

*RSU No. 5
Durham – Freeport – Pownal
Board of Directors Budget
2009-2010*

June 16, 2009

Supporting Documents:

- 1 Stimulus Memo
- 2 Stimulus Budget
- 3 Budget Adjustments
- 4 Capital Improvement Plan
- 5 Debt Service
- 6 Enrollments
- 7 Tax Impact (With proposed legislation adjustment and additional carryover)
- 8-11 Warrant Articles

MEMO

To: RSU No. 5 Board of Directors
From: Diane Boucher, Business Manager
RE: State Fiscal Stabilization Funds / Stimulus Funds
Date: May 22, 2009

State Stabilization funds or Stimulus funds (\$620,207) have been separated from our general-purpose state aid. They are being received as part of the American Recovery and Reinvestment Act (ARRA). We are required to account for these expenditures separately, due in part to the use of these funds to help stabilize local budgets. This program is a new – one time appropriation from the US Department of Education. The development of this budget has been to allocate one- time expenditures from our total operating budget.

These funds are considered grant funds and you will be asked to approve a separate article for these expenditures. This is a Department of Education and Federal Government requirement that we pull out these funds and report them separately.

**RSU No. 5
Stimulus Budget
2009-2010**

<u>ACCOUNT NUMBER</u>	Description	<u>Proposed Budget 2009-2010</u>
CURRICULUM DEVELOPMENT		
100 0000 2210 1040	90 Curriculum Director Salary (Removed from Article 1)	\$ 30,000
IMPROVEMENT OF INSTRUCTION HIGH SCHOOL		
100 0000 2213 3000	30 Purchased Professional Services (Removed from Article 1)	\$ 8,000
CAPITAL IMPROVEMENTS		
100 0000 2690 8310	90 Capital Improvement Plan (Removed from Article 3)	\$ 90,750
REGULAR INSTRUCTION MORSE STREET		
100 1100 1000 1010	02 Teacher Salaries (Removed from Article 6)	\$ 39,063
REGULAR INSTRUCTION MIDDLE SCHOOL		
100 1100 1000 1010	05 Teacher Salaries (Removed from Article 6)	\$ 19,789
REGULAR INSTRUCTION HIGH SCHOOL		
100 1100 1000 1010	30 Teacher Salaries	\$ 21,405
100 1100 1000 1500	30 Stipends (Removed from Article 6)	\$ 12,000
SECONDARY TUITION		
100 1200 1000 5610	30 Secondary Tuition Paid to Other SAU (Removed from Article 6)	\$ 299,200
CONTINGENCY		
100 0000 0000 9000	90 Contingency (Removed from Article 6)	\$ 100,000
TOTAL STIMULUS BUDGET		\$ 620,207

The Department of Education requires districts to treat stimulus funds as grant funds. We are required to remove these funds from the 2009-2010 budget and report the expenditures separately

Budget Adjustments

Area	Reduction	Explanation / Reasoning
4/13/2009 - Adjustments		
Dental Insurance	\$ 9,500	Freeport's' rates were budgeted at 10% increase and actual increase is 0%
MVR10	\$ 5,190	Due to continual work on budget and pursuant reductions
Capital Improvement Plan Reductions	\$ 180,630	Cost reductions (revised quotes) and shift to 3 year lease purchase payment (1st year payment = \$81,120 approx) See revised capital sheet 4/15/09
Operation of Plant	\$ 7,200	Misc items will not be done due to future move (i.e., sweep parking lots, septic cleaning one time instead of 2 etc.
Debt Service Adjustments	\$ 29,379	Due to town reconciliation (Freeport)
Special Ed Out of District Placement	\$ 66,000	Funds will be used from IDEA
Contingency	\$ 134,636	Reduce Contingency to \$100,000
Reduction of Proposed Staff Positions	\$ 115,273	System - wide staff reductions 1 High School Teaching Position .4 Business Office Position 1 Ed Tech, Freeport Middle School .2 Foreign Language Position - Durham
Reallocate Every Day Math books and curriculum books	\$ 23,000	These material will come from the system- wide book replacement account
Total 4/13/09 Admin Reductions	\$ 570,808	
Further Budget Adjustments:		
Insurance	\$ 50,000	Based on Bid Results
MVR 10 Budget	\$ 5,859	MVR 10 Budget Reductions
Misc Reductions	\$ 4,681	Misc
Capital Improvement Plan Change	\$ (10,883)	Budget reduced but changed to a 2 year borrowing plan
Athletic Trainer	\$ 30,000	A trainer will not be provided this year
Business Office Benefits	\$ 19,285	Correction needed due to combining staff
Total Additional Adjustments	\$ 98,942	
Net Budget Reductions	\$ 658,867	

