this savings is from the out of district placements as exemplified above. In addition, \$200k of the \$924 remaining is the contingency money.
 - School admin savings coming from benefit changes.
 - Student/Staff support seeing savings from chrome book order not coming in before end of FY22.
- Warrant articles by location
 - YHS has the largest savings in regular instruction and in Student/Staff support. Large portion of the latter is from a guidance counselor leaving early in the school year and not filling that position.
- Requested capital expense reports. These expenses are paid through the town and there is a little lag. Zak to send snapshot.
- Local Entitlement
 - Reassurances that we are maximizing those funds - \$473 is budget, \$142 is encumbered. This doesn't end on June 30 as law says they can be carried forward for 18 months.