

To: Kittery Town Council

From: Allyn Hutton, Kittery Superintendent of Schools

Date: March 21, 2011

Re: FY '12 Kittery School Department Budget

BACKGROUND

I am presenting you with the FY' 12 School Department Budget. Town Council requested that the School Department (and other town departments) come forward with a FY' 12 Budget which was flat funded. The School department, like others found this to be very challenging due to the following:

- An overall decrease in revenues including state subsidy and Federal Impact Aid
- Contractual increases, including salaries and benefits
- Increased fuel and transportation costs
- An increased cost for educating high needs children in our community
- Student population growth at the elementary level

The Kittery School Department is committed to meeting the educational of all students. Reasonable class sizes and appropriate educational supports are needed to meet this goal.

PROCESS

The School Department budget was prepared through a collaborative effort involving all members of the Leadership Team (Superintendent, Curriculum Coordinator, Director of Special services, Principals, Adult Education Director and School Health Coordinator). This process allowed all educational leaders to fully understand the challenges and assist in the process of setting priorities for the 2011-12 school year.

This team spent many hours reviewing the following:

- Student population / Class sizes
- Student support services / staffing
- Curriculum / Program reviews
- Maintenance/ priorities and staffing
- Special Education services / staffing
- Athletics / Co-curricular offerings
- Technology / hardware and staffing
- Supplies and equipment needs

The team worked to assess our needs for FY '12 based on our anticipated revenues, increased costs for salaries/ benefits, transportation and utilities and the additional costs from FY'11.

With the target dollar amount in mind, we worked to determine what cuts would be needed to meet the goal. The team members worked collaboratively, helping to identify cost-cutting measures and programs / staff positions which could be reduced or eliminated.

In an effort to mediate increased staffing costs, we offered a retirement incentive that resulted in five teacher retirements and a budget savings of \$39,000. We also asked the KEA to consider a flat 1% salary increase with no steps. The Union leadership was open to the option, presented it to the membership and the request was denied.

OTHER ACTIONS TAKEN

In an effort to assist with the school budget, we are actively pursuing other sources of revenue/support as follows:

- In depth analysis of Impact Aid and communications to ensure that we are receiving our fair share of federal money
- Use of a grant writer to seek out grant opportunities to support educational programs in our schools
- Local businesses supporting identified needs within the school system (i.e. field trips)

RESULTS

The FY' 12 budget presented to you represents a 2% decrease in school spending from last year. We have tried to minimize the effect that these cuts would have on student learning. While this budget represents our best thinking, it does come at a cost to students and staff. The net results of this budget is as follows:

- 14 positions are eliminated
- 3 additional positions are reduced
- All discretionary accounts are reduced
- Some athletic programs are eliminated
- All field trips are eliminated

SUMMARY

To summarize, the budget presented meets the target figure identified by the Town Council. We ask for your support in moving this budget forward to the taxpayers of Kittery.

Attachments to this memo:

- A. State Subsidy Information
 - a. Including memo explaining FY 11 and FY12 amounts
- B. Enrollment / Student: Teacher Data
- C. Kittery School Department Cuts for FY' 12
- D. Military Families / Student Enrollment- Sept. 2011
- E. Copy of Impact Aid letter sent to Senators Susan Collins and Snowe, Representatives Michaud and Pingree, and Secretary of Education, Arne Duncan.

STATE SUBSIDY ED 279 SUMMARY
FY 11 COMPARED TO FY 12

LINE #	per ED 279	description	FY 11 amount	FY 12 amount	diff
49A		Adjustment for Debt Service per 20-A MRSA	330,711.27	-	(330,711.27)
49 B		Adjustment for sped costs (based 35% in FY 11, 30% in FY12)	729,726.06	651,669.77	(78,056.29)
50		COMBINED ALLOCATION	1,060,437.33	651,669.77	(408,767.56)
59C		Less Amount to be paid by federal ARRA	(208,493.16)	-	208,493.16
60		ADJUSTED STATE CONTRIBUTION	851,944.17	651,669.77	(200,274.40)

OTHER Information

41		SHAPLEIGH DEBT PAYMENTS	416,350.00	402,123.00	(14,227.00)
41		TRAIP DEBT PAYMENTS	355,025.00	-	(355,025.00)
42		TOTAL PRIN AND INTEREST	771,375.00	402,123.00	(369,252.00)