Capital Improvement Plan
2009-2010

Revised 5/22/09

Total Request \$ 181,500

Morse Street School

Bathroom Upgrades - Wing C \$ - *

Mast Landing

Mast Landing Roof Repairs \$ 55,000

High School

High School - Library Bathrooms *

High School Wiring Upgrade - NEASC Issue \$ 25,000

High School - Clock and PA System Upgrade \$ 20,000

High School - Roof Repairs - Weight Rm/Gym Storage \$ 37,500

Transportation

Pick-Up Truck Replacement \$ 16,000

Maintenance

Field Equipment - Replacement - 1 Mower \$ 16,500

Central Office

Central Office - Partial Roof Replacement \$ 6,500

Pownal Elementary

Buidling Repairs \$ 5,000

\$ 181,500
 Lease - Interest 2.80% estimated
 2 Year Payment (each year) \$ 92,003

* The RSU board is requesting that the town of Freeport make appropriate repairs using the town/ school reserve funds

	2008-2009	2009-2010	Difference	%
State Supported Debt Service				
Mast Landing				
Principal	\$ 275,000	\$ 275,000	\$ -	0.00%
Interest	\$ 49,844	\$ 29,906	\$ (19,938)	-40.00%
Durham Elementary				
Principal	\$ -	\$ -	\$ -	
Interest	\$ -	\$ 724,787	\$ 724,787	
Total State Supported Debt	\$ 324,844	\$ 1,029,693	\$ 704,849	216.98%
RSU Debt Service - Shared				
High School Renovations				
Principal	\$ 225,000	\$ 225,000	\$ -	0.00%
Interest	\$ 138,542	\$ 129,823	\$ (8,719)	-6.29%
High School Heating System Upgrade				
Principal	\$ 60,000	\$ 60,000	\$ -	0.00%
Interest	\$ 14,450	\$ 13,800	\$ (650)	-4.50%
High School Lighting Upgrade				
Principal	\$ 5,440	\$ 5,440	\$ -	0.00%
Interest	\$ 501	\$ 405	\$ (96)	-19.16%
Central Office				
Principal	\$ 12,500	\$ 12,500	\$ -	0.00%
Interest	\$ 8,106	\$ 7,606	\$ (500)	-6.17%
Total RSU Debt	\$ 464,539	\$ 454,574	\$ (9,965)	-2.15%
Non-RSU Debt Service - Not Shared				
Durham - Roof				
Principal	\$ 40,000	\$ 40,000	\$ -	0.00%
Interest	\$ 15,278	\$ 14,196	\$ (1,082)	-7.08%
Durham Elementary				
Principal	\$ -	\$ -	\$ -	
Interest	\$ -	\$ 88,972	\$ 88,972	
Sub-total Durham Debt	\$ 55,278	\$ 143,168	\$ 87,890	159.00%
Freeport Middle School Renovation/Addition				
Principal	\$ 157,000	\$ 157,000	\$ -	0.00%
Interest	\$ 92,906	\$ 86,234	\$ (6,672)	-7.18%
Freeport Middle School Siding				
Principal	\$ 52,433	\$ 52,433	\$ -	0.00%
Interest	\$ -	\$ -	\$ -	
Freeport Schools - Lighting Upgrade				
Principal	\$ 14,560	\$ 14,560	\$ -	0.00%
Interest	\$ 1,342	\$ 1,083	\$ (259)	-19.30%
Freeport Capital Improvement Plans 1998-2008				
Principal	\$ 105,606	\$ 47,804	\$ (57,802)	-54.73%
Interest	\$ 9,925	\$ 3,994	\$ (5,931)	-59.76%
Sub-total Freeport Debt	\$ 433,772	\$ 363,108	\$ (70,664)	-16.29%
Total Non-RSU Debt	\$ 489,050	\$ 506,276	\$ 34,452	3.52%
TOTAL DEBT SERVICES	\$ 1,278,433	\$ 1,990,543	\$ 712,110	55.70%

