

**REGIONAL PLANNING COMMITTEE
MINUTES
June 17, 2008**

Hugh Riordan, Superintendent of Schools for School Union 52 and a facilitator for the Regional Planning Committee (RPC), called the meeting of the RPC to order at 5:02 p.m. in the cafeteria at Vassalboro Community School in Vassalboro. He indicated that there would be a change in the agenda, as Senator Libby Mitchell would not be in attendance. Therefore, Item IV, Report on L.D. 1932 and Other Consolidation Bills and/or Regulations, would not be discussed this evening.

Those in Attendance: Larry Brown, Doug Carville, Charles Clark, Robin Colby, Elwood Ellis, Doug Eugley, Ralph Farnham, Jr., Lori Fowle, Jeffrey Frost, Monique Gilbert, Michael Heavener, Melanie Jewell, Dennis Keschl, Linda Laughlin, Michael McQuarrie, Robert Moreau, James C. Morse, Sr., Nora Murray, Wendy Nivison, Constance Packard, Donald Poulin, Hugh Riordan, Joel Selwood, Gary Smith, Jamie Soule, Gerald St. Amand, Jack Sutton, Lauchlin Titus, Laura Tracy, and Michael Tracy.

Elwood Ellis made a motion, and Lori Fowle seconded the motion, to approve the minutes of the May 1, 2008 meeting as printed. Motion carried.

Mr. Riordan noted that last week the China School Committee met and voted to continue discussions with the larger group (MSAD #47, Vassalboro and Winslow) in terms of consolidation. The Winslow School Committee has not yet met, nor has the Vassalboro School Committee.

Mr. Riordan noted that Gary Smith, Assistant Superintendent of Schools and Director of Business for School Union 52, has done some extensive work in terms of putting together a spreadsheet with various scenarios related to the variables and financial models for China, Vassalboro, Winslow and the Towns of MSAD #47 (Belgrade, Oakland, Rome and Sidney).

Gary Smith reviewed the MSAD #47 and School Union #52 financial planning models, noting the five major criteria that were considered when building the models. The criteria used were: (1) debt to Winslow High School, (2) teachers' salaries and benefits, (3) additional local fund cost sharing, (4) school choice assessment for China and Vassalboro, and (5) Erskine Academy bussing.

Ms. Smith shared with Committee members FY08 financial information, which included an RSU scenario where MSAD #47 and School Union #52 would assume local debt. The data was based on the current ED 281 from the Maine Department of Education. The data looks at what would happen to respective towns if the RSU assumes debt. Action at the recent Legislative session allowed school districts to come up with cost sharing options that allow them to look at certain things in plans and specifically come up with ways to share local funds.

Mr. Smith also reviewed the cost sharing options suggested by the Maine Department of Education, which include (1) town valuation, (2) student count, (3) population/census, (4) free/reduced lunch rate, (5) median income/market area data, (6) carry in agreed fixed percentage above EPS, (7) K-8 greater than EPS at Town and 9-12 greater than EPS at RSU, (8) combination(s) of options 1-7, and (9) combinations of above with/without local debt.

Mr. Smith reviewed various financial planning models for School Union #52 and MSAD #47. As an RPC, at a prior meeting, it was decided that the RSU would assume all purchasing agreements, as well as all revolving renovation fund loans. The only items in the debt scenario that were allocated differently were the \$6 million for Winslow High School and the \$82,000 Messalonskee Middle School debt service.

There have been many discussions regarding taking teacher salaries and benefits to the highest level among the districts. That piece will be decided through negotiations.

Reviewed were the options for the various financial planning models related to debt, salaries and benefits, additional local funds, school choice assessment, and Erskine Academy bussing.

Debt allocation options include:

1. attending high school enrollment;
2. percent of students in grades 9 through 12;
3. no debt sharing;
4. three-year phase, with 82% to Winslow in Year 1;
5. three-year phase, with 64% to Winslow in Year 2;
6. three-year phase, with 25% to Winslow in Year 3; and
7. debt share by Maine Department of Education (MDOE) cost share percent.

Options for allocation of costs for salaries and benefits include:

1. 100% each town cost,
2. 90% each town cost,
3. 80% each town cost,
4. 100% allocation by MDOE cost share percent,
5. 90% allocation by MDOE cost share percent, and
6. 80% allocation by MDOE cost share percent.

Options for allocation of school choice assessment include:

1. RSU rate vs. Erskine Academy rate (\$175 differential),
2. RSU and Erskine Academy \$100 differential tuition,
3. RSU and Erskine Academy \$200 differential tuition,
4. RSU and Erskine Academy \$300 differential tuition, and
5. Erskine Academy agrees to RSU rate.

