City of Portland, Maine
Joint City / School Finance Committee Meeting
Thursday, April 6th, 2017
5:00PM – Room 209

1. Finance Committee Meeting Agenda

   Documents:

   FC AGENDA 4-6-17(3).PDF

1.I. Finance Committee Meeting Agenda Back-Up

   Documents:

   JOINT CITY_SCHOOL FC MEETING MINUTES 03-23-17.PDF

1.II. Finance Committee Meeting Agenda Back-Up

   Documents:

   FY18 FINANCE COMM RECOMMENDED BUDGET 04-06-17.PDF

1.III. Finance Committee Meeting Agenda Back-Up

   Documents:

   FC AGENDA BACK-UP 4-6-17.PDF

1.IV. Finance Committee Meeting Agenda Back-Up

   Documents:

   BUDGETNARRATIVECUTSRATIONALEIMPLICATION 04-06-17.PDF

City of Portland, Maine
Joint City / School Finance Committee Meeting
Thursday, April 6th, 2017
5:00PM – Room 209

AGENDA

1. **Introductions**

2. **Approve Minutes from 3/23/17 Meeting Agenda**

3. **FY18 School Budget Presentation – 5:30 p.m.**

4. **FY18 City Budget Presentation**
    a. **Introductory Presentation from Finance Director**
    b. **Individual Department Reviews**
        i. **Jetport**
        ii. **Fire**
        iii. **City Council**
        iv. **City Manager**
        v. **City Clerk**
        vi. **Assessor**
        vii. **Finance**
        viii. **Legal**

5. **Discussion of Future Meeting Agendas**

Joint City/School Finance Committee
Meeting Minutes
Thursday, March 23, 2017

Attendees: Chair Mavodones, Committee Members Ali and Costa, Councilor Brenerman, School Board Members Trevorrow, Davis, Vendil, Hatzenbuehler, City Manager Jon Jennings, School Superintendent Xavier Botana members of City staff and public

Chair Mavodones opened the meeting - called to order at 5:30PM

1. **Introductions**

2. **City of Portland FY16 Audit Results** by Hank Farrah of Runyon Kersteen Oullette (attached - Page 2)

3. **Presentation by the Portland Public Schools on FY18 PPS Budget**
   a. Discussion of City Council goal of 2.5% increase
   b. Discussion of potential move of school budget referendum date to June – no action taken

4. **Action on FY18 – FY22 Capital Improvement Plan –**
   a. Information request – Impact of FY18 CIP (attached - Page 3), Impact of FY18CIP plus $64M BFOF (attached - Page 4) and Impact of FY18 CIP plus $32M BFOF (attached - Page 5)
   b. Motion to recommend the $17.8M FY18 CIP to City Council – Proposed by Councilor Costa, seconded by Councilor Ali (Passed 3-0)

5. **Review of FY18 Budget Calendar**
   a. Finance Committee Meetings set on 4/6 at 5PM, 4/13 at 5:30, 4/20 at 5, and 4/27 at 5:30

Meeting adjourned at 7:55PM

City of Portland
Audit Results Summary
June 30, 2016

I. Letter to the Board of Governance
   a. Auditor responsibility vs. management responsibility
   b. New pronouncements – Governmental Accounting Standards Board (GASB) 72
   c. Major estimates in financial statements (five items listed)
   d. Difficulty completing audit in a timely manner due to resignation of key City employees
   e. No disagreements with management
   f. Listing of proposed audit adjustments
   g. Other findings or issues - none

II. City of Portland Comprehensive Annual Financial Report (CAFR)
   a. Unmodified (clean) opinion
   b. Filed for an extension with GFOA due to issuance of CAFR being after December 31
   c. Should receive the CAFR award from GFOA

III. Reports required by *Government Auditing Standards* and the Uniform Guidance (Single Audit)
   a. *GAS* Report
      i. No material weaknesses
      ii. No significant deficiencies
   b. Uniform Guidance Report
      i. City and School expended over $24M in federal awards
      ii. Tested 5 major programs (4 at City and 1 at School)
         1. One finding in EPA program for late filing of Federal Financial Report
      iii. Prior year finding in school nutrition program was corrected
      iv. Prior year material weakness was corrected

IV. Reports Required by *Maine Uniform Accounting and Auditing Practices* (MAAP)
   a. No material weaknesses
   b. No significant deficiencies
   c. Tested 6 major Department Agreements (all at City)
   d. Finding in one program for late quarterly fiscal reports and trimester programmatic reports
   e. Other comment for differences between SEDA and close out reports (repeat)
   f. Prior year findings for two programs were corrected

V. Management Letter
   a. Approval of Public Health Department purchasing card transactions
   b. Cash being held at Treasury
   c. Signed fuel purchase cards for Fleet Department
   d. Supporting documentation and approvals of disbursements of SNAP funds
   e. Review of School nutrition program cash receipts and timeliness of deposits
   f. Activity funds at Deering High, Portland High, PATHS, Lyman Moore and King Middle Schools
      i. Disbursements - Lack of supporting documentation and approvals
      ii. Receipts – Forms not completed properly and timely deposits not being made

VI. Jetport Financial Statements
   a. Unmodified (clean) opinion

VII. Jetport – Schedule of Expenditures of Passenger Facility Charges (PFC)
   a. No findings
   b. No material weaknesses
   c. No significant deficiencies

Impact of FY18 CIP on Future Tax Rates

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Valuation (as projected)	7,780,000,000	7,800,000,000	7,830,000,000	7,860,000,000	7,890,000,000	7,920,000,000	7,950,000,000	7,980,000,000
City Tax Levy (as projected)	83,862,689	87,116,012	90,998,732	94,299,153	99,247,580	104,707,427	107,805,150	110,038,220
City Tax Rate (as projected)	$10.78	$11.17	$11.62	$12.00	$12.58	$13.22	$13.56	$13.79
Rate Increase		0.39	0.45	0.38	0.58	0.64	0.34	0.23
% Increase		3.6%	4.1%	3.2%	4.8%	5.1%	2.6%	1.7%
School Tax Levy (as projected)	80,331,376	84,516,375	89,774,725	94,947,212	99,517,935	103,530,735	108,914,333	114,577,878
School Tax Rate (as projected)	$10.33	$10.84	$11.47	$12.08	$12.61	$13.07	$13.70	$14.36
Rate Increase		0.51	0.63	0.61	0.53	0.46	$0.63	$0.66
% Increase		4.9%	5.8%	5.4%	4.4%	3.6%	4.8%	4.8%
Total Tax Rate (as projected)	$21.11	$22.00	$23.09	$24.08	$25.19	$26.29	$27.26	$28.15
Rate Increase		0.89	1.08	0.99	1.11	1.10	0.97	0.89
% Increase		4.2%	4.9%	4.3%	4.6%	4.4%	3.7%	3.3%
Cumulative increase related to Bond	$ -	$ -	$ 0.06	$ 0.06	$ 0.06	$ 0.06	$ 0.06	$ 0.05
Cumulative % increase related to Bond			0.3%	0.3%	0.3%	0.3%	0.3%	0.2%
Increased Annual Taxes per $100,000 of property value			$ 6.26	$ 6.09	$ 5.93	$ 5.77	$ 5.61	$ 5.45
Estimated Total Amount of Additional Taxes per $100,000 of property value due to FY18 CIP over life of the bonds								$ 85
(If your home value was $200,000, the impact to you would be 2x the numbers above. If your home value was $500k, the impact would be 5x the above)								
Increased Annual Taxes on average ($240,000) home per tax year			$ 15.02	$ 14.63	$ 14.24	$ 13.85	$ 13.46	$ 13.08
Estimated Total Amount of Additional Taxes on an average ($240,000) home due to FY18 CIP over the life of bonds								$ 204

*Assumes no additional borrowing other than the $17M FY18 CIP project, included to illustrate the tax rate impact of the increased FY18 borrowing

Impact of FY18 CIP and $32M BFOF on Future Tax Rates

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Valuation (as projected)	7,780,000,000	7,800,000,000	7,830,000,000	7,860,000,000	7,890,000,000	7,920,000,000	7,950,000,000	7,980,000,000
City Tax Levy (as projected)	83,862,689	87,116,012	90,998,732	94,299,153	99,247,580	104,707,427	107,805,150	110,038,220
City Tax Rate (as projected)	$10.78	$11.17	$11.62	$12.00	$12.58	$13.22	$13.56	$13.79
Rate Increase		0.39	0.45	0.38	0.58	0.64	0.34	0.23
% Increase		3.6%	4.1%	3.2%	4.8%	5.1%	2.6%	1.7%
School Tax Levy (as projected)	80,331,376	84,516,375	89,774,725	94,947,212	99,517,935	103,530,735	108,914,333	114,577,878
School Tax Rate (as projected)	$10.33	$10.84	$11.47	$12.08	$12.61	$13.07	$13.70	$14.36
Rate Increase		0.51	0.63	0.61	0.53	0.46	$0.63	$0.66
% Increase		4.9%	5.8%	5.4%	4.4%	3.6%	4.8%	4.8%
Total Tax Rate (as projected)	$21.11	$22.00	$23.09	$24.08	$25.19	$26.29	$27.26	$28.15
Rate Increase		0.89	1.08	0.99	1.11	1.10	0.97	0.89
% Increase		4.2%	4.9%	4.3%	4.6%	4.4%	3.7%	3.3%
Cumulative increase related to Bond	$ -	$ -	$ 0.25	$ 0.24	$ 0.42	$ 0.41	$ 0.39	$ 0.38
Cumulative % increase related to Bond			1.1%	1.1%	1.9%	1.8%	1.8%	1.7%
Increased Annual Taxes per $100,000 of property value			$ 24.65	$ 24.01	$ 41.62	$ 40.52	$ 39.42	$ 38.33
Estimated Total Amount of Additional Taxes per $100,000 of property value due to FY18 CIP and $32M BFOF over life of the bonds								$ 645
(If your home value was $200,000, the impact to you would be 2x the numbers above. If your home value was $500k, the impact would be 5x the above)								
Increased Annual Taxes on average ($240,000) home per tax year			$ 59.16	$ 57.62	$ 99.89	$ 97.24	$ 94.61	$ 92.00
Estimated Total Amount of Additional Taxes on an average ($240,000) home due to FY18 CIP and $32M BFOF over the life of bonds								$ 1,548

*Assumes no additional borrowing other than the $17M FY18 CIP project, included to illustrate the tax rate impact of FY18 CIP and $32M BFOF

