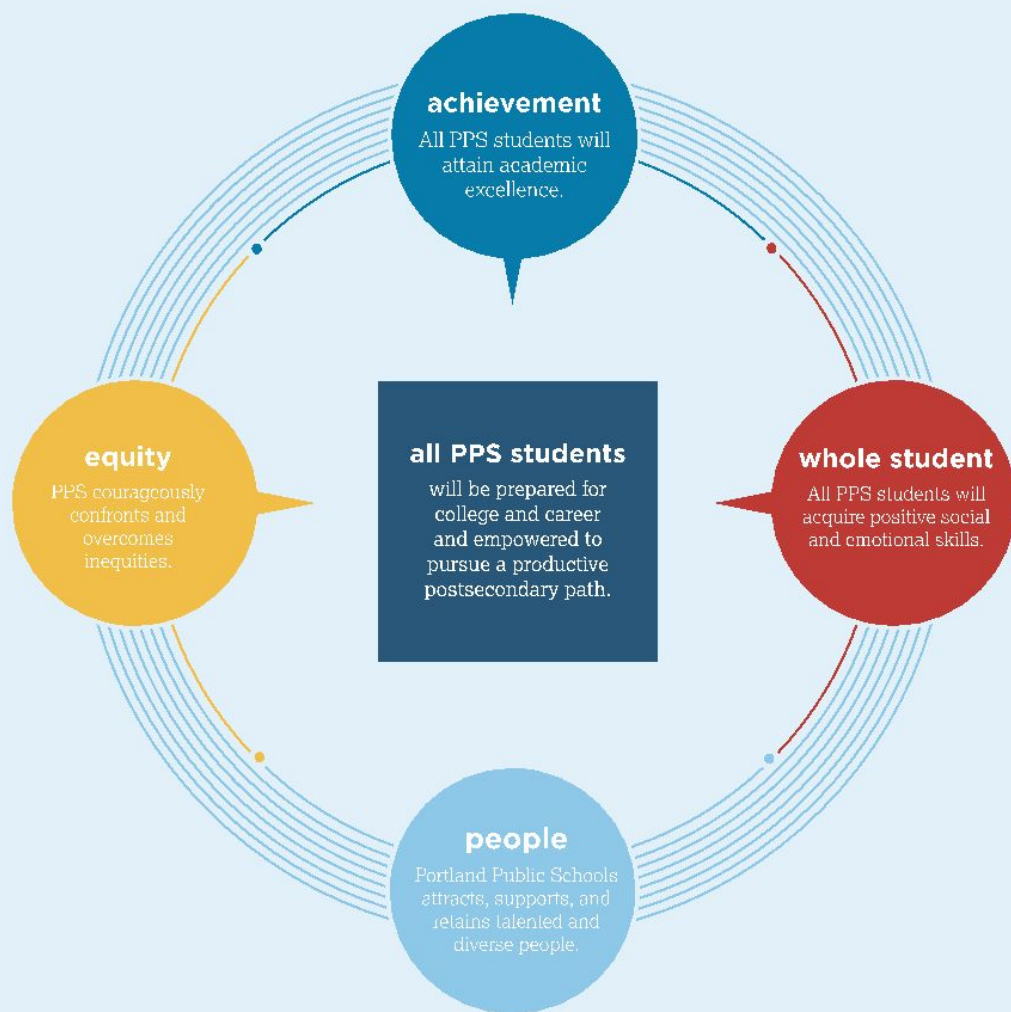


**PORTLAND**  
**PUBLIC SCHOOLS**  
prepared & empowered

# FY 2022 Finance Committee Approved Budget: Board Presentation

**April 13, 2021**

# FY22 Budget Focus: Advancing Equity



# EQUITY

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

**Metric:** 50% reduction in academic achievement and opportunity gaps.

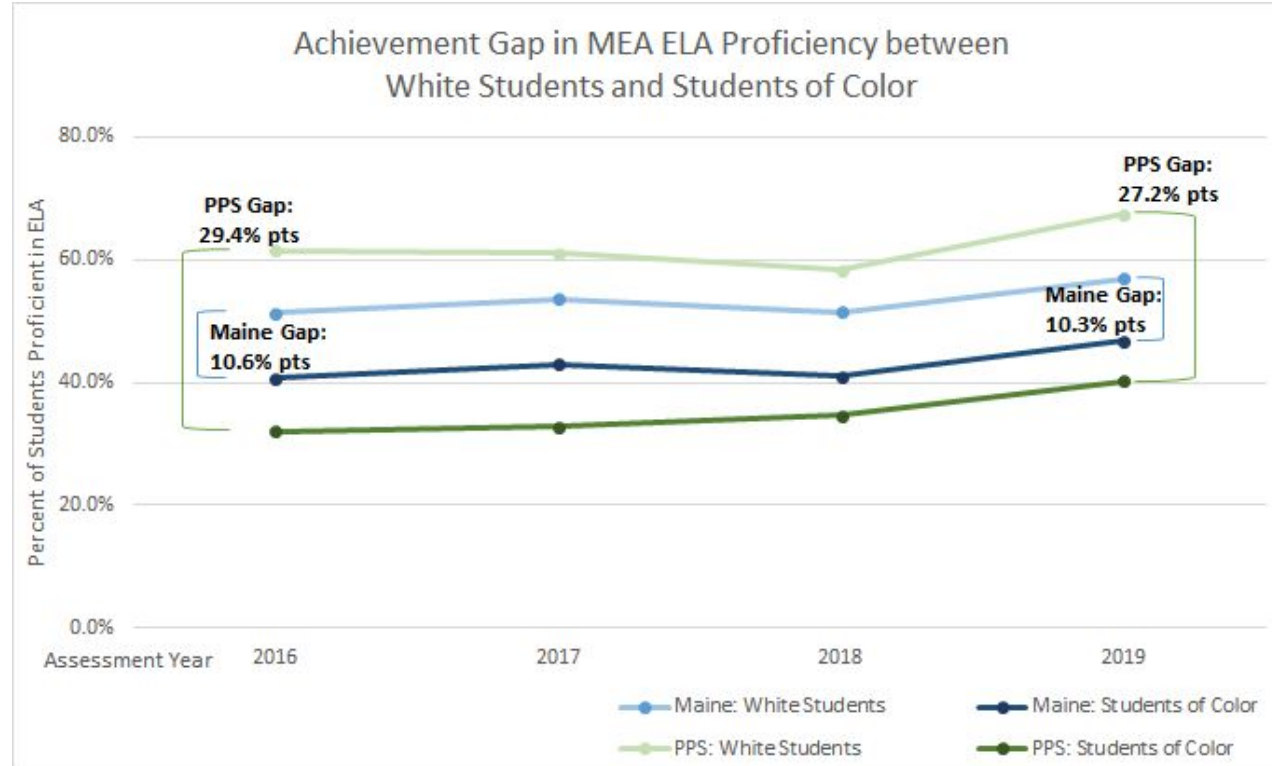