RSU No. 5
Enrollment Chart
by Grade
Estimated 2009-2010

	<u>Durham</u>			<u>Freeport</u>			<u>Pownal</u>		
	Teachers	Students	Class size	Teachers	Students	Class size	Teachers	Students	Class size
Early K		no program			no program		0.5	11	11
Kindergarten	3	54	18	5	85	17	0.5	14	14
Grade 1	2.5	43	17-18 *	5	80	16	1	17	17
Grade 2	2.5	36	14-15 *	4	72	18	1	17	17
Grade 3	2	45	22-23	4	86	19-20	1	17	17
Grade 4	2	32	16	4	78	19-20	1	13	13
Grade 5	2	42	21	5	86	19-20	1	11	11
Grade 6	2	42	21	5	91	18-19	1	12	12
Grade 7	2	36	18	5	82	16-17	1	14	14
Grade 8	2	37	18-19	4 (+ 1 full time ed tech)	100	20	1	15	15
Total K-8	20	367		41	760		9	141	

	Durham			Freeport High School			Pownal		
	RSU	Choice	Total	RSU	Choice	Total	RSU	Choice	Total
Grade 9	15	17	122	12	0	12	12	0	12
Grade 10	15	30	112	11	2	112	11	2	11
Grade 11	3	45	101	14	2	101	14	2	14
Grade 12	2	44	86	8	0	86	8	0	8
Total 9-12	35	136	421	45	4	421	45	4	45

includes Durham and Pownal RSU students

* 1 Multi-age classroom
** Multi - age classrooms

RSU No. 5 Tax Impact

With Pownal Proposed Valuation Adjustment (D Webster Legislature Bill) and Additional Carryover

Operating Budget with State Debt	\$	22,777,795	
Adult Ed Budget	\$	83,000	Local Portion only of Adult Ed budget
Stimulus Budget	\$	620,207	
Total RSU Budget	\$	23,481,002	
Less Non-Shared Debt	\$	(506,276)	
Less Additional Shared Revenue	\$	(96,532)	
Less Additional Assessment Durham	\$	(16,000)	High School Choice Transportation Assessment
Less State Aid	\$	(3,954,697)	* (Loss of \$518,028 in state subsidy over last year and Stimulus Fund budget)
Less State Aid - Debt Durham Elem	\$	(724,787)	
Less Stimulus Funding	\$	(620,207)	
Less Minimum Required	\$	(12,976,328)	*
Total other Revenue	\$	(18,894,827)	
Total Shared Budget	\$	4,586,175	
RSU Plan - Formula			
Durham	21.42%	\$ 982,359	
Freeport	65.98%	\$ 3,025,958	
Pownal	12.60%	\$ 577,858	
Total Shared Budget		\$ 4,586,175	

Durham Share 21.42%

RSU Plan	\$	982,359
State Minimum Required	\$	2,116,751
Non Shared Debt	\$	143,168
Assessment HS Choice Transportation	\$	16,000
Less Local Revenues (other)	\$	(498,210)

