

# School Administrative District No. 53

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Burnham

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**Excellence in Education**

Michael A. Gallagher  
Superintendent of Schools

## Budget/Finance Committee

Minutes

2/23/10

Members in attendance: B. Poirier, J. Laux, M. Hodgins, Administrators L. Glidden, F. Anderson, S. Nevens, S. Shorey, A. Miller and Superintendent Gallagher

Item 1. Review of January 2010 Expenditure Report –Mrs. Glidden distributed the expenditure report information which indicated six new over expenditures of budget lines occurred since the last report. Professional development is now over budget by \$1,451.35 at the Burnham Village School; custodial supplies is over by \$163.00 at Burnham Village School; Library books are over by \$964.00 at Vickery; instructional books is over by \$557.00 at Warsaw; unemployment is over by \$3.00 at the Supt. Office and Dues and Fees are over by \$208.00 in Special Education. Over expenditures increased to \$467.00 at the Supt. office for Life Insurance and the tutoring at the secondary level increased to \$3,281. Explanations were provided for the reasons for the over expenditures.

Item 2. Review of Monthly Budget Calculations chart - As of January 30, 2010, 54.75% of the total budget has been expended in comparison to 54.39% expended at this same time last year. This is also in comparison to 53.20% in FY'08 and 51.79% in FY'07. It was noted that the percent of expenditure at the end of January was much more in line with previous years, than was the end of December percentage expended. This was good news.

Item 3. Review of Budget Summary page with estimated revenues etc. – According to the preliminary state revenues, it is estimated that the district will receive \$5,582,189, which includes \$182,425 in penalties for non-consolidation. This is \$526,392.43 less state revenue than the current year. The amount that needs to be raised locally in order to receive the state revenues is \$2,940,179.89 which is \$509,387.89 over what needed to be raised this current year as the local share. Debt Service of \$249,649.68 is \$3,693 less than what had to be raised this current year and estimated additional revenues of \$125,000 are less than this current year by \$62,000. Designated fund balances being carried forward are approximately the same as this current year \$19,000 and may be able

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to be increased slightly, while undesignated fund balances of \$350,000 are \$200,000 less than they were this current year. Therefore with the expenditure budget of \$10,367,561.00 the additional local funding increased from \$627,739.24 to \$1,101,542.25 and increase of \$473,803.01. By adding all the local costs together – local assessment, debt service and additional local funding, the total of local assessments for next year's budget would be \$4,291,371.82 which is \$979,497.30 more than this current year. This represents a district wide increase of 29.58% to taxes. Increases vary by town from a Pittsfield's increase at 28.63% to Detroit's increase of 35.27%. Of course the expenditure budget, although it only increased by \$190,304.87 or 1.84%, will need to be reduced. Without the penalty the difference between the current budget year local contribution and next year's budget would be \$797,072.30.

Item 4. Determinations about ideas for FY'11 cost reductions – The committee reviewed the cost reduction ideas shared publicly. After much discussion about these options the committee recommended that the full Board consider all of the reductions except Adult Ed at the March 1, 2010 school board meeting. Adult Ed. at this time will continue in the budget. With these estimated reductions of \$316,000 from the expenditure budget, it would reduce the local taxes for education to \$481,072.30 or a 14.53% increase over this current year.

Item 5. Review of more ideas for FY'11 cost reductions – A lengthy discussion occurred about how else the budget could be reduced. The ideas included reductions in positions that would not impact student programming, but could be better classified as efficiencies, and other adjustments that could be made with some direct impact on programming for students. These ideas will be further explored by the administration and by the budget committee prior to being presented to the full board.

The committee then discussed the possibility of raising taxes which resulted in a determination that the perhaps taxes would need to be raised for education up to approximately 4% over the current year assessments.

With no other business before the committee, the meeting adjourned at 7:30 P.M.

Respectfully submitted,

Michael A. Gallagher