Impact of FY18 CIP and $64M BFOF on Future Tax Rates

	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Valuation (as projected)	7,780,000,000	7,800,000,000	7,830,000,000	7,860,000,000	7,890,000,000	7,920,000,000	7,950,000,000	7,980,000,000
City Tax Levy (as projected)	83,862,689	87,116,012	90,998,732	94,299,153	99,247,580	104,707,427	107,805,150	110,038,220
City Tax Rate (as projected)	$10.78	$11.17	$11.62	$12.00	$12.58	$13.22	$13.56	$13.79
Rate Increase		0.39	0.45	0.38	0.58	0.64	0.34	0.23
% Increase		3.6%	4.1%	3.2%	4.8%	5.1%	2.6%	1.7%
School Tax Levy (as projected)	80,331,376	84,516,375	89,774,725	94,947,212	99,517,935	103,530,735	108,914,333	114,577,878
School Tax Rate (as projected)	$10.33	$10.84	$11.47	$12.08	$12.61	$13.07	$13.70	$14.36
Rate Increase		0.51	0.63	0.61	0.53	0.46	$0.63	$0.66
% Increase		4.9%	5.8%	5.4%	4.4%	3.6%	4.8%	4.8%
Total Tax Rate (as projected)	$21.11	$22.00	$23.09	$24.08	$25.19	$26.29	$27.26	$28.15
Rate Increase		0.89	1.08	0.99	1.11	1.10	0.97	0.89
% Increase		4.2%	4.9%	4.3%	4.6%	4.4%	3.7%	3.3%
Cumulative increase related to Bond	$ -	$ -	$ 0.19	$ 0.31	$ 0.42	$ 0.53	$ 0.64	$ 0.74
Cumulative % increase related to Bond			0.8%	1.4%	1.9%	2.4%	2.9%	3.4%
Increased Annual Taxes per $100,000 of property value			$ 18.67	$ 30.55	$ 42.07	$ 53.22	$ 64.03	$ 74.47
Estimated Total Amount of Additional Taxes per $100,000 of property value due to FY18 CIP and $64M BFOF over life of the bonds								$ 1,213
(If your home value was $200,000, the impact to you would be 2x the numbers above. If your home value was $500k, the impact would be 5x the above)								
Increased Annual Taxes on average ($240,000) home per tax year			$ 44.81	$ 73.33	$ 100.96	$ 127.74	$ 153.66	$ 178.74
Estimated Total Amount of Additional Taxes on an average ($240,000) home due to FY18 CIP and $64M BFOF over the life of bonds								$ 2,911

*Assumes no additional borrowing other than the $17M FY18 CIP project, included to illustrate the tax rate impact of FY18 CIP and $64M BFOF

Portland Public Schools

Learning to Succeed

Building on School Strengths to Cultivate a High Performing System

FY2018 Finance Committee's Recommended Budget

April 4, 2017

Portland Public Schools
FY2018 Finance Committee's Recommended Budget
April 4, 2017

Table of Contents

Item	Page Number
Summary Revenue Budget	1
Detail Revenue Budget	2
Summary Expenditure Budget	4
Detail Expenditure Budget	5
Expenditures by State Budget Categories	8
Cost Center Summary - Expenditure	9
Tax Rate Computation	10
Comparative Tax Levy Summary	11
Certified October 1st Attending Enrollment	12
Budget Timeline	13

Portland Public Schools

Learning to Succeed

Vision

All learners will be fully prepared and succeed in a diverse and ever-changing world.

Mission

The Portland Public Schools are responsible for ensuring a challenging, relevant, and joyful education that empowers every learner to make a difference in the world. We build relationships among families, educators, and the community to promote the healthy development and academic achievement of every learner.

Goals

Goal 1 – Achievement - All PPS students will be prepared for college and career and empowered to pursue a productive postsecondary path.

Goal 2 – Whole Student - All PPS students will develop the skills, habits, and mindsets they need to engage in and contribute to our diverse city and ever-changing world.

Goal 3 – Equity - PPS is vigilant in supporting each and every student's particular path to achieving high standards, rooting out systemic or ongoing inequities.

Goal 4 – People - PPS attracts, supports and retains talented and diverse people who use their strengths to achieve our shared goals.

Portland Public Schools
Learning to Succeed

Administration
Xavier Botana, Superintendent
Jeanne Crocker, Asst. Superintendent for School Mgmt.
Craig Worth, Executive Director of Operations
Sharon Pray, Interim Chief Academic Officer
Alicia Gardiner, Executive Director of Budget & Finance
Deb Mullis, Interim Director of Student Support Services
Barbara Stoddard, Director of Human Resources
Grace Valenzuela, Director of Multilingual and Multicultural

353 Cumberland Avenue, Portland, Maine 04101
(207) 874-8100

Date: April 4, 2017

To: Chair Trevorrow
Members of the Portland Board of Education

From: Stephanie Hatzenbuehler, Chair, School Finance Committee

RE: Report of the Finance Committee on FY2018 Budget Recommendation

The Finance Committee completed its review of the Superintendent's proposed budget at our meeting on March 30. The Committee made amendments as noted below, and recommend approval of the amended FY2018 budget by the Board of Education.

At our March 9 meeting, we reviewed the proposed expenditure and revenue budgets, and also reviewed the multi-year budget projections, in compliance with Policy DA. Committee Members also requested and received additional information on some items. On March 16, we held a public hearing and then discussed various amendments to reduce the tax impact of the budget below 5%. On March 23, we held a joint session with the City Finance Committee where they requested a tax increase of no more than 2.5%. On March 30, we discussed the second round of budget reductions and took action on a recommended budget. In order to bring the tax impact to 2.5%, the Superintendent proposed more than $3.9 million in cuts, with only a 1.1% increase in expenditures over FY2017, and recommended adding an additional $1 million in EPS revenue.

We voted 2-1 in favor of recommending the FY2018 budget as shown in the attached information. The anticipated loss in state revenue coupled with the city's recommendation of limiting the tax increase to 2.5% impacted the district's ability to make targeted investments. This budget has significant cuts and makes no additional investment in our comprehensive plan. With these factors in mind, we have accomplished our goal of creating a fiscally responsible budget.

Portland Public Schools
FY2018 Summary Revenue Budget
General, Adult Ed, and Food Services Funds
Finance Committee Recommendation
April 4, 2017

		FY17 Budget	FY18 Supt Recommended	FY18 Fin Comm Recommended	$ +/(-)	% +/-
Local Revenue (non-tax)	General	$ 2,470,651	$ 2,614,857	$ 2,614,857		
	Adult Ed	205,000	190,000	190,000		
	Food Services	453,244	426,006	426,006		
	Total Local Revenue	**3,128,895**	**3,230,863**	**3,230,863**	**$ 101,968**	**3.3%**
State Revenue	EPS	13,481,328	11,401,332	12,401,332		
	Debt Service Reimb	1,725,393	1,686,134	1,686,134		
	Other	375,600	370,350	370,350		
	Adult Ed	453,680	431,864	431,864		
	Food Services	28,016	33,848	33,848		
	Total State Revenue	**16,064,017**	**13,923,528**	**14,923,528**	**(1,140,489)**	**-7.1%**
Federal Revenue	General	589,406	540,000	540,000		
	Food Services	2,739,190	2,803,926	2,803,926		
	Total Federal Revenue	**3,328,596**	**3,343,926**	**3,343,926**	**15,330**	**0.5%**
Total Non-tax Revenue		**$ 22,521,508**	**$ 20,498,317**	**$ 21,498,317**	**$ (1,023,191)**	**-4.5%**
Use of Fund Balance	General	500,000	500,000	500,000		
	Food Services	250,000	250,000	250,000		
Property Taxes	General Education	79,013,267	84,355,987	81,256,771		
	Adult Education	1,149,033	1,300,113	1,297,914		
	Food Services	169,076	137,121	33,236		
	Total Property Tax	**80,331,376**	**85,793,221**	**82,587,921**	**2,256,545**	**2.8%**
Total Revenue		**$ 103,602,884**	**$ 107,041,538**	**$ 104,836,238**	**$ 1,233,354**	**1.2%**

Portland Public Schools
FY2018 Detail Revenue Budget
General, Adult Ed, and Food Services Funds
Finance Committee Recommendation
April 4, 2017

		FY17 Budget	FY18 Supt Recommended	FY18 Fin Comm Recommended	$ +/(-)	% +/-
GENERAL FUND						
LOCAL REVENUE						
1211	REQUIRED LOCAL SHARE (tax levy)	$ 63,109,880	$ 64,261,317	$ 64,261,317	$ 1,151,437	1.8%
1212	LOCAL ONLY DEBT SERVICE (tax levy)	572,216	496,746	496,746	(75,470)	-13.2%
1213	ADDITIONAL LOCAL FUNDS (tax levy)	15,331,171	19,597,924	16,498,708	1,167,537	7.6%
1313	TUITION INDIV REG 9-12	-	-	-	-	0.0%
1322	TUITION PUBLIC K-8	140,000	84,000	84,000	(56,000)	-40.0%
1324	TUITION PUBLIC 9-12	90,000	121,000	121,000	31,000	34.4%
1328	TUITION CTE OTHER UNITS	175,000	195,000	195,000	20,000	11.4%
1363	SUMMER SCH TUITION 9-12	17,000	15,000	15,000	(2,000)	-11.8%
1380	PATHS PART I & II ASSESSMENT	1,818,151	1,974,357	1,974,357	156,206	8.6%
1440	TRANSPORT - OTHER ORG (e.g. PTO, Boosters)	125,000	125,000	125,000	-	0.0%
1510	INTEREST ON INVESTMENTS	3,000	3,000	3,000	-	0.0%
1712	ADMISSIONS 9-12	35,000	30,000	30,000	(5,000)	-14.3%
1910	BUILDING RENTALS	55,000	60,000	60,000	5,000	9.1%
1960	MISC LOCAL REVENUE	12,000	7,000	7,000	(5,000)	-41.7%
1991	MISC SALES & REFUNDS	500	500	500	-	0.0%
5300	PROCEEDS FROM DISPOSAL OF PROPERTY	-	-	-	-	0.0%
	TOTAL LOCAL	81,483,918	86,970,844	83,871,628	2,387,710	2.9%
STATE REVENUE						
3111	STATE SHARE EPS (State Subsidy)	13,481,328	11,401,332	12,401,332	(1,079,996)	-8.0%
	STATE REIMBURSED DEBT SERVICE	1,725,393	1,686,134	1,686,134	(39,259)	-2.3%
3120	STATE AGENCY CLIENT	300,000	300,000	300,000	-	0.0%
3150	NAT'L BOARD - TEACHING SALARY SUPLMNT	75,600	70,350	70,350	(5,250)	-6.9%
	TOTAL STATE	15,582,321	13,457,816	14,457,816	(1,124,505)	-7.2%
FEDERAL REVENUE						
1981	REFUND PRIOR YR EXP K-8 (E-RATE)	33,990	-	-	(33,990)	-100.0%
1982	REFUND PRIOR YR EXP 9-12 (E-RATE)	15,416	-	-	(15,416)	-100.0%
4585	MAINECARE MEDICAID REIMB	500,000	500,000	500,000	-	0.0%
4810	FEDERAL IMPACT AID	40,000	40,000	40,000	-	0.0%
	TOTAL FEDERAL	589,406	540,000	540,000	(49,406)	-8.4%
TOTAL GENERAL FUND		97,655,645	100,968,660	98,869,444	1,213,799	1.2%
5000	USE OF FUND BALANCE	500,000	500,000	500,000	-	0.0%
TOTAL GENERAL FUND REVENUE AND FUND BALANCE		**$ 98,155,645**	**$ 101,468,660**	**$ 99,369,444**	**$ 1,213,799**	1.2%

Portland Public Schools
FY2018 Detail Revenue Budget
General, Adult Ed, and Food Services Funds
Finance Committee Recommendation
April 4, 2017

