

Meeting the Challenges of the Recession

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Coping with Unprecedented Revenue Losses

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Restructuring for Sustainability

The Perfect Storm

Declining enrollment

Increased property valuation

Deep recession

Declining federal revenue

Rising costs

Declining local revenue

Declining state revenue

High local unemployment



Rationale

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- ❑ Dramatic revenue losses will not allow us to sustain current level of staffing and services
 - ❑ Our budget which is 83% human resources and 10% fixed costs, leaves little opportunity for significant cost savings other than in personnel
 - ❑ Despite these reductions, our goal is to provide quality academic programming and maintain a school in every community
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Local Realities

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- One town reports that requests for general assistance have increased by 50% this year, and that 55 tax liens had been signed in 2009

Local Realities

K-6 Enrollment	Oct-95	Current	Change	%
Harrison	246	175	-71	-28.86%
Waterford	132	99	-33	-25.00%
Oxford	482	345	-137	-28.42%
Otisfield	164	134	-30	-18.29%
West Paris	153	121	-32	-20.92%
Paris/Rowe/Hebron	916	878	-38	-4.15%
<i>Total</i>	<i>2093</i>	<i>1752</i>	<i>-341</i>	<i>-16.29%</i>

Declining enrollments lead to higher costs per student

Town Assessments

No Increase in Total Local Assessment

	<i>FY 2010 Assessment</i>	<i>% of Total FY 2010</i>	<i>FY 2011</i>	<i>FY 2011 Additional</i>	<i>FY 2011 Total</i>	<i>Increase (Decrease)</i>	<i>Increase (Decrease)</i>
Harrison	3,140,023	20.58%	3,173,563	\$ -	\$ 3,173,563	\$ 33,540	1.07%
Hebron	472,264	3.10%	516,884	\$ -	\$ 516,884	\$ 44,620	9.45%
Norway	2,715,104	17.80%	2,751,385	\$ -	\$ 2,751,385	\$ 36,281	1.34%
Otisfield	1,751,131	11.48%	1,723,151	\$ -	\$ 1,723,151	\$ (27,979)	-1.60%
Oxford	2,788,041	18.28%	2,743,083	\$ -	\$ 2,743,083	\$ (44,958)	-1.61%
Paris	2,161,040	14.17%	2,073,993	\$ -	\$ 2,073,993	\$ (87,047)	-4.03%
Waterford	1,555,775	10.20%	1,611,534	\$ -	\$ 1,611,534	\$ 55,759	3.58%
West Paris	670,696	4.40%	660,480	\$ -	\$ 660,480	\$ (10,216)	-1.52%
Total	\$ 15,254,073	100.00%	\$ 15,254,073	\$ -	\$ 15,254,073	\$ (0)	0.00%

3% Increase in Town Assessments 3% Increase Scenario

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Harrison	3,140,023	20.58%	3,268,770	\$ -	\$ 3,268,770	\$ 128,747	4.10%
Hebron	472,264	3.10%	532,390	\$ -	\$ 532,390	\$ 60,126	12.73%
Norway	2,715,104	17.80%	2,833,926	\$ -	\$ 2,833,926	\$ 118,823	4.38%
Otisfield	1,751,131	11.48%	1,774,846	\$ -	\$ 1,774,846	\$ 23,716	1.35%
Oxford	2,788,041	18.28%	2,825,375	\$ -	\$ 2,825,375	\$ 37,334	1.34%
Paris	2,161,040	14.17%	2,136,213	\$ -	\$ 2,136,213	\$ (24,827)	-1.15%
Waterford	1,555,775	10.20%	1,659,880	\$ -	\$ 1,659,880	\$ 104,105	6.69%
West Paris	670,696	4.40%	680,294	\$ -	\$ 680,294	\$ 9,598	1.43%
Total	\$ 15,254,073	100.00%	\$ 15,711,695	\$ -	\$ 15,711,695	\$ 457,622	3.00%