Options for allocation of additional local funds (ALF) include:

1. SAD 51 model year 2 phase in (2/3 ALF, 1/3 student count),
2. SAD 51 model year 3 phase in (1/3 ALF, 2/3 student count),
3. allocation by three-year average ALF (2006-07, 2007-08, 2008-09),
4. year 1 phase in from three-year ALF average to 50/50 allocation student/valuation,
5. year 2 phase in from three-year ALF average to 50/50 allocation student/valuation,
6. year 3 phase in from three-year ALF average to 50/50 allocation student/valuation,
7. allocation by percent of population, and
8. allocation by percent town valuation.

Options for Erskine Academy bussing include:

1. assessment to service towns,
2. allocation by students in grades 9 through 12,
3. allocation by MDOE cost share, and
4. no RSU bussing.

Mr. Smith reviewed several scenarios for cost sharing. The first scenario is the “neutral case”, where there is no debt sharing, salaries and benefits would be at the highest level, years 1 through 3 based upon three-year ALF average, Erskine Academy agreeing to RSU tuition rate, and costs based upon assessments to towns. This scenario would have a \$0 impact on each of the towns of China, Vassalboro, Winslow, Belgrade, Oakland, Rome, and Sidney.

The next scenario was based on RSU Year 3 (three-year ALF average), with 25% of Winslow debt (75% remaining), 90% allocation of MDOE percent, years 1 through 3 based upon three-year ALF average, Erskine Academy agreeing to RSU tuition rate, and town cost based upon MDOE cost share. This scenario would have a financial impact on each of the towns as follows: \$6,164 increase to China, \$138,236 savings to Vassalboro, \$248,758 savings to Winslow, \$87,749 cost to Belgrade, \$72,938 cost to Oakland, \$50,659 cost to Rome, and \$64,317 cost to Sidney, for a total savings of \$105,167 to the RSU.

The next scenario was based on RSU Years 6+ (50% student count/50% valuation), with 25% of Winslow debt (75% remaining), 90% allocation of MDOE percent, Erskine Academy agreeing to RSU tuition rate, and town cost based upon MDOE cost share. This scenario would have a financial impact on each of the towns as follows: \$22,663 savings to China, \$49,885 increase to Vassalboro, \$454,337 savings to Winslow, \$102,549 savings to Belgrade, \$292,598 increase to Oakland, \$115,554 savings to Rome, and \$247,285 increase to Sidney, for a total savings of \$105,335 to the RSU.

Dennis Keschl noted that these scenarios review cost allocation, however, there is no discussion regarding savings for the RSU. He asked if this is this year’s 2008-09 budget and if those would be the savings based on that.

Gary Smith noted that there are no efficiency savings. In order to compare, everything was kept the same.

Mr. Keschl asked if costs would decrease if savings were realized.

Mr. Smith noted that they would. There is a lot of behind the scenes detail. For example, because SAD #47 is already a common group, there is a lot of commonality among the four towns that comprise that District. It is the hope that costs would be somewhere in the middle. Some are more conservative, and some are more liberal.

Constance Packard, Business Manager for MSAD #47, reviewed a spreadsheet with the 11 categories (cost centers) for funding for each of the SAUs. She noted that this is a piece that was started last year and updated to include the 2008-09 budget information. Data for the Waterville

Public Schools has been removed from the formulas. Data was collected from the ED 279 subsidy reports, using attending student numbers in most cases. In one case the resident numbers were used. For special education the numbers by towns were used. This includes most cost savings and is baseline information.

Dr. Morse noted that the information could be viewed in the focus of cost centers. As a result of an outgrowth of the work completed, efficiencies can be articulated. What is being presented to RPC Committee is the range in costs associated with various categories that need to be presented to the voters. The spreadsheet provides a sense of cost per student in the various categories, which may be viewed as ranges or as efficiencies. For example, based on the ED 279 information, the per student cost for regular instruction for Winslow is \$4,441, for China it is \$5,581, for Vassalboro it is \$5,235, and for MSAD #47 it is \$4,254. The cost per student in special education and for a range of youngsters needing services is \$12,856 for Winslow, \$9,937 for China, \$9,450 for Vassalboro, and \$5,851 for MSAD #47.

Jack Sutton noted that this information represents a tremendous amount of work and is an excellent foundation. Taking this as a foundation, how can this be used for potential savings? Are cost levels being held equal?

Jim Morse noted that this Committee has done work that would lead an RSU Board to some compelling investigations in terms of where the new school unit would be financially. They are not issues the RPC could articulate to the RSU Board. For example, look at cost per student for regular instruction. What is driving the cost? What is causing the efficiencies in Winslow as opposed to the two smaller communities? What is happening in relation to class size, programming, etc.? Once an RSU Board is elected, it can take this piece and start looking into it beyond the raw services of the comparison.

