

School Administrative District No. 53

293 Hartland Avenue Pittsfield, ME 04967

(207) 487-5107

Fax: (207) 487-6310

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Excellence in Education

Michael A. Gallagher
Superintendent of Schools

Budget/Finance Committee
Minutes
3/8/2011

Members in attendance: J. Laux, M. Hodgins, M. Brooks; Business Manager, L. Glidden and Superintendent Gallagher

Item 1. Review of other areas of impact to the budget –

- a. Oil pricing – The committee was provided with a spreadsheet of oil pricing and use during from 2007-08 through the current use this year. Pricing and use fluctuated district wide during these years as follows: 2007/08 - \$1.9790

oil	2007-2008	2008-2009	2009-2010	2010-2011 YTD
Price/gallon	\$1.979	\$3.35	\$2.287	\$2.546
Gallons	41,163.8	29,300.5	31,149.2	23,940.9
Total cost	\$81,262.79	\$98,156.68	\$71,238.22	\$60,953.52

For the 2011-12 budget an amount of \$2.75 was budgeted. On March 8, 2011 the lock in price was \$3.45. If this price was accepted the short fall in the budget with the approximate use district wide would be \$21,478.

Mrs. Glidden explained that she calls periodically to get the daily price, follows trends of oil pricing and relies on suppliers who call her if the prices drop significantly. The current supplier is A.E. Robinson. They have provided the district with heating oil for the last several years with the best pricing.

- b. Health insurance – Wellness impact on premiums – The district employee health insurance is with Anthem. This is spelled out in the collective bargaining agreements for the teachers and the support staff. All others not covered by collective bargaining agreements who qualify for health insurance are covered by Anthem as well. Anthem has a lock on all employees who would retire into the Maine State Retirement System with particular requirements. (At least five years of Anthem coverage and in the program at least twelve months prior to retirement.)

Superintendent Gallagher shared that he has posed the question to Anthem about reducing health insurance premiums based on a district wellness program. Currently Anthem is running a program that encourages physical

activity. Employees covered under Anthem can submit their workout program and earn up to \$150 cash for their accomplishments.

- c. Disability insurance – Mrs. Glidden is exploring different costs with different providers of disability insurance.
- d. Partnering with neighboring districts for purchasing – Neighboring RSU#19 would allow us to join in their purchasing. However, Mrs. Glidden shared that she shops for pricing with the same vendors as RSU#19 and receives competitive pricing.
- e. Re-organization of administration – Superintendent Gallagher shared the responsibilities assumed by the district administration when Mr. Kane went out on disability. He also shared the rationale of employing a principal for Warsaw.
- f. Salary – Mr. Brooks and Superintendent Gallagher shared recommended increases for administrators Shorey and Miller. These increases were based on reviews of other individuals serving in the same positions in this region as well as performance. The recommended increase for Mrs. Shorey of 5.7% will bring her salary to a level near the regional average. The recommended increase for Mrs. Miller was 2%. Mrs. Anderson’s salary and the salary of the new middle school principal were not changed. No recommendation was made for the Superintendent’s salary.

Item 2. Budget Calendar – The original budget adoption calendar was reviewed. The committee will conduct the board workshop on March 14 at 6:00 P.M. The committee will meet on March 22 and March 29 to prepare the budget based on the input by the full board. The Board will review the budget again at the April Board meeting and if necessary again at a Special Board meeting on April 11. It is anticipated that the final state revenue figures will be available prior to the May Board meeting and if so the budget is scheduled to be adopted at the May Board meeting.

With no other business before the committee, the meeting adjourned at 6:00 P.M.

Respectfully submitted,

Michael A. Gallagher