



MSAD No. 75

FY 2024 Budget Process

Public Budget Hearing and Final
Approval of the Budget by the
School Board of Directors

April 13, 2023

Mt. Ararat High School Forum



FY 2024 Budget Process

Desired Outcomes

- A budget that prioritizes and serves our students
- A budget that supports our District goals and the goals of our individual schools
- A budget that is as fiscally responsible as possible to the communities in M.S.A.D. No. 75

Budget Assumptions and Cost-Drivers 4/13/23

- Salaries & benefits are over 70% of the budget
 - Teacher salaries are estimated to increase of 5.5% with approved salary schedules.
 - Salaries for administrators and support staff align to the contract.
 - Health insurance assumes an increase of 6.5%, and dental insurance assumes an increase of 5%.
 - It is assumed retirement and other payroll taxes shall remain steady but calculated 2% increase.
- Costs for services continue to rise and were factored into the budget (annual system inspections, fuel, food, contracted services)
- \$9M Bond approved last year will have first principal payment in FY 2024 increasing the budget by over \$900k
- There is a need to continue the bus replacement program to ensure safe transportation of students. This year's budget will include replacement of four (4) buses and add three (3) passenger vans to assist with transportation needs.
- Region 10 Technical High School had a 46% increase (\$125k) from last year, much larger than anticipated.

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Article	Purpose	FY 2023 Approved	FY 2024 Proposed	\$ Change	% Change	Comment
2	Regular Instruction	\$16,576,816	\$16,889,386	\$312,570	1.89%	
3	Special Education	\$9,866,682	\$10,259,497	\$392,815	3.98%	
4	Career and Technical Education	\$264,934	\$390,402	\$125,468	47.36%	Region 10 Technical High School
5	Other Instruction	\$799,957	\$864,022	\$64,065	8.01%	Athletics including co-curricular stipends
6	Student and Staff Support	\$5,200,667	\$5,668,015	\$467,348	8.99%	One position
7	System Administration	\$1,504,506	\$1,664,010	\$159,504	10.60%	Two positions added
8	School Administration	\$2,253,631	\$2,297,455	\$43,824	1.94%	
9	Transportation and Buses	\$3,311,871	\$3,699,203	\$387,332	11.70%	Additional Buses and Vans
10	Facilities Maintenance	\$4,935,174	\$5,140,259	\$205,086	4.16%	
11	Debt Service/Other Commitments	\$4,392,485	\$5,406,118	\$1,013,633	23.08%	\$900k Bond payment
12	All Other Expenditures	\$346,219	\$396,559	\$50,340	14.54%	Food Services
Total - Operating Budget		\$49,452,942	\$52,674,927	\$3,221,985	6.52%	
18	Adult Education/Adult Voc. Educ.	\$138,833	\$141,639	\$2,806	2.02%	-
Total - All Articles		\$49,591,775	\$52,816,566	\$3,224,791	6.50%	

Funding the FY 2024 Budget

4/13/23

Description	FY 2023	FY 2024	\$ Increase (Decrease)	% Increase (Decrease)
State Contribution (Preliminary EPS)	\$20,331,368	\$20,593,537	\$262,169	1.29%
Plus: Other Revenues	\$127,000	\$50,000	(\$77,000)	(60%)
Plus: Use of Fund Balance	<u>\$1,700,000</u>	<u>\$1,700,000</u>	<u>\$0</u>	<u>0%</u>
Subtotal All External Sources	\$22,158,368	\$22,343,537	\$185,169	0.83%
Less: Revenues Required to Meet Expenses	\$49,591,774	\$52,816,566	\$3,224,792	6.50%
= Amount to be Raised Locally	\$27,433,406	\$30,473,029	\$3,039,623	11.08%

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How are Local Assessments Determined?