Dennis Keschl noted that this information provides the ability to identify potential efficiencies and where the RSU Board can find those efficiencies that, if applied across the RSU, might yield the greatest savings. It also provides information that will help the RSU Board identify what it wants for its students and schools, and how best to do what it wants at the lowest costs.

Jim Morse noted that some of the categories don't represent themselves to per student cost. For example, Mid-Maine Technical Center. What happens is the cost for that particular program is based on the number of students who register for that program. In MSAD #47 students are encouraged to enroll at Mid-Maine Technical Center. MSAD #47's enrollment at MMTTC for next year is up 20%, even though costs for educating vocational students will increase.

Connie Packard noted that some of what was done was to open a variety of measures for necessary student count. For example, transportation could have used annual miles or number of busses. Education could have used FTEs. The reason all student counts are not listed below every individual piece of the budget is because the numbers were not necessarily meaningful. There is a whole range of factors that could have been used; however, the numbers did not apply to every single category.

Jack Sutton said he would think that there is a stage between where the RPC is tonight and to deferring some action to a future board. It is unknown where the savings will be until the RSU

Board makes decisions. But we as an RSU can say to the new RSU Board this is the range. These are the areas you should be looking to.

Jim Morse noted that it can be said as an RSU Committee, based on the data seen, certain areas should be reviewed to see if there are greater efficiencies. A range of costs should be reviewed. What is causing this range? There should be identifiable savings.

Jeff Frost asked what the start-up costs would be for the RSU.

Jim Morse noted that in the District's draft budget for last year \$25,000 was included for start-up costs. Start-up costs involve a tremendous amount of legal advice in terms of contracted service employees, IRS issues, and contract language. It is no less complicated to merge programs in terms of curriculum, assessment and instruction issues. So, there is much work for teachers and administrators to do in terms of that piece. There will be an immense amount of work to marry four systems. That speaks to the issue of how much work there will be once the RSU is formed. There are expenses that will occur from 3 to 5 years into the work before there is a sense of a system that feels like it is merged.

Lori Fowle noted that when representatives of SU 52 worked through the financial information, they came to conclusion as to a place where they would like to be. Where would the RSU end up as a large group in terms of these worksheets?

Jim Morse asked the RPC if Gary Smith presented a model from which the group can work. Does this spreadsheet give us a vehicle to finally have a discussion regarding description of costs? As an interim step there should be another meeting with MSAD #47 and School Union #52 representatives. The RPC has been working on this issue for approximately one year. Gary Smith and Connie Packard have done a good job with the financial image. At this point the RPC would probably want to have a group of municipal and school leaders come together to work through a proposal to present to the entire RPC. It is known where all the issues are at this point.

Lori Fowle noted she would be in favor of putting together a subcommittee. The RPC needs to come up with a plan that may be presented to the respective School Committees to determine whether people are in agreement.

Jim Morse asked if the RPC were comfortable in forming a smaller group to work on a financial model that would work for both School Union #52 and MSAD #47.

Jack Sutton asked what the reasonable target for presenting this to the communities for approval is and what the timetable would be.

Jim Morse noted that the RPC may choose a time to present this to the voters sometime between now and January, with the final opportunity for voting in January. There may be three votes, if needed. He suggested a goal of November.

Charley Clark noted that the deadline for a November election would be 45 days prior to election.

Gary Smith provided the following deadlines.
August 25 – last day for plan to be submitted to the MDOE
September 8 – information to town clerks
October 2 – signing of election warrants

Lauchlin Titus made a motion, and Lori Fowle seconded the motion, that this RPC appoint a subcommittee that would consist of one member from each town (to be appointed by the people from the town), municipal officials, and school administrative officials. Motion carried.

The task of the subcommittee would be to review the various cost sharing financial models presented and determine a recommendation for the RPC.

A discussion ensued.

Joel Selwood made a motion, and Lauchlin Titus seconded the motion, that each Town through this process, come to conclusion as to what is acceptable to the Town, with the understanding that there has to be equity for all Towns. Motion carried.

School Union 52 representatives and MSAD #47 representatives will contact Hugh Riordan and Jim Morse by Friday, June 20, 2008, with names of representatives to serve on this subcommittee.

Linda Laughlin reviewed the vision statement for the RSU. The Educational Programming Subcommittee met and discussed feedback received from the RPC. This mission statement was developed by 45 people through the Future Search process. Most of the people represented these communities here. They are very versed in this statement, given the process they went through. Discussed were pros and cons as to how to use this vision statement in the future. The Educational Programming Subcommittee would like to recommend that the RPC suggest that the new RSU group consider this vision statement. If there are any comments that members of the RPC would like to make, those could be attached to the vision statement and then forwarded to the new RSU Board.