		FY17 Budget	FY18 Supt Recommended	FY18 Fin Comm Recommended	$ +/(-)	% +/-
ADULT EDUCATION						
AE LOCAL REVENUE						
1214	LOCAL FUNDS (tax levy)	$ 1,149,033	$ 1,300,113	$ 1,297,914	$ 148,881	13.0%
1317	TUITION-INDIV-ENRICHMT	115,000	100,000	100,000	(15,000)	-13.0%
1319	TUITION-INDIV-VOC	65,000	60,000	60,000	(5,000)	-7.7%
1359	TUITION-OTHER-ACADEMIC	25,000	30,000	30,000	5,000	20.0%
5200	FUND TRANSFERS	-	-	-	-	0.0%
	TOTAL LOCAL	1,354,033	1,490,113	1,487,914	133,881	9.9%
AE STATE REVENUE						
3240	STATE SUBSIDY	453,680	431,864	431,864	(21,816)	-4.8%
	TOTAL STATE	453,680	431,864	431,864	(21,816)	-4.8%
TOTAL ADULT EDUCATION REVENUE		**$ 1,807,713**	**$ 1,921,977**	**$ 1,919,778**	**$ 112,065**	6.2%
FOOD SERVICE						
FS LOCAL REVENUE						
1215	LOCAL FUNDS (tax levy)	169,076	137,121	33,236	(135,840)	-80.3%
1611	DAILY SALES - LUNCH	257,244	249,769	249,769	(7,475)	-2.9%
1620	DAILY SALES NON REIM	180,000	160,237	160,237	(19,763)	-11.0%
1630	SPECIAL FUNCTIONS	10,000	10,000	10,000	-	0.0%
1910	BUILDING RENTALS	6,000	6,000	6,000	-	0.0%
1996	MISC	-	-	-	-	0.0%
	TOTAL LOCAL	622,320	563,127	459,242	(163,078)	-26.2%
FS STATE REVENUE						
3250	STATE REIMBURSEMENT	28,016	33,848	33,848	5,832	20.8%
	TOTAL STATE	28,016	33,848	33,848	5,832	20.8%
FS FEDERAL REVENUE						
4370	AFTER SCHL SNACK	46,000	47,884	47,884	1,884	4.1%
4380	SUMMER FOOD PROG	30,434	54,130	54,130	23,696	77.9%
4550	PERFORMNC-BASED LUNCH	35,842	34,682	34,682	(1,160)	-3.2%
4551	REIMB LUNCH - REGULAR	185,182	184,971	184,971	(211)	-0.1%
4552	REIMB LUNCH - REDUCED	50,399	57,918	57,918	7,519	14.9%
4553	REIMB LUNCH - FREE	1,313,979	1,333,486	1,333,486	19,507	1.5%
4554	REIMB BREAKFAST	813,704	832,469	832,469	18,765	2.3%
4558	PAYMTS IN LIEU OF COMM	190,000	180,636	180,636	(9,364)	-4.9%
4559	FRESH FRUITS AND VEGGIES	73,650	77,750	77,750	4,100	5.6%
5300	PROCEEDS FROM DISPOSAL OF PROPERTY	-	-	-	-	0.0%
	TOTAL FEDERAL	2,739,190	2,803,926	2,803,926	64,736	2.4%
5000	USE OF FUND BALANCE	250,000	250,000	250,000	-	0.0%
TOTAL FOOD SERVICE REVENUE		**$ 3,639,526**	**$ 3,650,901**	**$ 3,547,016**	**$ (92,510)**	**-2.5%**
TOTAL REVENUE AND OTHER FUNDING SOURCES		**$ 103,602,884**	**$ 107,041,538**	**$ 104,836,238**	**$ 1,233,354**	**1.2%**

Portland Public Schools
FY2018 Summary Expenditure Budget*
General, Adult Ed, and Food Services Funds
Finance Committee Recommendation
April 4, 2017

		FY17 Budget	FY18 Superintendent Recommended	FY18 Finance Committee Recommended	$ +/(-)	% +/-
Wages	Regular	$ 61,194,466	$ 62,721,845	$ 61,882,456		
	Temp/Sub/Tutor/OT	1,670,319	1,917,454	1,912,454		
	Add pay/Stipends/Sick payout	2,241,021	2,395,453	2,282,547		
	Total Wages	65,105,806	67,034,752	66,077,457	$ 971,651	1.5%
Benefits	Health	11,751,447	12,748,642	12,661,822		
	Pension--Teacher	1,738,459	1,919,648	1,898,443		
	Pension--all other	1,092,072	1,341,146	1,316,961		
	Workers Comp	737,664	711,200	711,200		
	Medicare	895,573	933,585	919,811		
	All other	838,618	689,568	686,927		
	Total Benefits	17,053,833	18,343,789	18,195,164	1,141,331	6.7%
Contract Services	Professional & Technical Svcs	1,228,233	1,404,462	1,155,202		
	Employee Training/Dev	350,573	373,145	369,905		
	SPED Contracted Svcs	306,800	231,242	231,242		
	Student Transportation	235,448	361,269	361,269		
	Homeless Student Transportation	34,000	68,000	68,000		
	SPED Student Transportation	80,000	90,000	90,000		
	SPED Tuition	836,613	686,613	686,613		
	Legal Services	180,000	140,000	140,000		
	Utilities	2,328,124	2,368,229	2,304,338		
	Repair & Maintenance	2,830,111	2,987,930	2,822,567		
	Rentals & Leases	352,755	374,644	374,644		
	Liability Insurance	379,479	358,250	358,250		
	Other Services	640,884	668,302	661,165		
	Total Contract Services	9,783,020	10,112,086	9,623,195	(159,825)	-1.6%
Supplies	Education Supplies	1,257,439	1,112,006	962,547		
	Tech Related Supplies	163,129	144,946	136,906		
	General Supplies	401,550	399,572	371,017		
	Custodial Supplies	228,000	236,767	236,767		
	Software Licenses	419,897	621,928	614,017		
	Gasoline	161,888	141,211	140,681		
	Food/Non-food supplies	1,743,050	1,683,599	1,613,599		
	Total Supplies	4,374,953	4,340,029	4,075,534	(299,419)	-6.8%
Other Costs	Field Trip Transportation	304,595	322,571	322,571		
	Miscellaneous	380,538	412,862	396,868		
	Capital	71,864	423,892	93,892		
	Total Other Costs	756,997	1,159,325	813,331	56,334	7.4%
Debt Service	Bond DS	6,473,107	6,012,572	6,012,572		
	Loans/Leases	55,168	38,985	38,985		
	Total Debt Service	6,528,275	6,051,557	6,051,557	(476,718)	-7.3%
Total Expenditures		**$ 103,602,884**	**$ 107,041,538**	**$ 104,836,238**	**$ 1,233,354**	**1.2%**

** Categories listed are combined for presentation and not all by MEDMS coding*

Portland Public Schools
FY2018 Detail Expenditure Budget
Finance Committee Recommendation
April 4, 2017

		FY17 Budget	FY18 Superintendent Recommended	FY18 Finance Committee Recommended	$ +/(-)	% +/-
SALARIES & BENEFITS						
Regular Salaries						
1010	PROFESSIONAL SALARY	$ 41,999,059	$ 42,803,320	$ 42,514,548	$ 515,489	1.2%
1020	INSTRUCTIONAL AIDE/ASST	4,641,290	4,914,121	4,775,510	134,220	2.9%
1040	ADMINISTRATOR	5,616,709	5,918,258	5,517,575	(99,134)	-1.8%
1180	REGULAR SUPPORT STAFF	8,937,408	9,086,146	9,074,823	137,415	1.5%
	Total Regular Salaries	61,194,466	62,721,845	61,882,456	687,990	1.1%
Temporary Salaries						
1200	TEMPORARY SALARY	653,736	825,250	820,250	166,514	25.5%
1210	TUTOR	59,100	68,593	68,593	9,493	16.1%
1230	SUBSTITUTE	813,733	895,111	895,111	81,378	10.0%
1310	TEACHER ADDITIONAL PAY	69,700	81,380	80,538	10,838	15.5%
1320	AIDE/ASST OVERTIME	-	-	-	-	0.0%
1380	REGULAR SUPPORT OVERTIME	143,750	128,500	128,500	(15,250)	-10.6%
1410	PROFESSIONAL SABBATICAL	-	-	-	-	0.0%
1500/10/60	STIPEND/DIFFERENTIAL	1,541,321	1,650,073	1,538,009	(3,312)	-0.2%
1501	STIPEND-RETIREMENT SICK	615,000	640,000	640,000	25,000	4.1%
1590	STIPEND/OTHER	15,000	24,000	24,000	9,000	60.0%
	Total Temporary Salaries	3,911,340	4,312,907	4,195,001	283,661	7.3%
	Total Salaries	**65,105,806**	**67,034,752**	**66,077,457**	**971,651**	**1.5%**
Benefits						
2000-2299	FLEX BENEFITS, LTD, MEDICARE	13,085,638	14,056,795	13,953,560	867,922	6.6%
2030	UNEMPLOYMENT COMPENSATION	200,000	100,000	100,000	(100,000)	-50.0%
2300-2380	RETIREMENT - MEPERS & ICMA	2,830,531	3,260,794	3,215,404	384,873	13.6%
2500-2580	TUITION REIMBURSEMENT	175,000	175,000	175,000	-	0.0%
2700	WORKER'S COMP	737,664	711,200	711,200	(26,464)	-3.6%
2900	LIFE INSURANCE - MEPERS PLD	25,000	40,000	40,000	15,000	60.0%
9500	RETIREMENT INCENTIVE	-	-	-	-	0.0%
	Total Benefits	**17,053,833**	**18,343,789**	**18,195,164**	**1,141,331**	**6.7%**
	TOTAL SALARIES & BENEFITS	**82,159,639**	**85,378,541**	**84,272,621**	**2,112,982**	**2.6%**
CONTRACTED SERVICES						
3000	PURCHASED PROF & TECH SVC	2,177,954	2,351,124	2,032,700	(145,254)	-6.7%
3200	CONTRACTUAL PRE-K	191,281	209,810	159,810	(31,471)	-16.5%
3300	EMPLOYEE TRAIN & DEV SVCS	350,573	373,145	369,905	19,332	5.5%
3400	OTHER PROFESIONNAL SVCS	40,000	33,000	33,000	(7,000)	-17.5%
3401	SECURITY	127,329	126,036	126,036	(1,293)	-1.0%
3402	ALARMS	4,500	4,050	4,050	(450)	-10.0%
3420	ARCHITECT/ENGINEER - NSA	20,000	20,000	20,000	-	0.0%
3430	ADULT ED CONTRACTED SVCS	10,175	10,175	10,175	-	0.0%
3440	SPEC ED CONTRACTED SVCS	306,800	231,242	231,242	(75,558)	-24.6%
3450	LEGAL SERVICES	180,000	140,000	140,000	(40,000)	-22.2%
4110	WATER	48,000	45,626	43,696	(4,304)	-9.0%
4120	SEWER	99,185	115,027	106,215	7,030	7.1%
4125	STORM WATER	125,098	126,366	120,272	(4,826)	-3.9%
4300	REPAIR AND MAINT SVCS	415,778	493,763	470,673	54,895	13.2%

Portland Public Schools
FY2018 Detail Expenditure Budget
Finance Committee Recommendation
April 4, 2017