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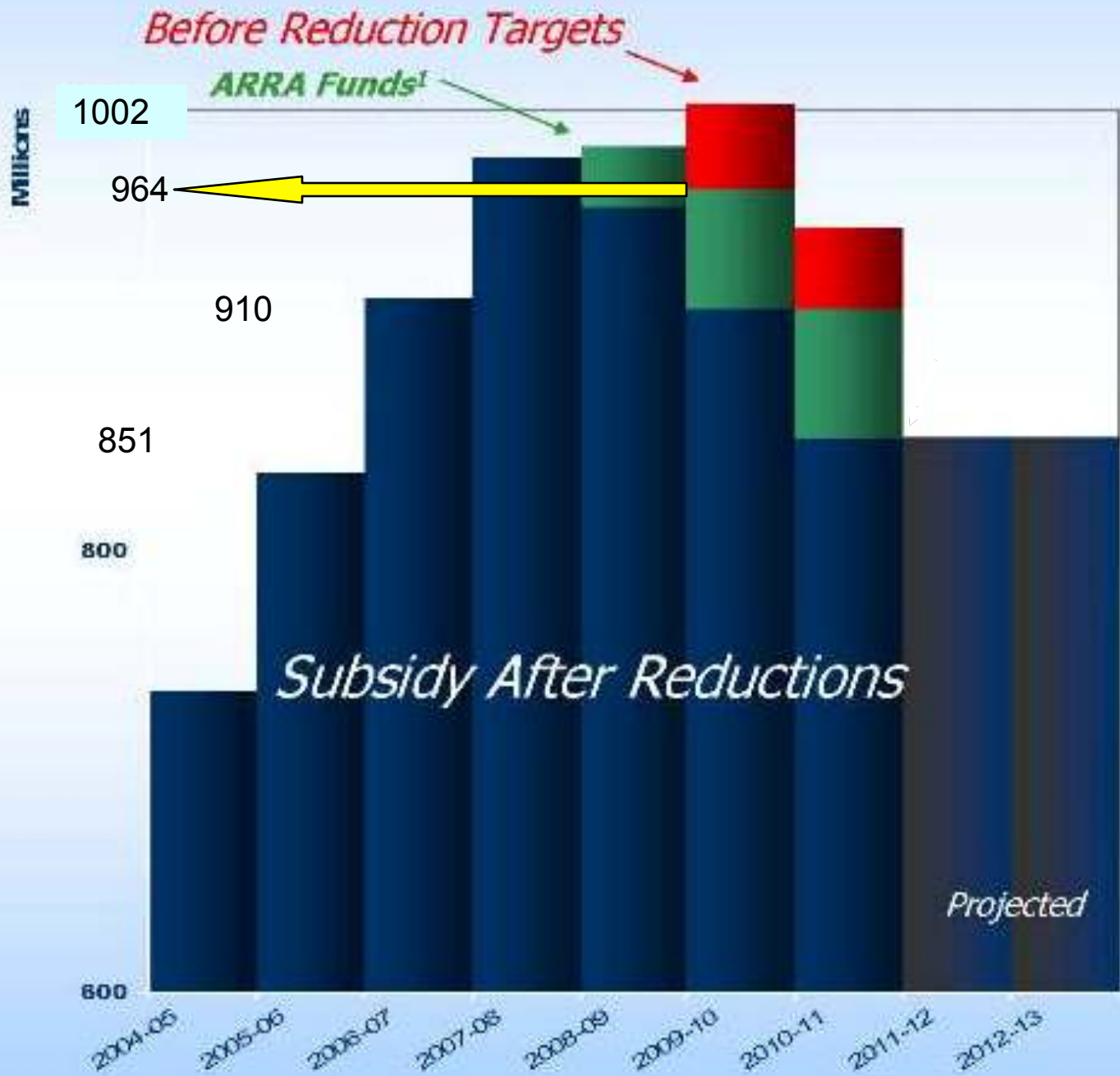
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 - FY 2012 reduction anticipated to be an additional \$2,000,000
-