STATE OF ALABAMA
DEPARTMENT OF EDUCATION
AUGUSTA 04333

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PAGE 1

COMPUTATION OF UNIT ALLOCATION TO FUND PUBLIC SCHOOLS

KITTELY

2011-12

223 - 241

COMPUTATION OF E.P.S. RATES

Position	K-5	6-8	9-12	E.P.S. / FTE	Actual FTE	Ratio X	EPS Tot Salary	Elementary Salary	Secondary Salary
TEACHERS	29.4 (17:1)	13.4 (16:1)	18.4 (15:1)	61.2 /	84.1 =	.73 X	4091,817 =	2150,659	836,367
GUIDANCE	1.4 (350:1)	0.6 (350:1)	1.1 (250:1)	3.1 /	4.0 =	.78 X	199,763 =	112,187	43,628
LIBRARIANS	0.6 (800:1)	0.3 (800:1)	0.3 (800:1)	1.2 /	1.0 =	1.20 X	63,822 =	55,142	21,444
HEALTH	0.6 (800:1)	0.3 (800:1)	0.3 (800:1)	1.2 /	2.0 =	.60 X	96,480 =	41,679	16,209
EDUCATION TECHS	5.0 (100:1)	2.2 (100:1)	1.1 (250:1)	8.3 /	12.9 =	.64 X	222,595 =	102,572	39,889
LIBRARY TECHS	1.0 (500:1)	0.4 (500:1)	0.6 (500:1)	2.0 /	4.0 =	.50 X	72,668 =	26,160	10,174
CLERICAL	2.5 (200:1)	1.1 (200:1)	1.4 (200:1)	5.0 /	6.2 =	.81 X	201,692 =	117,627	45,744
SCHOOL ADMIN.	1.6 (305:1)	0.7 (305:1)	0.9 (315:1)	3.2 /	4.0 =	.80 X	293,846 =	169,255	65,822
Other Support Costs (Per Pupil)		K-8	9-12					Elementary	Secondary
Substitute Teachers -1/2 Day	37	37	37					26,437	10,212
Supplies and Equipment	342	473	473					244,359	130,548
Professional Development	58	58	58					41,441	16,008
Instructional Leadership Support	24	24	24					17,148	6,624
Co- and Extra-Curricular Student	34	113	113					24,293	31,188
System Administration/Support	218	218	218					155,761	60,168
Operations & Maintenance	1,002	1,191	1,191					715,929	328,716
Salary Benefits		Percentage						Elementary	Secondary
Teachers, Guidance, Librarians & Health		19.00%						448,337	174,353
Education & Library Technicians		36.00%						46,344	18,023
Clerical		29.00%						34,112	13,266
School Administrators		14.00%						23,696	9,215
Regional Adjustment For Salaries, Benefits & Substitutes, (Factor = 1.06)								201,252	78,260
Adjustment for Title I Revenues								-58,981	-22,937
TOTALS								4695,408	1932,921
E.P.S. RATES								6,572	7,003

PRELIMINARY
NOT ENACTED
FEB 18, 2011

STATE OF A I N E
D E P A R T M E N T O F E D U C A T I O N
A U G U S T A 04333

RL ON 02/17/11
PAGE 2

COMPUTATION OF UNIT ALLOCATION TO FUND PUBLIC SCHOOLS

KITTEERY

2011-12

223 - 241

OPERATING COST ALLOCATIONS

9 SUBSIDIZABLE PUPILS	K-8	9-12	TOTAL	
APRIL 2008	680.0	343.0	1,023.0	
OCTOBER 2008	682.0	314.0	996.0	
APRIL 2009	664.0	310.0	974.0	
OCTOBER 2009	689.0	279.0	968.0	
APRIL 2010	690.0	276.0	966.0	
OCTOBER 2010	735.0	276.0	1,011.0	
1 BASIC COUNTS	AVG. CAL. YEAR PUPILS	DECLINING ENROLL. ADJ	SAU EPS RATES	
K-8 PUPILS	712.5 +	0.00	X	4,682,550.00
9-12 PUPILS	276.0 +	23.66	X	2,098,518.98
ADULT EDUC. COURSES AT .1	14.6		X	102,243.80
K-8 EQUIV. INSTR. PUPILS	1.125		X	7,393.50
9-12 EQUIV. INSTR. PUPILS	0.125		X	875.38
WEIGHTED COUNTS	PUPILS	WEIGHTS		
K-8 DISADVANTAGED @ .2463	175.5	X .15	X	173,007.90
9-12 DISADVANTAGED @ .2463	68.0	X .15	X	71,430.60
K-8 LIMITED ENGLISH PROF.	8.0	X .700	X	36,803.20
9-12 LIMITED ENGLISH PROF.	2.0	X .700	X	9,804.20
TARGETED FUNDS	PUPILS	WEIGHTS		
K-8 STUDENT ASSESSMENT	712.5		X	30,637.50
9-12 STUDENT ASSESSMENT	276.0		X	11,868.00
K-8 TECHNOLOGY RESOURCES	712.5		X	69,112.50
9-12 TECHNOLOGY RESOURCES	276.0		X	80,868.00
K-2 PUPILS	273.0	X .10	X	179,415.60
ISOLATED SMALL SCHOOL ADJUSTMENT				
K-8 SMALL SCHOOL ADJUSTMENT				0.00
9-12 SMALL SCHOOL ADJUSTMENT				0.00
OPERATING ALLOCATION				7,554,529.16
OPERATING ALLOCATION WITH EPS TRANSITION AT 97.00 %				7,327,893.28
ADJUSTED TOTAL OPERATING ALLOCATION				7,327,893.28

