

REC'D APR 5 2011

ALTERNATIVE PLAN SUBMITTAL SHEET

School Administrative Unit Submitting Alternative Plan:

Millinocket School Department

Contact Information:

Name: Dr. Kenneth Smith, Superintendent of Schools

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Date Plan Submitted by SAU: April 5, 2011

The intent to submit an alternative plan has been approved by the Commissioner in the approval of the Notice of Intent?

YES NO

Alternative Plan Cover Sheet
(Please attach Alternative Plan as Exhibit A)

Plan Requirements				
Item	Complete	In Progress	Not Yet Started	Need Assistance ¹
Plan addresses how the SAU will reorganize administrative functions, duties and noninstructional personnel so that projected expenditures of RSU in fiscal 2011-2012 for the following areas will not have an adverse impact on the instructional program.				
system administration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
special education	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
facilities and maintenance	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Plan addresses how cost savings will be achieved in fiscal 2011-2012 for the above four areas.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parameters for Plan Development				
Enrollment meets requirements (2,500 except where circumstances justify an exception)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
When viewed in conjunction with surrounding proposed units, may not result in one or more municipalities being denied the option to join an RSU	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Includes at least one publicly supported high school	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Consistent with policies set forth in section 1451	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No displacement of teachers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No displacement of students	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No closures of schools existing or operating during school year immediately preceding reorganization, except as permitted under section 1512	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Collaborative Agreements				
			Yes	No
Does your plan currently include information/documentation on collaborative agreements? <i>(not required, but encouraged)</i>			<input checked="" type="checkbox"/>	<input type="checkbox"/>

¹ Please explain what assistance you need to complete this portion of your plan, and state from whom you need assistance, on the next page.

Exceptions to 2,500 minimum

Actual number of students for which the SAU is fiscally responsible (use Oct 1, 2006 numbers): **625**

Exception	Exception Claimed in Plan	Documentation Provided? (Please attach as Exhibit B)	
		Yes	No
Geography			
Demographics			
Economics			
Transportation			
Population Density			
Other Unique Circumstances	X	X	

Assistance Needs –

Please use this section to describe your needs for assistance and from whom you need assistance.

Law Reference/Required Element	Explanation of your assistance need	Assistance needed from whom?

ALTERNATIVE PLAN

SAU submitting: Millinocket School Department

Contact Information: Dr. Kenneth Smith, Superintendent of Schools

Phone: (207) 723-6400

E-mail: ksmith@emmm.org

Date Submitted: March 4, 2011

Due Diligence

For over twenty years, Millinocket School Department has been involved in discussions and meetings with its neighboring school districts in an attempt to study reorganization and to find suitable partners in which to consolidate. Millinocket has a long history of trying to bring about more cost effective and educationally sound practices into our region, dating back to 1988 when a study was conducted by the Center For Research and Evaluation, College of Education, UMO. The project coordinator and primary author was Dr. John Skehan. This study describes the process and outcomes of an extensive analysis of the feasibility of the consolidation of public school services for the towns of Millinocket and Union #113 (East Millinocket, Medway and Woodville). This voluminous report concluded that there would be significant cost savings (estimated at the time to be over one million annually) and educational benefits, especially at the secondary level.

January 27, 2009, Millinocket, East Millinocket, Medway and Woodville voted on a proposed AOS plan. However, even though Millinocket voted overwhelmingly in favor, voters in East Millinocket, Medway and Woodville voted just as convincingly against the proposed reorganization plan. We have continued to attempt to have discussions with our neighbors but we have been rejected. In addition, Norm Higgins of the Reorganization Team held an informational meeting for our local School Board and Town Council in which we invited our neighbors but nobody attended from the surrounding towns.

A unique circumstance that affects our school system is that we are at the end of the road, only unorganized territory exists west of us and our neighbor to the north is consolidating with another system even further north and east.