Evans Notch

Before Reduction Targets

ARRA Funds¹

Millions

1002

964

910

851

800

Subsidy After Reductions

800

Projected

2004-05

2005-06

2006-07

2007-08

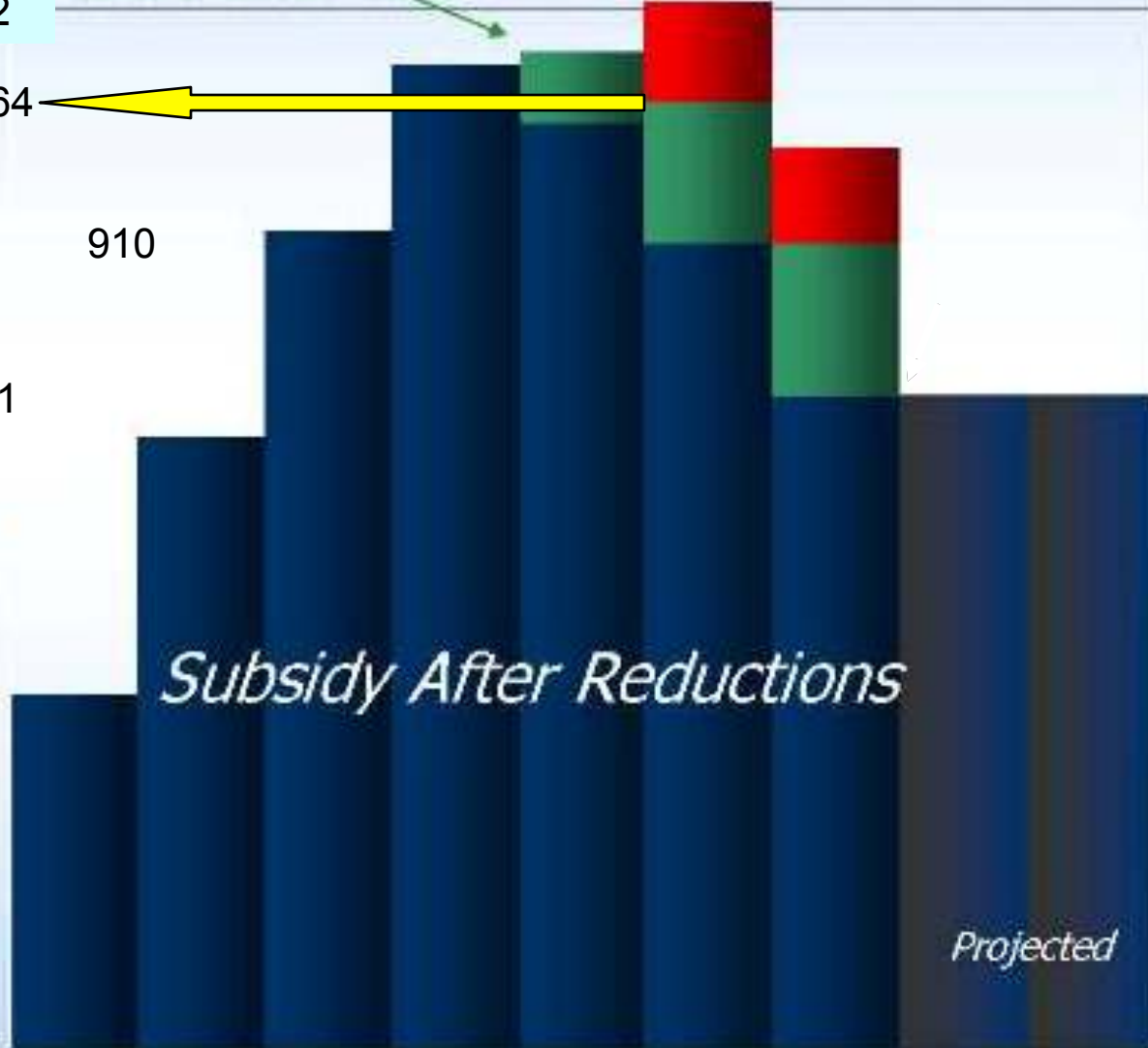