Rationale	Bowdoin	Bowdoinham	Harpswell	Topsham	Total
State Formula (ED279) Determines the Amount Required to Fund Essential Programs and Services (“EPS”)					
Total EPS Cost by Town	\$7,236,758	\$6,645,238	\$5,304,959	\$18,251,007	\$37,437,962
- State Subsidy by Town	<u>\$5,425,487</u>	<u>\$4,368,487</u>	<u>\$25,390</u>	<u>\$10,774,171</u>	<u>\$20,593,537</u>
= Required Local Contribution by State	\$1,811,271	\$2,276,751	\$5,279,569	\$7,476,835	\$16,844,425
Next: What is the Amount to be Raised Locally (Budget Total – State Subsidy – Use of Fund Balance)					<u>\$30,473,029</u>
What is the Difference: Amount to be Raised Locally - the State’s Required Contribution?					\$13,628,603
<u>Local Cost Sharing %</u> 50% Valuation per State + 50% Enrollment = Local Share	Average of 6.97% Value <u>19.33% Enroll</u> 13.15%	Average of 8.76% Value <u>17.75% Enroll</u> 13.26%	Average of 55.5% Value <u>14.17% Enroll</u> 34.84%	Average of 28.77% Value <u>48.75% Enroll</u> 38.76%	<u>100.00%</u>
Local Assessment (State Req’d Amt + Local Cost %)	\$3,603,242	\$4,083,504	\$10,027,134	\$12,759,149	\$30,473,029

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Impact on Local Assessments



Town	FY 2022 BVR Approved	FY 2023 Inc (Dec) over FY2022	FY 2023 BVR Approved	FY 2024 Proposed	\$ Inc (Dec) @ Vote	% Inc (Dec) @ Vote
Bowdoin	\$3,191,370	\$15,241	\$3,206,611	\$3,603,242	\$396,631	12.37%
Bowdoinham	\$3,436,654	\$116,101	\$3,552,755	\$4,083,504	\$530,749	14.94%
Harpswell	\$8,725,238	\$511,554	\$9,236,792	\$10,027,134	\$790,342	8.56%
Topsham	\$11,334,411	\$102,837	\$11,437,248	\$12,759,149	\$1,321,901	11.56%
Total Revenue	\$26,687,673	\$745,733	\$27,433,406	\$30,473,029	\$3,039,623	11.08%

FY 2024 Budget Local Tax Impact

4/13/23

FY 2024 Proposed Budget	Bowdoin	Bowdoinham	Harpswell	Topsham	Total
Increase in Town Assessments:					
FY 24 Total Contribution (Required and Local)	\$3,603,242	\$4,083,504	\$10,027,134	\$12,759,149	\$30,473,029
FY 23 Total Contribution (Required and Local)	\$3,206,611	\$3,552,755	\$9,236,792	\$11,437,248	\$27,433,406
Local Contribution Increase	\$396,631	\$530,749	\$790,342	\$1,321,901	\$3,039,623
% Local Contribution Change	12.37%	14.94%	8.56%	11.56%	11.08%
Calculating the Tax Impact on an Average Home:					
	<i>Provided by Assessor</i>	<i>Estimated</i>	<i>Provided by Assessor</i>	<i>Provided by Assessor</i>	
Local Valuation of Town Property	\$227,489,680	\$305,000,000	\$2,364,683,800	\$1,417,003,370	\$4,314,176,850
Change in Assessments to Towns	\$396,631	\$530,749	\$790,342	\$1,321,901	\$3,039,623
Change in mill rate per \$1,000 of valuation	1.7435	1.7402	0.3342	0.9329	0.7046
Local assessment of a typical home by community	\$245,736	\$200,000	\$540,900	\$301,764	\$322,100
Average annual tax change for a typical home	\$428	\$348	\$181	\$282	\$227

FY 2024 Budget Process - Next Steps

Board of Directors

- Approval of the Budget tonight (April 13, 2023)

The Voters

- Attend the District Budget Meeting on May 18th at the Orion (6:30 pm)
- Vote in the District Budget Validation Referendum on June 13th