# State Comparisons

## Academic Achievement Gap by Race: English Language Arts

Net Change in the ELA Achievement Gap by Race between spring 2016 and spring 2019:

- **Statewide** - decrease of 0.3 percentage points
- **PPS** - decrease of 2.2 percentage points



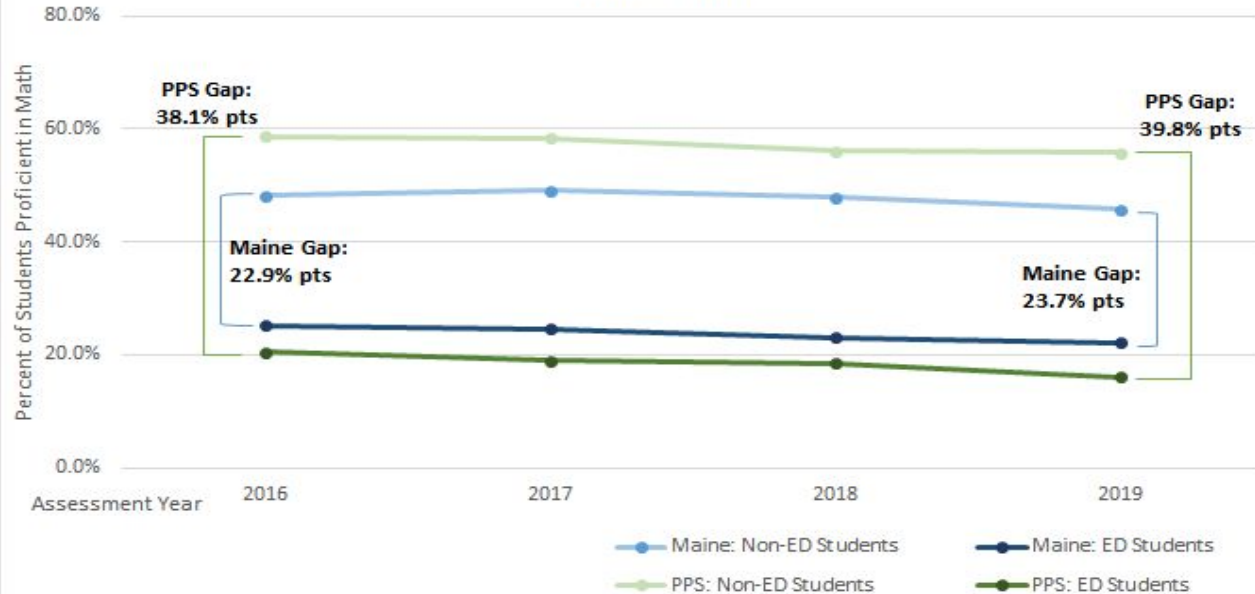
# State Comparisons

## Academic Achievement Gap by Economic Status: Math

Net Change in the Math Achievement Gap by Economic Status between spring 2016 and spring 2019:

