

ANNUAL REPORT 2015

With Proposed Operating Budget Data for Fiscal Year 2016

May 2015



Maine Regional School Unit 21

The Schools of Kennebunk, Arundel, and Kennebunkport

“Preparing responsible, contributing citizens in a global society”

RSU 21 ANNUAL REPORT 2015

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Kids and Communities Benefit from Collaboration

Kevin P. Crowley, Interim Superintendent of Schools



I am pleased to present this Annual Report for RSU 21 for the 2014-2015 school year. This is the fourth year we have used this expanded format to share with you the accomplishments, challenges, and financial projections for our district, and I am hopeful you will find the information provided to be helpful as you contemplate the effectiveness and efficiency of our schools.

When the RSU was formed in 2009, many of us were well aware of some of the challenges that lay ahead. Melding three communities and two former school districts into one cohesive unit has been a rigorous task. With each passing year we move several steps closer to having a truly unified school district. In fact, among the RSU staff, the seamless nature of the district has been in place for several years. Teachers and support personnel throughout the district are constantly working with one another to ensure that our students are receiving the best opportunities possible in all three of our communities; board members deliberate and cast their votes from the perspective of what is fair and equitable for all students; and administrators collaborate daily to make certain that all students benefit from efficient use of limited resources. From within the schools, one would have a hard time realizing that our district is only five years old, as the systems and culture that exist give the impression of an educational unit that has been working smoothly for decades.

The challenges outside of the schools, however, remain significant. As could be expected of any situation in which property taxes from three communities contribute toward the cost of one enterprise, disagreements over the equity of the cost-sharing formula, the need for facilities in each of the towns, and the degree to which the schools should be funded arise frequently. My hope for these three communities is that those concerns can be debated in a factual, straightforward manner in the future, as that will provide the community with its best opportunity to recover from what was a difficult and contentious referendum debate in January.

With the submittal of the major capital construction referendum to go in front of the voters in June of 2025, the RSU is at a crossroad in terms of determining how to address significant facilities issues at Mildred L. Day School, Kennebunkport Consolidated School, and Kennebunk High School. While all of our schools continue to perform among the highest in Maine, the infrastructure of the district must be addressed in a comprehensive and judicious manner. I encourage each community member to take the opportunities provided by the RSU – through public forums, press releases, and website postings – to become educated about the many needs at these schools. Seek out the facts that will allow for an informed decision and engage in the democratic process with your neighbors and fellow citizens, and the three communities of RSU 21 will accomplish great things for their students.

With warm wishes for a great future,

Kevin P. Crowley

Kennebunk High School

Susan Cressey, Principal



The Kennebunk High School faculty, staff, and administration are proud to announce a number of academic accomplishments. The number of KHS students enrolling in post-secondary education increased from 88% in 2013 to 89% in 2014. The 4-year graduation rate for the Class of 2014 was 95.81% compared to 92.22% in 2013. Last year, mean SAT math scores were above the state average in all areas, including critical reading, math, writing, and science. Seventy-six percent of the 2014 graduates took an AP/IB or early college class prior to graduation.

Kennebunk High School remains committed to ensuring that all students have the support needed to succeed. To that end, a learning center for all students, guided study halls, an academic advisory, and an alternative program have been established for students who need assistance in addition to that which is provided by their teachers before, during, and after school. The PLATO on-line learning system provides an opportunity for students to complete credit recovery. Virtual High School and AP4ALL on-line learning further expand course offerings, as do the programs at the Biddeford Regional Center of Technology and the Portland Arts and Technology High School. A STEM (science, technology, engineering, and math) Scholar Program now provides students with the opportunity to earn a STEM certificate upon graduation.

Kennebunk High School provides many extra-curricular activities, including, but not limited to: Model State, Model UN, Mock Trial, Debate, KHS Senate, Yearbook, and Robotics. Student Council, Peer Helpers, the Captains' Club, and Interact promote leadership and giving back to others within the school and the community. KHS now accepts international students on a tuition basis. Many students participate in the fall and spring plays, spring musical, and annual art exhibit. In addition, an average of 40% of KHS students participate on athletic teams each season.

For more information about Kennebunk High School's varied activities and programs, please go to the website: <http://www.rsu21.net/khs.shtml>. Included on the site is an informative view book, the Daily Bulletin with school-wide announcements, as well as electronic copies of present and past newsletters and other documents. The links to library and guidance offer helpful tips for the college/career application process and the athletic link has updated scores and schedules.

The RSU 21 Strategic Plan is committed to elevated student learning. To that end, the plan identifies performance targets for each of our schools on a variety of measures.

For Kennebunk High School, it is our goal that by the end of the 2015 school year, 95% of students will graduate from high school within four years of enrolling. 2014 Achievement: 95.81%



Middle School of the Kennebunks



Jeff Rodman, Principal

It has been both an exciting and productive year at the Middle School of the Kennebunks and it is with great pride that I present our school's annual report. The middle school's enrollment of nearly 520 students continue to excel in the classroom, on the fields and courts of play, and in the variety of activities and extracurricular programs in which they participate. Demographically, our 6th grade is our largest class with nearly 190 students. There are 170 students in grade 8 and 161 in the 7th grade.

This past fall, the middle school was recognized by Apple, Inc. as a Distinguished School for Innovation, Leadership, and Educational Excellence. We are among only six schools in Maine to receive this distinction. The award is based upon "Five" common Best Practices that sustain successful one-to-one implementation. These practices are Visionary Leadership, Innovative Teaching and Learning, Ongoing Professional Learning, Evidence of Success, and providing a Flexible Learning Environment. We are honored by this award and by our commitment to successful applications of technology in the teaching and learning process. A copy of the middle school's interactive iBook can be found at the iBookstore, titled "Middle School of the Kennebunks."

Our involvement in the International Baccalaureate Middle Years Program only reinforces an already strong academic program. A new aspect of IB for middle years schools that participate in the three-year program is the "Community Project". The Community Project focuses on community needs spanning local to global themes. The project is designed so that students will be able to deepen their understanding of the world around them, develop community awareness, make an effective contribution to society, communicate effectively, and participate in self-directed inquiry. We are excited to see the results of our students' endeavors.

Our 8th grade Art and Tech students are designing three more Green Rooms for the Nonantum Resort in Kennebunkport. This is the middle school's 8th year working with the Nonantum. Our students, under the direction of Mary McCarthy, will have designed a total of 24 rooms at the end of this year's work.

As part of our commitment to reading and writing, we have challenged our students to read and report out on the books that they have read. Our goal is 10,000 books by the end of the school year. Read on!

Clubs, activities, and athletics remain quite popular at MSK. These activities provide a positive afterschool outlet for many of our students. This year we have introduced a number of new clubs based upon student and staff interests. Some new activities include the Game Club, Coding Club, Video Club, and Photography Club. Additionally, students from the middle school participated on teams that earned first and second place at the 15th annual Maine First Lego League Championship. Our Civil Rights Team and Student Council remain two of our most active school organizations.

The middle school provides many opportunities for students to showcase their work and talents for their parents and the community. Evening events such as Egypt Night, China Connections, East Asia Night, our school play, Seussical the Musical, the Geography Bee, and our band and chorus concerts are hallmarks of the great work being produced by our students.