Tax Impact 2009-2010	\$	2,760,068
Town Assessed Value	\$	185,317,940

Tax Impact 2008-2009	\$	2,577,833
Difference	\$	182,235
		7.07%

\$98/ \$100,000 home*

Freeport Share 65.98%

RSU Plan	\$	3,025,958
State Minimum Required	\$	9,653,098
Non Shared Debt	\$	363,108
Less Local Revenues (other)	\$	(50,000)

Tax Impact 2009-2010	\$	12,992,164
Town Assessed Value	\$	1,546,890,774

Tax Impact 2008-2009	\$	13,103,577	Includes town debt
Difference	\$	(111,413)	
		-0.85%	

(\$7)/ \$100,000 home*

Pownal Share 12.60%

RSU Plan	\$	577,858
State Minimum Required	\$	1,206,479
Non Shared Debt	\$	-
Less Local Revenues (other)	\$	(129,021)

Tax Impact 2009-2010	\$	1,655,316
Town Assessed Value	\$	72,408,480

Tax Impact 2008-2009	\$	1,314,509
Difference	\$	340,807
		25.93%

\$471/\$100,000 home*

* Estimated
6/10/09

**WARRANT TO CALL REGIONAL SCHOOL UNIT NO. 5
BUDGET MEETING
(20-A M.R.S.A. §1485)**

TO: Donelle Nielsen, a resident of Regional School Unit No. 5 (the "Regional School Unit") composed of the Towns of Durham, Freeport and Pownal, State of Maine.

In the name of the State of Maine, you are hereby required to notify the voters of each of the municipalities within Regional School Unit No. 5, namely, the Towns of Durham, Freeport and Pownal, that a Regional School Unit Budget Meeting will be held at Freeport High School, 30 Holbrook Street, Freeport, Maine at 6:00 p.m. on June 16, 2009 for the purpose of determining the Budget Meeting articles set forth below.

ARTICLE 1A: To elect a moderator to preside at the meeting.

**ARTICLES 1 THROUGH 11 AUTHORIZE EXPENDITURES IN COST
CENTER CATEGORIES**

ARTICLE 1: To see what sum the Regional School Unit will be authorized to expend for Student and Staff Support.

Regional School Unit Board Recommends \$ 1,849,402.00

ARTICLE 2: To see what sum the Regional School Unit will be authorized to expend for School Administration.

Regional School Unit Board Recommends \$1,170,826.00

ARTICLE 3: To see what sum the Regional School Unit will be authorized to expend for Facilities Maintenance.

Regional School Unit Board Recommends \$2,693,550.00

ARTICLE 4: To see what sum the Regional School Unit will be authorized to expend for Career and Technical Education.

Regional School Unit Board Recommends \$285,540.00

ARTICLE 5: To see what sum the Regional School Unit will be authorized to expend for All Other Expenditures.

Regional School Unit Board Recommends \$280,102.00

ARTICLE 6: To see what sum the Regional School Unit will be authorized to expend for Regular Instruction.

Regional School Unit Board Recommends \$ 9,809,287.00

ARTICLE 7: To see what sum the Regional School Unit will be authorized to expend for Other Instruction.

Regional School Unit Board Recommends \$513,329.00

ARTICLE 8: To see what sum the Regional School Unit will be authorized to expend for System Administration.

Regional School Unit Board Recommends \$639,276.00

ARTICLE 9: To see what sum the Regional School Unit will be authorized to expend for Transportation and Buses.

Regional School Unit Board Recommends \$1,132,948.00

ARTICLE 10: To see what sum the Regional School Unit will be authorized to expend for Debt Service and Other Commitments.

Regional School Unit Board Recommends \$1,361,899.00

ARTICLE 11: To see what sum the Regional School Unit will be authorized to expend for Special Education.