		FY17 Budget	FY18 Superintendent Recommended	FY18 Finance Committee Recommended	$ +/(-)	% +/-
4301	HVAC MAINTENANCE	520,000	517,756	517,756	(2,244)	-0.4%
4302	MOWING/PLOWING/FIELDMAINT	422,785	482,709	464,600	41,815	9.9%
4304	VEHICLE & EQUIPMT REPAIR	18,000	14,000	14,000	(4,000)	-22.2%
4305	WASTE DISPOSAL SERVICES	103,917	114,144	114,144	10,227	9.8%
4306	RECYCLING SERVICES	39,300	39,000	34,000	(5,300)	-13.5%
4307	HAZ WASTE DISPOSAL SVCS	2,000	4,000	4,000	2,000	100.0%
4308	PEST MGMT SERVICES	15,500	16,000	16,000	500	3.2%
4400	RENTALS	352,755	374,644	374,644	21,889	6.2%
4420	EQUIPMT&VEHICLE LEASE	13,000	-	-	(13,000)	-100.0%
4450	LEASES-NOT DOE APPROVED	37,985	34,802	34,802	(3,183)	-8.4%
5000	OTHER PURCHASED SERVICES	5,000	1,200	1,200	(3,800)	-76.0%
5100	STUDENT TRANSPORT SVCS	250	250	250	-	0.0%
5140	STUDENT TRANS PURCH-PRIV	349,448	519,269	519,269	169,821	48.6%
5200	INSURANCE-GEN LIABILITY	379,479	358,250	358,250	(21,229)	-5.6%
5310	POSTAGE	71,400	70,469	69,470	(1,930)	-2.7%
5320	PHONE	105,599	96,609	96,609	(8,990)	-8.5%
5330	INTERNET CONNECTIVITY	47,380	47,400	47,400	20	0.0%
5340	EBOOKS &ONLINE SUBSCRPTNS	22,530	93,055	92,163	69,633	309.1%
5400	ADVERTISING	71,200	54,700	54,700	(16,500)	-23.2%
5510	PRINTING/BINDING	53,282	43,823	42,112	(11,170)	-21.0%
5520	PHOTOCOPYING	169,113	169,525	169,525	412	0.2%
5610	TUITION TO IN-STATE SAU	150,000	-	-	(150,000)	-100.0%
5630	TUITION TO PRIVATE SOURCE	686,613	686,613	686,613	-	0.0%
5650	TUITION TO POST-SECONDARY	10,000	10,000	10,000	-	0.0%
5800	STAFF TRAVEL	187,834	182,005	178,470	(9,364)	-5.0%
5830	ADULT ED TRAVEL-STATE MTG	100	100	100	-	0.0%
	TOTAL CONTRACTED SERVICES	**7,931,143**	**8,209,687**	**7,767,851**	**(163,292)**	-2.1%
SUPPLIES						
6000	GENERAL SUPPLIES	401,550	399,572	371,017	(30,533)	-7.6%
6040	CUSTODIAL SUPPLIES	228,000	236,767	236,767	8,767	3.8%
6100	INSTRUCTIONAL SUPPLIES	636,543	632,917	599,891	(36,652)	-5.8%
6210	NATURAL GAS	923,418	839,590	801,550	(121,868)	-13.2%
6220	ELECTRICITY	838,917	949,365	949,365	110,448	13.2%
6230	BOTTLED GAS	15,344	14,510	14,510	(834)	-5.4%
6240	OIL	125,183	133,736	124,721	(462)	-0.4%
6260	GASOLINE	161,888	141,211	140,681	(21,207)	-13.1%
6300	FOOD	1,600,000	1,551,181	1,501,181	(98,819)	-6.2%
6310	NON-FOOD SUPPLIES	143,050	132,418	112,418	(30,632)	-21.4%
6400	BOOKS/PERIODICALS	600,596	460,439	345,684	(254,912)	-42.4%
6401	TEXTBOOKS/CURRIC. UPDATE	-	-	-	-	0.0%
6500	TECH-RELATED SUPPLIES	163,129	144,946	136,906	(26,223)	-16.1%
6501	SOFTWARE LICENSES	419,897	621,928	614,017	194,120	46.2%
6600	AUDIOVISUAL SUPPLIES	20,300	18,650	16,972	(3,328)	-16.4%
	TOTAL SUPPLIES	**6,277,815**	**6,277,230**	**5,965,680**	**(312,135)**	-5.0%

Portland Public Schools
FY2018 Detail Expenditure Budget
Finance Committee Recommendation
April 4, 2017

		FY17 Budget	FY18 Superintendent Recommended	FY18 Finance Committee Recommended	$ +/(-)	% +/-
MISCELLANEOUS						
8100	DUES AND FEES	149,438	157,551	154,572	5,134	3.4%
8110	BANK FEES	5,100	4,000	4,000	(1,100)	-21.6%
8120	MAINE STATE BILLING FEES	44,000	45,796	45,796	1,796	4.1%
8140	SCHOOL BOARD CONFERENCE FEES	1,000	1,000	1,000	-	0.0%
8500	FIELD TRIP TRANSPORTATION	304,595	322,571	322,571	17,976	5.9%
8900	MISC EXPENDITURES	6,000	7,000	6,500	500	8.3%
9000	OTHER ITEMS	175,000	197,515	185,000	10,000	5.7%
9100	FUND TRANSFERS OUT	-	-	-	-	0.0%
	TOTAL MISCELLANEOUS	**685,133**	**735,433**	**719,439**	**34,306**	5.0%
DEBT SERVICE						
8310/20-1	DEBT SERVICE - OTHER	5,257,575	5,433,957	5,433,957	176,382	3.4%
8310/20-2	DEBT SERVICE - BUSES	114,056	106,876	106,876	(7,180)	-6.3%
8310/20-3	DEBT SERVICE - TECHNOLOGY	1,101,476	471,739	471,739	(629,737)	-57.2%
8310/20-5	BUS/VAN LEASE/PURCHASE	4,183	4,183	4,183	-	0.0%
	TOTAL DEBT SERVICE	**6,477,290**	**6,016,755**	**6,016,755**	**(460,535)**	-7.1%
CAPITAL EQIUPMENT						
7300	EQUIPMENT (OVER $10,000)	29,600	25,892	25,892	(3,708)	-12.5%
7340	TECH-RELATED EQUIP > $10,000	-	345,000	15,000	15,000	100.0%
7341	TECH-RELATED EQUIP < $10,000	42,264	53,000	53,000	10,736	25.4%
7360	STUDENT TRANS. VEHICLES	-	-	-	-	0.0%
	TOTAL CAPITAL EQUIPMENT	**71,864**	**423,892**	**93,892**	**22,028**	30.7%
TOTAL EXPENDITURES		**$ 103,602,884**	**$ 107,041,538**	**$ 104,836,238**	**$ 1,233,354**	**1.2%**

Portland Public Schools
Finance Committee Recommendation
FY2018 Expenditures by State Budget Categories
April 4, 2017

State Budget Category	FY17 Budget	FY18 Superintendent Recommended	FY18 Finance Committee Recommended	$ +/(-)	% +/-
1. Regular Instruction	$ 41,596,711	$ 43,175,230	$ 42,351,147	$ 754,436	1.8%
2. Special Education Instruction	14,098,292	14,370,056	14,415,192	316,900	2.2%
3. CTE (vocational) Instruction	3,088,233	3,104,302	3,096,706	8,473	0.3%
4. Other Instruction	2,230,595	2,350,735	2,306,519	75,924	3.4%
5. Student & Staff Support	10,064,837	10,321,791	9,594,269	(470,568)	-4.7%
6. System Administration	4,458,462	4,396,334	4,169,629	(288,833)	-6.5%
7. School Administration	5,233,863	5,426,747	5,400,415	166,552	3.2%
8. Transportation & Buses	2,815,558	3,231,404	3,209,764	394,206	14.0%
9. Facilities Maintenance	10,473,481	10,918,253	10,703,633	230,152	2.2%
10. Debt Service	3,955,815	4,023,031	4,023,031	67,216	1.7%
11. All Other Expenditures	139,798	150,777	99,139	(40,659)	-29.1%
Total General Fund	**$ 98,155,645**	**$ 101,468,660**	**$ 99,369,444**	**$ 1,213,799**	**1.2%**
Adult Education	1,807,713	1,921,977	1,919,778	112,065	6.2%
Food Service	3,639,526	3,650,901	3,547,016	(92,510)	-2.5%
Total	**$ 103,602,884**	**$ 107,041,538**	**$ 104,836,238**	**$ 1,233,354**	**1.2%**

Portland Public Schools
Finance Committee Recommendation
FY2018 Cost Center Summary - Expenditure
April 4, 2017

	Cost Center	FY17 Budget	FY18 Proposed Budget	$ +/(-)	% +/-
Elementary	Cliff Island	$ 138,740	$ 160,177	$ 21,437	15.5%
	East End	3,784,661	3,966,225	181,564	4.8%
	Hall	3,858,504	4,117,504	259,000	6.7%
	Longfellow	2,649,863	2,834,501	184,638	7.0%
	Lyseth	4,207,742	4,359,169	151,427	3.6%
	Ocean Avenue	4,348,362	4,236,769	(111,593)	-2.6%
	Peaks Island	713,042	726,736	13,694	1.9%
	Presumpscot	2,598,842	2,562,589	(36,253)	-1.4%
	Reiche	3,673,307	4,039,795	366,488	10.0%
	Riverton	4,938,220	5,404,494	466,274	9.4%
Middle	King	5,305,532	5,739,115	433,583	8.2%
	Lincoln	5,454,657	5,521,087	66,430	1.2%
	Moore	5,527,244	5,879,599	352,355	6.4%
High	Portland	8,154,156	8,129,986	(24,170)	-0.3%
	Deering	8,603,060	9,151,139	548,079	6.4%
	Casco Bay	2,997,141	3,091,372	94,231	3.1%
	PATHS	3,088,233	3,096,706	8,473	0.3%
Other	Special Education	3,058,422	2,116,139	(942,283)	-30.8%
	Summer School	-	2,103	2,103	100.0%
	Bayside Learning Community	1,345,746	1,303,656	(42,090)	-3.1%
	Communications Office	139,798	99,139	(40,659)	-29.1%
	School Board	447,016	429,873	(17,143)	-3.8%
	Superintendent	671,796	673,086	1,290	0.2%
	Assistant Superintendent	151,320	155,484	4,164	2.8%
	Finance & Debt Service	5,300,076	4,977,422	(322,654)	-6.1%
	Human Resources	881,405	1,105,595	224,190	25.4%
	District-wide benefits	962,664	851,200	(111,464)	-11.6%
	Facilities Department	6,524,832	6,433,149	(91,683)	-1.4%
	IT Department	2,581,932	2,191,925	(390,007)	-15.1%
	Multi-Lingual	1,094,953	1,013,110	(81,843)	-7.5%
	Department of Academics	2,130,756	1,790,836	(339,920)	-16.0%
	Health Services	8,065	-	(8,065)	-100.0%
	Transportation Services	2,815,558	3,209,764	394,206	14.0%
	Total General Fund	**$ 98,155,645**	**$ 99,369,444**	**$ 1,213,799**	**1.2%**
	Adult Education	1,807,713	1,919,778	112,065	6.2%
	Food Service	3,639,526	3,547,016	(92,510)	-2.5%
	Total	**$ 103,602,884**	**$ 104,836,238**	**$ 1,233,354**	**1.2%**

Note: Beginning in FY17, costs of school specific Special Services, Health Services, Summer School, Multi-Lingual and other imbedded programs are allocated to school cost centers and utility costs were consolidated from location cost centers to Facilities.