Highlights from sixth grade include Egypt Night, Charles Dickens's "A Christmas Carol" at the Portland Stage Company, Enterprise City, trips to Gulf of Maine Research Institute and the Solar Car Races.

Seventh grade highlights include participating in The Leadership School at Camp Kieve, field trips to Boston in support of the China Connections and East Asian studies, and the numerous team activities that promote collaboration and responsibility.

In addition to the Community Project and the Nonantum Project, eighth grade highlights include the annual bike trip, the Senior Citizens' Thanksgiving Dinner, and trips to University of New England and Southern Maine Community College. A major focus during the second half of the school year for our 8th graders is an introduction to career education as well as preparation for their transition to high school.

Our interaction with the elementary schools and with KHS continues to grow. This year we have started a local chapter of "Girl Talk". Additionally, several of our 8th grade students are developing community projects centered upon working with and supporting students at the lower grade levels.

It has been a busy year for staff at the middle school, as the focus of our professional development has been the adoption, integration, and implementation of the Common Core State Standards. Teachers are working extremely hard and are committed to ensuring that students are prepared to meet these standards. Our Social Studies teachers had the unique opportunity to attend a national conference when the National Social Studies Teachers' Conference was held in Boston this past November. We have made a commitment to strengthening our Science Technology Engineering Program (STEM) at MSK. Students in grades 6 – 8 participate in a STEM class as part of their Allied Arts Schedule. Several staff members have shared their expertise by presenting at a variety of workshops and conferences, including Ward Willis, Ellen Jardine and Tad Williams who facilitated workshop sessions at the Maine Association for Middle Level Education Conference this past October.

We are grateful to our parents, particularly our Parent Teacher Group for their tremendous support of our school. Not only have they supported the school with successful fundraising activities, but they have also donated generously of their time to assist with hosting several school events and programs.

This has been another exciting and productive year at the Middle School of the Kennebunks and we are proud of the work accomplishments of our students and staff.



Sea Road School



Stephen Marquis, Principal

The Sea Road School welcomes 270 students in grade 4 and 5 each day. Highlights of SRS programming include: a comprehensive Response to Intervention (RTI) program addressing academic and behavioral needs of our student population, 4-5 foreign language instruction, a flourishing afterschool Robotics program, educational outreach with the Boston Museum of Science, competitive math team, gifted and talented services, talented artist program, and band instruction, among others. Our faculty and staff have a strong commitment to ensuring a healthy, positive, and industrious school culture. It is our strong sense that it is the adults' collaboration and collegial relationships that help optimize the school day for our children and their learning. This commitment transcends to a true Professional Learning Community. In the end, our attention to the district's ethos ensures that there are no distractions to our keen focus on children and their learning. We strive to ensure every child is socially and emotionally available for learning. It is our sincere belief that our positive school culture is in the best interest of each child's academic, social, and emotional gains.

In area of curriculum and assessment, SRS students continue to perform successfully on both State (NECAP) and National (NWEA and NAEP) assessments. Most recently, Sea Road was recognized by Governor LePage and the Maine Department of Education with three certificates of distinction, 1.) Top 25 Maine Elementary School Growth, 2.) Top 25 Maine Elementary Schools for Growth of All Students, and 3.) Recognition as an "A" school in the Maine School Performance Grading System. Regardless of our level of success, staff continue to analyze assessment results as a means of supporting continual school improvement. NWEA and NECAP data is critical to our response to intervention (RTI) identification and programming efforts, serving to shape our ongoing school improvement efforts. Though our core curriculum, grounded in mathematics and literacy, serve as the bedrock on which our instructional foundation rests, we are also cognizant of the fact that exemplary schools celebrate arts, athletics, service, and social engagement. To this end, we seek to engage the creative minds of our students and staff in activities that serve to ignite their passion for lifelong learning, through a shared partnership with caregivers and community members.

Parent and community support for Sea Road School continues to be unrivaled. This school is a vibrant place for learning due in part to the numerous organizations, local businesses, and individuals who share their time, energy, financial support, and expertise. KEPTA, The Education Foundation, Rotary, Arundel and York Masonic Lodges, Oceans Community Credit Union, Corning, Robotics Coaches, Club advisors, Math Team parents, are but a few of the guiding hands that serve to make SRS a special place for children. THANK YOU!

2014-2015 Highlights include:

- Continued work on the creation of a culture of literacy started during the 2013-2014 school year. The SRS Literacy Leadership Team created a Summer Reading List and Challenge, partnered with our local Masonic Lodge on the Bikes for Books Program, facilitated several literacy based assemblies, and is gearing up to host our Second Annual Family Literacy Night program.
- SRS being honored as a 2014 Let's Go! Silver Site of Distinction for committing to excellence in healthy eating and active living for children and families.

- The successful introduction of 275 Chrome Books, expanding learning opportunities for students to research, create, and archive their work.
- Extensive work by school staff on curriculum alignment and standards based reporting across all curriculum areas.
- Professional development with consultant Pam Taylor on Step Up to Writing and Kevin Perks on using standards to enhance teacher practice.
- Current and former students placing first and second at the 2014 Maine First LEGO League Championships, earning the right to represent Maine in April/May, 2015 at national and international robotics events.
- Ongoing preparation for the Smarter Balance Assessment and curriculum alignment with The Common Core State Standards.
- Continued expansion of after school student enrichment offerings that now include: Spring Running Club, Games Club, Robotics Club, Reading Times Newsletter, Student Council, Film Club, and Ultravision Radio Theater Club.

It is with heartfelt admiration and appreciation that I thank students, staff, and our greater learning community for making SRS a school of excellence. Collectively, we continue to chart a course in life long learning wherein students are nurtured in a stimulating environment that fosters curiosity, respect, responsibility, honesty, courage, and compassion. I am hopeful that this brief report adequately conveys but a few of the outstanding accomplishments of our students, staff, and greater learning community.

For more information about Sea Road School's varied activities and programs, please visit our website: <http://www.rsu21.net/srs.shtml>.



Mildred L. Day School



Cory Steere, Principal

At Mildred L. Day School, we are proud of the hard work and accomplishments of all of our students, and are committed to providing the foundation that will enable our students to achieve their full potential.

Our focus for the year has been to create and grow a culture of literacy. In the fall, a building level literacy leadership team was formed with the goal of promoting the love of literacy. We believe that all students can be joyful, independent readers and writers, and school-wide activities and engagement can create a culture of literacy that can benefit the entire student body. Some of the activities our students have participated in include Drop Everything And Read Day, Book Character Day, Book-It, and a Theatreworks production of *Miss Nelson is Missing*. Additionally, we have partnered up with the University of New England to offer Family Literacy Night in the spring.

We are also very excited about our successful preschool story time, “Read with Me at MLD.” Working in collaborations with the children’s librarians from the Louis T. Graves Memorial Public Library and the Kennebunk Free Library, this program offers stories, songs, and crafts for preschoolers and their caregivers. Focus is placed on helping to develop strong early literacy skills and school preparedness. The initiation of this program was made possible by the support of the Education Foundation of the Kennebunks and Arundel.

