

To: RSU #4 School Board members
 From: Jim Hodgkin
 RE: Feedback and Information about cost savings
 Date: December 1, 2009

I am concerned that we do not have a clearly defined process and priorities for making the decisions that we need to make. Out of the November 12th meeting, it felt like we had hit on the following four priorities:

1. Provide the students in RSU #4 with a quality educational experience in grades PreK-12.
2. Provide the students in RSU #4 with equity of programming.
3. Provide the students with the best education that our communities can afford.
4. Provide the students with the best educational structure that maximizes the strengths of the staff.

I believe your elementary Principals sensed the same priorities in developing their plan, which they believe and I believe significantly strengthens the educational programming for RSU #4, while being very fiscally responsible. Regarding the Principals proposal, I have prepared a detailed document of projected savings. I have also prepared an alternative proposal that will achieve the savings over a two year period. The details are below. Following the details is my opinion about the pros and cons of each proposal. I am basing my opinions on the four priorities listed above.

Perhaps I am taking some liberties with that, but that is my take. What I heard last night was a great deal of discussion about cutting programs and finding ways to not close any buildings. Obviously, the decision is yours to make, but before we go further in any of these conversations, I think we need to decide what our priorities are in making these decisions. If we first want to look at ways of accomplishing the needed cost savings without closing any schools, then let's say that and proceed with the work of cutting the necessary programs to accomplish that. If that is not the top priority, then let's say that and proceed in that direction.

Principal's Proposal: Details on a separate handout.

Total projected savings for closing WCS and sending the K-2 staff and students to Libby-Tozier is \$891,668.00. The breakdown is below.

Projected Cost Savings for the Principal's Plan			
All positions and savings are from the Wales Central budget, unless otherwise noted.			
Position	Explanation	Savings	Total Savings
Salary- Library Ed. Tech III		\$14,489.00	\$14,489.00
Benefits- Library Ed. Tech III		\$7,188.00	\$21,677.00
Prof. Dev., Travel, Training- Lib. Ed. Tech III		\$450.00	\$22,127.00
Supplies and Books/Per.- Library		\$2,850.00	\$24,977.00
Tuition Reimbursement- Library		\$1,400.00	\$26,377.00
Repair and Maint.- Library		\$750.00	\$27,127.00
Audio Visual		\$800.00	\$27,927.00
Salary- Clerical		\$16,505.00	\$44,432.00
Salary- Substitutes		\$7,000.00	\$51,432.00

Health Ins.- Clerical		\$2,500.00	\$53,932.00
Clerical Benefits		\$2,154.00	\$56,086.00
Training and Dev.- Clerical		\$650.00	\$56,736.00
Postage		\$1,200.00	\$57,936.00
Travel for Professional Dev.		\$150.00	\$58,086.00
Supplies		\$1,978.00	\$60,064.00
Salary- Custodians		\$36,452.00	\$96,516.00
Salary- Custodians Substitutes		\$2,811.00	\$99,327.00
Health Ins.- Custodian		\$6,341.00	\$105,668.00
FICA/Medicare- Custodians		\$3,004.00	\$108,672.00
Unemployment/Worker's comp- Cust.		\$2,124.00	\$110,796.00
Purchased Property Services		\$23,209.00	\$134,005.00
Purchased Rep. and Maint. Service		\$33,200.00	\$167,205.00
Insurance - Buildings and Contents		\$4,776.00	\$171,981.00
Telephone		\$6,750.00	\$178,731.00
Supplies		\$11,350.00	\$190,081.00
Electricity		\$36,960.00	\$227,041.00
Oil		\$31,308.00	\$258,349.00
Salary- Regular Classroom Teachers (6)		\$210,000.00	\$468,349.00
Salary- PE teacher		\$30,000.00	\$498,349.00
Salary- .5 Art teacher		\$16,764.00	\$515,113.00
Salary- Nurse		\$31,877.00	\$546,990.00
Salary- Special Ed. Teacher		\$51,610.00	\$598,600.00
Salary- Ed. Tech I (2)		\$26,822.00	\$625,422.00
Salary- Ed. Tech II (2)		\$28,262.00	\$653,684.00
Health Insurance- Teacher and Ed. Techs	estimated	\$50,000.00	\$703,684.00
Dental Insurance- Teachers and Ed. Techs	estimated	\$2,500.00	\$706,184.00
FICA/Medicare- Teachers and Ed. Techs	estimated	\$1,900.00	\$708,084.00
Tuition Reimbursement- Tch and Ed. Techs		\$6,600.00	\$714,684.00
Unemployment/Worker's comp- Tch/Ed. Tech	estimated	\$2,000.00	\$716,684.00
Purchased Professional Services		\$1,795.00	\$718,479.00
Employee Training- Teachers and Ed. Techs		\$2,950.00	\$721,429.00
Repairs and Maint.- Teacher and Ed. Techs		\$1,500.00	\$722,929.00
Travel for Professional Dev.		\$400.00	\$723,329.00
Supplies		\$13,111.00	\$736,440.00
Books and Periodicals		\$13,137.00	\$749,577.00
Audio Visual		\$489.00	\$750,066.00
Hardware- Technology		\$4,370.00	\$754,436.00
Software- Technology		\$9,045.00	\$763,481.00
Field Trips		\$3,064.00	\$766,545.00
Co-Curricular Stipend (YrBk, Drama, Newsp)		\$950.00	\$767,495.00
Supplies (YrBk, Drama, Newsp.)		\$520.00	\$768,015.00
Athletic Stipends		\$8,400.00	\$776,415.00
FICA/Unem./Worker's Comp		\$203.00	\$776,618.00
Purchased Services- Co-Curr.		\$3,050.00	\$779,668.00
Supplies- Co-Curr		\$1,500.00	\$781,168.00
Salary- Guid. Counselor	From other school	\$36,000.00	\$817,168.00
Hlth Ins. and Other benefits- Guid. Couns.		\$6,500.00	\$823,668.00
Project Reach Teacher		\$22,000.00	\$845,668.00
Co-Curricular/Extra Curr. (based on Sab.)		\$46,000.00	\$891,668.00
	Total		\$891,668.00