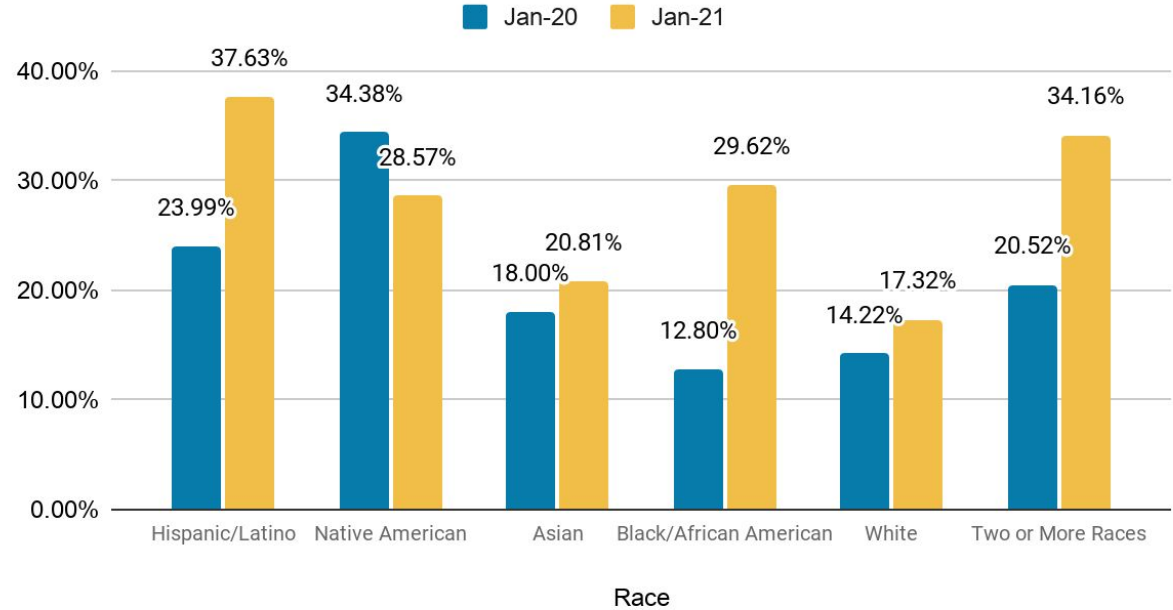
- **Statewide** - increase of 0.8 percentage points
- **PPS** - increase of 1.7 percentage points

Achievement Gap in MEA Math Proficiency by Economic Status



# District Attendance Data: 2020-21

Change in Percent Chronically Absent



# Advancing the Portland Promise in PPS Budget Over Time...

## 2018

None -  
Comprehensive  
Plan under  
development

## 2019-20

Began investments in  
key areas:

- Whole student supports (FY 19)
- Core Instruction
- Pre-Kindergarten
- Behavioral Health Continuum

## 2021

Continued PK expansion

Shifted some costs to CARES funding (\$1.3 M in custodial)

Made some program reductions (Elem. Spanish, Athletics, Central curriculum supports) to achieve no tax increase

Delayed other investments to confront COVID Challenge

# FY22 Budget: Organizing Priority Themes

- ▶ Advancing equity in PPS
- ▶ Integrating innovations from COVID
- ▶ Rebuilding academic and social emotional foundations post COVID





# FY22 Preliminary School Board Recommended Budget



# FY22 Budget Overview

## Finance Committee Recommended Budget

**FY22 Budget**  
**\$125.8M**

**Last Year:**  
**\$119.9M**

**Increase Over  
FY21 Approved  
Budget**  
**5.0%**

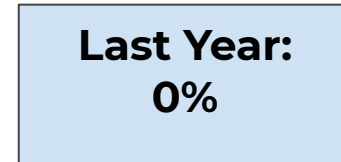
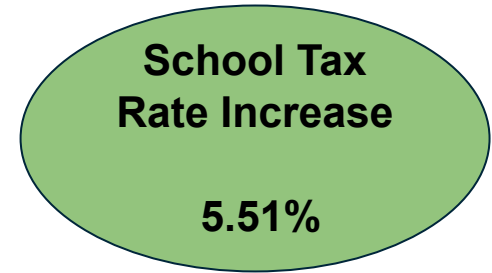
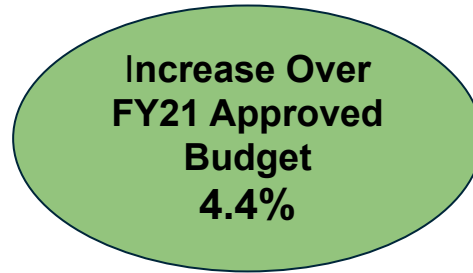
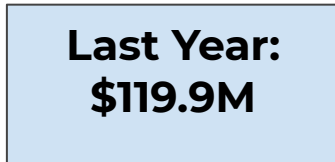
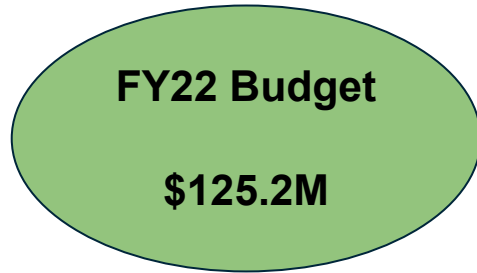
**Last Year:**  
**2.1%**

**School Tax  
Rate Increase**  
**6.29%**

**Last Year:**  
**0%**

# FY22 Budget Update Preliminary School Board Recommended Budget

\*Due to reduction(-\$661K) in Health Ins Estimate and increase (\$90K) in State CTE allocation



# FY22 Budget Update

- The Expenditure Budget decreased due to the change in the estimated amount of Employer-Paid Health Insurance.
  - We had budgeted a worst-case 6% increase.
  - We were just notified by Anthem that our rates would be remaining the same for FY22 as FY21, i.e., a 0% increase.
- This change in estimate resulted in an across-the-board **decrease** in health insurance benefits of \$661,060.
- Our Baseline Expenditure Budget **with Investments** decreased - from \$125,815,760 (\$125.8M) to \$125,154,700 (\$125.2M)

## Revenue Budget Change:

- On 4/5/21, our CTE Allocation from the State increased by \$89,561.86.
- This resulted in an increase from \$3,195,474.04 to \$3,285,035.90.
- This change impacts the amount of Property Taxes that needs to be raised.
- It results in a redistribution or shifting of funding sources from Property Taxes to Non-Tax Revenue, where the State subsidy amount resides.
- End Result: Property Tax Revenue was reduced by ~\$751K (\$661K + \$90K)