Teaching kids the value of giving back is arguably one of the most important lessons a child can learn. Because of this, our students and staff are dedicated to service to others. We believe that kids *can* change our world one kind act at a time. In September, our students participated in a day of service and had the opportunity to thank our first responders by washing their vehicles. We also celebrated what it means to be a part of a community through holding our 8th annual “Give From the Heart” food drive, which allowed us to collect items that were donated to our local food pantry and animal shelter. Our students and staff have also raised funds to provide support to families in need of heating assistance, and participated in the “Pennies for Patients” drive.

The Mildred L. Day School is fortunate to be able to offer our students a wide array of programming opportunities. These include a K-5 Spanish program, Gifted and Talented Services, Talented Artist Program, Math Team, Response to Intervention support, Destination Imagination, robotics, and a Kinder – Camp, which is a three day summer experience for our incoming kindergarteners.

Educating the students of today takes the whole community, and the parent and community support that is afforded our school is truly outstanding. From the moment you enter the school, you can feel that MLD is a special place. Collectively, we are able to create a nurturing environment where our students feel valued and supported, and are able to thrive. We are most appreciative of this support and look forward to continued collaborative efforts to support the growth of our students.

Kennebunkport Consolidated School



David Crandall, Principal

Thank you for this opportunity to once again share news of the progress Kennebunkport students have made over the past academic year.

Consolidated School is filled with talented and energetic students, along with a dedicated and skilled staff, leading to outcomes that continue to be impressive when compared with Maine averages. Over the past four years, Consolidated students have improved their performance on statewide math and reading assessments, moving into the top 5% in the state. Consolidated also received an “A” on the most recent State report card. The State Department of Education honored Consolidated School for being in the top 25 schools for growth and for growth of all students. At the same time, these students have made community service a regular and vital part of their time at school and at home. During a January “Sock Hop”, the students donated more than 500 items to the local food pantry and animal shelter. They also continue their outstanding participation in the Jump Rope for Heart campaign.

One exciting new initiative at Consolidated School is the rapidly-expanding STEM program. With grants from the Perloff Foundation and the Education Foundation, students as young as grade 2 are now building and programming robots, and participating in robotics track meets to show off their skills. The Education Foundation of the Kennebunks and Arundel and the KCPTA generously support various initiatives as well, including programming from the Heartwood College of Art. The Kennebunkport Conservation Trust field trips are now tied to the Next Generation Science Standards in grade K-5. The KCPTA continues to serve as a model for PTA’s across the country with their incredibly successful Circus Smirkus fundraiser.

The citizens of the RSU continue to support upgrades to the school facility. In just the past year we have been able to provide new flooring throughout the building, as well as new casework in the classrooms and library. Plans are in the works to install an NFPA 13 rated sprinkler system, new fire alarm system, enhance insulation, and upgraded security system. While these are substantial improvements, the real solution lies with the complete renovation of the facility which the voters will have the opportunity to weigh in on in the near future.

I would like to recognize the staff at Consolidated School for the outstanding efforts they have made to prepare Kennebunkport’s students for continued success at the middle and high school level and beyond. Whether those students attend Kennebunk High School or any number of other schools, we can be assured that the staff at Consolidated has prepared them well for the challenges to come.



Kennebunk Elementary School



Ryan Quinn, Principal

This has been one of the most exciting years at KES in the 10 year history of our school. With another year of excellent assessment scores, we have continued to refine and expand our daily Focus Groups for all students. With twelve to fourteen daily offerings every trimester at each grade level, students with similar learning profiles receive daily small group instruction in everything from remediation of skills (Response to Intervention), to enrichment.

We are struck each day by the expertise of our teachers and staff, and the wonderful talents and skills that they bring to this endeavor. Their commitment to excellence is unparalleled, and while their performance results in student achievement ranking our schools in the top five percent of all schools in the state of Maine, they consistently continue to pursue professional development and opportunities for life-long learning. Professional development at KES in 2014 has included, among other things, literacy training, math training, writing training, Common Core State Standards training, technology training, executive functioning training, Safety Care training, mentoring training, Cognitive Coaching, Professional Learning Community training, Reading Recovery, work in Collaborative and Proactive Solutions, as well as training on bullying preventions and interventions.

Health and safety has continued to be an emphasis in 2014, with a new salad bar in the KES café providing healthier lunches for students, staff, and the increased number of parents who join us for lunch each day. Additionally, partnering with the Kennebunk Police Department has resulted in both student student-centered safety initiatives, and professional development for staff. The KPD Bike Rodeo, hosted at KES, has evolved and become a permanent spring event in 2014. KES also sponsored and participated in training for the KPD in Active Intruder Response, which can now be offered to all schools in the district.

In 2014 there were no shortage of special events and opportunities for students at KES. Published authors, Tony Viehmann, and Jim Robbins, both presented their books to all students at KES. In May, KES received a grant from the Swift family Aubreys End Foundation, funding a violin Artist-in-Residence experience for students at KES. Beginning in October, KES second and third grade students spent two weeks with violinist, Pam Doughty, during their regular music time each week. Twenty-four KES students were inspired by the experience and are now pursuing violin lessons privately on their own. Shortly thereafter, grants from the Education Foundation of the Kennebunks and Arundel, and the Kennebunk Elementary PTA funded another musical Artist-in-Residence. African drummer, Michael Wingfield, spent two weeks at KES teaching African drumming to all students.

November marked the 10 year anniversary of the opening of KES. Three consecutive Friday Morning Assemblies celebrated the occasion. Opening ceremonies found students serving as speakers and entertainers, while former and retired teachers and administrators from Park St. School, Cousins school, and KES returned to celebrate our beginnings and share in the excitement. The annual KES Veterans Assembly served as the anchor event, with 42 active and retired US service relatives of students in attendance. Nine USMC cadets and officers formed the color guard, and two Southern Maine WWII veterans, John Goodman, and Loring Newcomb, were announced as the recipients of a May 2015 Honor

Flight trip to the WWII memorial in Washington DC. Funding for their Honor Flight experience was provided by the students of KES, who raised more than \$5,000.00 selling their own artwork. For the closing ceremonies of the KES 10 year anniversary, fifty-four stake-holders in the KES experience were recognized by students for their contributions to our school. Present for recognition were members of the Ed Foundation of the Kennebunks and Arundel, the Kennebunk Elementary PTA, former KES staff members, the Kennebunk Police Department, the Kennebunk Fire Department, Hannaford Brothers, KHS Teen Trendsetter mentors, and the Kennebunk Rotary.

We continue to be amazed at the number of parents, grandparents, and community members who support, visit, and volunteer in our schools, each day, in so many different ways. I cannot say enough about the incredible community and family participation we enjoy, and we are deeply humbled by the same. And we would be remiss if we did not thank the students of KES, as they are at the center of everything that we do. They warm our halls with their joyful presence, and they inspire us to do better each day.



Special Services Department

Susan L. Martin, Director



The RSU 21 Special Services Department provides services to students in Special Education, Gifted and Talented and English as a Second Language.

Special Services offers a full continuum of services K-12 to meet each of our student's unique needs. Our staff are dedicated and committed to providing each of our students' a successful educational experience. On-going professional development remains critical and staff members continue to participate in training opportunities to advance their skills.