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223 - 241

DEBT SERVICE ALLOCATIONS

1	DEBT SERVICE	NAME OF PROJECT	PRINCIPAL	INTEREST
	KITTERY			
	11/01/11	SHAPLEIGH SCHOOL	334,754.00	37,241.39
	05/01/12	SHAPLEIGH SCHOOL	0.00	30,127.86
2	TOTAL PRINCIPAL & INTEREST		334,754.00	67,369.25
3	APPROVED LEASES FOR 2010-11 - KITTERY			402,123.25
4	APPROVED LEASE PURCHASES FOR 2010-11 - KITTERY			0.00
5	INSURED VALUE FACTOR FOR 2009-10 - KITTERY			0.00
6	TOTAL DEBT SERVICE ALLOCATION			402,123.25
7	TOTAL COMBINED ALLOCATIONS (LINE 40 PLUS LINE 47)			10,439,470.92

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AUGUSTA 04333RUL. JN 02/17/11
PAGE 4

COMPUTATION OF UNIT ALLOCATION TO FUND PUBLIC SCHOOLS

KITTERY

2011-12

223 - 241

LOCAL CONTRIBUTION CALCULATION - MILL EXPECTATION

AVG. CAL. YEAR PUPILS	OPERATING ALLOCATION	DEBT + ALLOCATION	TOWN ALLOCATION	TOTAL ALLOCATION	LOCAL CONTRIBUTION
988.5 100.00%	10,439,470.92	0.00	10,439,470.92		
TOTAL	988.5		10,439,470.92		

2010 STATE VALUATION X EXPECTATION =	MILL CONTRIBUTION	TOWN OR ALLOCATION	TOTAL ALLOCATION	LOCAL CONTRIBUTION	STATE CONTRIBUTION
1,701,400,000 7.470	12,709,458.00	10,439,470.92			6.14M
TOTAL	12,709,458.00	10,439,470.92			6.14M

TOTALS AND ADJUSTMENTS

9 TOTAL ALLOCATION, LOCAL AND STATE CONTRIBUTIONS
9B ADJUSTMENT FOR 30% OF SPECIAL EDUCATION COSTS

10,439,470.92	10,439,470.92	651,669.77	651,669.77
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0 ADJUSTED ALLOCATION, LOCAL AND STATE CONTRIBUTIONS

10,439,470.92	9,787,801.15	651,669.77	651,669.77
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1 PLUS AUDIT ADJUSTMENTS

2 LESS AUDIT ADJUSTMENTS

3 LESS ADJUSTMENT FOR UNAPPROPRIATED LOCAL CONTRIBUTION

4 LESS ADJUSTMENT FOR UNALLOCATED BALANCE IN EXCESS OF 3%

5 PLUS LONG-TERM DRUG TREATMENT CENTERS ADJUSTMENT

6 ADJUSTMENT FOR EMERGENCY BUS REPLACEMENT

9A MINIMUM TEACHER SALARY ADJUSTMENT

9B REGIONALIZATION AND EFFICIENCY ASSISTANCE

0 ADJUSTED STATE CONTRIBUTION

651,669.77

1 LOCAL AND STATE PERCENTAGES (BASED ON STATE CONTRIBUTION, LINE 49): LOCAL SHARE % = 100.00% STATE SHARE % = 0.00%
2 ADJUSTED LOCAL AND STATE PERCENTAGES (BASED ON STATE CONTRIBUTION, LINE 50): LOCAL SHARE % = 93.76% STATE SHARE % = 6.24%

3 FYI: 100% E.P.S. TOTAL ALLOCATION

10,666,106.80

***** WARRANT ARTICLE *****

ADJUSTED LOCAL CONTRIBUTIONS BY TOWN

TOTAL ALLOCATION	CONTRIBUTION	PERCENT	MILLS
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KITTERY

10,439,470.92	9,787,801.15	100.00%	5.75
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TOTAL

10,439,470.92	9,787,801.15	100.00%	5.75
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B.

CLASS SIZE/PUPIL-TEACHER RATIOS

	09/10		10/11		11-12	
					(Based on March 2011)	
K	102/6	17/1	95/5	19/1	100/6	17/1
1	79/5	16/1	102/6	17/1	104/6	17/1
2	93/5	19/1	79/5	16/1	90/5	18/1
3	61/3	20/1	93/5	19/1	83/4	21/1
4	78/4	20/1	61/3	20/1	99/5	20/1
5	79/4	20/1	78/4	20/1	60/3	20/1
6	65/4	16/1	79/4	20/1	79/4	20/1
7	72/4	18/1	65/4	16/1	82/4	21/1
8	67/4	17/1	72/4	18/1	71/4	18/1
9	67		67		72	
10	64		67		66	
11	72		64		72	
12	75		72		59	
	278		270		269	
	974		994		1037	

C.

