

Minutes: RSU13 – Joint Finance Committee & Facilities / Transportation Meeting January 15, 2013

	Finance Committee		Committee		Visitors
P	Darryl Sanborn, Chair	P	Don Robishaw	P	Tess Kilgour
P	Sherm Hoyt	P	Nancy Jeffers		
P	Arvilla Collins	P	Scott Vaitones		
		P	Lewis Collins		
P	Present	A	Absent	E	Excused

	Facilities / Transportation Committee		Committee		Visitors
P	George Emery, Chair	P	Scott Vaitones	P	Tess Kilgour
P	Arvilla Collins	P	Scott Hall		
P	Christine Curtis	P	Todd Johnston		
P	William Pearce				
P	Present	A	Absent	E	Excused

Finance Committee 5:30 PM

1. New Business

- a. Signed Warrants
- b. Reviewed November General Fund Revenues & Expenditures and questions Don Robishaw had submitted. See attached.

2. Other Business

Consider asking Legislators to come to a Finance committee meeting to see the local impact.

Question: What would be the impact in local taxes with LePage's proposals?

Finance Committee Facilities / Transportation Committee 6:00 PM

1. Review enrollment trends and financial impact of the smaller schools.

In light of all the changes within State government and loss of State aid, we need to look at how to move forward with less money.

In the long range, are there buildings that we need to consider closing?

Currently the District enrollment stands at 1,975. At the time of consolidation three and a half years ago enrollment was 2,275.

Question: Are the enrollment losses at all levels? More or less, the grade schools are remaining fairly stable for the moment.

We need to look at the operating cost associated to run every school in the District.

Question: Why hasn't the Owls Head 5th grade been moved to Rockland District Middle School? Judy Lucarelli met with parents to discuss the possibility of moving the 5th grade to Rockland Middle and received no support whatsoever from the community.

Need to make sales pitch on what can be offered. Many see the small school as the heart of the community.

Need to make a list of how we can cut the budget over the long term then look at prioritizing what may be sellable to the communities.

Maintain and improve the viability of the District as a whole.

It's very inefficient to keep small schools open.

Could we look at renting commercial space within a building that has room?

Suggest meet with select boards of all six towns prior to budget process.

Moving forward with an energy audit of all of our facilities.

Making better use of our building resources.

The approach needs to be a collaborative approach.

Look at code issues that need to be addressed.

What is State formula for per pupil square footage?

Consider closing McLain and move the Central Office, Special Ed offices, Adult Education and the Technology repairs and server room to another building.

Need to watch all legislation that pushes for virtual high schools as the dollars to pay for the enrollments will come from the local communities that the students reside in.

The \$151,000 we just lost in subsidy will also be taken away next year.

The new budget will be impacted by the cost of raises and benefits.

How many classrooms are there in each building?

Are we looking at pre-kindergarten? Yes, there are upfront costs, then we start getting subsidy after the 2nd year.

Will billing Medicare require more staff to do billing? No, we will contract with Maine Billing who does charge a fee based on the amount of the bill.

Adjourned 7:25 PM.

Attachment:

January 14, 2013

To: The RSU 13 Finance Committee
Fr: Scott Vaitones, Business Manager
Cc: Lewis Collins, Superintendent

The following questions were sent to me by Don Robishaw and my answers follow each question: as ***Scott - bold italics.***

I (Don Robishaw) have some questions on the finances for December.

1. Principals salary line for RDMS pg. 34, 51040, and SS same lines have taken a big hit. SS went from 57.79% at the end of Nov. to 44.12% at the end of December. 13.67% drop in one month? ***Scott - I don't agree with the comment about RDMS. The account is slightly less than 50% spent at the 50% mark for the year so it is right where it should be.***

Scott -The South School includes one payroll in December where both Lynsey and Todd worked together, thus, both paid from that account for the two weeks. This will be made up from RDMS as the year goes on and Lynsey was not replaced there.

There is a big drop in Benefit lines also, from 56.48% Nov. to 38.68% in Dec. 17.8% drop in one month? Scott - ***This refers to South. Lynsey's benefits are different than Todd's and this will result in less spending in the same account at RDMS as the year goes on.***

2. Business Office page 31, Business Manager's line dropped down to 47.71%, with this drop it appears it was under budgeted? ***Scott – The line that covers my salary includes \$1,500 I was paid in the course of July and August as part of the interim management team, removing that amount brings the account to slightly less than 50% spent with 50% of the year complete.***

I notice you adjusted Improvement of Instruction Admin. Line pg. 22, is now up to 60.60%. Should some of that money you transferred have gone to your line? ***Scott - Another employee was also incorrectly being charged to this line and I made a journal entry to move that salary cost to where it belonged and also included the amount for the next payroll that had not been posted yet as that was being posted the next day. This will self-correct next month.***

3. My biggest confusion has to do with the frozen account as of 12/12/12. I will try to describe how I understand or don't believe the accounts listed covers the total amount frozen of \$78,852.