TAX RATE COMPUTATION--FY2018
Finance Committee Recommendation

	General Fund	Food Service	Adult Ed	TOTAL
Total Expenditures	$ 99,369,444	$ 3,547,016	$ 1,919,778	$ 104,836,238
Less: General Revenue	(3,525,207)	(3,263,780)	(621,864)	(7,410,851)
State EPS	(12,401,332)			(12,401,332)
State reimbursed Debt Svc	(1,686,134)			(1,686,134)
Use of Fund Balance per Policy DA	(500,000)	(250,000)	-	(750,000)
Tax Levy	$ 81,256,771	$ 33,236	$ 1,297,914	$ 82,587,921
Valuation	*7,800,000,000*			
Tax Rate:				
FY18	$ 10.42	$ 0.00	$ 0.17	$ 10.59
FY17	$ 10.16	$ 0.02	$ 0.15	$ 10.33
$ Increase	*$ 0.26*	*$ (0.02)*	*$ 0.02*	*$ 0.26*
% Increase	*2.5%*	*-78.7%*	*10.9%*	*2.5%*

FY18 Budget
Comparative Tax Levy Summary
Finance Committee Recommendation
April 4, 2017

	FY16	FY17	FY18	$ +/(-)	% +/-
Food Service					
Expenditures	$ 3,792,636	$ 3,639,526	$ 3,547,016	$ (92,510)	-2.5%
Revenue	(3,320,907)	(3,470,450)	(3,513,780)	(43,330)	1.2%
Tax Levy	471,729	169,076	33,236	(135,840)	-80.3%
Adult Ed					
Expenditures	1,752,513	1,807,713	1,919,778	112,065	6.2%
Revenue	(688,680)	(658,680)	(621,864)	36,816	-5.6%
Tax Levy	1,063,833	1,149,033	1,297,914	148,881	13.0%
General Fund					
Expenditures	97,231,508	98,155,645	99,369,444	1,213,799	1.2%
Revenue	(20,693,859)	(19,142,378)	(18,112,673)	1,029,705	-5.4%
Tax Levy	76,537,649	79,013,267	81,256,771	2,243,504	2.8%
Total					
Expenditures	102,776,657	103,602,884	104,836,238	1,233,354	1.2%
Revenue	(24,703,446)	(23,271,508)	(22,248,317)	1,023,191	-4.4%
Tax Levy	$ 78,073,211	$ 80,331,376	$ 82,587,921	$ 2,256,545	2.8%

Portland Public Schools

Certified October 1st Attending Enrollment~

Cost Center	ELEMENTARY SCHOOLS	2011	2012	2013	2014	2015	2016
010	Cliff Island	4	4	4	4	4	5
030	East End	441	414	415	425	405	400
040	Hall	449	439	450	421	395	425
050	Longfellow	392	385	365	340	337	315
060	Lyseth	501	524	517	499	504	471
065	Ocean Ave	427	451	442	421	416	405
070	Peaks Island	64	63	53	52	40	38
080	Presumpscot	272	281	281	299	268	252
090	Reiche	329	360	366	404	427	434
100	Riverton	400	423	454	470	468	457
	Total Elementary	**3,279**	**3,344**	**3,347**	**3,335**	**3,264**	**3,202**
	MIDDLE SCHOOLS						
110	King	540	532	535	502	517	517
120	Lincoln	470	469	479	488	485	499
130	Moore	509	476	488	495	480	501
	Total Middle School	**1,519**	**1,477**	**1,502**	**1,485**	**1,482**	**1,517**
	HIGH SCHOOLS						
310	Portland	931	916	871	862	793	734
340	Deering	948	938	923	937	901	908
340	Casco Bay	276	280	335	368	389	378
	Total High School	**2,155**	**2,134**	**2,129**	**2,167**	**2,083**	**2,020**
	TOTAL SCHOOL ENROLLMENT	**6,953**	**6,955**	**6,978**	**6,987**	**6,829**	**6,739**
	Change	-44	2	23	9	-158	-90
	Percent change	-0.6%	0.0%	0.3%	0.1%	-2.3%	-1.3%
	Subsidy (EPS) counts	***6,870***	***6,919***	***6,951***	***6,962***	***6,789***	***6,740***

Notes:

Only Portland resident PATHS students are included above, and are counted at their home school.
Bayside Learning Community students are also counted at their home school.
Counts reflect attending enrollment as certified by the Maine Department of Education.

~ Data provided by Maine Department of Education at http://maine.gov/doe/data/student/enrollment.html

Portland Public Schools

Portland Public Schools
FY2018 Budget Timeline—as of April 4

Tuesday, April 4, 2017	School Board 1st Reading of Recommended FY18 Budget and **Public Hearing**; School Board Budget Workshop *6:00 City Hall Council Chambers*
Thursday, April 6, 2017	Joint Finance Committee Meeting Budget Review (2 of 2) *5:30 Rm 209 City Hall*
Tuesday, April 11, 2017	School Board Vote to Recommend FY18 School Budget to City Council *7:00 City Hall Council Chambers*
Monday, April 24, 2017	Present School Budget to City Council *5:00 City Hall Council Chambers*
Thursday, April 27, 2017	City Finance Committee Meeting *(tentative)* School Budget Review *5:30 Rm 209 City Hall*
Monday, May 1, 2017	City Council Workshop on School Budget and 1st Reading and **Public Hearing** of School Budget *5:30 City Hall Council Chambers*
Monday, May 8, 2017	City Council 2nd Reading and Vote on School Budget for Referendum *5:30 City Hall Council Chambers*
Tuesday, May 16, 2017	**Public Referendum** on FY18 School Budget

Portland, Maine

Yes. Life's good here.

City Manager's Recommended FY18 Operating Budget

ACHIEVING OUR CITY GOALS

Budget Goals

- Achieve City Council Common Goals from 2016 & 2017
- Limit Tax Increase to 2.5%
- Reorganization now complete, focus on efficiency and effectiveness of existing services
- Minimize Fee Increases

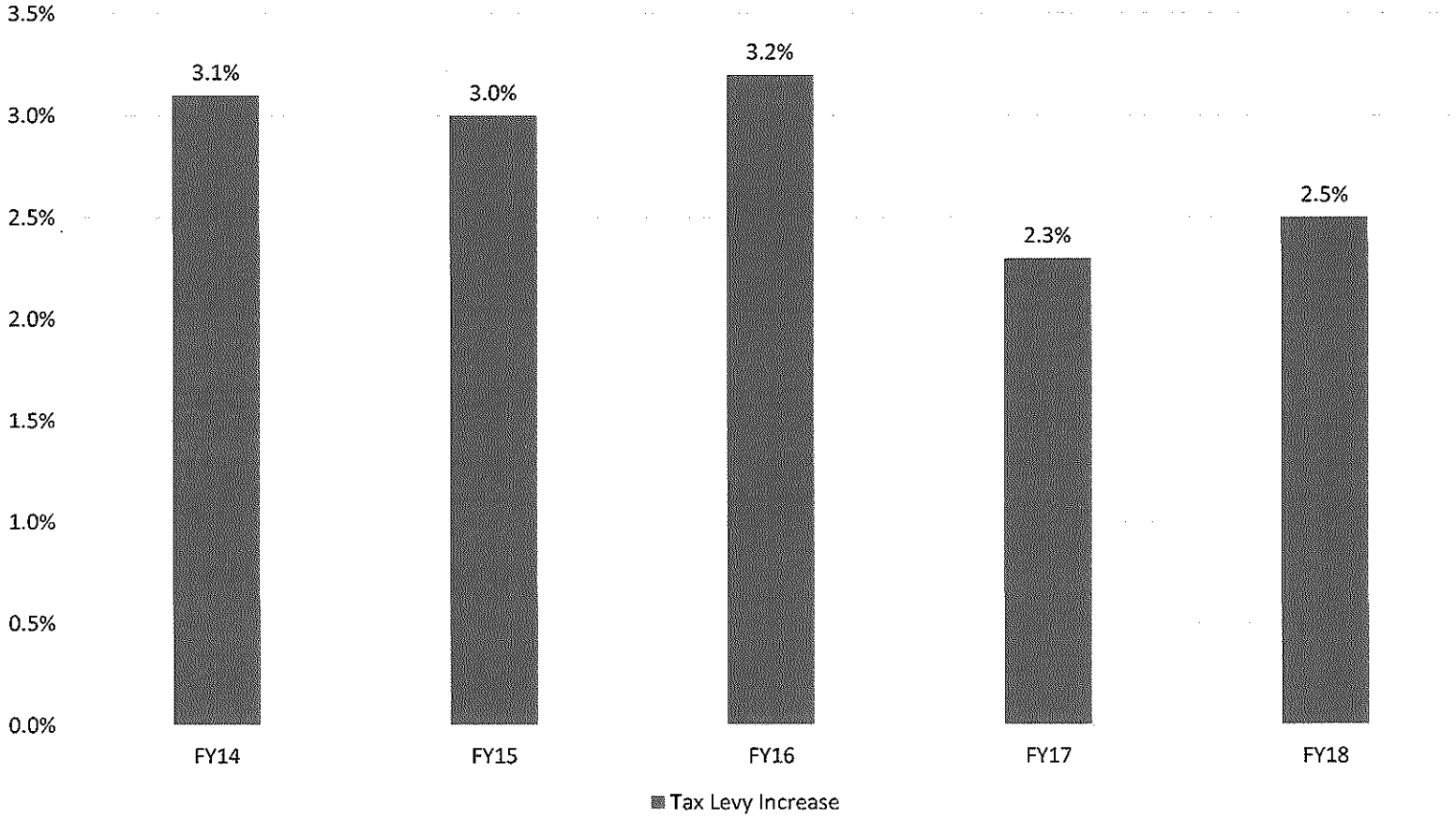
Positive Budget Drivers

- Car Registration / Excise Tax Continued Growth
- Waterfront Division Revenue Growth
- Building Permit Revenue Growth
- Riverside Recycling Facility Contract Savings
- Parking Meter Hourly Fee Increase
- Property Tax Base Continued Growth
- No use of general fund balance in FY17 or FY18