2008-09

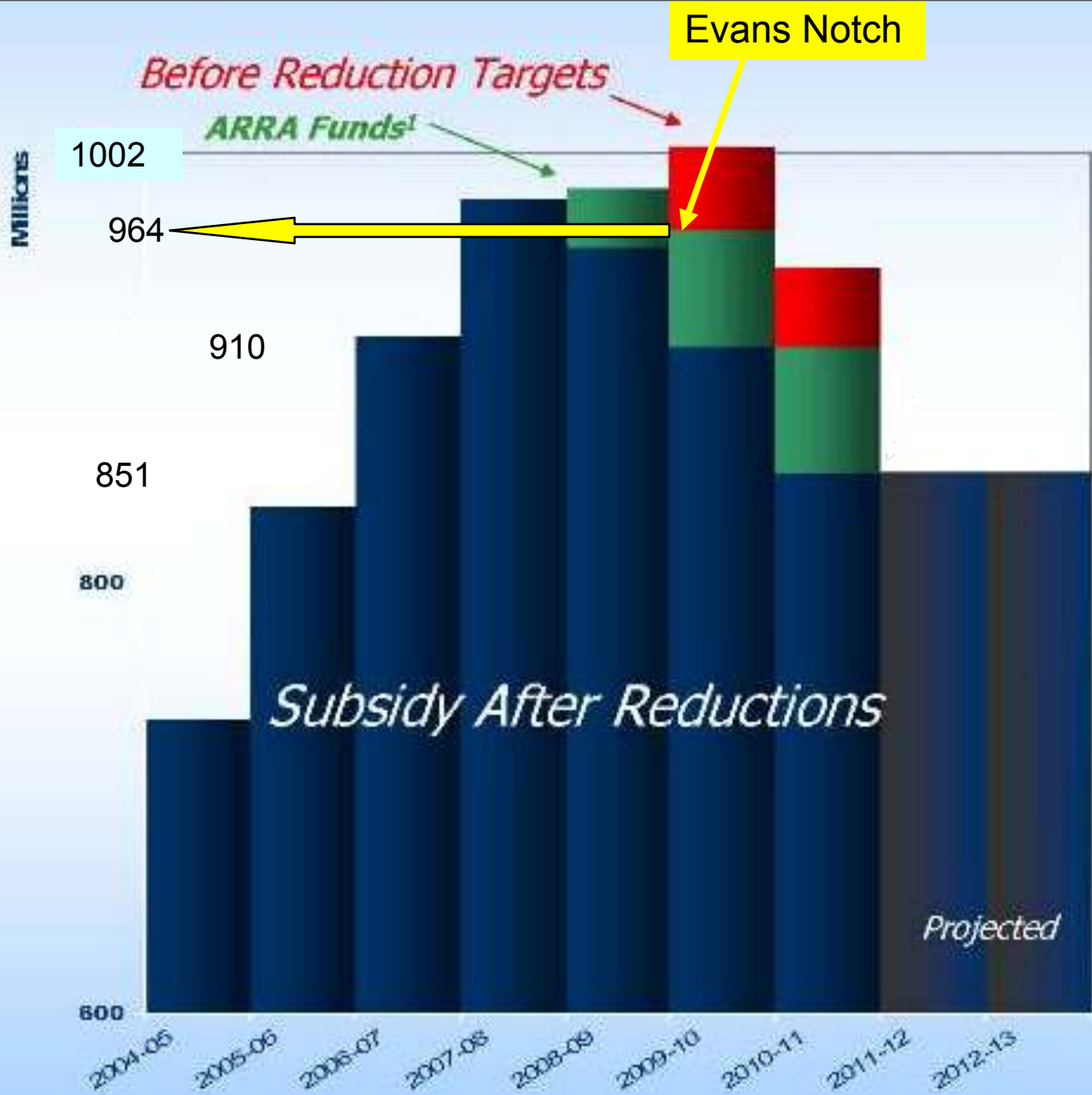
2009-10

2010-11

2011-12

2012-13





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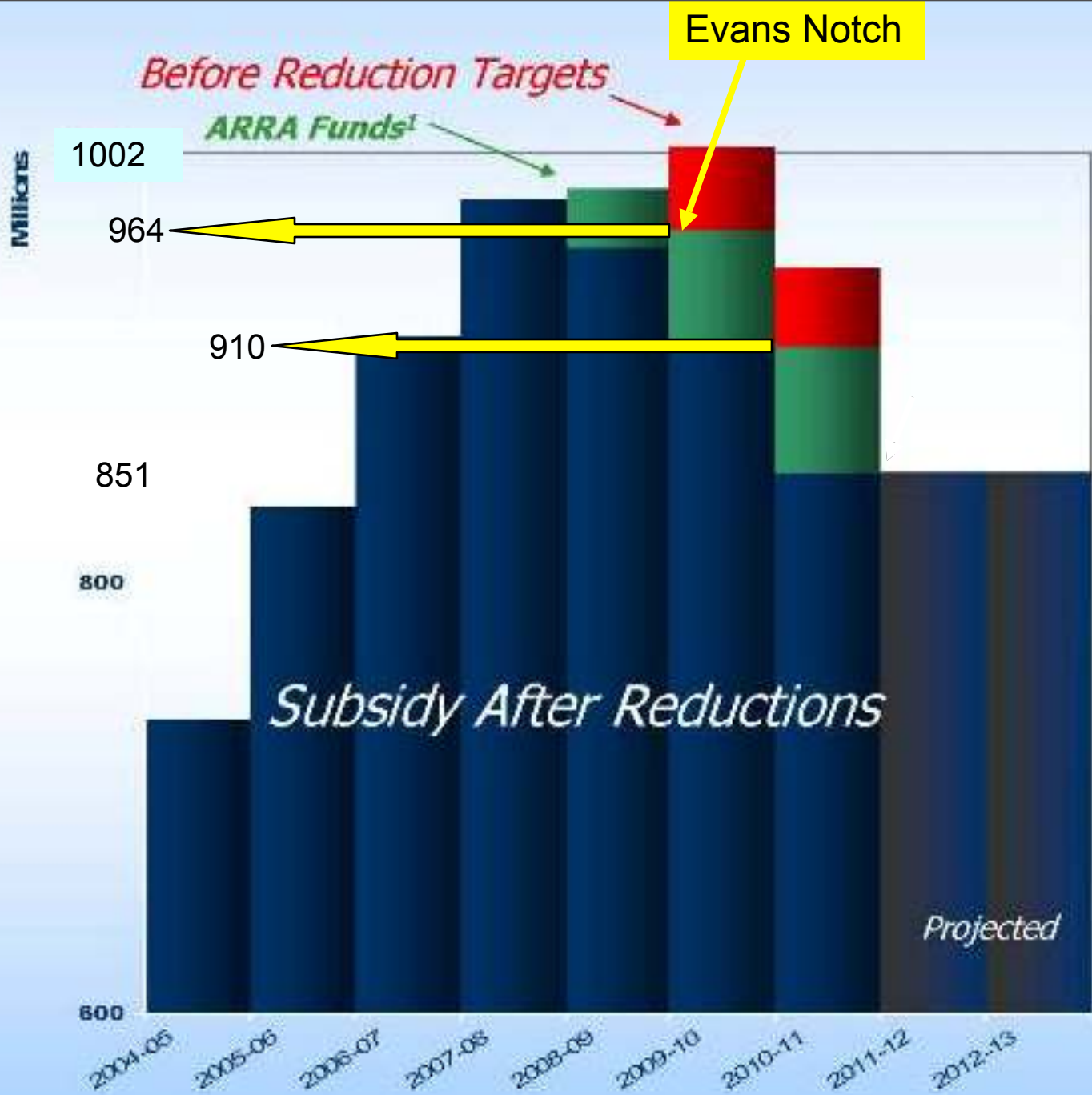
2008-09