General Information: I changed the plan in the following way:

1. I did not close Central Office and move the staff and Alt. Ed. to WCS. The estimated building costs for maintaining WCS is in excess of \$150,000. The estimated cost of maintaining the Central Office is less than \$20,000.
2. I did not eliminate the Social Worker at WCS. Instead I eliminated a Guidance Counselor at one of the schools. My opinion is that I would prefer to have 2 Guidance Counselors and 2 Social Workers in the PreK-8.

Other Questions:

1. **Why not close Libby-Tozier or Sabattus Primary?:** *Simply put, the space at WCS is not adequate to house PreK-2 from either Sabattus or Libby-Tozier. There are 9 classroom spaces at WCS and you would need a minimum of 10 to house the PreK-2 program. Libby-Tozier has 12-14 classroom spaces and is set up to be a PreK-2 school already.*
2. **Could this be done over a 2 year period?:** *Yes, call it Jim's Compromise: You could reconfigure Sabattus Central and Carrie Ricker as proposed, but leave the K-2 students at Wales. Total savings with this plan would be around \$686,028 as you may not be able to realize any of the \$150,000 in facilities cost and you would need to keep the half time art and a half time PE person (perhaps create a 1.0 FTE by combining with SPS). You would also need to leave a secretary in the building as well. This could be boosted by eliminating Alternative Education for one year only to redesign the program. I really would be concerned if the district chooses to eliminate Alternative Education altogether. The ripple effects would be great. The total cost of the program is around \$112,849. However, remember that there is a fair amount of subsidy attached to that program.*

If we chose to go with this plan, then a non-binding question could be added to the Wales election in June asking the citizens if they would support closing their school or paying the additional amount. If we restructured the 3-8 and the Wales citizens indicated that they would support closing their school, then we could do that in 11-12 and realize the additional savings. I would not support closing or selling the Central Office building in either case. It is an excellent facility for Alternative Ed. at a low cost to the district. It was a very good investment by the School District and the building was paid off in this budget.

3. **What is the value of the Central Office?** *The Central Office building was purchased for around \$185,000 and about \$30,000 worth of renovations have been added to it. We would estimate the value to be around \$225,000 right now. We believe there are about 18-19 acres of land with the building.*

Why I support the Principal's plan as the best solution:

It comes back to what I thought we had discussed at the November 12th meeting, using those four questions at the beginning of this document.

1. Provide the students in RSU #4 with a quality educational experience in grades PreK-12. *I believe the Principal's plan creates a significantly better educational structure for our students. While there are benefits to the K-8 structure, I strongly believe that greater opportunities exist for students when they are grouped by grade levels.*

2. Provide the students in RSU #4 with equity of programming. *This proposal eliminates any inequities that exist and keeps our present offerings. Spanish would become a 6-8 program.*
3. Provide the students with the best education that our communities can afford. *This proposal does create a better educational setting with a significant savings that I believe our communities could afford.*
4. Provide the students with the best educational structure that maximizes the strengths of the staff. *Putting all of the staff and students at each grade level together in grades 3-8 is the best educational setting for a population of our size. It will provide the greatest instructional setting allowing the staff to maximize their strengths and to share with each other. It provides the greatest flexibility for organizing students to take advantage of their strengths and weaknesses as learners. It provides RSU with the continuity of programming and instruction that has been missing in a K-8 structure. Professional Development opportunities will be maximized as well.*

The bottom line for me is that we can greatly improve our educational programming and overall student performance while saving a great deal of money. Quite frankly, even if we were not facing such challenging economic times, we should be talking about the K-8 structure and discussing if it is the best way to educate students that all go to one high school in grade 9. As much as we try to create consistency and continuity in the three K-8's, it is very difficult.