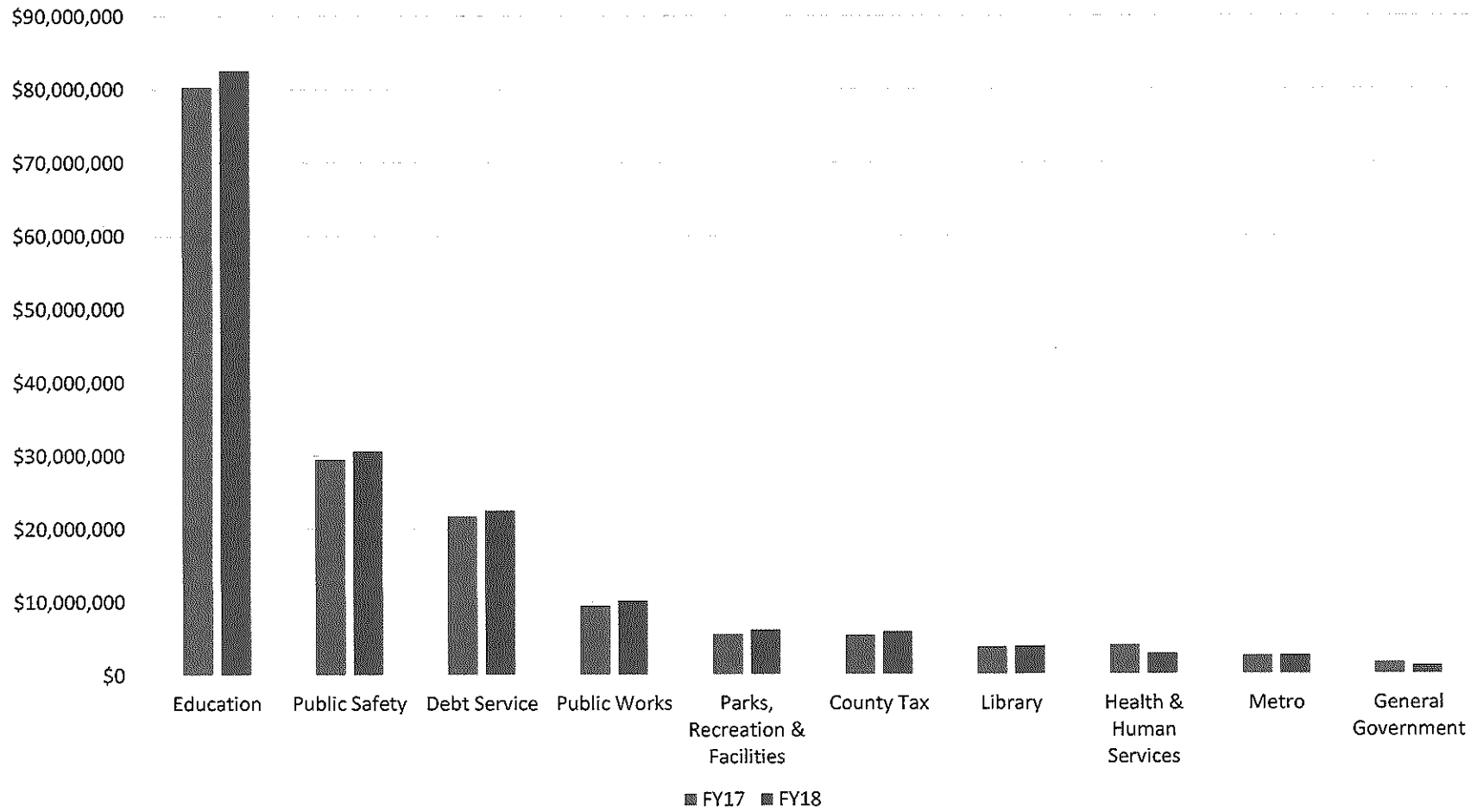
Budget Challenges

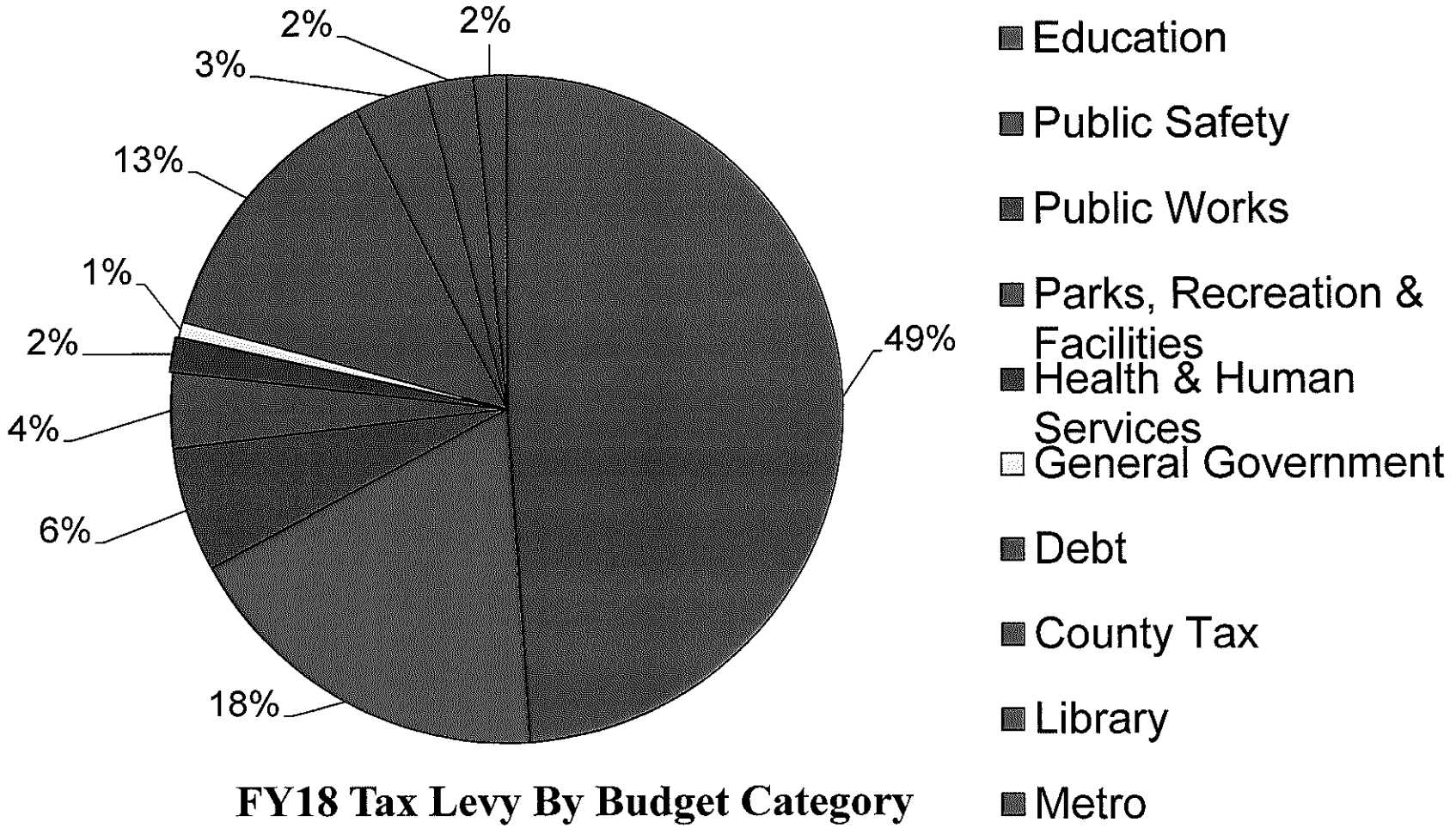
- Grant Losses
- County Tax
- Addressing City Growth
- Staff Recruitment Issues
- Staff Time Constraints

Tax Levy: Increases by Budget Year



FY17 – FY18 Tax Levy by Budget Category Comparison





FY18 Tax Levy By Budget Category

FY17 Overview by Department

- **City Council (100-1100)**
  - Overall $19k increase in expenditures, up 5.1% from FY17
  - 10 FTE, No Staffing Changes from FY17

FY17 Overview by Department

- **City Clerk (100-1200)**
  - Overall $63k increase in expenditures, up 12.8% from FY17
  - 7.4 to 7.8 FTE – Hours Increase for Deputy City Clerk
  - 25k Increase in Minor Equipment – New Voting Booths

FY17 Overview by Department

- **City Manager / Executive (100-1300)**
  - Overall $223k increase, up 24.2% from FY17
  - 10FTE to 13FTE change due to **Office of Economic Opportunity**
    - Represents $208k of $223k increase
    - Directly addresses City Council Goal
    - 3 FTE – Director (1) and Program Coordinators (2)

FY17 Overview by Department

- **Assessors (100-1400)**
  - Increase in expenditures of $26k, up 5.9% from FY17
  - No Net FTE Change (5.9FTE)
  - Revaluation Process Underway
    - Oblique Aerial Photography $16k
    - Citizen Communications / Mailings / RFP $10k

FY17 Overview by Department

- **Finance (100-1500)**
- Overall expenditures increase of $92k, 5.3% increase
- Two Divisions: Finance Admin and Treasury
- 24FTE to 25FTE - Lead Cashier Clerk Added - $35k
- Transition to Tyler Technologies Software underway
- Key Revenue Increase: Excise Taxes up $600k to $11.2M

FY17 Overview by Department

- **Legal (100-1600)**
- Overall expenditures increase of $46k, 9.2%
- No FTE changes (6.0FTE)
- Increase due to salaries, City unable to attract talent for vacant positions – authorized by City Council during FY17

Budget Review Schedule

- Finance Committee
  - **April 13 @ 5:30PM:** Public Works, Sewer/Stormwater, HHS, Parks Recreation and Facilities, Follow Up From 4/6
  - **April 20 @ 5:00PM:** Human Resources / Benefits, Police, Parking, Permitting and Inspections, Follow Up From 4/13
  - **April 27 @ 5:30PM:** Library, Planning & Urban Development, Follow Up From 4/20, Public Hearing & Vote

Budget Review Schedule

- City Council
  - May 1 – First Read of FY18 Budget and Related Orders
  - May 8 – City Budget Workshop
  - May 15 – 2nd Read and vote on FY18 Budget and Related Orders

Portland International Jetport

April 6, 2017

Finance Committee FY 2018 Overview

portlandjetport.org

Portland International Jetport

Debt Service Coverage Ratio & Airline Cost per Enplanement

	FY '16 FINAL	FY '17 BUDGETED	FY '17 FINAL	FY '18 REQUEST
Total Operating Revenues:	$21,363,450	$21,657,437	$22,276,379	$22,867,487
Interest on Invenstments - Revenue Fund	$175,502	$57,000	$175,502	$0
Less: M&O Expenses:	$15,501,217	$14,744,649	$14,652,215	$16,081,574
Net Revenue:	$6,037,735	$6,969,788	$7,624,164	$6,785,913
Debt Service:	$4,274,584	$4,255,069	$3,335,598	$4,139,288
Debt Service Ratio:	**1.41 x**	**1.63 x**	**2.29 x**	**1.64**
Airline Revenues:	$7,001,983	$7,354,429	$7,422,940	$7,475,923
Enplanements:	876,250	871,500	895,000	895,000
Airline C.P.E.:	$7.99	$8.44	$8.29	$8.35

Operating cost per day:	$44,059.11
500 days of cash on hand is:	$22,029,553
Jetport cash balance:	$21,446,955

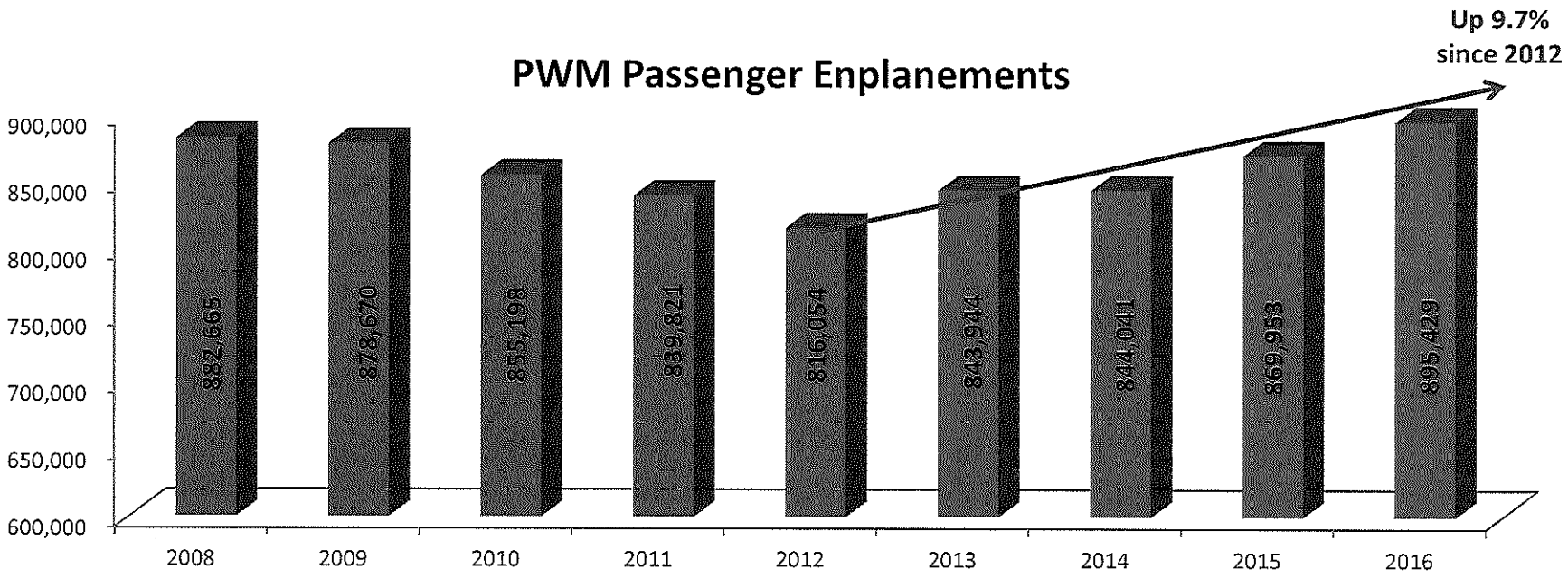
As of 06/30/16, per the Jetport's financial statements

Total Jetport FTEs:	52.5

The FY 15 Moody's Medians issued in November 2016 provided the following metrics:
Airline Cost Per Enplanement (CPE) for all airports: **$8.20** small hub airports: **$7.80**
Operating Cash on hand all airports: **579 days** small hub airports: **550 days**

Passenger Statistics

Since 2012 we have experienced slow but sustained growth. In 2016 we set an all time passenger record of 1.79 million total passengers exceeding the previous record set in 2008 prior to the recession.