All 36 of our 2014 seniors successfully exited KHS with diplomas. 69% of these graduates are attending college or vocational programs this year, and the remainder is gainfully employed.

72% of students having special needs in grades 2 – 8 who took the NWEA (a nationally normed exam) made gains in mathematics from 2013-2014, while 79% of students having special needs in grades 2-9 who took the NWEA made gains in reading.

Our Gifted and Talented students continue to perform extremely well in their math competitions, with many teams and students earning first place awards. Middle School of the Kennebunks won first place in the regional Math Counts competition. At the high school level, 34 students were recognized by the College Board as Advanced Placement Scholars, with three of these students being recognized as National Scholars. Many of our students are also accessing the offerings of our International Baccalaureate Program with over 103 students participating. The visual and performing arts showcased by our identified students are truly exceptional.

Our English Language Learners are continuing to make excellent progress and 49 students from kindergarten to grade 12 are being supported this year.

One of the greatest challenges for the Special Education Department is predicting a budget for the next year where many of the students who will be served are not yet known. In some cases, these students have not yet been identified; in other cases, they are new students moving into the district. Still others are incoming kindergarten students about whom we know very little at this time.

The Special Services Department continues its commitment to appropriately individualize services to meet the unique needs of the students served.



Master Facilities Plan

On September 12, 2011 the Board of School Directors approved the district's Master Facilities Plan. This plan was developed over the course of the previous two years with guidance from Dan Cecil, principal architect at Harriman Architects and Engineers. This plan may be viewed in its entirety on our website (www.rsu21.net), or you may view a copy at our offices at 177 Alewife Road (Kennebunk Elementary School) in Kennebunk.

Facilities Vision Statement

Within the 2010-2019 decade, upgrade older buildings and field/athletic facilities to provide an educationally modern system supportive of delivering uniformly excellent K-12 education throughout RSU 21. Do so in a manner that is both fiscally responsible and cost effective while also continuously striving for support by the three RSU 21 communities.

Key Goals

- Retain an elementary school in each community.
- Continually strive to balance elementary school capacity with uncertain future student demand.
- Maximize education and community utilization of all buildings and grounds.
- Renovate older buildings (KHS, MLD, and KCS) in a manner that maximizes construction cost efficiencies while minimizing annual taxpayer impact.
- Renovate facilities both to include the flexibility to meet rapidly changing educational technology needs and to maximize energy efficiency.
- Provide facilities that lend themselves well to the support of continuing adult education, the arts and public recreation usage.

RENOVATION PROJECTS BEING RECONSIDERED

On June 9, 2015, the voters of the RSU will have the opportunity to vote on a \$56.5M proposal brought forward by the Board to renovate Kennebunk High School, Kennebunkport Consolidated School, and Mildred L. Day School in Arundel. The current construction budget is reflective of a construction cost reduction of more than \$18 million dollars, coupled with an interest reduction of possibly \$22 million, represents a \$40 million dollar reduction in principal and interest from the January 2014 failed referendum. The estimated cost for each project is:

Kennebunk High School	\$42,802,471
Kennebunkport Consolidated School	\$5,137,551
Mildred L. Day School	\$8,557,016

You may follow the committees' progress on our website. Plans at this time are to bring a project to the voters in June, 2015.



Get The Facts - School Referendum

RSU21 Building Renovations

Visit www.rsu21.net for more information

- FACT The total cost to taxpayers of repairs, renovations and interest is **\$40 Million LESS** now than it would have been had the previous plans passed in January 14'.
- FACT There are **NO** Turf Fields, **NO** Visual Performing Arts Center, and **NO** Community Meeting Rooms in the current plan. Non-essential components (WANTS) have been removed from the plan. We are building schools-that is all. We heard you.
- FACT This new building plans address the significant **safety issues as well as A.D.A. requirements** and reduces the projected utility cost by \$4.8 m over 25 years.
- FACT If the School Referendum passes, the average monthly tax impact (per \$100,000 valuation) will be \$5.81 in Kennebunkport, \$6.10 in Arundel and \$6.38 in Kennebunk. The yearly tax impact on a \$200K home in Arundel is \$146.46; Kennebunk \$153.12, and Kennebunkport \$139.52.
- FACT Placing all three building projects on one ballot is simply more cost-effective and ultimately **less costly** for the taxpayer. We are capturing financing at 2.5% for the first bond issued \$40m and 3.5% for the second bond issue of \$16.5, these terms are likely to increase with delays and the problems are not going away.
- FACT PC Construction, the Construction Manager for the projects, has a track record of engaging local firms in the construction process. At the recently completed South Portland High School, southern Maine contractors accounted for roughly 70% of the work. Local area jobs will be created and the local economy enhanced.
- FACT The building renovations are the final step to keeping an elementary school **open in all three towns** while paving the way to address the issue of excess capacity when the enrollments dictate it.
- FACT Kennebunk High School needs to be renovated or risk losing NEASC Accreditation. KHS has been warned twice (95' and 06') to deal with facilities issues or face accreditation loss. If we are not underway when NEASC visits KHS in the fall of 2017, the school will likely be placed on probation.
- FACT Over the past 5 years the District has revamped its approach to facility management and has demonstrated its capacity to maintain the facilities at a high level. Sea Road is 25 years old, KES is 11 years old, and MSK is 15 years old and all in excellent condition. The facilities budget has been increased by 25% over the past 5 years to insure our commitment to maintaining them at these high levels.

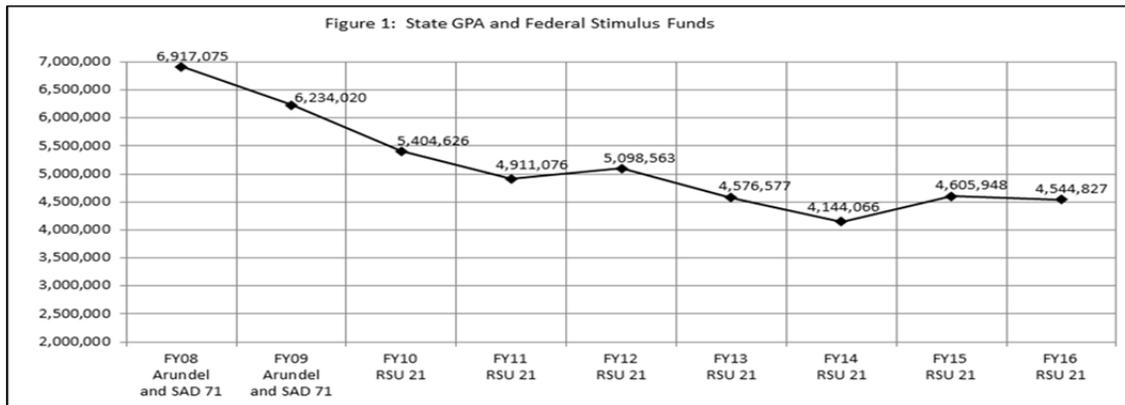
Financial Data



Revenue

State Aid

District revenue comes from a variety of sources. General Purpose Aid for Education (GPA) is revenue received from the State of Maine based on a complex formula known as the Essential Programs and Services model (EPS). Under the EPS formula the state determines the amount of money a district is required to spend in order to meet the minimum standards of the state-approved learning standards. The district receives a portion of this “within EPS” amount as determined by the district’s pupil count and state equalized property values in relation to the other school districts in the state. For the past several years, declining state revenue has filtered down to the local school district, resulting in a wider gap between that state’s promise to fund 55% of EPS education statewide and the current commitment, which is somewhere in the 45% range.