Our K–12 student enrollment in Millinocket School Department as of October 1, 2010, was 544 students. As of March 1, 2011, our student enrollment was 544. Stearns High School offers many educational opportunities for our students. We offer two foreign languages, which we plan to expand to three. In addition, we offer eight AP courses. Our Performing Arts Department excels in state competitions. In addition, beginning this fall we are establishing an international program with an emphasis on Chinese students. This program will provide our students with a cultural experience usually reserved to private schools as well as academic challenges. Next year we will provide a full time ESL teacher.

Millinocket is faced with an unusual situation in that prospective mill purchasers want significant tax concessions from the town. The town expects the School Department to share in those cuts. These reductions alone will cause undue hardships to the School Department so a nonconforming penalty in excess of \$114,000 would be crippling. Compounding our fiscal dilemma this next fiscal year, FY 12, Millinocket School Department will receive \$341,000 less subsidy than the current year.

Millinocket School Department has pursued due diligence in an effort to meet the Public Law, Chapter 240, part XXXX as enacted by the 123rd Maine Legislature as well as adjustments made to this law. We have exhausted all possible geographical, non-conforming units to consolidate with. Millinocket School department has exerted a great amount of time and effort to find and develop efficiencies in the operations of the school system in order to become a more sustainable school unit. The bullets below address actions the district has taken to meet these goals:

- The Millinocket School Board met with representatives from Union 113, SAD 67, SAD 31, SAD 40 and SAD 25 to discuss RSU and AOS partnerships.
- As of June, 1998, Millinocket School Department consolidated its schools by closing Millinocket Middle School and Aroostook Ave. School, consolidating its K-5 pupils onto one campus (Granite St.) and sending its 6-8 population to Stearns High School where a Millinocket Middle School was formed.
- Millinocket School Department obtained a grant from Efficiency of Maine to invest in a lighting retrofit project for Stearns High School and Millinocket Middle School.
- An energy audit and calibration of our HVAC system was performed to control and ensure significant savings in our heating and electricity costs.
- Millinocket remains willing and encourages discussions with our neighbors to reorganize.

**PLAN REQUIREMENTS:
System Administration**

FY08	FY09	FY10	<small>(Budgeted Only)</small> FY11
\$218,962 (3.24%)	\$ 203,932 (3.01%)	\$187,284 (2.79%)	\$268,652 (3.78%)

• Central Office system administration in Millinocket is considerably below the state average of 4% for high achieving schools. Administrative services to the Millinocket School Department are provided through a three member Central Office staff consisting of a part-time superintendent of schools, administrative assistant and bookkeeper. The administrative assistant performs multiple tasks - secretary to the superintendent, accounts payable clerk, and human resource manager. The bookkeeper handles payroll and budget. The superintendent and Central Office staff manage all federal and state programs. In addition, the bookkeeper balances the school accounting with the bookkeeping records for the Town of Millinocket. Being a department of the Town a double set of books must be maintained. Ultimately all fiscal elements of the School Department fall under the responsibility of the superintendent of schools.

- A new chart of accounts has been implemented.
- Since FY11, the position of Curriculum Coordinator has been eliminated and is the role of the Granite St. Elementary Principal.
- Millinocket School Department participates with Union 113 in bulk buying fuel oil and paper supplies.
- Through cooperation with Union 113, we share a business software server (ADS of Tyler Industries).
- Through cooperation with Union 113, we share the cost of a server for FirstClass email plus yearly maintenance services.
- Through cooperation with Union 113, we share EBI heating control server.
- Through cooperation with Union 113, we share a NWEA server.
- Through collaboration with Union 113, we share the cost of Power School, liaison services and a single server.
- Through collaboration with neighboring school systems, we share staff i.e., Spanish teacher, elementary art teacher and vocational teacher.
- We continue to look for efficiencies in methods of operation and continue to investigate other areas in which fiscal savings may be realized.