# FY22 Budget Overview Update: Baseline

Portland Public Schools	*REVISED AFTER INSURANCE ADJ + CTE Increase			
ADJUSTED BASELINE BUDGET	AS OF 4/8/21			
	FY21	FY22	Variance	% Var
Personnel Budget BASELINE	\$88,342,593	\$90,887,014	\$2,544,421	2.9%
Net Adjustments removed from baseline		\$ (878,915)	(\$878,915)	
<b>Personnel Budget ADJUSTED BASELINE</b>	<b>\$88,342,593</b>	<b>\$90,008,099</b>	<b>\$1,665,506</b>	<b>1.9%</b>
Non-S&B* Budget BASELINE	\$23,096,640	\$23,576,515	\$479,875	2.1%
Net Adjustments removed from baseline		(874,138)	(\$874,138)	
<b>Non-S&amp;B Budget ADJUSTED BASELINE</b>	<b>\$23,096,640</b>	<b>\$22,702,377</b>	<b>(\$394,263)</b>	<b>-1.7%</b>
<b>Debt Service</b>	<b>\$8,423,444</b>	<b>\$9,555,078</b>	<b>\$1,131,634</b>	<b>13.4%</b>
Original BASELINE	\$119,862,677	\$124,018,607	\$4,155,930	3.5%
Net Adjustments removed from baseline		(\$1,753,053)	(\$1,753,053)	
<b>Adjusted BASELINE Expenditures</b>	<b>\$119,862,677</b>	<b>\$122,265,554</b>	<b>\$2,402,877</b>	<b>2.0%</b>
Non-Tax Revenue ADJUSTED BASELINE	\$24,694,600	\$23,802,294	(\$892,306)	-3.6%
Use of Fund Balance	\$829,333	\$770,000	(\$59,333)	-7.2%
Property Taxes	\$94,338,744	\$97,693,260	\$3,354,516	3.6%
<b>Total Revenue Sources</b>	<b>\$119,862,677</b>	<b>\$122,265,554</b>	<b>\$2,402,877</b>	<b>2.0%</b>
Valuation	\$8,070,000,000	\$8,155,000,000	\$85,000,000	1.1%
Property Tax Rate - School	\$11.69	\$11.98	\$0.29	2.48%
*Non-S&B = Non-Personnel (Non-Salary & Benefits) Budget; does include Temp Salaries & Benefits				

# FY22 Budget Overview Update: With Investments

Portland Public Schools	*REVISED AFTER INSURANCE ADJ + CTE Increase			
ADJUSTED BASELINE BUDGET w/INVEST	AS OF 4/8/21	*FY22 Prelim School Board		
	FY21	FY22	Variance	% Var
Personnel Budget BASELINE	\$88,342,593	\$90,887,014	\$2,544,421	2.9%
Net Adjustments removed from baseline		\$ (878,915)	(\$878,915)	
Personnel Budget ADJUSTED BASELINE	\$88,342,593	\$90,008,099	\$1,665,506	1.9%
Net Adjustments related to Investments		\$2,693,142	\$2,693,142	
<b>Personnel Budget with Prelim. Investments</b>	<b>\$88,342,593</b>	<b>\$92,701,241</b>	<b>\$4,358,648</b>	<b>4.9%</b>
Non-S&B Budget BASELINE	\$23,096,640	\$23,576,515	\$479,875	2.1%
Net Adjustments removed from baseline		(874,138)	(\$874,138)	
Non-S&B Budget ADJUSTED BASELINE	\$23,096,640	\$22,702,377	(\$394,263)	-1.7%
Net Adjustments related to Investments		\$196,004	\$196,004	
<b>Non-S&amp;B Budget with Prelim. Investments</b>	<b>\$23,096,640</b>	<b>\$22,898,381</b>	<b>(\$198,259)</b>	<b>-0.9%</b>
<b>Debt Service</b>	<b>\$8,423,444</b>	<b>\$9,555,078</b>	<b>\$1,131,634</b>	<b>13.4%</b>
Original BASELINE	\$119,862,677	\$124,018,607	\$4,155,930	3.5%
Net Adjustments removed from baseline		(\$1,753,053)	(\$1,753,053)	
Adjusted BASELINE	\$119,862,677	\$122,265,554	\$2,402,877	2.0%
Net Adjustments related to Investments		\$2,889,146	\$2,889,146	
<b>Adjusted BASELINE EXPEND. with Investments</b>	<b>\$119,862,677</b>	<b>\$125,154,700</b>	<b>\$5,292,023</b>	<b>4.4%</b>
Non-Tax Revenue ADJUSTED BASELINE	\$24,694,600	\$23,802,294	(\$892,306)	-3.6%
Use of Fund Balance BASELINE	\$829,333	\$770,000	(\$59,333)	-7.2%
Property Taxes	\$94,338,744	\$100,582,406	\$6,243,662	6.6%
<b>Total Revenue Sources</b>	<b>\$119,862,677</b>	<b>\$125,154,700</b>	<b>\$5,292,023</b>	<b>4.4%</b>
Valuation	\$8,070,000,000	\$8,155,000,000	\$85,000,000	1.1%
Property Tax Rate - School	\$11.69	\$12.33	\$0.64	5.51%