As shown in Figure 1, GPA for the two former districts was nearly \$7M in FY08. In FY10, FY11, and FY12, the drop in GPA was offset in part by federal funds. No such funding is available for 2015-2016.

Capital Reserve, Fund Balance, and Carry-Forward

Each year, the district works diligently to remain within the spending parameters adopted by the RSU Board of School Directors and approved by the voters of the three communities. For example, total FY14 expenditures were 2.8% less than the voter-approved budget. Spending practices employed by this administration during FY15 will also ensure that the district ends the current year with a positive budget variance.

At the end of each fiscal year, the Board has three options to consider for annual surplus funds:

- (1) Add to Capital Reserve: In recent years, voters have approved adding up to 25% of annual surplus funds to Capital Reserve. The Board of School Directors recommends voters approve adding up to 75% of FY15 surplus to Capital Reserve. Capital reserve funds may only be expended with the approval of the district’s voters at referendum.
- (2) Retain in Fund Balance: Fund Balance may be used only upon voter approval in the event of budgetary challenges deemed worthy by the RSU Board.
- (3) Carry-forward: Surplus funds may be assigned or “carried-forward” into the next fiscal year’s budget to minimize the impact of the school budget on local property taxes. The proposed FY16 budget included \$1,252,962 “carried-forward” to offset local property taxes.

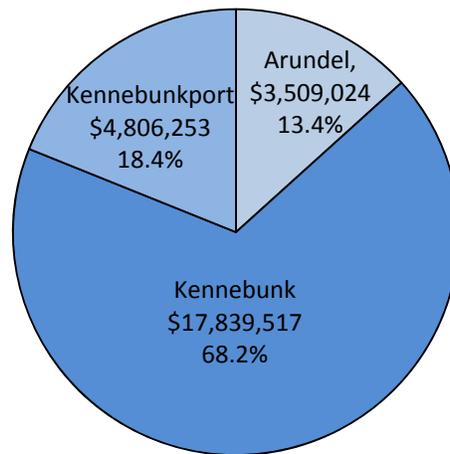
Local Property Tax Assessment

Property taxes account for the most significant portion of school district revenue, accounting for 84.7% of district revenue in FY16. Each of the three towns in the district is responsible for paying a portion of the school expenses based on three formulas identified in the RSU Reorganization Plan.

Cost-sharing in RSU21 is based on three different formulas:

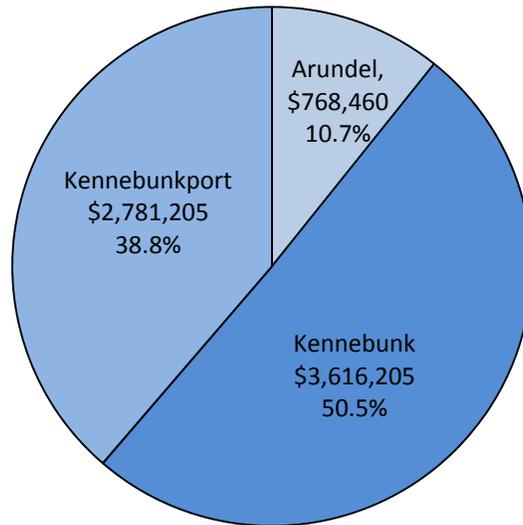
(1) EPS Expenditures: Maine’s “Essential Programs and Services Model” (EPS) identifies the amount of money a district is required to spend in order to meet the minimum standards of the state-approved learning standards. EPS is an adequacy model, and the majority of communities in Maine expect that their schools will provide for more than the minimum standards identified in EPS. For those expenditures identified as “within EPS”, the three towns of the district share the costs using a formula determined by Maine’s Department of Education. It is important to note that this formula is mandated by state law. Figure 2 illustrates each town’s share of the district’s FY16 total of \$26,154,794 EPS expenditures.

Figure 2 - FY16 municipal share of EPS costs



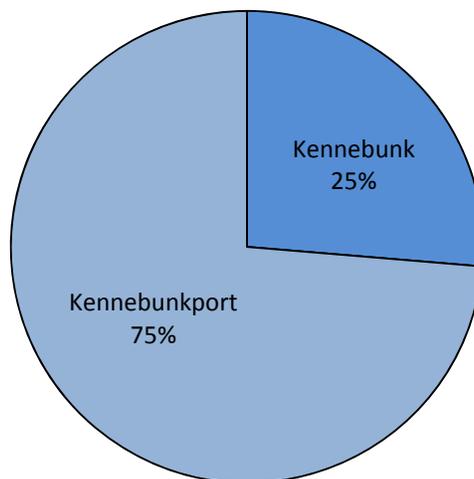
(2) Outside EPS Costs: Expenditures that are not covered by the EPS formula (such as adult education, athletics, and some debt service) and expenditures that are higher than the state required minimum are commonly referred to as “outside EPS” costs. In RSU 21, these costs are shared among the three communities using a locally agreed-upon formula. That formula is based 90% on state equalized property values (SEV) and 10% on pupil count. For FY16, the outside EPS budget for the district is \$7,165,870. Figure 3 illustrates each town’s share according to this formula, based on FY16 projections.

