

# STATE REDUCTIONS IN SUBSIDY AND ITS IMPACT

DECEMBER 3, 2008

# **MSAD #15, WE HAVE A CHALLENGE!**

On Friday, November 21, MSAD #15 was informed by the Commissioner that our current 08-09 school budget will be impacted by a reduction of \$300,696 in promised state subsidy.

# MULTI-YEAR ECONOMIC PROBLEMS

- Due to the state of the economy the \$300,696 reduction of subsidy may be the first in the line of “cuts” in subsidy.
- MSAD #15 must prepare for a possible additional reduction of subsidy during the 08-09 school year as well as the next two years.
- MSAD#15 must also pay \$400,000 through the 2008-2009 budget for expected renovation change orders due to the High School Renovation.

# MULTI-YEAR ECONOMIC PROBLEMS

These are extraordinary times and MSAD #15 must “tighten its belt” to withstand the financial challenges of the next two years and continue to offer a quality educational experience for our students. I am confident in our ability to be the creative problem-solvers needed to make progress toward our vision and mission: “preparing all students for their next step”.

# **WE KNOW HOW TO BE PROBLEM-SOLVERS!**

**Over the past six years, MSAD #15 used its financial resources to make significant progress toward**

- **Higher student achievement**
  - **Grades 3-8 meets/exceeds in Reading**
  - **Grades 3,4,5,7,8 meets/exceeds in Math**
- **Improved instructional programs**
  - **All Day Kindergarten**
  - **K-12 Spanish (K,1,6,7,8,9,10,11,12)**
- **Efficient infrastructure**
  - **Technology**
  - **Transportation-Buses are being replaced on schedule.**
- **Renovated and upgraded buildings.**

# We Will Continue to Use our Resources Wisely

The communities must come together and help MSAD #15 make the right decisions about the reductions of resources. We must emerge from the next several years intact. We cannot make choices that will cause our District to regress. We remember lower student achievement, neglected buildings, and poor self-esteem. We know how to make decisions that will move us forward even in the leanest of times. That is our challenge!

# PHASE I OF THE 08-09 REDUCTION IN SUBSIDY

We know that MSAD #15 must find a reduction of \$300,696 in the current 2008-2009 budget. Due to the fact that this is November, approximately 1/3 of the budget has been expended. The administrative team looked for reductions from a smaller list of options than would have been available in July 2008.

# Phase 1 Recommendations

- The Administrative Team met several times in November and made the following recommendations to meet the \$300,696 reduction in the current 08-09 school budget.

# Phase 1 Recommendations

- Elimination of classroom field trips \$ 15,000
- Technology Spending \$150,000
- Copier Lease +Printers \$102,000
- Staff Professional Dev. \$ 40,000
- Psychologist Consult \$ 6,400
- Girls Freshman BB \$ 4,050
- TOTAL \$317,450

# Phase 1 Recommendations

## Technology Impacts

Funds will remain in repair, school printers, and supply lines to continue basic services for the 08-09 year.

Approximately \$44,000 in E-Rate money will supplement the technology 08-09 budget.

## Technology reductions include

- Savings from summer salaries and benefits
- Elimination of any equipment purchases unless a replacement is needed (servers, computers, printers etc.)
- Professional Development



# PHASE II

- **MSAD #15 must be prepared for another round of subsidy cuts for the 08-09 school year.**
- **Administration will spend on an “as needed” basis for the remainder of the 08-09 school year in order to meet future subsidy reductions. We must be proactive and save money now when 60% of our money remains. Administrators are reviewing discretionary lines (equipment, supplies, books) and are determining what percentage must remain to fund purchases to keep the instructional programs intact.**

# QUESTIONS TO GUIDE OUR WORK

- **How do we use our vision and mission to support decisions on restructuring and possibly downsizing of programs?**
- **How will we involve staff, parents, students and communities in our decisions?**
- **How do we become leaner and leave the organizational “core” intact?**

# OTHER CONSIDERATIONS FOR THE 09-10 AND 10-11 BUDGETS

- The Population Facilities Committee
  - Projected Dates: February 2009 Public Informational Meeting and March 2009 Report to the Board.
- The Cocurricular Study Committee
  - Projected Date: March 2009 Stipend Recommendations
- The Strategic Plan
  - Revisiting MSAD #15's Vision and Mission
  - Developing 5-Year Goals
  - Projected Date: January 28, 2009

# GATHERING COMMUNITY INPUT

## Planning Backward: Any Changes Needed?

- BAC Nomination: January 14, 2009
- Vision and Mission: January 28, 2009
- Move the Population Study Informational Meeting to January 28
- Public 08-09 Budget Review by Cost Center: March 7, 2009
- CoCurricular Study: Stipend Report March 2009

# NEXT STEPS TO PREPARE

- By December 11, the Superintendent will inform the communities and staff of the financial implications of reduced funding for our school budgets and the process for gathering feedback.
- December 15, the Strategic Planning Blog will be on the web to gather community feedback for the January 28th Board Workshop.
- December 17, the School Board will review the data documenting progress toward our current Strategic Plan goals.
- January 16, the Population Study Committee will meet and prepare for the January 28th recommendations to the Board.
- January 7 and 21, the School Board will look at community feedback and begin to organize the information for the January 28th Board Workshop on the Strategic Plan.