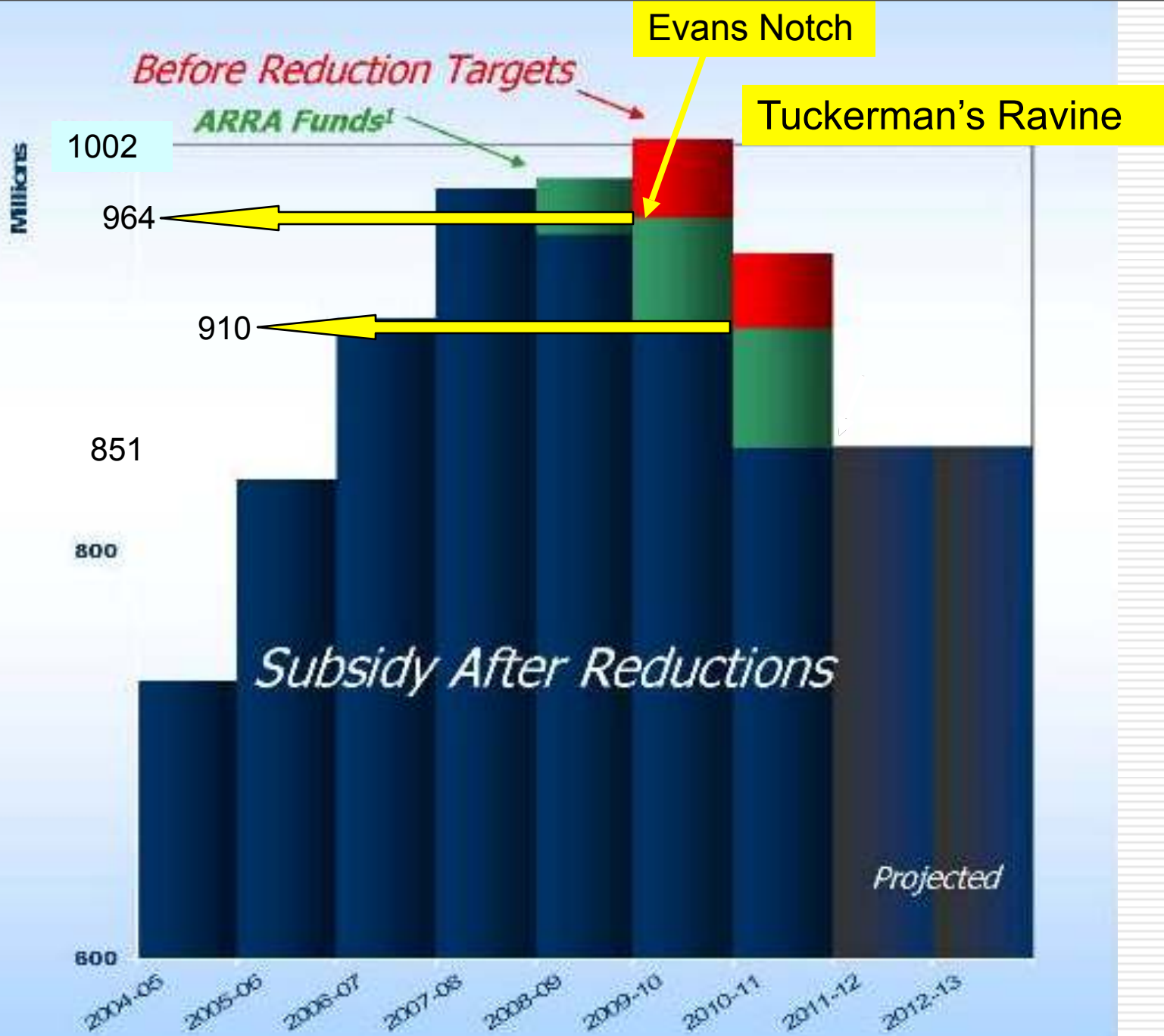
2009-10

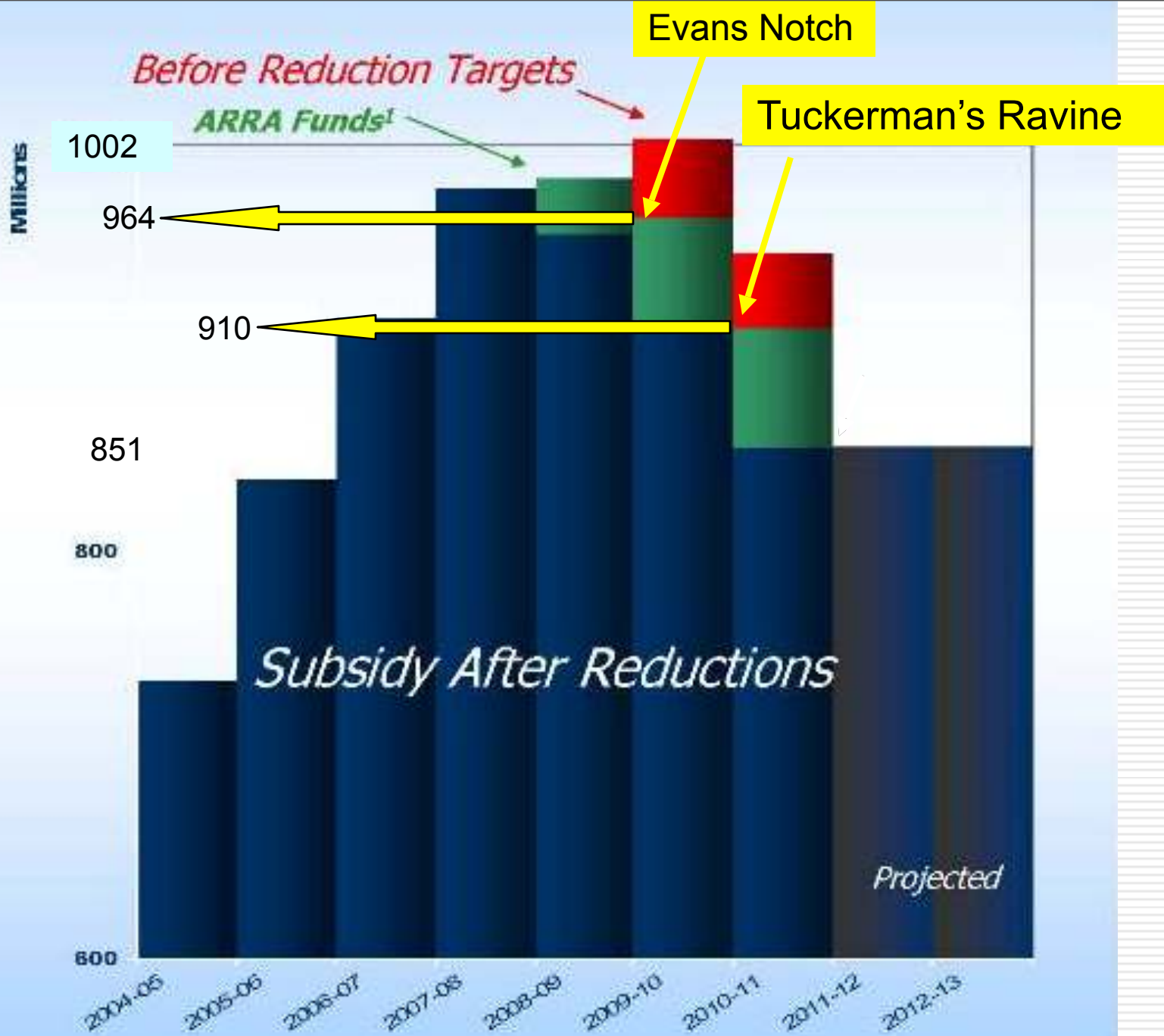
2010-11

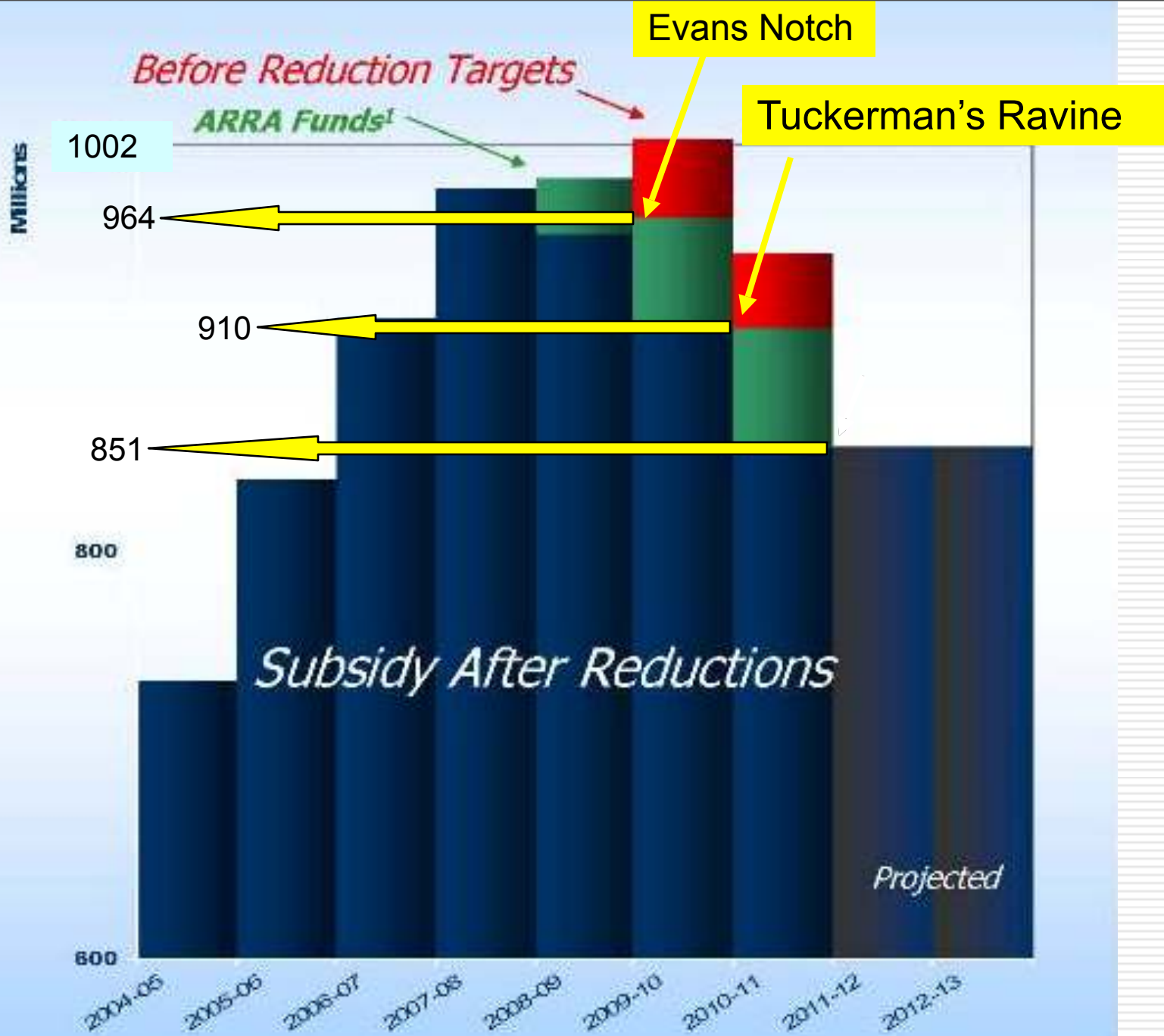
