

5.A.

**Regional School Unit No. 5**  
17 West Street, Freeport, Maine 04032



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**Durham**

**Freeport**

**Pownal**

TO: RSU5 Board of Directors

FROM: Shannon L. Welsh, Superintendent of Schools   
Kelly Wentworth, Director of Finance 

Date: January 9, 2013

RE: *State Subsidy Curtailment*

On December 27, 2012, Governor LePage announced that there would be \$12.58 million reduction in general purpose aid to schools for the current 2012-2013 school year. The anticipated impact to RSU5 is estimated at \$138,193. The Administrative Team met to consider all areas of the budget with the goal of saving positions and minimizing the impact to direct instruction of the students.

Areas of true recognized savings such as tuition costs, assessment fees to Region Ten Technical School, and budgeted sporting teams that had low participation numbers and were not funded were considered first. The Administrative Team then focused on areas such as capital project reserves, contingency funds, and professional services for legal and anticipated International Baccalaureate program funds which have not been pursued at this time.

We continue to work on district wide conservation efforts in areas such as heating, lighting and copy/print management. With the fiscal year at its mid point the only remaining discretionary funds were in the following areas: curriculum materials, supplies, books, and equipment. The Administrative Team worked collaboratively to come up with the following areas of anticipated reductions and savings throughout the district.

Tuition/Assessment Savings	\$33,000
Contingency	\$10,093
Books/Equipment/Postage/Supplies	\$24,700
Professional Services	\$20,000
Stipends/Game Officials/Dues & Fees	\$13,400
Capital Projects/Reserves	\$10,000
Curriculum Materials	<u>\$27,000</u>
Total Anticipated Reductions/Savings	\$138,193

Please let me know if you have any questions.

Thanks!