



Regional School Unit 18

Belgrade China Oakland Rome Sidney

FY11 – Budget Presentation
March 3, 2010

***From my School Opening Presentation
Suggest that Two Major Rules Guide Us as we deal
with this financial Tsunami***

- ▶ Rule #1: We are here for the children.
- ▶ Rule #2: If we lose sight of Rule #1, we need to remember that it is, "All About the Children!"

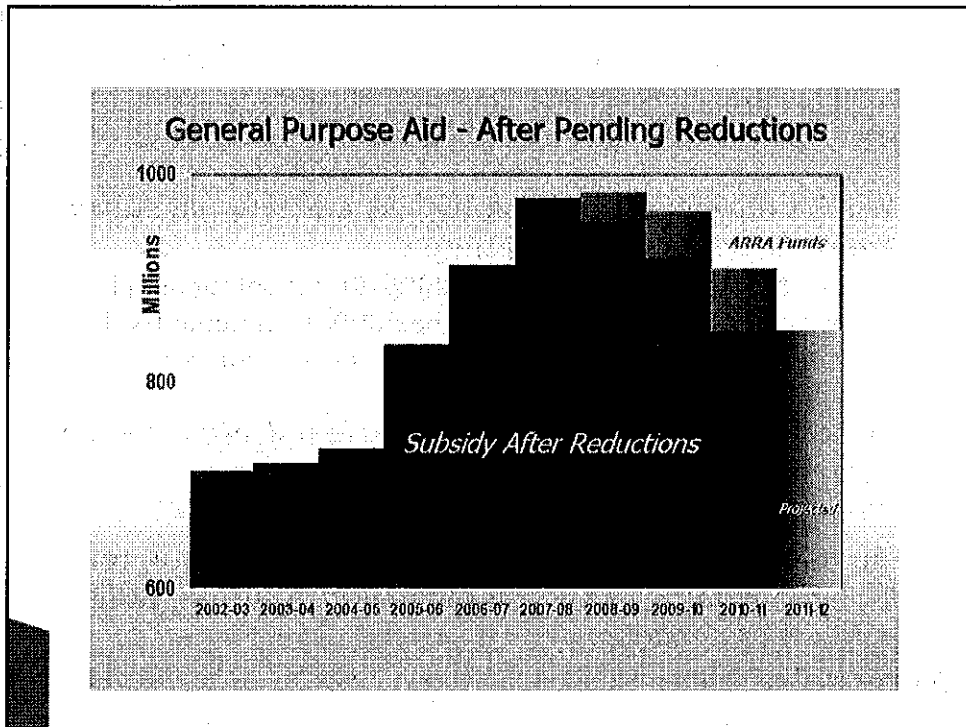
Tonight's Agenda

- ▶ The Big Picture
 - Step change in educational funding
 - Multi year perspective
 - Transition work
- ▶ Where the Budget Stands
- ▶ Additional Budget Considerations
- ▶ Budget Schedule

	State Subsidy	ARRA Funds	Original Total	Reduction	New Total	Comparison to 09-10 Original
2004-05	\$ 737m		\$ 737m			
2005-06	\$ 836m ¹		\$ 836m			
2006-07	\$ 914m		\$ 914m			
2007-08	\$ 978m		\$ 978m			
2008-09	\$ 984m	\$ 27m	\$ 984m			
2009-10	\$ 947m	\$ 55m ²	\$ 1,002m	\$ 38m ³	\$ 964m	(\$ 38m)
2010-11	\$ 987m	\$ 59m	\$ 946m	\$ 35m ⁴	\$ 911m	(\$ 91m)
2011-12 <i>(projected)</i>					\$ 862m	(\$ 150m)
2012-13 <i>(projected)</i>					\$ 862m	(\$ 150m)

Significantly Less State Funding for Education!!!