Figure 3 - FY16 Municipal share of over EPS costs



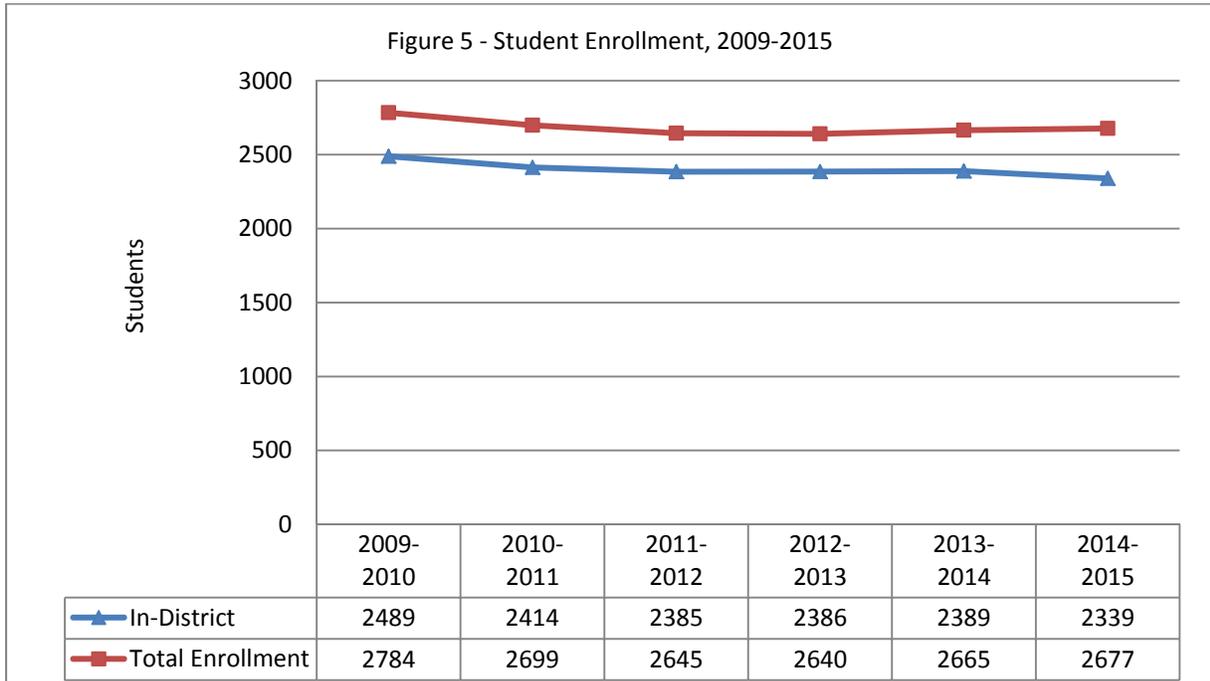
(3) Pre-existing, local-only debt: Prior to consolidation, the towns of Kennebunk and Kennebunkport acquired debt for the district’s share of the construction of Kennebunk Elementary School and Middle School of the Kennebunks. That debt is shared using a formula that is based 70% on State Equalized Valuation (SEV) and 30% on pupil count. The debt service to be paid is declining each year, with the MSK bond payments to be completed in November 2021, and the KES bond to be completed in November 2024. In FY16, the local share of payments for this debt total \$435,568. Under the new cost-sharing agreement, the towns will split the amount of this debt that came into dispute in 2010. Figure 4 illustrates the share of pre-existing, local-only debt service for which each town is responsible.

Figure 4 - Pre-existing SAD 71 Debt



Expenditures

As always, the budget process begins by looking at the numbers of students we will be educating and the types of programs we hope to provide. Five years ago, the district commissioned an enrollment projection study as part of our work in developing a master facilities plan. Through that study, it was projected that the district’s enrollment would decrease by as much as 16% between 2010 and 2020. The decline has not been that rapid, and this year we expect to have an essentially flat enrollment figure, as shown in Figure 5. In January of 2015 we commissioned Planning Decisions to complete a second study looking at enrollment projections.



With the adoption of Maine’s school reorganization law, regional school units such as RSU 21 are mandated to adopt standardized accounting practices that allocate all operating budget expenditures to one of eleven categories known as the “state’s chart of accounts”. These eleven categories represent the warrant articles upon which all voters in the district will cast a ballot in the spring. An overview of RSU 21’s chart of accounts is provided in Figure 6.

Figure 6: Historical Budget Data by State Chart of Accounts (Warrant Articles)

Warrant Article	FY14 Actual	FY15 Budget	FY16 Proposed	Variance \$	Variance %
REGULAR INSTRUCTION	\$15,633,872	\$16,258,223	\$16,579,223	\$321,000	1.97%
SPECIAL EDUCATION	\$5,766,523	\$6,872,566	\$6,866,899	(\$5,666)	(0.08%)
CAREER & TECHNICAL	\$39,258	\$42,225	\$46,886	\$4,661	11.04%
OTHER INSTRUCTION	\$975,644	\$1,032,478	\$1,028,556	(\$3,921)	(0.38%)
STUDENT & STAFF SUPP	\$2,780,392	\$3,036,174	\$3,096,507	\$60,333	1.99%
SYSTEM ADMIN	\$703,828	\$817,310	\$842,334	\$25,024	3.06%
SCHOOL ADMIN	\$1,603,017	\$1,684,830	\$1,752,785	\$67,956	4.03%
TRANSPORTATION	\$2,300,135	\$2,514,256	\$2,779,961	\$265,705	10.57%
FACILITIES	\$3,831,611	\$4,137,894	\$4,072,857	(\$65,036)	(1.57%)
DEBT SERVICE	\$2,407,961	\$2,452,250	\$2,890,346	\$437,826	17.85%
ALL OTHER EXPENSES	\$98,812	\$98,991	\$111,941	\$12,949	13.08%
TOTAL	\$36,141,054	\$38,947,467	\$40,068,299	\$1,120,832	2.88%



Although the budget must be approved by the Board and the voters according to the state’s chart of accounts, the budget is actually developed and administered according to local cost centers, and it is by cost center that we present the budget to the Finance Committee for greater clarity and understanding. Figure 7 provides cost center comparative data for the most recently audited fiscal year (FY14), the current fiscal year (FY15), and the projected FY16 budget. Within each cost center, administrators worked with the appropriate staff to create a zero-based budget proposal. Zero-based budgeting is more time-consuming than methods that build on an existing budget, but also results in a budget that more clearly defines the needs within each cost center. Rather than simply assuming that the previous year’s budget was appropriate in each of the approximately 2,700 budget lines for RSU 21, zero-based budgeting forces each cost center administrator to look at the numbers and needs of students being served and to build a budget from the ground up.

Figure 7: Comparative Cost Center Data, FY14-FY16

Cost Center	FY14 Actual	FY15 Budget	FY16 Proposed	\$ Change	% Change
Health	396,588	408,728	393,846	(14,882)	(3.64%)
Curriculum	217,025	196,523	238,440	41,916	21.33%
Professional Development	30,433	51,674	52,010	336	0.65%
Technology	830,978	1,012,233	1,044,425	32,191	3.18%
Academic Assessment	67,287	71,700	71,772	72	0.10%
School Board	112,130	174,150	174,150	0	0.00%
Central Office	317,262	357,606	355,483	(2,123)	(0.52%)
Development	4,667	13,000	13,000	0	0.00%
Fiscal Services	269,768	272,554	299,700	27,147	9.96%
Tuition	2,502,287	2,773,921	2,773,921	0	0.00%
Food Service	97,461	98,991	111,941	12,949	13.08%
Contingency	6,956	87,500	87,500	0	0.00%
Debt Service	2,407,961	2,452,520	2,890,346	437,826	17.85%
Facilities	3,831,611	4,098,070	4,035,357	(62,713)	(1.53%)
Transportation	2,300,134	2,544,256	2,779,961	235,706	9.26%
Special Ed. Instruction	4,731,441	5,214,605	5,279,407	64,802	1.24%
Special Ed. Tuition	649,460	1,284,029	1,225,249	(58,780)	(4.58%)
Special Ed. Administration	441,791	406,287	432,497	26,210	6.45%
Special Ed. Prof. Dev.	32,884	48,080	45,660	(2,420)	(5.03%)
Gifted and Talented	218,008	224,790	229,692	4,902	2.18%
English Language Learners	27,799	26,216	44,884	18,667	71.20%
Athletics	775,667	792,408	801,659	9,250	1.17%
Consolidated School	1,389,735	1,367,861	1,432,868	65,007	4.75%
Sea Road School	1,527,584	1,586,650	1,617,272	30,621	1.93%
Kennebunk Elementary	2,746,008	2,862,469	2,921,465	58,996	2.06%
Mildred L. Day School	1,539,181	1,586,915	1,631,463	44,547	2.81%
Middle School	3,515,314	3,611,515	3,620,556	9,040	0.25%
Kennebunk High School	5,173,628	5,322,212	5,463,771	141,559	2.66%
TOTAL	36,141,054	39,947,467	40,068,299	1,120,832	2.88%

The Varying Impact of School Expenditures on Municipalities

The State mandates a “minimum required local share” that each municipality must contribute toward the local cost of education in order to receive subsidy. This amount is determined by the state, based on the lesser of two values:

- (A) The “Town Allocation”, which is a function of pupil count, or
- (B) The “Town Contribution”, which is a function of state valuation and the minimum mil rate set by the state. The minimum mils for education increased from 8.10 to 8.48 for FY16.