Linda Laughlin noted that the plan was to develop this vision statement and then proceed with strategic planning, developing goals and objectives to move this forward, with feedback from committee subgroups.

Nora Murray noted that at the last meeting of the RPC the Educational Programming Subcommittee asked members of the RPC to endorse the vision statement. That piece has been reviewed, and the Subcommittee is now suggesting that the Future Search Committee has the opportunity to present to the new RSU Board.

Linda Laughlin noted that the Subcommittee reviewed the vision statement and discussed advantages to educational programming as a result of consolidation, particularly student achievement and performance indicators.

Nora Murray reviewed the identified potential educational programming benefits developed by the RPC Educational Programming Subcommittee. These benefits (listed below) will allow for efficiency and strengthening of programming.

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- No school closures that would cause a disruption to the delivery of an educational program at a different facility
- Retention of experienced RSU teachers (1) if/ when faced with student population shifts; (2) by combining high school courses with lower enrollment; and (3) by contracts that bring equity in teacher salary/ benefits
- 45 RSU school community members have participated in the “Future Search” process resulting in a vision statement for the RSU board to consider; potential to impact 5,200 students (It was noted that Waterville representatives were included in the 45 members participating in the Future Search process.)
- the adoption of a common school calendar and a bell schedule that will allow for a greater number and diversity of course offerings through sharing of courses/ teachers.
- Sharing of staff expertise to support and provide quality professional development for all RSU staff
- The adoption of a common school calendar which allows coordination of quality professional development opportunities
- Purchasing power of curriculum materials by a larger group
- Equitable educational programming across all schools/grade levels
- Elimination of duplicate time and efforts involved in pre-k diploma curriculum and assessment development as we align with the revised Maine Learning Results: Parameters for Essential Instruction
- Elimination of duplicate time and efforts involved in overseeing grant management and state reports
- Combined NCLB grant funds allow a greater dollar amount with increased possibilities for programming/ professional development.
- Coordination of a common student assessment system that provides the technological infrastructure that will facilitate data analysis
- Shared coordination of a “new staff” induction program
- Coordination of Title IA elementary summer school that will provide equity in extended year services
- Replace special education outside contracted services with services provided by staff that bring more immediate services and knowledge of students/families
- Reallocation of special education program administrators’ responsibilities that have the potential for efficiency
- Elimination of duplicate time and efforts necessary for educational programming policy development
- Expansion of middle school and high school vocational/ technology related courses that will bring more relevance to the curriculum
- Sharing an increased number of print library resources available to teachers and students and consider library staffing efficiencies
- Technology efficiency that has the potential of cost savings and that allows for a reliable infrastructure, equitable services to students, staff expertise sharing, comprehensive offerings of services, on-line course offerings, professional development, Apple licensed repair person on staff, shared servers, etc.

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- Collaboration and coordination of extended day programming by sharing teacher expertise and resources
- Using collective expertise of an increased work force to problem solve the unique educational needs of RSU students

Jeff Frost noted that technology and teaching innovation enhance those types of activities.

Joel Selwood noted that there was always much excitement from various groups as to what the possibilities were and what they could do together as a combined resource, experience and ideas. It is not just about the money.

Linda Laughlin noted that the best model in the area is the vocational center. Programs that have been traditionally at the tech center may be available via satellite programming at the high schools. For example the pre-engineering program at Messalonskee High School could be accessed at Winslow High School. Are there ways that students' interests may be combined to allow a good program to survive?

Jack Sutton suggested a bullet point on the vision statement that might read, "balance these goals for educational excellence with the ability of the communities to pay and their shares of educational costs."

Lauchlin Titus made a motion, and Jeff Frost seconded, that this Regional Planning Committee endorse the regional vision statement as presented, as a body of work from the Future Search Committee, and that any addendum comments are welcome to be included in this statement.

A discussion ensued.

Lauchlin Titus made a motion, and Jeff Frost seconded, that the original motion that this Regional Planning Committee endorse the regional vision statement as presented, as a body of work from the Future Search Committee, and that any addendum comments are welcome to be included in this statement, be amended to read as follows.

"That this Regional Planning Committee consider the regional vision statement as presented, as a body of work from the Future Search Committee, and that any addendum comments are welcome to be included in this statement. Motion carried unanimously.

The next meeting of the Regional Planning Committee has not yet been scheduled as of this date.

Lori Fowle made a motion, and Jack Sutton seconded, that the meeting be adjourned.

Motion carried unanimously.

Time: 6:39 p.m.