¹Maintenance of Effort (ARRA)
²Includes \$11.6 m in unexpended IDEA funds
³Governor's Curtailment = \$38.1 m
⁴Proposed reduction target = \$36.2 m



Taking Multi Year Perspective Educational Funding

- ▶ Previous Year – curtailment – reestablished with stimulus \$
- ▶ 2009–10 year – reduction of \$560,000
- ▶ 2010–11 year – \$1.2 Million
 - Consolidation Penalty \$ (7.09 vs 7.15 LME – \$130,000 est)
 - Improved Revenue Picture + \$78MM TBD (order of priority HHS, Transportation, Education?)
- ▶ 2011–12 year – ?
 - Factor in the loss of stimulus funding
- ▶ 2012–13 year – TBD

Taking a Multi Year Perspective Consolidation & Transitioning

- ▶ Will be receiving significantly less educational subsidy from the state for a long time
 - FY12 & FY13 projections are at 2005-06 school funding level.
 - It will take years to get back to the 2009-10 funding level.
 - Medicaid program changes may significantly reduce this funding source.
- ▶ Need to make our system as efficient & effective as can be (vs. other options)
- ▶ Combining two education systems takes time.
- ▶ 2010-11 will continue to be a transition year in terms of Organizational, Special education, Staffing, Budgets and other changes.

Current Year Budget (2009-10)

- ▶ Approved budget \$33.8 million
- ▶ Curtailment of \$560,000
- ▶ Worked as a team to identify ways to deal with revenue shortfall with minimal student and staff impact.
- ▶ Continuing to monitor, but we are on track for this year

Next Year's Budget (2010-11)

▶ Current Year Budget	\$33,809,299
▶ Principals' Budget	\$34,705,870
▶ Change	+ \$896,571 +2.7%
▶ Superintendent's Budget	\$33,353,008
▶ Change (vs. Principals' Budget)	-\$1,352,862 -4.0%
▶ Change (vs. Current Year)	- \$456,291 -1.4%
▶ The Budget Gap	\$375,816*

*To have a tax neutral budget for RSU18

▶ *NOTE: \$569,153 in supplemental budget requests did not get into this budget.*

Next Year's Budget (2010-11)

▶ The Budget Gap	\$375,816
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- ▶ Late Breaking News - ANTHEM Projected Increase 2%
(additional budget savings of \$200,000)
- ▶ Consolidation Penalty \$ Delay (estimate -\$130,000)

- ▶ **Possible options to deal with this gap**
1. Have identified some options that could offset this gap
 2. Pass along this gap as an increase to the RSU towns
 3. Reduction of staff positions
 4. Combination of above
 5. Other considerations

Next Year's Revenues – *Preliminary*

	Preliminary 2010-11	2009-10 Funding w/ proposed curtailment	Difference
Total Allocation	30,139,014	29,144,525	
State Contribution	15,555,886	16,693,493 16,134,501 -558,992	-1,137,607 & -73,881 Debt
Local Contribution	14,583,128	13,010,501	+1,527,627
Stimulus \$	950,462*	628,866*	

Notes: LME = 7.09 and may become 7.15 if penalty monies delayed (+/- \$130,770), Stimulus \$ part of state contribution total.

Next Year's Town Valuations

	2009 (used for FY11 EPS)	2008 (used for FY10)	Change
Belgrade	593,000,000	566,350,000	+4.71%
China	428,950,000	391,200,000	+9.65%
Oakland	471,800,000	443,650,000	+6.35%
Rome	315,850,000	286,350,000	+10.30%
Sidney	369,900,000	345,650,000	+7.02%
RSU18 Total	2.179 Billion	2.033 Billion	+7.20%
Kennebec State			+6.67% +1.13%

Next Year's Town Assessments

Budget = \$33,353,008 (3/3/10 Version)

	FY11 Proposed	Current Year	Change
Belgrade	4,779,440	4,651,032	+128,408
China	3,675,659	3,599,451	+76,208
Oakland	3,753,380	3,559,798	+193,582
Rome	1,641,874	1,816,150	-174,276
Sidney	2,961,764	2,809,874	+151,894
Totals	16,812,122	16,436,306	375,816

Next Year's Town Assessments

Budget = \$32,977,192 (Tax Neutral)

	FY11 Proposed	Current Year	Change
Belgrade	4,675,565	4,651,032	+24,533
China	3,584,223	3,599,451	-15,228
Oakland	3,681,186	3,559,798	+121,387
Rome	1,593,280	1,816,150	-222,869
Sidney	2,902,051	2,809,874	+92,177
Totals	16,436,306	16,436,306	0

Next Year's Budget (2010-11)

- ▶ Principles that have guided our work
 - Improve RSU 18's educational system.
 - Develop a 2-3 year strategy for this financial problem.
 - Maintain programming (as much as possible).
 - Minimize impact on class sizes.
 - Minimize RSU 18 Town tax burdens.
 - As cuts are made, consider the number of students impacted.