Regional School Unit Board Recommends \$3,041,636.00

**ARTICLES 12 THROUGH 14 RAISE FUNDS FOR THE
PROPOSED SCHOOL BUDGET**

ARTICLE 12: To see what sum the Regional School Unit will appropriate for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and to see what sum the Regional School Unit will raise and assess as each municipality's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688. **Recommended amounts set forth below:**

Total Appropriated (by municipality):	Total raised (and Regional School Unit assessments by municipality):
Town of Durham: \$ 5,780,164.37	Town of Durham: \$2,116,751.00
Town of Freeport: \$10,635,158.42	Town of Freeport: \$9,653,098.00
Town of Pownal: \$ 1,780,116.59	Town of Pownal: \$1,206,479.00
Regional School Unit Total Appropriated	Regional School Unit Total Raised:
(Sum of above) \$18,195,439.38	(Sum of above) \$12,976,328.00

Explanation: The Regional School Unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that the Regional School Unit must raise and assess in order to receive the full amount of state dollars.

ARTICLE 13: To see what sum the Regional School Unit will raise and appropriate for the annual payments on debt service previously approved by the Regional School Unit voters for non-state-funded school construction projects, non-state-funded portions of

school construction projects and minor capital projects in addition to the funds appropriated as the local share of the Regional School Unit's contribution to the total cost of funding public education from kindergarten to grade 12.

Regional School Unit Board Recommends \$960,850.00

Explanation: Non-state-funded debt service is the amount of money needed for the annual payments on the Regional School Unit's long-term debt for major capital school construction projects and minor capital renovation projects that are not approved for state subsidy. The bonding of this long-term debt was previously approved by the Regional School Unit voters.

ARTICLE 14: (Written ballot required). To see what sum the Regional School Unit will raise and appropriate in additional local funds (**Recommend \$4,064,602.00**), which exceeds the State's Essential Programs and Services allocation model by (**Recommend \$3,642,589.00**) as required to fund the budget recommended by the Regional School Unit Board.

The Regional School Unit Board recommends \$4,064,602.00 for additional local funds and gives the following reasons for exceeding the State's Essential Programs and Services funding model by \$3,642,589.00: **The State's Essential Program and Services funding formula is a minimum model to support education in grades K-12. RSU No. 5 provides additional funds to support lower student / teacher ratios, additional co-curricular activities in addition to complete educational programs for all our students.**

Explanation: The additional local funds are those locally raised funds over and above the Regional School Unit's local contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state funded debt service that will help achieve the Regional School Unit budget for educational programs.

ARTICLE 15 SUMMARIZES THE PROPOSED SCHOOL BUDGET

ARTICLE 15: To see what sum the Regional School Unit will authorize the Regional School Unit Board to expend for the fiscal year beginning July 1, 2009 and ending June 30, 2010 from the Regional School Unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, non-state-funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690, unexpended balances, tuition receipts, state subsidy and other receipts for the support of schools.

Regional School Unit Board Recommends \$22,777,795

ARTICLE 16 AUTHORIZES EXPENDITURE OF GRANTS AND OTHER RECEIPTS

ARTICLE 16: In addition to amounts approved in the preceding articles, shall the Regional School Unit Board be authorized to expend federal stabilization funds and such other sums as may be received from federal or state grants or programs or other sources during the fiscal year for school purposes, provided that such grants, programs or other sources do not require the expenditure of other funds not previously appropriated?

Note: It is currently estimated that the Regional School Unit Board will receive \$620,207.00 in federal stabilization funds, which are included in the expenditures authorized by this article.

**ARTICLE 17 AUTHORIZES THE ADULT EDUCATION PROGRAM AND
RAISES THE LOCAL SHARE**

ARTICLE 17: To see if Regional School Unit No. 5 will appropriate \$142,121.00 for adult education and raise \$83,000.00 as the local share; with authorization to expend any additional, incidental, or miscellaneous receipts in the interest and for the well-being of the adult education program.

**ARTICLE 18 AUTHORIZES THE CAREER AND TECHNICAL REGION
BUDGET**

ARTICLE 18: Shall the regional career and technical education operating budget as approved by the cooperative board for the year beginning July 1, 2009 through June 30, 2010 be approved in the amount of \$1,781,284.00?