# FY22 Budget Overview Update

	FY '20 Actual	FY '21 Approved July 14	FY '22 Prelim School Board	\$ +/-	% +/-
<b>Revenue</b>					
Property Tax Levy	\$93,345,139	\$94,338,744	\$100,582,406	\$6,243,662	6.6%
State EPS Subsidy	\$14,251,970	\$15,223,289	\$14,454,060	-\$769,229	-5.1%
All Other	\$8,778,479	\$10,300,644	\$10,118,234	-\$182,410	-1.8%
<b>Total</b>	<b>\$116,375,588</b>	<b>\$119,862,677</b>	<b>\$125,154,700</b>	<b>\$5,292,023</b>	<b>4.4%</b>
<b>Expenses</b>					
Salaries & Benefits (inc. temp)	\$91,906,131	\$94,536,531	\$99,047,410	\$4,510,879	4.8%
All Other	\$23,744,004	\$25,326,146	\$26,107,290	\$781,144	3.1%
<b>Total</b>	<b>\$115,650,135</b>	<b>\$119,862,677</b>	<b>\$125,154,700</b>	<b>\$5,292,023</b>	<b>4.4%</b>



# FY22 Budget Overview: Updated City Rate Computation

	<b>FY'21 Approved</b>	<b>FY'22 Prelim School Board</b>	<b>\$ +(-)</b>	<b>% +(-)</b>
Property Tax Levy	\$94,338,744	\$100,582,406	\$6,243,662	6.6%
Property Tax Valuation	\$8,070,000,000	\$8,155,000,000	\$85,000,000	1.1%
<b>School Tax Rate</b>	<b>\$11.69</b>	<b>\$12.33</b>	<b>\$0.64</b>	<b>5.5%</b>

The increase in property tax valuation alone increases revenue by approximately \$1M with no increase to the tax rate.

Thereafter, each percentage increase in the tax rate yields approximately \$953,000 in property tax revenue and represents ~\$.12 tax rate increase.



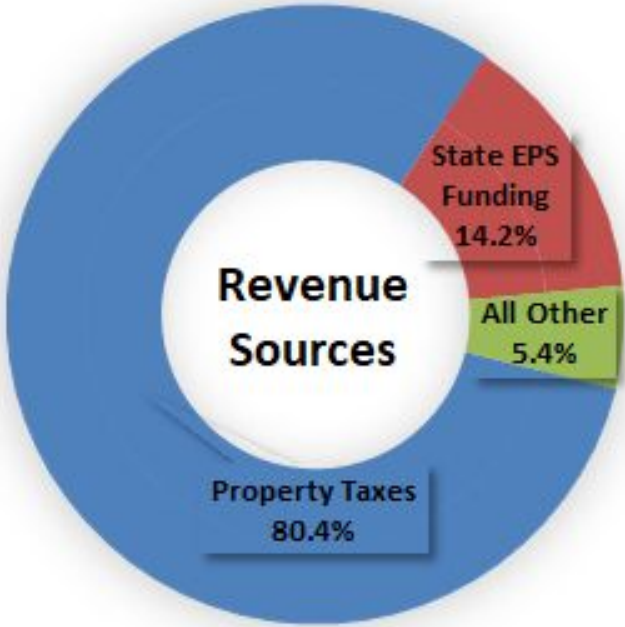


# FY22 Budget Overview: Updated Taxpayer Impact

- The FY22 Superintendent's Proposed Budget adds **\$.64** to the School Portion of the Tax Rate for a Total School Tax Rate of **\$12.33**.
- For a home valued at **\$250,000**, this represents an annual increase in property taxes of about **\$160.93**.