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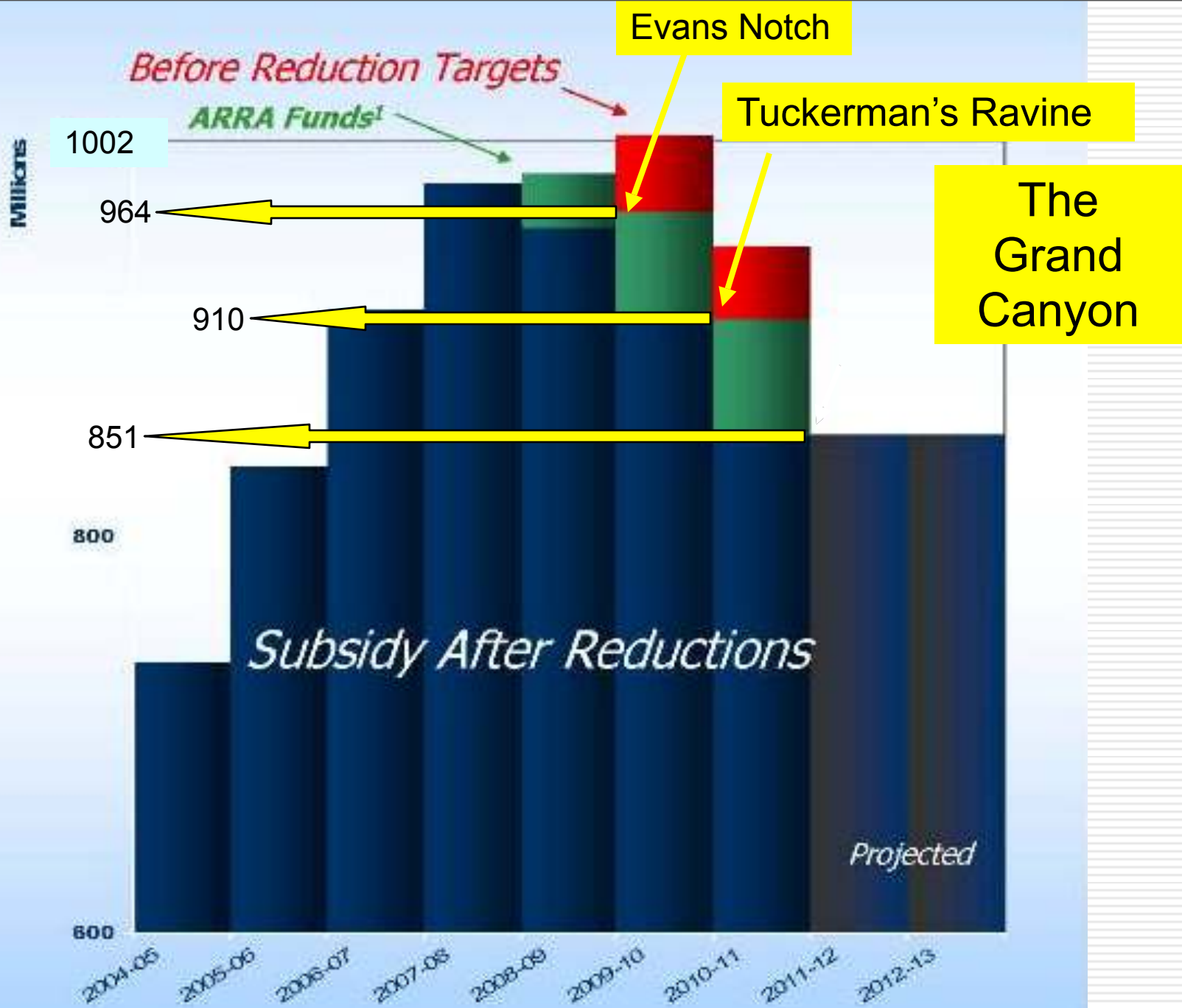
2012-13

