

Maine School Administrative District No. 35
Board of Directors – District Budget Meeting Agenda
Marshwood High School – Learning Center
Wednesday, May 27, 2015 – 7:00 PM

7:00 PM Call to Order

Pledge of Allegiance

**WARRANT TO CALL
MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 35 BUDGET MEETING
(20-A M.R.S.A. 1305-B)**

To: Randy Stewart, a resident of Maine School Administrative District No. 35 composed of the Towns of Eliot and South Berwick, 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 Maine School Administrative District No. 35, namely the Towns of Eliot and South Berwick, that a District Budget Meeting will be held at Marshwood High School, 260 Route 236, South Berwick, Maine at 7:00 P.M. on May 27, 2015 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 District will be authorized to expend for Regular Instruction.

The Board of School Directors Recommends \$13,282,663.

Explanation: This article provides funding for all elementary and secondary instruction, the gifted and talented program, and the ESL program.

ARTICLE #2. To see what sum the District will be authorized to expend for Special Education.

The Board of School Directors Recommends \$3,685,128.

Explanation: This article provides funding for all special education services.

ARTICLE #3. To see what sum the District will be authorized to expend for Career and Technical Education.

The Board of School Directors Recommends \$155,989.

Explanation: This article provides funding for all vocational education services.

ARTICLE #4. To see what sum the District will be authorized to expend for Other Instruction.

The Board of School Directors Recommends \$774,471.

Explanation: This article provides funding for all the co-curricular and extra-curricular programs.

ARTICLE #5. To see what sum the District will be authorized to expend for Student and Staff Support.

The Board of School Directors Recommends \$2,909,207.

Explanation: This article provides funding for all student and staff support services such as, guidance, nursing, library, curriculum and staff development, technology, and assessment.

ARTICLE #6. To see what sum the District will be authorized to expend for System Administration.

The Board of School Directors Recommends \$898,754.

Explanation: This article provides funding for central administration including the School Board, Superintendent, and Business Office.

ARTICLE #7. To see what sum the District will be authorized to expend for School Administration.

The Board of School Directors Recommends \$1,663,402.

Explanation: This article provides funding for school building administration.

ARTICLE #8. To see what sum the District will be authorized to expend for Transportation and Buses.

The Board of School Directors Recommends \$2,052,238.

Explanation: This article provides funding for all student transportation to and from school, including special needs students, out of district placements, and transportation to vocational education centers, and athletic team transportation and classroom fieldtrips.

ARTICLE #9. To see what sum the District will be authorized to expend for Facilities Maintenance.

The Board of School Directors Recommends \$3,255,728.

Explanation: This article provides funding for the maintenance and operation of all school buildings and grounds including custodial services, building repairs, utilities, insurance, building security, and minor construction projects.

ARTICLE #10. To see what sum the District will be authorized to expend for Debt Service and Other Commitments.

The Board of School Directors Recommends \$1,636,467.

Explanation: This article provides funding for the debt service on the high school and middle school construction bonds and the qualify school construction bond.

ARTICLE #11. To see what sum the District will be authorized to expend for All Other Expenditures.

The Board of School Directors Recommends \$135,000.

Explanation: This article provides funding for the School Board contingency fund.

**ARTICLES 12 THROUGH 15
RAISE FUNDS TO EXPEND FOR THE SCHOOL BUDGET**

ARTICLE #12. To see what sum the District 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 district 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 (Recommend amount set forth below):

The Board of School Directors Recommends the amounts set forth below:

<u>Total appropriated (by municipality):</u>		<u>Total raised (by municipality):</u>	
Town of Eliot:	<u>\$10,649,178.98</u>	Town of Eliot:	<u>\$7,019,461.34</u>
Town of South Berwick:	<u>\$14,226,268.30</u>	Town of South Berwick:	<u>\$5,564,010.66</u>
<u>School District Total</u>		<u>School District Total</u>	
<u>Appropriated:</u>	<u>\$24,875,447.28</u>	<u>Raised:</u>	<u>\$12,583,472.00</u>

Explanation: The District’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 district must raise and assess in order to receive the full amount of state dollars.

ARTICLE #13. To see what sum the District will raise and appropriate for the annual payments on debt service previously approved by the legislative body for non-state-funded school construction projects, or non-state-funded portions of school construction projects in addition to the funds appropriated as the local share of the District's contribution to the total cost of funding public education from kindergarten to grade 12.

The Board of School Directors Recommends \$378,463.58.

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

ARTICLE #14. Shall the District raise and appropriate \$3,267,774.67 additional local funds, which exceeds the State's Essential Programs and Services allocation model by \$2,712,167.35, as required to fund the budget recommended by the School Board of Directors?