Next Year's Budget (2010-11)

- ▶ No Stone Left Unturned (NSLU)
- ▶ Looked at all components of the budget
 - Regular and Special Education
 - All Programs & Extracurricular
 - Facilities and Maintenance
 - Staffing - Administrative, Professional & Support Services
 - Additional Revenue opportunities

Next Year's Expenditure Budget

- ▶ Budget stands at \$33,353,008 (-1.3%)
- ▶ How did we arrive there:
 - Line by line review
 - Salaries and Benefits
 - No salary increases planned in budget (except ESP)
 - Health Insurance increase +7% - +2% (+\$200,000 savings)
 - Dental Insurance increase +10% (usage & higher ESP limits)
 - Staffing changes
 - ATW Grade 2 retirement - planned replacement
 - JHB Guidance position retirement - planned replacement
 - CPS/CMS - + ed tech for library & K-aides (RSU18 parity)
 - CPS/CMS - Secretaries to same pay scale as former MSAD47

Next Year's Expenditure Budget (cont.)

- Professional and Ed Tech Staffing
 - MMS - planned no replacement for English/LA (enrollment)
 - MHS - Guidance secretary - 2 PT to 1 6 hr. position
 - MHS - 2 Social Study retirements - planned replacement
 - Special Ed China - Reduce 2 Ed Tech positions (lower enrollments)
 - ELL (English Language Limited) new support model for higher projected enrollments
- Support Services Staffing
 - Central Office - Reorganize office functions and replace with revised Payroll/Benefits position.
 - Transportation - Change mechanic to diesel mechanic to save on higher cost contracted services.

Next Year's Expenditure Budget (cont.)

- China Secondary Tuition
 - Reduced tuition costs due to lower enrollment grades 9-12
- Other Items
 - Lease for energy project
 - Insurance bidding
 - Fuels bidding
 - Maintenance projects reduced (bond/RRF/QZAB?)
 - Cut 1 bus, 3 student vans, 1 truck.

Next Year's Expenditure Budget Additional Items for Consideration

- ▶ Local news shows across the state many school districts are dealing with the same or even more difficult choices on their budgets.
- ▶ Now presenting additional budget considerations for the Board to consider. Informational sheets have been put together to summarize these possible initiatives.
- ▶ These information sheets are being given to you this evening in order to prepare for an upcoming budget workshop.

Next Year's Expenditure Budget Possible Items for Consideration

1. Move Grade 5 from WES, JHB, BCS to MMS.
2. Close the Atwood School, moving them to Williams Elementary School.
3. Move China bussing to a one-tier bussing system.
4. Pay to Participate Extracurricular (Sports, Drama, Music, ...)
5. Evaluate District Administrative staffing.
6. Contract out for Food Services.
7. Consider Furlough days.
8. Better utilization of the Tapley building
9. Increase class sizes/adjustments for enrollment.

Budget Summary

- ▶ This has been an extremely difficult budget to prepare.
- ▶ Many hard reductions and difficult decisions to get to this budget presented tonight
- ▶ With that said:
 - Believe that we are positioned well to get through this
 - Need to continue to maintain a multi year perspective
 - Continue to work to get our system aligned with a lower state educational funding (for foreseeable future).
 - Support the transition work underway in RSU 18.

Budget Timeline

Date/Time	Meeting	Location	Note
March 3, 2010 7:00 p.m.	RSU18 Board Meeting	Central Office	Presentation of FY11 Budget
March 15, 2010 6:00 p.m.	Budget Workshop	Central Office	Review of Regular Instruction, CTE, Adult Ed, Debt Service
March 17, 2010 6:00 p.m.	Budget Workshop	Central Office	SPED, G&T, Other Inst, Trans, Summer School, Extracurricular
March 18, 2010 6:00 p.m.	Budget Workshop	Central Office	Student & Staff Support, Facilities, All Other, Sys Adm, School Adm
March 24, 2010 7:00 p.m.	Budget Workshop & Board Meeting	Central Office	Discussion of additional budget considerations
April 14, 2010 7:00 p.m.	Board Meeting	Central Office	Adoption of FY11 Budget by Board