Figure 8: Determining the required local share for each municipality. (The lesser value for each town determines the “required local share”.)

Town Allocation (a function of pupil count)	FY16
Arundel	6,503,056
Kennebunk	19,390,311
Kennebunkport	4,806,253*
Town Contribution (a function of state valuation)	
Arundel	3,509,024*
Kennebunk	17,839,517*
Kennebunkport	15,390,635

*Required share as determined by the State of Maine

Based on this information, and a proposed budget of \$40,186,665 (including adult education), the estimated district-wide increase on the local tax assessment of 3.78% would impact each town as shown in Figure 9. Individual taxpayers in each town would be impacted as illustrated in Figure 10.

Figure 9: Estimated municipal impact of proposed FY16 budget.

	FY14 Assessment	FY15 Assessment	Change \$
Arundel	4,126,255	4,309,108	182,853
Kennebunk	20,829,596	21,704,825	875,229
Kennebunkport	7,837,533	8,020,441	182,908

Figure 10: Estimated impact on local taxpayer per \$100,000 of assessed value. Please note that, as of the print date for this document, many legislative and state budgetary impacts to school aid are in flux, and these numbers could change.

	FY15	FY16	Change \$	Change %
Arundel	\$1,450.00	\$1,494.62	44.62	3.08
Kennebunk	\$1,490.00	\$1,532.89	42.89	2.88
Kennebunkport	\$763.00	\$772.69	9.69	1.27

To calculate the impact of this proposed budget on a specific household, please log into our budget page at <http://www.rsu21.net/2016-budget-information/> and enter assessment data from your 2015 tax bill.

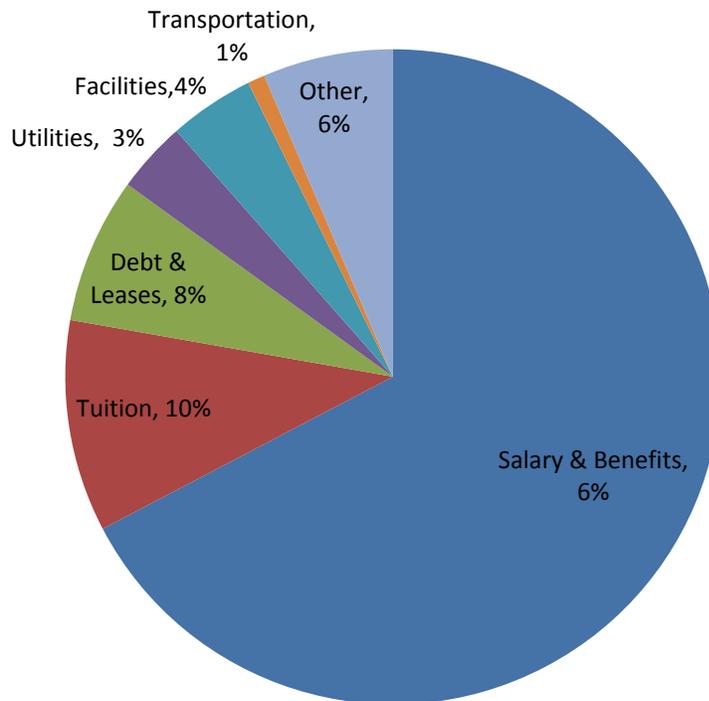
A Breakdown of School Expenditures

School budgets are typically dominated by expenditures for personnel. For FY16, the annual K-12 operating budget, proposed at \$40,068,299, is largely driven by salaries and benefits. Figure 11 provides an overview of the total budget divided into major expenditure types.

Figure 11: Proposed expenditures by type

Salary & Benefits	27,060,168
Tuition	3,999,170
Debt & Leases	3,398,883
Utilities	1,219,277
Facilities	1,636,320
Transportation	392,835
Other	2,361,647
Total	40,068,299

Figure 11a: Proposed expenditures by type, as a percentage of the total budget

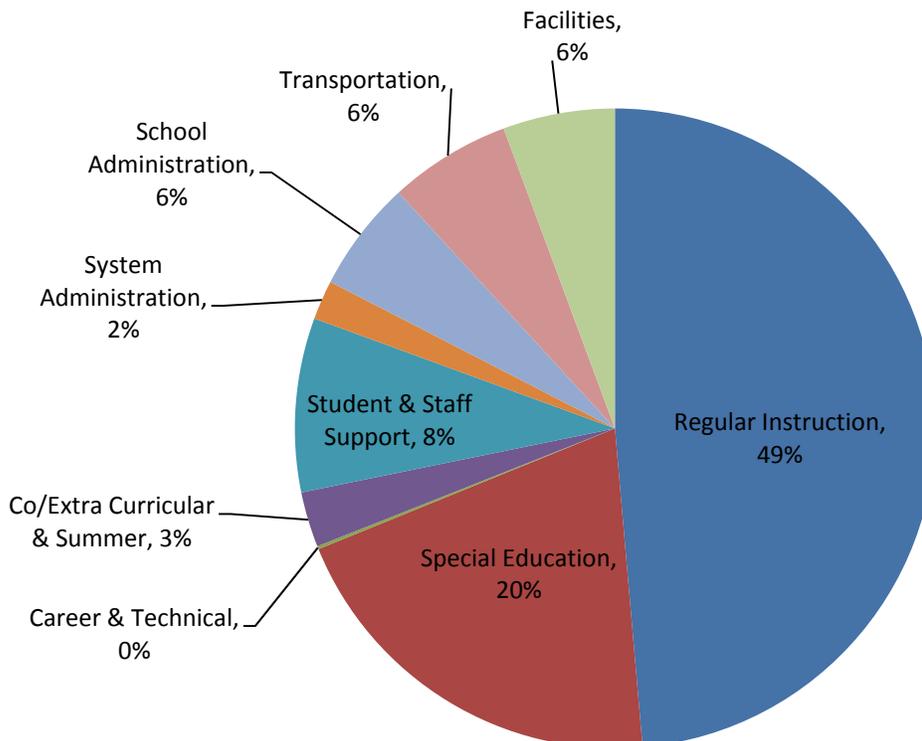


Within the salary and benefit lines, which comprise 68% of the total budget, further analysis provides insight as to the budgeted amounts for each category of employees (see figure 12 and figure 12a).