CCS: The amount frozen is slightly higher than available: Frozen: \$4372. Available: \$4281.08.
Short funds: \$90.92.

GBS: Supplies: frozen amount, \$11,700. Budgeted amount \$5440. Amount remaining Nov. (\$563.99) Dec. remaining (391.13). Books frozen amount \$1700. Budgeted amount \$2000. Amount remaining Dec. \$294.45. Amount available (96.68).
Short funds: (13496.68)

OHCS: I see and agree with the amounts to be frozen: \$2550. Available amount \$2669.43 in those three lines.
Has enough to cover frozen amount with extra funds of \$119.43.

RDMS: Supplies: frozen, \$1925. Available \$1477.38 Books, frozen: \$5250. Available: \$5646.69 Equipment frozen: 4275. Available: \$7018.50 Short funds: (431.50)

SS: Supplies frozen: \$6850, available \$5646.69; Books frozen: \$3475, Available: #3483.81.
Short funds: (1194.50)

St.G: Supplies frozen: \$750, available: \$535.23, Books frozen: \$1270. Available: (1067.10)
Equipment frozen: \$560, available: \$561. Short funds: (416.67).

TGS: supplies frozen: \$6380. Available: \$6051.60, Books frozen: \$1965. Available: \$1904.12,
Equipment frozen: \$110. Available: \$113.75. Funds short: (2055.53)

OSH-W supplies frozen: \$475. Available: \$459.62; Books frozen: \$8375. Available: 8377.80;
Equipment frozen: \$1275; Available: \$1274.84. Funds short: (1274).

OSH-E: supplies frozen: \$3130. Available: \$2934.90; Books frozen: \$11,175. Available: \$10022.49; Equipment not listed.
Funds short: (1347.61)

Alt Ed K-8: Supplies frozen \$750. Available: \$750. Books frozen: \$1500. Available: \$1500.
Equipment frozen: \$760, Available total: \$760. Funds available cover frozen.

Alt Ed 9-12: Supplies frozen: \$1780. Available: \$1791.52. Books frozen: \$500. Available: \$500. Equipment not listed.
Available total: \$2291.52, Extra funds available: \$11.52.

Total funds short of amount frozen: (5560.20)

I bring this to your attention and believe the reason why there is not enough funds at the end of December is due to the amount spent during the month.

Total of programs / schools above spent for December: \$9,492.13 GBS added in supplies: (172.86)
Encumbrances for December: \$10,927.66.

Grand total of: \$20,419.79 and credit for \$172.86 final total: \$20,246.93.

I find it disturbing the amount spent during December when those accounts were frozen on the 12th.

Scott – Answer to # 3 above: When first notified of a reduction of subsidy coming, we **(Lew, Neal & I) took a look at a lot of areas. I identified at that moment that there was about \$78,800 unspent in the school supply and book lines. Once the specific reduction amount was known, we identified freezing about \$40,000 in the supplies and books and are well within that mark at this point. We felt from the beginning that we did not want to freeze all supplies and books as schools continue to have needs as the school year goes on.**

I am concerned with the latest message from MSMA about Gov. LePage holding (pushing) payments to schools until the first of July. His and our new budget. **Scott - That is something Jock McKiernan did during his term. We have the fund balance to cover this action and, as with Jock, this became a huge liability to the State that they eventually had to pay back to every school. It was a poor approach and will meet with much more resistance this time around if it happens.**

How much money does it represent and delay in our spending and ability to pay our bills and obligations? **Scott – It has no impact on paying bills as we have the fund balance to cover the cash flow. Spending is being curbed at the appropriate amounts and areas that have the least impact on direct student services already.**

I know there is a lot here to digest as I have spent some 10 hours compiling and rechecking the amounts several times.

4. A couple of other items jumped out at me and they are OSH-W and OSH-E custodians benefit lines are not funded and we have spent some \$39,606.31 over spent? **Scott – The budget amounts were entered on the wrong lines in the budget. The budget amount was entered under substitutes instead of custodian benefits. I've gone in and fixed this.**

5. Contracted transportation is at \$26,319 to date and funded at only \$1,000 between those two lines. We need to take money from the article total and make sure those lines and others throughout the budget are funded in our next budget. **Scott – The overages here are because of out of district placements that we are not able to provide transportation for. There will be enough in the substitute driver line to cover the overages here.**

Thank-you and will see you this week.
Don