The Board of School Directors Recommends \$3,267,774.67 in additional local funds and gives the following reasons for exceeding the State's Essential Programs and Services funding model:

- Because the state has yet to reach its required 55% funding level responsibility, the EPS funding formula has become a cost containment mechanism.
- The EPS funding formula is based on statewide average costs for supplies and services and does not adjust for local cost variations.
- In order to attract and retain a highly qualified teaching staff our teacher salaries are 19% higher than the state average, the funding formula only allows for a 6% regional adjustment.
- EPS funds only about 1/3 of our athletic or co-curricular program costs.
- For the safety of our students we provide more extensive transportation services than recognized by the EPS formula.
- Because of the importance we place on students and staff learning to use technology, we spend more on technology than the EPS formula allows.
- For the safety and welfare of our students, we provide a nurse in each school building, the EPS formula does not allow for a nurse in each building.
- To facilitate and enhance the opportunity for our students to maximize their educational experience we provide a greater level of counseling services than required by the EPS funding formula.
- Because of the rise in the cost of health insurance, the cost of our employee benefits is about 30% of salary and wages, the funding formula caps them at 20%.
- Despite all of the above, MSAD35 spends \$500 less per student than the state average on instructional services.

Explanation: The additional local funds are those locally raised funds over and above the District's local contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual debt service payment on previously approved non-state-funded school construction projects, the non-state-funded portions of school construction projects, and minor capital projects that will help achieve the District's budget for educational programs and will be assessed pursuant to the cost sharing formula approved by the voters on November 7, 2006.

**ARTICLE 15
SUMMARIZES THE PROPOSED SCHOOL BUDGET**

ARTICLE #15. To see what sum the District will authorize the school committee to expend for the fiscal year beginning July 1, 2015 and ending June 30, 2016 from the District'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.

The Board of School Directors Recommends \$30,449,047.

**ARTICLE 16
RAISES FUNDS TO EXPEND FOR THE ADULT EDUCATION PROGRAM**

ARTICLE #16. To see if the District will appropriate **\$75,456.00** for Adult Education and raise **\$75,456.00** 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.

The Board of School Directors recommends a "YES" vote.

**ARTICLE 17
AUTHORIZES THE BOARD TO EXPEND ADDITIONAL STATE AND FEDERAL FUNDS**

ARTICLE #17. In addition to the amounts in Articles 1 through 16, shall the District authorize the Board of Directors to expend such additional State, Federal and Other Funds received during the 2015 -16 fiscal year for school purposes provided that such grants, programs or other services do not require the expenditure of other funds not previously appropriated?

The Board of Directors recommends a "YES" vote.

**ARTICLES 18 THROUGH 19
AUTHORIZE A TRANSFER TO AND EXPENDITURE FROM THE CAPITAL RESERVE FUND**

ARTICLE #18. Shall the School Board be authorized to transfer up to \$600,000 from undesignated fund balance at the end of the 2014-15 fiscal year to the capital reserve fund; and to expend up to \$600,000 from the capital reserve fund to be used for capital projects, facility upgrades, and emergency repairs?

The School Board recommends a "YES" vote.

Explanation: The Capital Reserve Account established in 2006 for the purpose of funding capital improvement projects, facility upgrades, emergency repairs, and capital equipment purchases has a current balance of \$115,155. Voter approval would allow the district to fund capital projects, facility upgrades, and emergency repairs, including the construction of a school bus maintenance facility.

ARTICLE #19. Shall the School Board be authorized to construct and equip a school bus garage facility on the existing site of Marshwood Middle School (the “Project”); to finance the Project through a lease purchase agreement in the principal amount not to exceed \$600,000 and for a term not to exceed three years (the “Lease”); to expend up to \$200,000 from the capital reserve fund for the first Lease annual payment; to transfer up to \$400,000 from the capital reserve fund into a restricted reserve deposit account to serve as collateral for the Lease; and to pledge that restricted reserve deposit account and the funds in that account to secure the obligations under the Lease and/or to make payments under the Lease?

The Board of School Directors recommends a “YES” vote.

ARTICLE #20. To see if the School Board will use 50% of any increase in the adjusted state contribution under the Essential Programs and Services funding model to reduce the amount raised and assessed as each municipality’s contribution to the cost of funding public education from pre-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, and use the remaining 50% of any increase in the adjusted state contribution to increase the district Capital Reserve Account for the purpose of funding the construction of the school bus garage.

The Board of School Board recommends a “YES” vote.

Given under our hand this day, May___, 2015 at South Berwick, Maine.

A majority of the Board of Directors of Maine School Administrative District No. 35

A true copy of the Warrant, Attest _____
Dr. Mary C. Nash, Superintendent
Maine School Administrative District No. 35

York County, ss.

State of Maine

TO: The Board of Directors of Maine School Administrative District No. 35

DATE: May __, 2015

I certify that I have notified the voters of Maine School Administrative District No. 35 of the time and place of the District Budget Meeting by posting an attested copy of the within warrant and notice of election as follows:

	TIME(S)	DATE(S)	LOCATION(S)
Town of Eliot	9:00 A.M.	MAY __, 2015	TOWN HALL
Town of South Berwick	10:00 A.M.	MAY __, 2015	TOWN HALL

Being at least seven days prior to the District Budget Meeting and being public and conspicuous places in each of said towns.

Dated: May __, 2015

Randy Stewart, Resident of
Maine School Administrative District No. 35