I am very sensitive to the loss that the people of Wales would feel with the closing of their school. Litchfield and Sabattus would have a loss as well as their students will be leaving their towns earlier than 9th grade. However, the time to move in this direction is now and I believe it is the best direction for the education of our students. I believe we are charged with making decisions that are in the best educational interest of the students of RSU #4. Cutting programs to save a school doesn't feel like the right choice to me. But let me end by restating that this decision is yours to make, not mine. You all have to deal with the political realities of the decisions that you make.

Projected Cost Savings for the Jim's Compromise			
<u>Position</u>	<u>Explanation</u>	<u>Savings</u>	<u>Total Savings</u>
Salary- Library Ed. Tech III		\$14,489.00	\$14,489.00
Benefits- Library Ed. Tech III		\$7,188.00	\$21,677.00
Prof. Dev., Travel, Training- Lib. Ed. Tech III		\$450.00	\$22,127.00
Supplies and Books/Per.- Library		\$2,850.00	\$24,977.00
Tuition Reimbursement- Library		\$1,400.00	\$26,377.00
Repair and Maint.- Library		\$750.00	\$27,127.00
Audio Visual		\$800.00	\$27,927.00
Salary- Clerical		\$16,505.00	\$44,432.00
Postage		\$800.00	\$45,232.00
Travel for Professional Dev.		\$150.00	\$45,382.00
Salary- Custodians		\$20,000.00	\$65,382.00
Salary- Custodians Substitutes		\$1,400.00	\$66,782.00
Health Ins.- Custodian		\$6,341.00	\$73,123.00
Supplies		\$11,350.00	\$84,473.00

Salary- Regular Classroom Teachers (6)		\$210,000.00	\$294,473.00
Salary- .5 PE teacher		\$15,000.00	\$309,473.00
Salary- Nurse		\$31,877.00	\$341,350.00
Salary- Special Ed. Teacher		\$51,610.00	\$392,960.00
Salary- Ed. Tech I (2)		\$26,822.00	\$419,782.00
Salary- Ed. Tech II (2)		\$28,262.00	\$448,044.00
Health Insurance- Teacher and Ed. Techs	estimated	\$50,000.00	\$498,044.00
Dental Insurance- Teachers and Ed. Techs	estimated	\$2,500.00	\$500,544.00
FICA/Medicare- Teachers and Ed. Techs	estimated	\$1,900.00	\$502,444.00
Tuition Reimbursement- Tch and Ed. Techs		\$6,600.00	\$509,044.00
Unemployment/Worker's comp- Tch/Ed. Tech	estimated	\$2,000.00	\$511,044.00
Purchased Professional Services		\$1,795.00	\$512,839.00
Employee Training- Teachers and Ed. Techs		\$2,950.00	\$515,789.00
Repairs and Maint.- Teacher and Ed. Techs		\$1,500.00	\$517,289.00
Travel for Professional Dev.		\$400.00	\$517,689.00
Supplies		\$13,111.00	\$530,800.00
Books and Periodicals		\$13,137.00	\$543,937.00
Audio Visual		\$489.00	\$544,426.00
Hardware- Technology		\$4,370.00	\$548,796.00
Software- Technology		\$9,045.00	\$557,841.00
Field Trips		\$3,064.00	\$560,905.00
Co-Curricular Stipend (YrBk, Drama, Newsp)		\$950.00	\$561,855.00
Supplies (YrBk, Drama, Newsp.)		\$520.00	\$562,375.00
Athletic Stipends		\$8,400.00	\$570,775.00
FICA/Unem./Worker's Comp		\$203.00	\$570,978.00
Purchased Services- Co-Curr.		\$3,050.00	\$574,028.00
Supplies- Co-Curr		\$1,500.00	\$575,528.00
Salary- Guid. Counselor	From other school	\$36,000.00	\$611,528.00
Hlth Ins. and Other benefits- Guid. Couns.		\$6,500.00	\$618,028.00
Project Reach Teacher		\$22,000.00	\$640,028.00
Co-Curricular/Extra Curr. (based on Sab.)		\$46,000.00	\$686,028.00
	Total		\$686,028.00
Alternative Ed. (for 1 year)		\$112,849.00	\$798,877.00