

Mescalonskee School District

Regional School Unit No. 18

Belgrade - China - Oakland - Rome - Sidney

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RSU 18 Board Resolution – 2010 Budget

To RSU 18 Board Members:

Per our previous conversations and information received from the State, we expect to be facing a significant curtailment in state education subsidy for this fiscal year. Maine is currently projecting **at least a \$200 million revenue shortfall** in the current biennial budget. Of this shortfall, we are anticipating that roughly \$78 million of this shortfall will belong to the Department of Education. It is anticipated that current year reductions in the Maine Department of Education budget will approach upwards of \$40 million. We have been working closely with Maine Department of Education and have been told to expect that this curtailment will be 1.4 times the curtailment amounts that were announced last year at this time. For RSU 18, this potential reduction in subsidy approaches \$525,000 (the 2009 subsidy reduction of \$295,404 MSAD47 & \$77,628 China times 1.4). These recommendations are being made prior to the getting an actual curtailment amount from the State. Acting on a curtailment amount at this time gives us eight months to achieve the necessary budgetary reductions, versus waiting to hear the actual curtailment amount in the next two or three months.

The RSU 18 Administrative Team has worked to identify how a curtailment of \$525,000 could be approached. The following principles were put together to help guide our decisions in finding possible budget reductions:

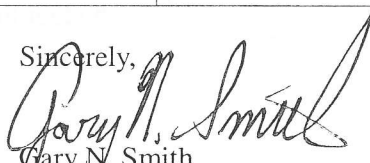
- minimize the impact on students;
- minimize the loss of jobs;
- cuts should be spread across/shared in all areas of the budget;
- cuts should be evolutionary versus revolutionary;
- maintain the bigger picture perspective on programming;
- use data (enrollment, facilities, other); and
- be aware of what our communities want.

Using the above criteria, the RSU 18 Administration has developed the following areas where we believe that reductions could be made. These reductions include:

Possible Areas to Achieve \$525,000 Reduction Goal			
Nbr	Area	Amount	Notes
1	Insurances	\$112,000.00	Savings in property, liability, and health insurances
2	Instructional Supplies	\$50,000.00	Roughly \$37M remaining for the year
3	Field Trips	\$10,000.00	There is roughly \$50,000 remaining in the budget for field trips at this point. It appears that this budget line may be under-funded.

4	Professional Development	\$0.00	<ol style="list-style-type: none"> 1. The professional development funds were moved to the federal stimulus dollars and are not in local dollars. 2. The plan is to allow staff to attend "free only" workshops and will for now pay for subs (no mileage reimbursements paid). Will reevaluate in February / March timeframe. 3. Note: Monies still exist for professional development via grant monies.
5	Tuition Course Reimbursement	\$25,000.00	Spend all remaining tuition reimbursement from federal stimulus funds.
6	Library Books	\$12,000.00	Still some funds remain for books \$2M
7	Maintenance Projects	\$40,000.00	Reduce/delay planned maintenance work
8	China Tuition Savings	\$50,000.00	Savings vs. budgeted. Anticipated savings in regular and SPED. Not using Area Resource Center assessment. Total Tuition budget approaches \$3MM. May need to reevaluate when State tuition rates are established.
9	Contracted Services	-\$10,000.00	<ol style="list-style-type: none"> 1. Web 2 School contracted service \$8M 2. Additional bus contracted services due to not hiring mechanic this year (+20M) 3. Central office consolidation costs savings \$2M
10	Staff Savings	\$196,000.00	<ol style="list-style-type: none"> 1. ESL savings China \$20M 2. Do not fill other ½ time China library ed tech \$16M 3. Defer hiring of a bus mechanic for this year \$40M 4. Defer China Schedule B (incentive positions) \$5.4M 5. Hiring budgeted vs. actual \$40M 6. Superintendent's salary \$5M 7. Transfer projected retirement to federal stimulus (requires like reduction in stimulus spending plan and would reduce books, supplies, prof. dev., etc.) \$69.6M
11	Savings in Heat and Electricity	\$20,000.00	Lowering of thermostats & energy savings
12	Printing Savings	\$5,000.00	Less printing/ copier maintenance savings
13	Additional Building-level Reductions	\$15,000.00	Additional building based reductions \$2-3M per building
	Total Projected Reductions	\$525,000.00	

Sincerely,



Gary N. Smith
Superintendent of Schools