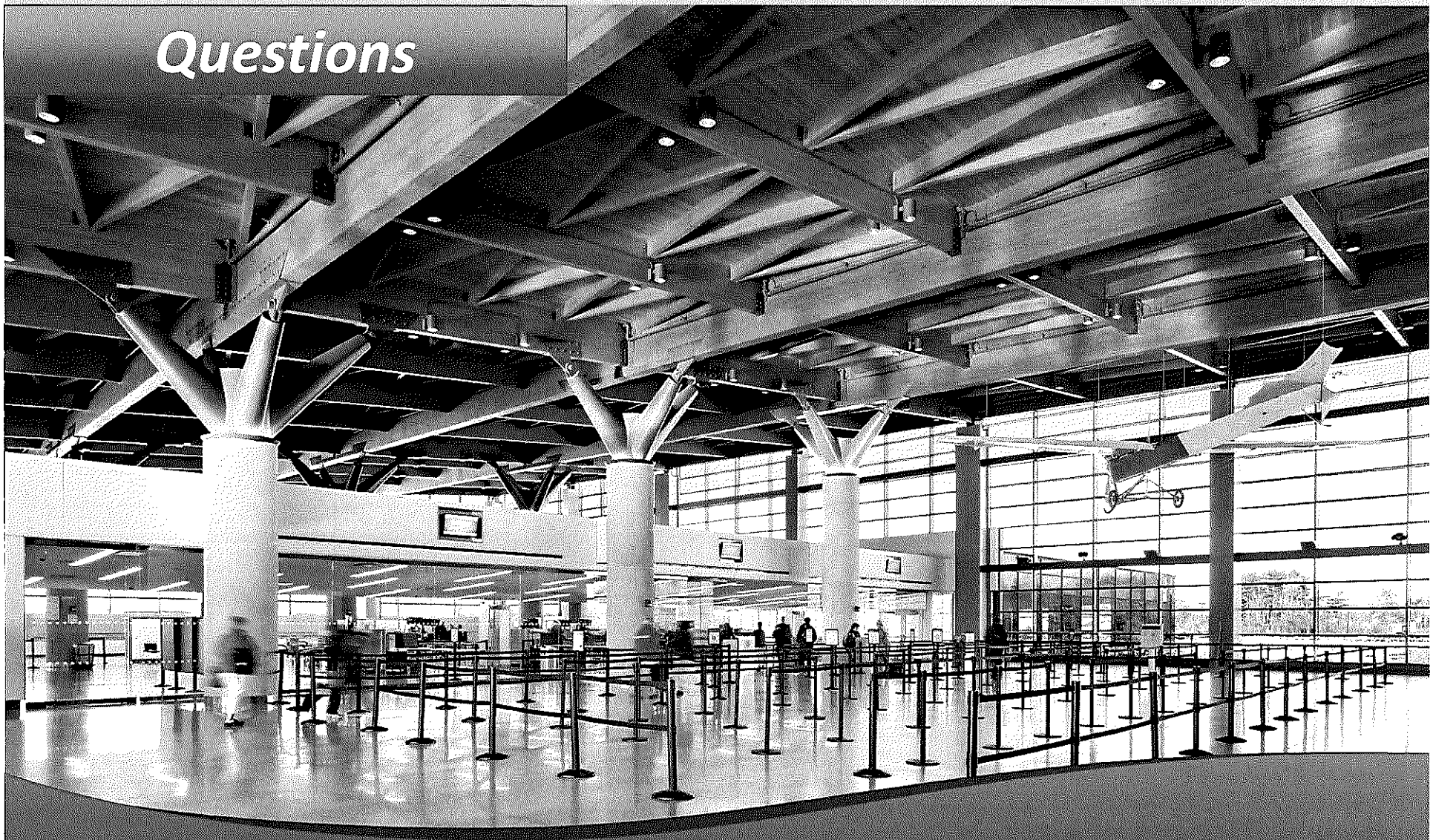


Passenger volume for New England Airports - Jetport is best performing of the small and medium hub airports

New England Market Share by Airport

	PWM	MHT	BDL	BOS	BGR	PVD	BTV	Total
2000	2.9%	6.8%	15.9%	59.4%	1.2%	11.7%	1.9%	100.0%
2001	3.0%	7.7%	16.3%	56.2%	1.2%	13.2%	2.4%	100.0%
2002	3.1%	8.2%	16.1%	55.3%	1.2%	13.3%	2.7%	100.0%
2003	3.1%	8.9%	15.5%	55.5%	1.5%	12.8%	2.7%	100.0%
2004	3.1%	8.6%	14.8%	56.9%	1.6%	12.2%	2.8%	100.0%
2005	3.1%	9.1%	15.3%	55.8%	1.8%	12.0%	2.9%	100.0%
2006	3.1%	8.3%	14.6%	58.2%	1.8%	11.1%	2.9%	100.0%
2007	3.5%	8.2%	13.9%	59.1%	1.5%	10.7%	3.0%	100.0%
2008	4.0%	8.3%	13.7%	58.3%	1.6%	10.7%	3.4%	100.0%
2009	4.2%	7.6%	12.6%	60.2%	1.9%	10.3%	3.4%	100.0%
2010	4.0%	6.5%	12.3%	63.2%	1.9%	9.1%	3.0%	100.0%
2011	3.8%	6.1%	12.6%	64.2%	1.8%	8.7%	2.9%	100.0%
2012	3.7%	5.6%	12.2%	65.9%	1.4%	8.3%	2.8%	100.0%
2013	3.7%	5.3%	12.0%	66.3%	1.4%	8.4%	2.7%	100.0%
2014	3.7%	4.6%	12.7%	67.4%	1.3%	7.7%	2.6%	100.0%
2015	3.6%	4.3%	12.3%	69.0%	1.0%	7.4%	2.5%	100.0%

Questions



Portland International Jetport

PWM
Portland International Jetport

Budget Narrative

Cuts: Rationale and Implications

Guiding principles for how to approach budget development:

- Preserve student experience (class sizes and effective programs)
- Invest in comprehensive goals
- Make necessary reductions to achieve the required bottom line

Round 1 Cuts

Total Cost Savings: $1,569,176

Cut	Rationale	Implication
Non-FTEs ($706,000)		
Furniture ($23,000)	A system wide furniture evaluation will be done by the Facilities Coordinator and a recommendation will be made for the FY2019 CIP.	This was a new request so there will be no reduction in current spending.
Purchased Professional ($30,000)	This was a reduction in the IT budget across web support, phone support and supplemental technical services. There is still $40,000 in this budget.	Most of the reduction was to new requests. Some envisioned programming will be postponed.
Internet ($48,000)	The upgraded fiber capacity will be pushed to future years.	We will not see an increase in internet speed.
Training ($21,000)	This was a reduction in the IT budget as the overall total was up over $50,000. The reduction was specific to training on the new finance system and the new phone system.	Minimal implications for current programming. Most training will still be provided.
Phone Maintenance ($7,000)	Maintenance for the phone system will be included in the price.	No implication, services will still be provided.
Equipment Replacement ($15,000)	The total budget request was $65,000 and has been reduced to $50,000. These funds will be used for replacement of staff computers, printers and projectors.	The full replacement cycle will not be realized.
Charter Buses - Athletics ($150,000)	The total request for chartered athletic trips was up $245,000, we reduced that request by $150,000 as the actual cost in FY2017 to date did not support the request.	There are still an additional $95,000 in budgeted funds above what was budgeted in FY2017.

Homeless Transportation ($42,000)	The total request for homeless transportation was up $76,000, we reduced that request by $42,000 as the actual cost in FY2017 to date did not support the request.	There are still an additional $34,000 in budgeted funds over what was budgeted in FY2017.
Finance Salary Savings ($30,000)	We achieved hiring savings in replacing the Budget Manager and Accountant. We also had an employee retire and return as a temporary employee, allowing further reduction (this has been cut in round 3).	There are no implications, we are realizing the hiring savings in the budget instead of during FY2018.
Other Benefits ($10,000)	This account was increased over the prior year by $25,000 to $50,000. This was done as the actual expenditures have overdrawn the budget in recent years. We feel comfortable with a $15,000 increase for FY18 and will continue to monitor to ensure it is not over spent.	There are no implications, this is an increase over FY17 of $15,000.
Unemployment ($100,000)	We have grossly underspent in the unemployment category over the past few fiscal years, which may be in part due to the accounting treatment of the expense. We will budget $100,000 for FY 2018 and record all expenses in one account.	There may be an impact here due to the number of FTE cuts that are expected as a part of the budget. This cut was suggested in round 1 as many of the employees were expected to fall into other open positions due to retirements. As we continue to make cuts, we may not realize these savings.
Salary Buffer ($150,000)	PPS has historically built in a salary buffer in the case that hiring savings were not realized over the past few years. As we were facing significant cuts, we decided to remove this.	If there are very few retirements and positions are hired at higher than budgeted salaries, there will be no salary buffer to offset.
Food Service Repair & Maint. ($10,000)	Based on actual expenditures, we felt that this could be reduced by $10,000.	If there were major equipment repairs needed, we may not be able to fund them fully out of this account.
Legal ($40,000)	Based on actual expenditures, we felt that we could reduce legal by $40,000. The budget includes the $10,000 monthly retainer plus $20,000. Contract negotiations are funded in HR.	There are no significant implications to reducing this budget line.
Insurance Deductible ($30,000)	An amount equal to three deductibles was included in the School Board Liability Insurance line in the event that there were claims made and approved by the insurance company. We feel that these would be more appropriately charged to contingency and that this was a double	Minimal implication, there are other funds budgeted for this purpose.