# FY22 Budget: Updated Revenue

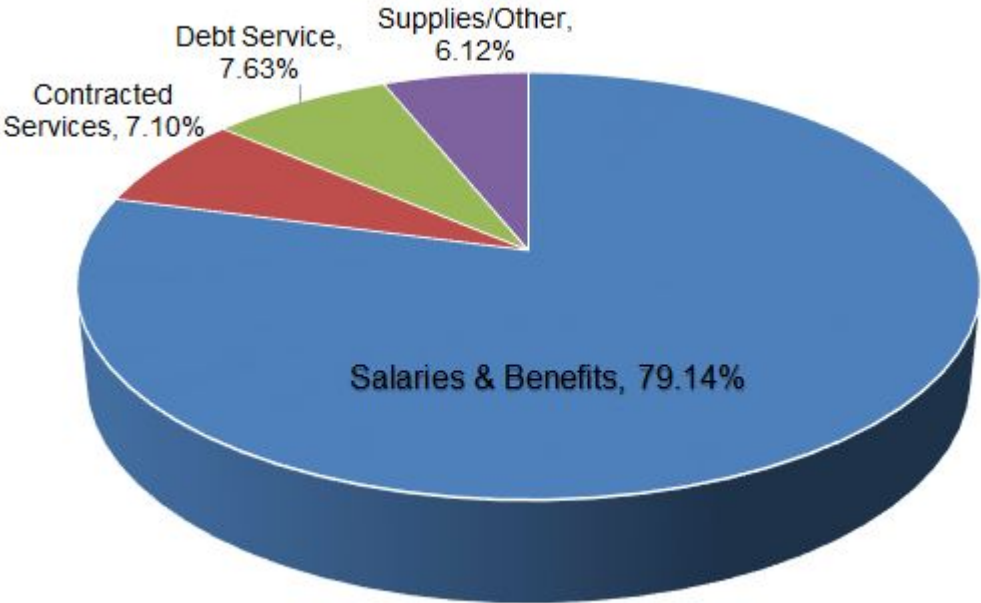


# FY22 Revenue Budget

	FY20 Actual	FY21 Approved	FY22 Prelim School Board	\$ +(-)	% +(-)
Property Tax Levy	\$93,345,138	\$94,338,744	\$100,582,406	\$6,243,662	6.6%
State EPS Subsidy*	\$17,811,896	\$18,676,771	\$17,818,900	-\$857,871	-4.6%
<b>All Other :</b>					
Federal Revenue	\$3,475,498	\$4,060,325	\$4,082,506	\$22,181	0.5%
Local Non-Tax Revenue	\$938,440	\$1,026,377	\$993,258	-\$33,119	-3.2%
Other State Revenue (Non-EPS)	\$804,615	\$931,127	\$907,630	-\$23,497	-2.5%
Use of Fund Balance	\$0	\$829,333	\$770,000	-\$59,333	-7.2%
<b>Total</b>	<b>\$116,375,587</b>	<b>\$119,862,677</b>	<b>\$125,154,700</b>	<b>\$5,292,023</b>	<b>4.4%</b>

*\*Includes State-Approved Debt Service Reimbursement*

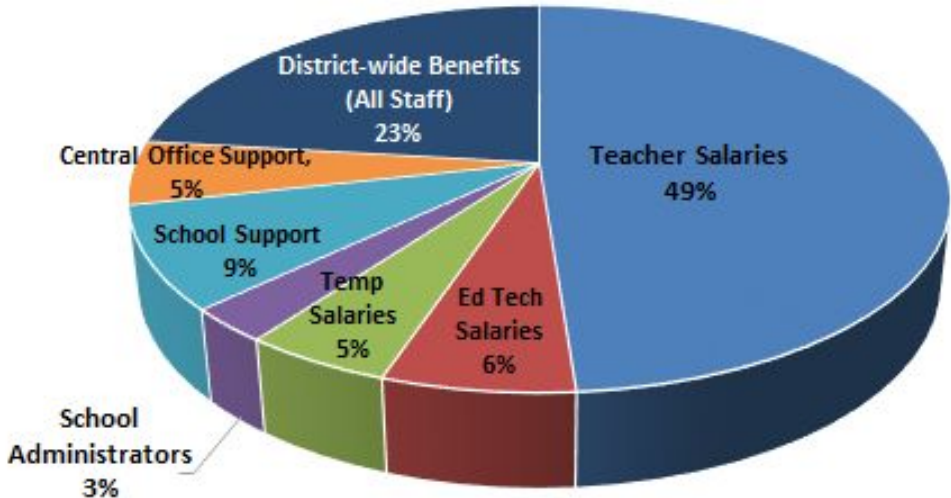
# FY22 Expenditure Budget: Expenditure Categories



Expenditure Categories by % of Total



# FY22 Expenditure Budget: Salary and Benefits Expenditures



# FY22 Expenditure Budget

	FY '20 Actual	FY '21 Approved	FY '22 Prelim School Board	\$ +(-)	% +(-)
Regular Salaries	\$65,954,066	\$67,529,023	\$71,262,140	\$3,733,117	5.5%
Temporary Salaries	\$4,575,298	\$4,781,794	\$4,888,605	\$106,811	2.2%
Benefits	\$21,376,767	\$22,225,714	\$22,896,665	\$670,951	3.0%
<b>Total Salaries &amp; Benefits</b>	<b>\$91,906,131</b>	<b>\$94,536,531</b>	<b>\$99,047,410</b>	<b>\$4,510,879</b>	<b>4.8%</b>
Contractual Services	\$7,745,615	\$8,995,732	\$8,892,111	-\$103,621	-1.2%
Utilities	\$1,854,633	\$2,279,760	\$2,147,562	-\$132,198	-5.8%
Supplies & Other	\$6,263,982	\$5,627,210	\$5,512,539	-\$114,671	-2.0%
Debt Service	\$7,879,775	\$8,423,444	\$9,555,078	\$1,131,634	13.4%
<b>Total Non-Salary</b>	<b>\$23,744,005</b>	<b>\$25,326,146</b>	<b>\$26,107,290</b>	<b>\$781,144</b>	<b>3.1%</b>
<b>Grand Total</b>	<b>\$115,650,136</b>	<b>\$119,862,677</b>	<b>\$125,154,700</b>	<b>\$5,292,023</b>	<b>4.4%</b>

# FY22 Expenditure Budget: Non Salary Expense Drivers

<b>Debt Service</b>	<b>\$1,131,634</b>
Other:	
Utilities - Natural Gas (-\$118K) & Electricity (-\$14K)	-\$132,198
Repair & Maintenance Services	-\$137,704
HVAC Maintenance	\$77,811
Property & Liability Insurance	\$81,795
Expired Computer Leases	-\$193,600
Capital Equipment (Food Service & IT Device Replacement)	-\$114,275
Special Ed Tuition & Contracted Services	\$65,380
<b>All Other: Subtotal</b>	<b>-\$352,791</b>
<b>Total</b>	<b>\$778,843</b>



## Budget Themes

New investments  
in the proposed  
budget





# FY22 Budget: Organizing Priority Themes

- ▶ Advancing equity in PPS
- ▶ Integrating innovations from COVID
- ▶ Rebuilding academic and social-emotional foundations post COVID



