

Windham School Department

March 19, 2008

FY 09 – Version 4

Windham School Committee Budget

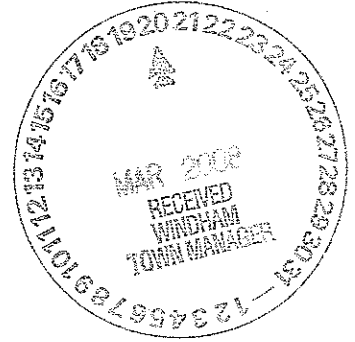


WINDHAM SCHOOL DEPARTMENT

2009 Operating Budget Transmittal

Sanford J. Prince IV, Superintendent
Donn S. Davis, Assistant Superintendent

March 21, 2008



At the last regularly scheduled School Committee meeting (March 19, 2008), the School Committee voted to forward a budgetary request of \$ 30,454,215 to the Town Council for the ensuing 2008-2009 budget year. This request is \$1,243,285 more than the 2007-2008 operating budget of \$29,210,930 and represents a 4.25% increase over the previous year. The State Department of Education has not communicated a firm estimate of State revenue that we can expect from them under the Essential Programs and Services budget at this time. Hence, the development of the budget has been primarily focused on the expense side.

As we communicated last year, the State of Maine Department of Education has directed significant changes in the financial "chart of accounts" that all local school systems across the state were required to utilize for financial reporting purposes. We have instituted these changes and are in the second year of displaying the budget in this format. The State requirement has vastly increased the number of accounts in our budget. We now report just under 1900 accounts in our expense budget! Because we are in the second year of reporting in this format we were able to compare actual known expenses (predominantly) for last year to the proposed new expenses for the upcoming year. What follows is an explanation of the more notable changes from the current budget to the new FY 09 request.

The budgetary request supports the strategic plan of our school system as we continue to **focus on literacy** for the second year in a row as we strive to assure "*Success for All.*"

As explained in past budget presentations, because we are an educational service organization and heavily people intensive, our largest expenses are in the area of human resources – salaries and benefits. Close to 96% of the 2009 budget increase falls into the category of salaries and benefits. Of the \$1,243,285 increase, \$1,190,335 can be attributed to health insurance increases (up 4% for 2009) and increases in salaries and wages due to negotiated salary agreements.

The difference in expenses communicated in the previous paragraph (\$1,243,285 less \$1,190,335) is \$52,950. This increase can be easily attributed to energy costs (heating and motor fuels) alone

While we have communicated that we do not have firm figures regarding State subsidy, we are attaching a revenue projection based on the Governor's proposed level of funding. ***Please be aware that our revenue projection is tentative and preliminary awaiting action by the State Legislature and the Governor.***

Thank you for your attention to this request and know that either Donn or I would be happy to answer any questions that you may have regarding the School Committee's 2009 operating budget request.