

A Summary for Increased Costs Predicted for FY 25 for items already in FY 24 Budget is below. I've provided a paragraph overview for each item to assist in better understanding what each item is and why the increased cost exists.

There are THREE major categories for these costs: Special Education, Technology/Facilities and then a miscellaneous category.

Special Education:

- **Maine Care SEED Increase - \$33,000.00.** About 14 years ago now the state of Maine changed its procedures for the payment of Maine care services for special purpose private schools. At that time, individual school systems were supposed to reimburse these special schools for their Maine care costs. So many schools were behind in these reimbursements that it threatened the ability for these special purpose schools to remain solvent. The state stepped in. When they did, the state basically "fronts" the money directly to the special purpose schools for these dollars and then charges us directly for it. Its a little more complicated than that, but that is the jist of it. Basically as costs to operate go up for special purpose schools and they have to bill for more services via maine care, our costs go up. We've seen these increases the past few years and are now calibrating our budget to reflect actual costs.
- **OOD Ed. Tech. - \$54,000.00.** OOD stands for out of district. We have a student at one of the special purpose schools mentioned above whose IEP now requires a one to one ed. Tech. As the resident SAU we are responsible to pay the costs for this Ed. Tech.
- **OOD Tuition - \$101,735.00.** This increase is due to the increased number of students who we anticipate requiring OOD placements in FY 25. Kathy will give more details in her presentation shortly on numbers.

Technology/Facilities:

- **Change in Tech. MOU with Town of Gorham - \$30,000.00.** The Town Manager has requested that we adjust our existing shared services agreement in place to provide technology support to the town via school technology personnel. Our existing MOU was for \$40,000.00. We are still working out the details, but we believe this could go down to \$10,000.00. The Town Manager is making this request because they have decided to hire an additional town only technology staff member and believe they will no longer need this level of support. The remaining support that will be paid will be for phones only.
- **Contracted Cleaning - \$72,000.00.** This increase is due to the already negotiated cost increases in the existing contract and to the increased square footage that will now need to be maintained at Narragansett Elementary School.
- **CIPS - \$90,000.00.** As it currently stands the requested CIPS projects total is \$90,000.00 more than last year's FY 24 budget. As we all know, this may not remain.
- **Utilities Costs - \$106,650.00.** This is due to increased overall costs of electricity as well as the increased square footage costs to operate the new modular wing at Narragansett

elementary school. Also, we noted that during last year's budgeting process, we somehow reduced Village Elementary School's electricity lines by \$30,000.00 when actual costs did not decrease by that amount.

The \$30,000 reduction we made late in the budget process was to show potential savings related to net energy billing credits. At the time, that amount was given to us as an estimate.

- **GHS Devices - \$127,392.00.** This is the annual cost for a lease agreement with Apple computer to replace the i pads at GHS. These ipads are in their 5th year of use at GHS and will be six years old next year. It is imperative that we replace them this year in order to get the maximum return on re-sale of existing machines.
- **Modular Leases - \$171,016.00.** This is the annual cost for the new modular lease agreement at Narragansett Elementary School. This new wing of modular classrooms will open this coming fall. These costs are reimbursed by the state at a rate of \$8.00 per square foot for the next five years.
- **Videography - \$25,000.00.** This is the costs associated with the videography work that is done each year at GHS and across the district by Adam Parvanta. Four years ago we had to move Adam's position to an hourly position. When we did, much of the work he had been doing "on the side" now became time that must be paid. We have monitored this for the past few years and am now ready to put a monetary value to it in our budgeting process. These projects are determined by school administration and have an overall hours limit placed on them to ensure that we will not go over this amount. This will allow us to maintain some of the great work that is done each year for things like our senior walk, graduation, athletic and/or theater and more.

Other:

- **AP Position - \$12,077.00.** Our current AP clerk in the business office who has been with our district for more than 25 years will be retiring at the end of this fiscal year. For the past 10 years or so this position has been a ½ position. A combination of the additional time required due to MUNIS implementation as well as the fact that a new person just won't be able to do all the things that our veteran position did in the same time frame, requires us to move this back to a full 40 hour per week position.
- **New Photo Copier Contract - \$81,993.00.** Five years ago we had put out an RFP for copier services. An up and coming company wanted to break into the market and provided an extremely low bid. Then COVID hit and this company is having difficulty staying a float and the services they are able to provide are greatly minimized in terms of quality. When we put this program out to bid five years ago the next closest competitor was \$70,000.00 more. We anticipate this gap to be even a little larger and are just trying to appropriately budget for what we anticipate will be a much larger expense as we put go out to RFP for these services later this spring.

Total increases in this category are: \$904,863.00