**FY22  
Budget:  
Total  
Proposed  
Investments  
in Budget  
By Theme**

**Finance Committee Recommended Budget**

Advancing Equity	\$2,418,995
Integrating Innovations from COVID	\$216,879
Rebuilding Foundations	\$274,778
Grand Total	\$2,910,652

**Updated: Preliminary School Board Budget**

Advancing Equity	\$2,400,127
Integrating Innovations from COVID	\$215,619
Rebuilding Foundations	\$273,400
Grand Total	\$2,889,146

*\*Difference of \$21,506 due to reduction of estimate for Health Benefits*



# Budget Priority

# Advancing Equity



# Budget Priority #1: Advancing Equity

- ▶ Continuing the PreK Promise by increasing seats and reducing barriers;
- ▶ Implementing elements of the Lau Plan to support students who are English Language Learners;
- ▶ Continuing to prioritize core instruction for equity and rigor:
  - Wabanaki and Africana Studies
  - Continuation of Math and *Literacy equity work*
  - *Implementation of the STEM Plan*
  - *Development of a formative assessment strategy*
- ▶ Increasing staff diversity & inclusion efforts:
  - Compensating identity-based work
  - Recruiting and supporting BIPOC educators
  - Career pathways



# Budget Priority #1: Advancing Equity

- ▶ Operationalizing structures to enable the district to recognize and redress harassment, sexual harassment and discrimination (ombudsman and school liaisons)
- ▶ Making key investments to support students with disabilities:
  - Autism continuum
  - Functional Life Skills program staffing for increased caseloads
- ▶ Supporting and Institutionalizing the district's equity work:
  - DEI Director on general fund



**FY22  
Budget:  
Advancing  
Equity in  
PPS**

Pre-K Promise Program Expansion	\$216,935
LAU Plan Implementation for ELL	\$1,026,793
Key Curriculum	\$103,327
Diversity Hiring and Support	\$398,807
Harassment Policy Implementation	\$120,968
Special Ed Program Support	\$414,165
Diversity, Equity and Inclusion Work	\$119,132
<b>Total</b>	<b>\$2,400,127</b>



**Budget Priority:**

# Integrating Innovations



# Budget Priority #2: Integrating Innovations

- ▶ Expanding and institutionalizing outdoor learning
- ▶ Supporting the integration of new technology based learning modalities and structures
- ▶ *Continuing the in-school substitute structure*
- ▶ *Retaining some level of “remote academy”*
- ▶ *Move to a remote central office operation*





**FY22  
Budget:  
Integrating  
Innovations**

Technology integration and support	\$122,560
Outdoor Learning	\$93,059
<b>Total</b>	<b>\$215,619</b>



## Budget Priority

# Rebuilding Foundations



# Budget Priority #3: Rebuilding Foundations

- ▶ Creating support structures to reconnect students to learning and community
  - Investing in physical and mental health (nursing and social work)
  - *Significant summer opportunities (district, school and community based)*



**FY '22  
Budget:  
Rebuilding  
the  
Foundations**

Physical and Mental Health (Nursing and Social Work investments)	\$273,400
--	-----------



# FY22 Budget: Physical and Mental Health

<b>FTE Additions</b>	<b>3.7 FTE</b>	<b>\$273,400</b>
<b>Non-FTE Additions</b>	<b>n/a</b>	<b>\$0</b>
<b>Reduced Costs</b>	<b>n/a</b>	<b>\$0</b>
<b>Total Budget Impact</b>		<b>\$273,400 or \$0.03 on the tax rate</b>

<b>Position</b>	<b>Location</b>	<b>Total Cost (Salary &amp; Benefits)</b>
<b>0.5 Social Worker</b>	<b>Casco Bay High School</b>	<b>\$36,343</b>
<b>0.2 Social Worker</b>	<b>Presumpscot</b>	<b>\$15,139</b>
<b>0.8 Social Worker</b>	<b>Talbot</b>	<b>\$75,758</b>
<b>0.5 Social Worker</b>	<b>East End</b>	<b>\$32,292</b>
<b>1.0 Social Worker</b>	<b>Lyseth</b>	<b>\$64,584</b>
<b>0.5 Social Worker</b>	<b>Reiche</b>	<b>\$32,292</b>
<b>0.2 Nurse</b>	<b>Lyseth</b>	<b>\$16,992</b>
<b>3.7</b>	<b>Totals</b>	<b>\$273,400</b>



**FY22  
Budget:  
Total  
Proposed  
Investments  
in Budget  
By Theme**

Advancing Equity	\$2,400,127
Integrating Innovations from COVID	\$215,619
Rebuilding Foundations	\$273,400
Grand Total	\$2,889,146



# Leveraging Federal Funding



# Federal Funding: **Impact Beyond FY21**

	<b>Budget</b>	<b>FY22</b>	<b>FY23</b>	<b>Available</b>
<b>ESSERF I</b>	<b>\$650,000</b>			<b>\$650,000</b>
Continuation of current custodian budget		-\$650,000	\$0	-\$650,000
<b>ESSERF I Totals</b>	<b>\$650,000</b>	<b>-\$650,000</b>	<b>\$0</b>	<b>\$0</b>
<b>ESSERF II</b>	<b>\$7,966,404</b>			<b>\$7,966,404</b>
Continuation of current custodian budget		-\$650,000	-\$1,350,000	-\$2,000,000
Additional Expenditures Earmarked for Federal Funding		-5,966,404		-\$5,966,404
<b>ESSERF II Totals</b>	<b>\$7,966,404</b>	<b>-\$6,616,404</b>	<b>-\$1,350,000</b>	<b>\$0</b>
<b>Both Federal Grants</b>	<b>\$8,616,404</b>	<b>-\$7,266,404</b>	<b>-\$1,350,000</b>	<b>\$0</b>