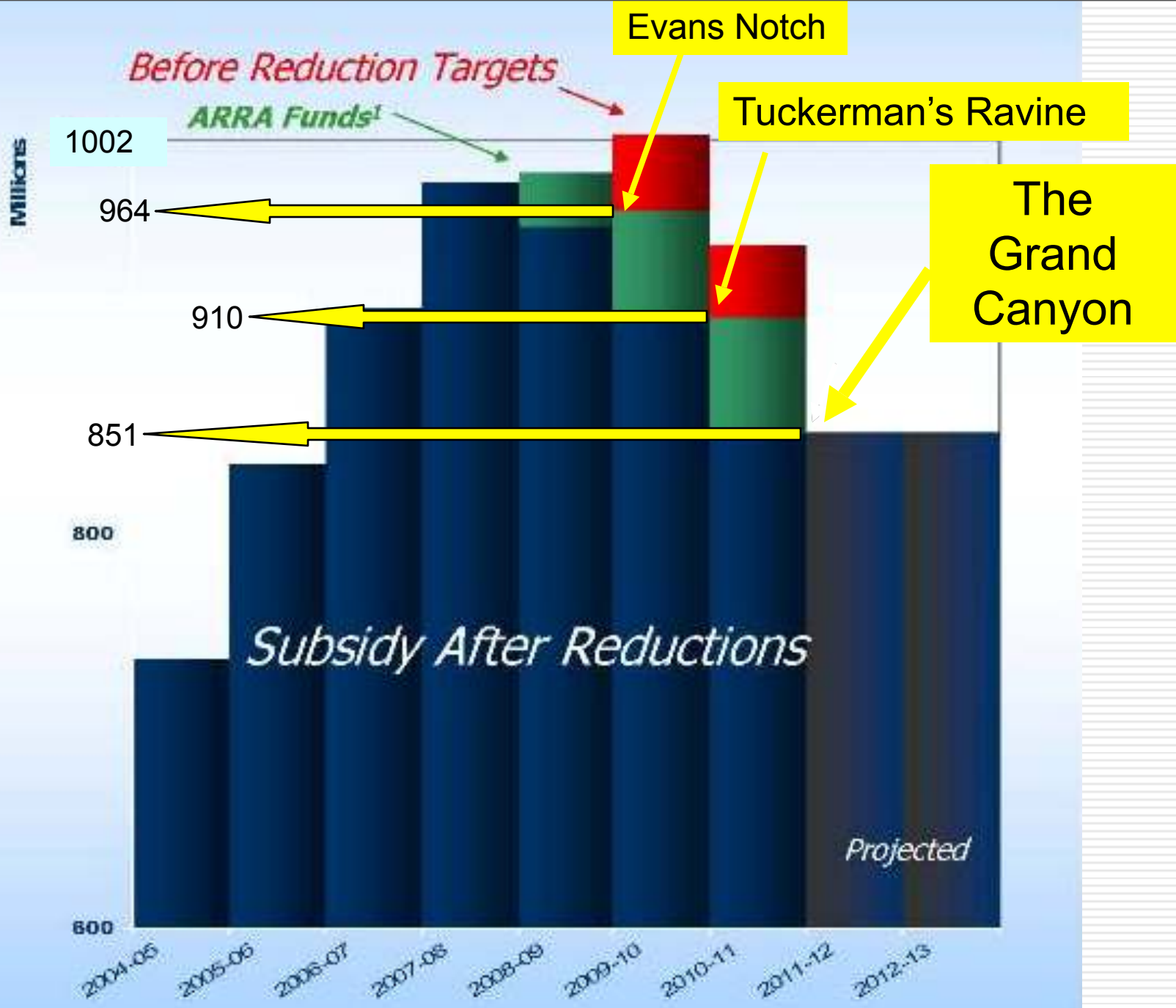












Impact of General Purpose Aid Cuts

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- Latest cost per student data
 - Elementary K - 8 \$6,698 (state ave. \$7,440)
 - Secondary 9-12 \$7,443 (state ave. \$8,896)
 - Vocational \$10,900
 - A 7% reduction at each level
 - Elementary \$1,565,000
 - Secondary \$807,000*
 - Vocational \$228,000
 - Total \$2,600,000
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* Since current 9-12 expenditures are 17% below state average, reductions at the 7% level will be devastating.