In FY 10 Millinocket and U-113 shared a superintendent. In FY 11 a superintendent was added for each school system, thus increasing the size of the Millinocket budget. Many budgeted items were shared when the two offices were together in FY 10 those had to be duplicated when the two systems split in FY 11. In FY 11 Millinocket budgeted additional money to relocate and to set up a new office in Millinocket

Facilities and Maintenance

FY08	FY09	FY10	(Budgeted Only) FY11
1,119,078	\$1,143,824	\$1,053,097	\$1,171,695

- We have increased our efforts in energy efficiency. Through a grant from Efficiency of Maine, we were able to invest in a lighting retrofit project in Granite St. and Stearns High School. The cost of the retrofit was \$300,000. The cost of the retrofit has been repaid in less than ten years.
- An energy audit and calibration of our HVAC system was performed to control and ensure significant savings in our heating and electricity costs. Reductions in fuel oil consumption and electricity have been realized. For example, we now use 20,000 gallons less of #5 heating oil. At today's prices we have saved over \$60,000/year just in oil. Our reduction in electricity consumption amounts to 200,000 KWH.
- With the closure of the Millinocket Middle School and Aroostook Ave. School, we have consolidated our schools K-5 and 6-12, respectively.
- We live in snow country so our snow removal costs are significant. However, working with our Public Works Dept. and securing new equipment we have been able to keep up with heavy snow winters.

The FY 08, FY 09, and FY 10 figures are **expenditure** amounts, whereas the FY 11 represents the **budgeted** amount. Every year our actual expenditures have been less

than budgeted amounts, demonstrating conservation of effort. We anticipate the FY 11 expenditures to continue to demonstrate reductions over the previous fiscal year. In FY 10 over 41,000 was saved in fuel alone due to two factors: we locked into a much lower price than was budgeted and the mild winter produced a significant reduction in heating oil consumption. The FY 11 budget includes additional funds for anticipated higher fuel prices and higher fuel usage.

Transportation

FY08	FY09	FY10	(Budgeted Only) FY11
\$219,969	\$169,790	\$178,506	\$274,724

- Transportation is a contracted service in Millinocket School Department. Our cost per mile (\$2.50) is significantly below the state average. The vender is very cooperative.
- In our current budget, FY11, we budgeted for vocational bus runs that were previously provided by Region 3.
- Transportation services are contracted. However, the superintendent assumes direct oversight of all services provided to the School Department.
- Millinocket School Department is a compact community so school transportation services are straight forward. Outlying communities, most of which are in Unorganized Territories, provide bus services to and from Millinocket schools.
- A mini-bus driver was previously budgeted under Special Education. Vocational Education transportation was moved from Career and Technical Education to School Department Transportation.

Special Education

FY08	FY09	FY10	FY11
\$943,279	\$931,187	\$961,143	\$909,061

- The Granite St. Principal (K-5) also serves as the Director of Special Education (K-12) and the Curriculum Coordinator (K-12) thus saving large sums of money.
- The superintendent of schools will play a greater role in the administration of special education in future years.

Instructional Impact

The savings and efficiencies listed in this plan will not have an adverse impact on the instructional program.

Collaborative Agreements

• Through cooperation with Union 113, we exchange extra-curricular and co-curricular programs as follows:

- a. Golf at Stearns
- b. Show Choir at Stearns
- c. Fall Musical at Stearns
- d. One Act Plays at Stearns
- e. Cross Country at Schenck (East Millinocket)
- f. Jazz choir at Schenck (East Millinocket)

Plan Requirement

We are willing to file a Notice of Intent with any contiguous SAU and proceed as outlined in 20-A MRSA § 1465.

Donald Dew J. Board Member 3/3/11 Millinocket School Dept
Signature/Title Date SAU

Arnold R. Lipton Board Chair 3/Mar/11 Millinocket School Dept
Signature/Title Date SAU

Michael B. Jewers Board 3/4/11 Millinocket School Dept
Signature/Title Date SAU

Signature/Title Date SAU