	safety.	
FTEs ($863,176)		
Director of Operations ($114,491)	This role has oversight of three departments: food service, facilities maintenance and transportation. Each of these departments has a Director and in many cases another level of middle management. Given the significant management costs in these departments, we cannot justify the cost of one person to oversee three directors.	There are implications to reducing this position. The Superintendent will have direct oversight of the Directors in these departments. The finance and HR department will need to work more closely with the Directors to monitor their budgets and employee issues that arise.
PHS Lit Coach ($96,323)	This existence of this position has always been a short-term plan with this person returning to her original role as librarian. This was already on the radar of this teacher and the principal.	Foreseen reduction in literacy coaching at PHS. As a note, Deering and CBHS do not have a literacy coach either.
K-5 Math Specialist ($96,496)	This role has evolved into a patchwork of responsibilities over time, including some elementary math teacher support, assessment administration support, tech integration support, and TVAL support. In an effort to align the Academics team with the updated Comprehensive Goals, we streamlined several academics team roles, including this one.	This was intended to become the Director of Math. That role was going to oversee the math strategy for the district (curriculum, PD, coaching, assessment), as well as serve as a shared math coach for the 3 middle-schools, (which was a compromise solution for school-based asks for their own math coach). This person was also going to manage a shared math coach for elementary schools (that was going to be paid for from Title II). In round 2 cuts (see below), the Math Director position is moved to Title I and the math coach is eliminated. The other responsibilities will be delegated as follows: ● Assessment administration → Dir of Data & Research/Academic Data Specialist ● TVAL support → HR ● Tech Integration → IT, and some reduction in support to schools
PK Coordinator ($54,086)	There has not been a clear direction for this position since its inception making it difficult for the person in this role to play a leadership role in PK programming and strategy. The Superintendent envisions the new CAO will be responsible for	● PK PD and collaboration will be teacher led (with support from school principals as relevant). ● CAO will have front line responsibility for ensuring a sound strategy for increasing

	working with community stakeholders, including the Board, to develop a coherent and comprehensive universal PK road map. In addition, we are pushing pause on the in-district PK expansion until we better understand what the landscape (from a project being spearheaded by Starting Strong) tells us about the needs and the capacity for city-wide providers to fill those needs. The superintendent remains committed to universal PK but wants to ensure that our strategy is grounded in data and that all relevant stakeholders are aligned and positioned to deliver on the goals.	PK for all students that will be implemented in FY19.
2 Special Services Team Leaders ($187,193)**	This was an intentional re-org of Special Services team admin intended to reduce bureaucratic layers and establish school based leadership for case management. The department's original proposal was a cost neutral one. When we were confronted with the need to reduce the budget we eliminated the central support structure that was envisioned for this transition.	Based on responses from school leaders, we have reinstated 2 of the 4 positions along with $49K in school based teacher leader stipends. The actual roles and organization, as well as which staff will assume the remaining roles has not yet been finalized. All four of the affected staff would have positions without layoffs elsewhere.
Web Manager ($80,856)	Much of the website content is maintained by individuals other than the Web Manager and we were looking for at least one position in each department.	We are reorganizing functions and staffing in IT to be able to maximize support with fewer FTEs.
Communications Coordinator (0.5) ($21,791)	This role was at 0.5 two years ago. While the added capacity has been nice-to-have, this is not a must-have investment.	As we hire for the now open Communications/Community Engagement position, the Superintendent envisions efficiencies from bringing different community engagement roles under one person.
TV3 Manager (0.6) ($25,141)	This position is responsible for broadcasting all Board meetings . In addition, PPS has been able to record school events and athletic events due to having this employee full time during the school year. Although these things are nice to have, they are not required.	After discussing with the affected staff, they believe that most key functions will continue to occur. Some flexibility will be lost.
PATHS program	Consistently low enrollment and high drop-out numbers throughout the year	Students currently enrolled in this program will have the option of

reduction (Fashion Marketing) ($111,799)	(pattern over time). There are currently 13 students in the program. The program does not offer any 3rd Party Certifications (i.e. National Retail Federation) unlike other more successful programs at PATHS. In addition, the Dept. of Labor analysis of the job market illuminated a significantly lower than normal job outlook for people in this trade, (3% job outlook according to the Federal Bureau of Labor Statistics).	transferring into another program at PATHS or the other CTE schools in Maine (e.g. Commercial Art at PATHS or Marketing at Westbrook).
PHS PE 0.5 ($37,500)	This reduction came from the school based on enrollment data.	The school does not feel that this will have a significant impact on their ability to offer courses going forward.
PHS Math ($37,500)	This reduction came from the school based on enrollment data.	The school does not feel that this will have a significant impact on their ability to offer courses going forward.

Round 2 Cuts

Total Cost Savings: $1,471,637

Cut	Rationale	Implication
Non-FTEs ($981,938)		
Removal of HS devices ($330,000)	We will be able to extend the life of current devices for an extra year	Although these were removed from the budget, we are looking for other ways to fund the student device deployment in FY2018 and the staff device deployment in FY2019. If we are unable to fund the devices in another manner, there will be increased repair costs that will not be covered by the existing funds that reside within the school activity accounts.
Munis Modules ($48,750)	The Work Order module, the Bid Management module, and the Cash Management module have been removed from the contract ($28,000). The other reduction was in the number of implementation days ($20,000).	The largest implication will be that finance and HR staff will need to do more work outside of the implementation days in order to meet our go-live date. The work still needs to happen but Munis will not be on-site to assist.
Superintendent Contingency ($12,515)	The originally budget of $22,515 was omitted from the FY17 budget but was added back into the FY18 budget. The Superintendent has reduced this by more than 50% to a $10,000 budget.	Should additional funds be needed, the Superintendent will need to use Board contingency.

Additional Re-Org Savings ($20,673)	In reviewing the proposed staffing changes, we have quantified these additional savings.	No additional implications beyond those identified above in the FTE reductions.
Academics ($100,000)	Cut out the $100,000 held for curriculum expansion since we are not adopting a new MS math curriculum this year.	None this year, but we will need to return to the budget in subsequent years when we adopt a new MS math curriculum.
Operations ($200,000)	The operations savings come from four places: maintenance, utilities, food service and transportation. The Facilities Coordinator identified utility savings due to lower than projected future contracts. Food service identified further cuts in non-FTE budget lines, as did transportation.	We do not anticipate that the facilities and transportation reductions will be detrimental but we are on a very tight margin in food service.
Maintenance ($135,000)	The maintenance cuts are from salary savings from payments to the City for shared maintenance. The proposed reduction is consistent with what City staff envisioned when they first approached staff with the proposal to transfer maintenance back to PPS	This retains sufficient resources to support current services. Some functions that were done by the City (purchasing, vendor payments) will be assumed by PPS departments.
Non-Rep Increases ($85,000)	The average increase, including steps and cost of living were averaging around 3.5% so the same was budgeted for the Non-Rep group. However, as these employees are not under a contract, the Superintendent identified as a reduction	The planned cost of living increase (1%) is in line with prior years.
Additional PK Classroom ($50,000)	Per above explanation for the PK Coordinator cut, we are holding steady this year in an effort to reground in the long-term strategy for making PK accessible for all students in Portland. We plan to work closely with the city-wide collaborative effort organized under Starting Strong to refine the strategy and ensure follow through.	Update the long-term strategy for PK expansion as a part of the larger city-wide early childhood strategy.
FTEs ($489,699)		
Temporary Accountant ($44,663)	The finance savings noted above were realized in part through the retirement of a 0.80 FTE Accountant and hiring that person back as a 0.60 FTE temporary employee. The reduction of the temporary wages will mean that we will lose that position entirely.	There is still work assigned to this employee that will need to be done, in addition to staff trying to work on the Munis implementation.

Payroll Analyst ($85,053)	This position has recently become vacant and won't result in an existing employee reduction.	The implication for this budget cut will be felt in payroll and in finance. The Accountant and Budget Manager will need to act as backups and potentially will assume some of the work that was previously done by the Payroll Analyst.
Executive Assistant ($80,911)	Every department at Central Office was asked to find additional cuts to prevent school based cuts.	We are in the process of consolidating the tasks of the four executive secretaries who support the Board, Superintendent, Assistant Superintendent, CAO and Executive Director of Operations into three roles. Most tasks will get delegated out, some admin support will be reduced.
Presumpscot Teacher ($55,229)	Enrollment justifies this decrease	Principal will organize for next year with this reduction. Class sizes remain reasonable (<20).
Hall Retirement ($93,439)	Enrollment justifies this decrease	Principal will organize for next year with this reduction. Class sizes remain reasonable (<20).
PHS WL Retirement ($82,872)	This reduction will be lessened by a shift of 0.50 FTE from Deering High School, resulting in a 0.50 FTE reduction at both Portland and Deering.	Principals will organize for next year with this reduction.
CBHS ELL Teacher (0.5) ($47,478)	ELL enrollment at Casco Bay High School justifies this decrease.	Principal will organize for next year with this reduction.

Round 3 Cuts

Total Cost Savings: $929,000

Cut	Rationale	Implication
Comprehensive plan Investments ● **Director, SEL** ● **Director, Math** ● **Mentoring Programs: Make It**	Unable to invest in new goals given requirement to make significant cuts.	Will not make the same degree of progress on comprehensive plan goals. This impacts accountability expectations for the superintendent. These investments were targeted to the following results: ● Achievement: Math results in particular ● Whole Student: Social-Emotional learning

Happen, Deering Mentoring ● **Clinical oversight and support (Maine Behavioral Health contract)** ● **Seal of Biliteracy testing** ● **0.5 World Language teacher (Elem.)** ● **New Arrivals Center** ● **Native Language Developme nt (Elem.)** ($410,000)		strategy ● Equity: ○ ELL students (significant and persistent achievement gap) ○ We planned to make the Dir, SEL the homeless liaison under Title I (per requirement). We will need to find a different person to serve this function (potentially keeping it steady state as the Director of Special Services). WIthout these investments it will be difficult to see significant progress in these areas.
Non-FTE ($547,000 incl. Comprehensive Plan)		
Athletics ($42,000)	The Athletic Directors have identified $42,000 in cuts which come from reducing one assistant coaching position in each of the fall, winter and spring seasons. It also reduces 3 new floats at each school and athletics and co-curricular supplies at each school.	Per the Athletic Directors at Portland High School and Deering High School, they chose to cut in these areas as it will have the least impact on students.
Reduce School Allocation by 10% across all schools ($95,000)	The per student allocation in FY18 is $950,000 in total which represents between $100-$200 per elementary, middle and high school students. This reduction was made at the suggestion of the building leaders as a cut that would not affect staffing.	There will be fewer school specific funds for supplies and professional development.
FTEs ($382,000)		
2.5 Elementary	Third pass on enrollment data uncovered 3.5 additional Elementary teacher	Principal will organize for next year with this reduction. Class sizes remain

Teacher ($150,000)	reductions that won't significantly impact class size ratios. The net impact is 2.5 because we need to add 1 to Longfellow given enrollment. In sum: ● Reduce 1 at East End, 1 additional at Presumpscot, 1 at Ocean, 0.5 at Peaks ● Add 1 at Longfellow	reasonable (<20)
MLTI Coordinators ($102,000)	Each of the middle schools has a full time school year position dedicated to the MLTI program. As many of the elementary schools have integrated technology into the classroom, there is less of a need for a dedicated individual to support the implementation of technology at the middle schools. We would increase the Building Technology Coordinators stipends so that each school has 2 instead of 1 to ensure there is still some additional support.	The impact will be felt by the Building Technology Coordinators and IT should there be significant maintenance needed. However, the high schools also have one to one technology and do not have full time employees dedicated to the maintenance of the devices so this structure does work.
1 Ed Tech and 0.5 Teacher at Portland High School Teacher ($65,000)	Enrollment justifies an additional 0.5 math teacher decrease and a 1.0 Library Ed Tech.	Principal recommended these specific cuts based on enrollment and will organize for next year with these reductions. There is some flexibility to assign additional math classes to existing staff as needed. Ed Tech reduction brings PHS in line with DHS for library staffing.
2 Ed Techs across Elem/MSs ($65,000) **Likely Options:** ● Longfellow ● Moore	In looking at staff sizes across the elementary and middle levels, Longfellow and Moore are where we propose to reduce by two ed techs in total.	These are regular education Ed Techs. The Principal will organize for next year to account for these reductions.

Impact Summary:

- **Total Non-FTE savings:** $2,234,938
- **Total FTE savings:** $1,734,875
- **Net number of FTEs being cut from the district:** 23.7
- Big Picture Summary of Cuts:
    - **73% of total reductions coming from central**: $2,888,746
    - **27% of total reductions coming out of schools**: $1,081,140

- Elementary Impact: $368,168
- Middle School Impact: $152,500
- High School Impact: $560,472