

School Administrative District No. 53

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Excellence in Education

Michael A. Gallagher
Superintendent of Schools

Budget/Finance Committee
Minutes
March 23, 2010

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

Item 1. Review of Budget Summary page as a consolidation conforming district with new funding amounts and 316,000 reduction – A review of the Budget Summary page with new revenues projected by the state and with the reduction of \$316,000 from the expenditure budget resulted in an increase to taxes district wide of 8.22% which is \$272,000 more than the current fiscal year budget. Superintendent Gallagher also explained that there was a reduction of approximately \$5,000 in “additional revenues estimated” from \$85,000 to \$80,000. This adjustment was made because of lower projections for Medicaid funding.

Item 2. Review of Budget Summary page as a consolidation conforming district and 4% increase to taxes – The next Budget Summary page reviewed by the committee using the new budget figures provided by the DOE indicated that there would need to be another \$139,612.97 reduced from the expenditure budget beyond the \$316,000 already cut in order to achieve a 4% increase to taxes district wide. A 4% increase to taxes amounts to \$132,474 new dollars raised locally. This reduction would lower the expenditure budget to \$9,911,948.03 which is \$265,308.10 less than this current fiscal year expenditure budget. Superintendent Gallagher also pointed out that because the district is now being treated as a conforming school district regarding the consolidation law, the local assessment amount to be raised in order to obtain the state subsidy, was decreased by \$220,000. Although this is good news, it simply adds to the Additional Local Funds in order to support the district’s expenditure budget. Of note however, is that by obtaining a 4% increase to taxes district wide, the additional local funds raised would actually decrease by \$94,000 less than they are this current fiscal year.

Item 3. Review revised list of ideas for FY ’11 cost reductions/additions – The committee then reviewed a list of ideas to consider for elimination from the budget in order to achieve a tax increase no greater than 4%. The committee determined after reviewing the list of personnel reductions as well as additional cost savings in

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transportation that they wished to consider adding after school buses, two per day, for three days a week to provide after school programming for students that have needs in the areas of math, reading and writing. The estimated expense for the buses was calculated by determining that the buses would travel 100 miles in total per day at the current contract rate of a \$1.75 per mile for 3 days a week for 35 weeks per year which amounted to an expenditure of \$18,375. The committee and administration discussed the ideas and made the determination to move forward with the recommendations inclusive of adding expenses for the “after school” buses. This still leaves a gap of approximately \$5,000 to close in order to achieve a 4% increase to taxes.

Item 4. Other - Superintendent Gallagher shared two other items with the Budget Committee. The first item was a handout showing the state and local funding history updated from a previous rendition. The update included increases in state funding for the FY’11 budget year. Of note is that the amount of local funding, if approved at a 4% increase, which would add \$132,475 more in local funding from the current fiscal year, would resulting in an increase of \$14,354 over the amount that was raised locally for the 2000-2001 fiscal year budget.

Superintendent Gallagher distributed the District Budget Calendar that covered dates for different events that would occur through to the District Budget Validation Referendum on June 10, 2010. The calendar was inclusive of a March 30, 2010 Budget/Finance Committee meeting to complete another review of the entire budget, however it was determined that that meeting was unnecessary for a fourth review of the budget but will still be held for the regular review of expenditure budget in preparation for the April 5, 2010 Board meeting. At the April 5th board meeting the Budget Committee will share the new ideas for additional reductions and additions discussed at the March 23rd meeting. This would necessitate a special Board meeting to review the budget for its first reading April 12th so that the Board could approve a budget on May 3, 2010. This will set in motion the required steps toward the completion of determining the fiscal year budget for 2010-2011.

Being no further business the committee adjourned at 5:50 p.m.

Respectfully Submitted,

Michael A. Gallagher