Kittery School Department- Budget Cuts for FY 12

Staff Positions

Science Teacher	\$47,900
World Language Teacher	\$52,000
High School Guidance Counselor	\$58,000
School Health Coordinator	\$14,000
Special Education staff	
Spec. Education teacher	\$56,000
5 Ed Tech positions	\$65,000
Reduce OT / PT / ESL services	\$43,000
Asst Maintenance Director	\$30,000
Two library Ed Techs (Traip / Shapleigh)	\$36,000
Receptionist (Traip)	\$21,000

Discretionary Accounts

Mitchell	\$11,700
Shapleigh	\$14,500
Traip	\$25,100
Special Education	\$15,000
Athletics	\$11,500
Maintenance	\$52,600
Curriculum	\$11,000
Technology	\$17,000
Central Office	\$ 3,000

Program Adjustments

Elimination of Field Trips	\$20,000
Athletics	
JV Baseball and Softball	\$5400
Fall Cheering	\$1800
Reduction in AD stipend	\$3000
Savings from Retirements Incentives	\$39,000

September 13, 2010

Student Totals by School for Military Families

Mitchell Primary School		
	Grade K	27
	Grade 1	21
	Grade 2	27
	Grade 3	<u>28</u>
	School Total:	103
Shapleigh School	Grade 4	8
	Grade 5	12
	Grade 6	17
	Grade 7	12
	Grade 8	<u>5</u>
	School Total:	54
	Grade 9	5
	Grade 10	3
	Grade 11	3
Traip Academy	Grade 12	4
	School Total:	15
	District Total:	<u>172</u>

E.

February 9, 2011

Dear _____,

As the Superintendent of Schools for Kittery Schools, I would like to express a concern and ask for your assistance. The Kittery School Department is privileged to have the Portsmouth Navy Yard, the Coast Guard Base and the Pease National Guard facilities in close proximity to our community. As a result of this, we have many military families living within our community and attending our schools.

Historically, we have had between 130 and 179 students attending Kittery schools over the last four years (this represents 12-17% of our student population). These students are an integral part of our school community and we truly feel that our resident students gain from engaging with these students from across the United States.

Generally speaking, we can anticipate that the military families will remain in our community and schools between 12 and 18 months. These students, like all students, present a wide array of learning needs from out-of-district special education placements to fully mainstreamed and high functioning gifted/talented students. We are committed to providing the best possible educational opportunity for each and every child.

My understanding is that we receive annually Federal Impact Aid to assist with the additional costs we incur as a result of military families and military employees in our community. Looking at the last four school years, I have determined the following:

<u>School Year</u>	<u># of military students</u>	<u>% of students</u>	<u>Impact Aid received</u>
2006-07	130	11.85%	\$163,000
2007-08	179	17.00%	\$160,000
2008-09	164	16.27%	\$137,000
2009-10	169	17.28%	\$ 70,000

(see enclosed memo for further details)

My specific concerns are as follows:

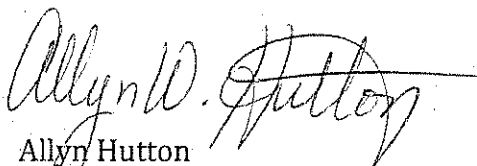
- The amount of Impact Aid we have received seems less than we may be entitled to based on the % of our student population. Is there an explanation of how these funds are allocated to schools?
- If military families choose to NOT provide the information, how can we be sure we have an accurate count to complete the form as needed ?
- We submitted the last required forms in Feb. 2010 and were assured we would begin receiving aid in October 2010. As of this date, no funds have been received during the 2010-11 school year.

The Kittery School Department needs your help. We are in the process of developing our school budget for FY12 and we are unsure of what, if any, revenues we can anticipate from Federal Impact Aid. Our FY12 school budget plans include the elimination of 10 staff positions, severe cuts in discretionary accounts, the elimination of all field trips, and the termination of health coordinator services. These cuts are dramatic and will, through no fault of our own, affect the learning environment for students in our schools. Any additional revenue from Impact Aid may help us reduce the number the staff positions eliminated.

Therefore, I am asking you for the assistance to better understand the Impact Funding and how we can better assess appropriate funds to meet the important educational needs of these students. If we are not completing the forms appropriately, we may need technical assistance. Can you provide me with a contact person to discuss my concerns?

I greatly appreciate your time and your commitment to education. I look forward to hearing from you in the near future.

Respectfully,



Allyn Hutton
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