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 - The entire cost of the elementary art, music, pe and foreign language - \$1,000,000

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 - Both tiers will be necessary to address the significant funding gap
-

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 - ❑ Providing support services and specialists across the district are also costly
-

Elementary Options to Gain Efficiencies

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- Close smallest schools and consolidate
 - Not a preferred option based on board policy
 - State closure policy is cumbersome, time consuming and requires public referendum
 - Combine outlying schools to share resources (one school PK-2, one school 3-6)
 - Multi-grade classrooms to address class size issues
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Possible Elementary Cluster Model

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- Central Cluster
 - Rowe, Waterford, Harrison
 - One principal, two associate principals
 - Northern Cluster
 - Paris, West Paris, Hebron
 - One principal, two associate principals
 - Southern Cluster
 - Oxford, Otisfield
 - One principal, one associate principal
-

Elementary Cluster Model

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- Each cluster features a Principal
 - Each cluster has Associate Principal(s) assigned to each school
 - Each town maintains a community school
 - K-4 - Waterford, Otisfield, West Paris
 - K-6 - Rowe, Paris, Oxford, Harrison, Hebron
-

Cluster Model - Special Education

- ❑ Students requiring direct instruction for academic or behavioral needs will attend the cluster schools
 - ❑ District magnet programs for high needs students will remain at Guy E. Rowe School
 - ❑ Speech services will be available in all schools
 - ❑ Most K-4 low need students will remain in their community schools
 - ❑ Needs of each individual student will determine school placement
-

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 - ❑ Maintains reasonable class sizes
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- Maintains an elementary school in each community
- Maintains K-6 art, music & physical education
- Maintains reasonable class sizes
- ~~Provides space for Pre-K at small schools~~

Advantages of Clustering

- ❑ Allows 5th and 6th grade students to transition from very small schools, to medium size schools before transitioning to large middle school
 - ❑ Multiple classes per grade level
 - ❑ Cluster schools have full time nursing, guidance, and other support services
 - ❑ Larger peer groups for upper grades
 - ❑ Maintains relationship between students and Associate Principal
-

Central Cluster

Classroom and Student Distribution

	Harrison K-6	Waterford K-4	Rowe K-6
K	13+13	14	14+12+15+16
1	14+14	14	19+19+20
2	16+15	18 6	20+21+21
3	25	12	17+17+18
4	22	14	23+23+23
5	23+23		18+19+19
6	18+18		25+26
	214	58	405

Southern Cluster

Classroom and Student Distribution

	Oxford	Otisfield
K	17+17+17	18
1	14+14	16
2	16+15	16
3	25	16
4	22	14
5	23+23	
6	18+18	
	388	76

Northern Cluster

	Paris K-6	West Paris K-4	Hebron K-6
K	15+15+15	17	20
1	16+16+15	16	19
2	20+20+20	11	15
3	24+24	17	14
4	20+20+20	18	18
5	21+21+22		18
6	19+20+20		19
	383	79	123

Elementary Cluster Projected Savings

*Estimated - staffing needs still being determined

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- Administrative Savings \$250,000

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 - Net decrease of 3 administrative positions

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 - Reduction of ed techs

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Recommended Secondary Cluster Model

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- Includes OHMS & OHCHS
-

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- Includes OHMS & OHCHS
 - Move to full implementation of the comprehensive school model
 - One Principal, one Technical Assistant, and 2 Assistant Principals
 - Recommend MVR #11, RSU#10 and SAD #17 collaborate to appoint one of the above as an interim Technical School Director
 - MS principal and one assistant principal
-

Secondary Cluster Model

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 - Establish minimum class sizes to eliminate undersubscribed course offerings
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Secondary Cluster Model

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 - Reduce study hall size and equalize class loads
-

Targeted Savings - HS/MS Cluster

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□ Instructional

- Middle School \$150,000
 - High School \$420,000
 - Technical program \$230,000
-

Other Targeted Reductions

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- Facilities & Maintenance \$230,000
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 - ❑ Technology \$37,000
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 - ❑ Technology \$37,000
 - ❑ Health Services \$50,000
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Other Targeted Reductions

- ❑ Facilities & Maintenance \$230,000
 - ❑ Co-curricular & Extra-Curricular \$65,000
 - ❑ Technology \$37,000
 - ❑ Health Services \$50,000
 - ❑ Central Office Administration \$150,000
-

Other Considerations

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- Increase local assessments to minimize impact on programs
 - A 1% increase would yield \$160,000 and leave us with a 2.44 million dollar gap
 - A 3% increase would yield \$480,000 and leave us with a 2.12 million dollar gap
 - A 5% increase would yield \$800,000 and leave us with a 1.8 million dollar gap
- One furlough day for all staff (non student day) = \$100,000
 - One less professional day = \$77,000
- Retirement incentives might save 5 positions
- Wage freezes - (a 3% average increase in salaries will increase the budget gap by \$564,000)

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- Have we considered a grade 6-8 middle school?
- Can you shed light on plans for staffing?
- The schedule posted on the district website are budget committee meetings - all are welcome.

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 - Can you report reactions from other towns to this proposal?
-

Next Steps

- Solicit community feedback on restructuring proposals
 - Continue to refine projections/proposals
 - Hold cost center reviews
 - Begin budget committee deliberations
 - Board finalizes school and staffing plans
-