**ESSERF II  
FY '22  
Expenditures  
Currently  
Earmarked for  
Federal Funding**

<b>Advancing Equity in PPS</b>	Line totals	Subtotals
Academics - Curriculum Support	\$677,021	
Special Ed Program Support	\$161,082	
LAU Plan Implementation for ELL	\$49,500	
Accelerating Staff Diversity & Inclusion Efforts	\$27,000	\$914,603
<b>Rebuilding Foundations</b>		
Summer School (\$2,250,000 + \$136,960 removed from local)	\$2,386,960	
Hazard Pay & Benefits	\$167,625	
Spring On-Site Reopening	\$1,003,720	\$3,558,305
<b>Integrating Innovations from COVID</b>		
Dedicated Subs (estimate)	\$300,000	
Communications and Resource Development	\$96,709	
Technology integration and support	\$846,787	
Central Office Reconfiguration	\$250,000	\$1,493,496
<b>Planned FY'22 ESSERF II Expenditures</b>		<b>\$5,966,404</b>

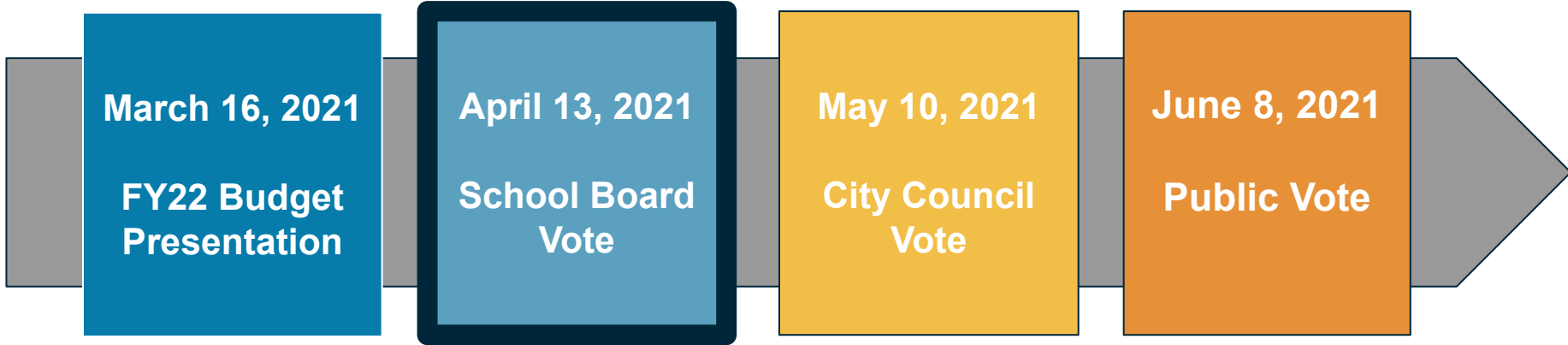


## ESSERF III: Preliminary Plans

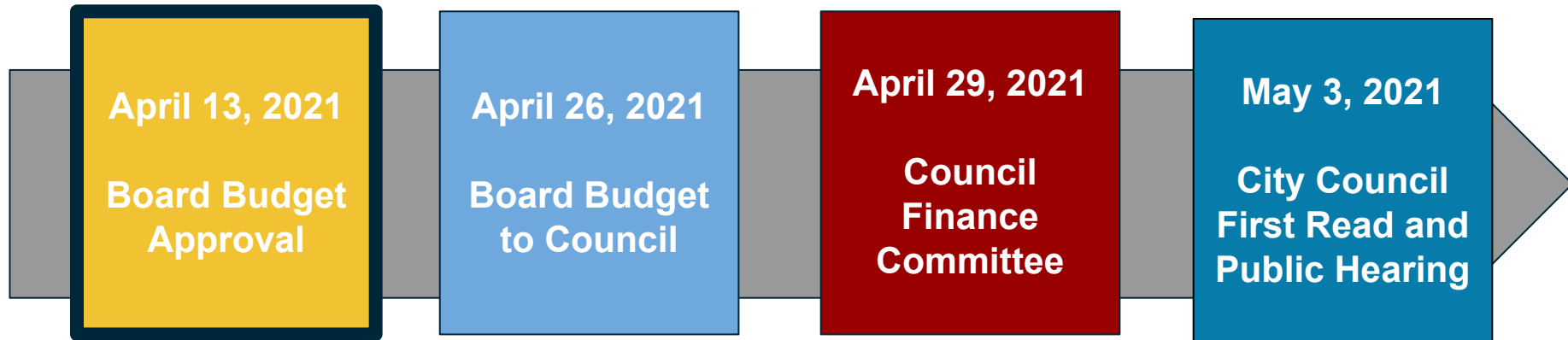
- ▶ District expects to receive additional ~\$18 million
  - Funds can be used through the summer 2024
  - Minimum of 20% to be used for “learning loss” recovery (required \$3.6 M; estimating \$7-7.5 M)
- ▶ Use funds to support school reopening in the fall (based on conditions as they come into focus)
- ▶ Propose using remaining in a participatory budgeting process to design community based sustainable investments aligned to Portland Promise goals



# FY22 Budget Timeline - Milestones



# Portland Public Schools FY22 Budget Timeline - Upcoming Dates



# Questions

