

**Contact: Niles Parker, RSU #22 Board Chair, Richard Lyons, Superintendent of Schools
RSU 22
24 Main Rd. North
Hampden, ME 04444**

RSU 22 School Board Unanimously Approves FY17 Budget

The RSU 22 School Board unanimously approved the school district's FY17 budget on May 11th following public comment and discussion. Approximately thirty community members attended including teaching faculty and local government officials. The RSU 22 Budget Committee presented a line item budget able to keep all educational programs intact and avoid staff lay-offs. The Board also recognized a need to provide a fair and competitive teaching salary, allocating a 3% salary increase for teaching faculty. Like many Maine school districts, RSU 22 is faced with a reduction in state funding, RSU 22's totaling \$177,000. This reduction is paired with an urgent need to address Special Education student needs by increasing the budget by \$450,000. The proposed budget results in a 1.8% gross and a 2.8% local increase.

The discussion primarily centered on the district's budgeting of contingency funds in the line item budget. As stated by the Budget Committee chair, Cindy Mitchell, approximately ten years ago the Board was asked by local government officials to apply contingency funds to line items, such as utilities, electricity and fuel. This budget practice has continued each year and is reflected in the FY17 budget. Following Board and community discussion, community members and local government officials requested the Board re-evaluate this practice and budget contingency funds as an independent line item within each of the 11 cost centers in the FY18 budget. The Board agreed.

The intent of contingency funds is to cover unforeseen expenses which have the potential to have a negative impact on overall spending and devastate subsequent school year budgets. The projected contingency for FY17 is \$300,000, 1% of the overall budget. As presented by Cindy Mitchell, the district's auditor stated that while there is no industry standard for contingency funds, a consistent percent across systems is at least 1% of the overall budget. As noted by the Budget Committee, the FY16 contingency supported among other items: the addition of 1.5 teaching faculty positions due to higher than anticipated student enrollment, unanticipated retiree payments, an increase in enrollment of students with special needs resulting in the addition of 2 educational technicians, and 2 long-term substitutes due to staff illness. These unexpected expenses totaled: \$301,033 or \$1033.00 more than the contingency budgeted in FY16.

Like all school budgets, the RSU 22 budget is guided by state law and the Essential Programs and Services Funding Model which includes recommended teacher/student ratios and

administrative positions. At the conclusion of the budget presentation and public comment Board Chair, Niles Parker stated, “it is time the Board, local municipal officials, and community members of RSU 22 advocate together to ensure the state legislature begins funding districts at the 55% level outlined by state law and/or reduce the number of unfunded mandates, and that our municipalities should receive the increased level of revenue-sharing our towns deserve. We cannot continue as a State to use tax shifts and divisive policies which are designed to pit local taxpayers against one another. We cannot continue to increase costs while reducing revenue, thereby transferring the burden of state funding cuts to our students, families, and residents.”

The RSU 22 District Budget Meeting will be held on Thursday, June 9, 2016 at 7:00 p.m. in the Hampden Academy gymnasium. The Budget Validation Referendum will be conducted on Tuesday, June 14, 2016 in our four communities from 8:00 a.m. to 8:00 p.m.