Figure 12 – Salary and Benefits by Warrant Article

Regular Instruction	13,202,205
Special Education	5,346,001
Career & Technical	45,086
Co/Extra Curricular & Summer	737,120
Student & Staff Support	2,317,417
System Administration	546,655
School Administration	1,528,249
Transportation	1,766,190
Facilities	1,571,246
Total	27,060,168

Figure 12a: Salary and Benefits by Warrant Article as a Percentage of Total Salaries and Benefits



Warrant Articles for Fiscal Year 2016

The following articles will be voted upon at the RSU Budget Meeting scheduled for May 12 at 7:00 p.m. at Kennebunk High School. As of the publication date for this document, many legislative and state budgetary impacts to school aid are in flux, and these numbers could change.

ARTICLES 1 THROUGH 11 AUTHORIZE EXPENDITURES IN COST CENTER CATEGORIES

ARTICLE 1: Shall the RSU be authorized to expend \$16,579,223.92 for **Regular Instruction?**

This covers salaries and benefits for regular education teachers and support personnel, as well as classroom supplies and equipment, books, audio-visual supplies, and repairs.

ARTICLE 2: Shall the RSU be authorized to expend \$6,866,899.63 for **Special Education?**

For salaries and benefits for special education teachers and support personnel, as well as classroom supplies and equipment, out-of-district placements, and professional services.

ARTICLE 3: Shall the RSU be authorized to expend \$46,885.52 for **Career and Technical Education?**

Covers salaries, benefits, and instructional supplies for cooperative education.

ARTICLE 4: Shall the RSU be authorized to expend \$1,028,556.77 for **Other Instruction?**

Provides salaries and benefits for Gifted & Talented, English Language Learners, Alternative Education, Summer School, and Interscholastic Athletics and Activities. Includes supplies, dues, fees, and professional contracts.

ARTICLE 5: Shall the RSU be authorized to expend \$3,096,507.57 for **Student and Staff Support?**

This covers salaries and benefits for Guidance, Health Services, Curriculum, Professional Development, Libraries, Academic Testing, and Technology Department.

ARTICLE 6: Shall the RSU be authorized to expend \$842,334.14 for **System Administration?**

Provides salaries and benefits for offices of the Superintendent, Finance, and Development. Includes property and liability insurances, advertising, dues and fees, legal fees, auditing expenses, supplies, and lines for Board of School Directors.

ARTICLE 7: Shall the RSU be authorized to expend \$1,752,785.91 for **School Administration?**

Covers salaries and benefits for principals, assistant principals, school secretaries. Includes equipment (copiers, etc.) and repairs, supplies, dues and fees, contracted services.

ARTICLE 8: Shall the RSU be authorized to expend \$2,779,961.35 for **Transportation and Buses?**

For salaries and benefits for drivers, bus aides, mechanics, and supervisors. Principal and interest for bus purchases and leases, fuel costs, insurance, equipment and supplies.

ARTICLE 9: Shall the RSU be authorized to expend \$4,072,857.48 for **Facilities Maintenance?**

Covers salaries and benefits for custodial and maintenance workers and supervisory staff. Includes non-labor costs for building repairs and maintenance, contracted services, and supplies.

ARTICLE 10: Shall the RSU be authorized to expend \$2,890,346.00 for **Debt Service and Other Commitments?**

This covers principal and Interest for Kennebunk Elementary School and Middle School of the Kennebunks (shared by Kennebunk and Kennebunkport) as well as renovation funds for capital improvement work at each of the district's buildings.

ARTICLE 11: Shall the RSU be authorized to expend \$111,941.00 for **All Other Expenditures**? This covers the district’s contribution toward the school nutrition program. All other costs for this program are covered by lunch fees.

ARTICLES 12 THROUGH 14 RAISE FUNDS FOR THE PROPOSED SCHOOL BUDGET

ARTICLE 12: Shall the RSU appropriate \$30,699,620.99 for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and shall the RSU raise and assess the amount set forth below as each municipality’s contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688?

Total Appropriated (by municipality)		Total raised (and RSU assessments by municipality)	
Town of Arundel:	\$6,503,056.41	Town of Arundel:	\$3,509,024.00
Town of Kennebunk:	\$19,390,311.60	Town of Kennebunk:	\$17,839,517.34
Town of Kennebunkport:	\$4,806,252.98	Town of Kennebunkport:	\$4,806,252.98
RSU Total Appropriated:	\$30,699,620.99	RSU Total Raised:	\$26,154,794.32

Explanation: The RSU’s contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that the RSU must raise and assess in order to receive the full amount of state dollars.

ARTICLE 13: Shall the RSU raise and appropriate \$648,076.00 for the annual payments on debt service previously approved by the RSU voters for non-state-funded school construction projects, non-state-funded portions of school construction projects and minor capital projects in addition to the funds appropriated as the local share of the RSU’s contribution to the total cost of funding public education from kindergarten to grade 12?

Explanation: Non-state-funded debt service is the amount of money needed for the annual payments on the RSU’s long-term debt for major capital school construction projects and minor capital renovation projects that are not approved for state subsidy. The bonding of this long-term debt was previously approved by the RSU voters.

ARTICLE 14: (Written ballot required). Shall the RSU raise and appropriate \$7,165,870.00 in additional local funds which exceeds the State’s Essential Programs and Services allocation model by \$6,526,048.00 as required to fund the budget recommended by the School Board?

The School Board recommends \$7,165,870.00 for additional local funds and gives the following reasons for exceeding the State’s Essential Programs and Services funding model by \$6,526,048.00. The additional local funds represent local costs to support the district’s school programs that are not included in the state’s funding model including costs for special education programming, transportation, co-curricular, food service and extra-curricular programs and teacher salaries.

Explanation: The additional local funds are those locally raised funds over and above the RSU's local contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state funded debt service that will help achieve the RSU budget for educational programs.

ARTICLE 15 SUMMARIZES THE PROPOSED SCHOOL BUDGET

ARTICLE 15: Shall the RSU authorize the School Board to expend \$40,068,299.29 for the fiscal year beginning July 1, 2015 and ending June 30, 2016 from the RSU's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, non-state-funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690, unexpended balances, tuition receipts, state subsidy and other receipts for the support of schools?

ARTICLE 16 AUTHORIZES EXPENDITURE OF GRANTS AND OTHER RECEIPTS

ARTICLE 16: In addition to amounts approved in the preceding articles, shall the School Board be authorized to expend such other sums as may be received from federal or state grants or programs or other sources during the fiscal year for school purposes, provided that such grants, programs or other sources do not require the expenditure of other funds not previously appropriated?

ARTICLE 17 AUTHORIZES THE ADULT EDUCATION PROGRAM AND RAISES THE LOCAL SHARE

ARTICLE 17: Shall Regional School Unit No. 21 appropriate \$118,366.00 for adult education and raise \$52,502.00 as the local share; with authorization to expend any additional, incidental, or miscellaneous receipts in the interest and for the well-being of the adult education program?

ARTICLE 18 AUTHORIZES A TRANSFER TO THE CAPITAL RESERVE FUND

ARTICLE 18: Shall the Regional School Unit Board be authorized to transfer up to 75% from unexpended balances, if any, at the end of the 2015-2016 fiscal year to the School Capital Reserve Fund provided that the final determination of the amounts to be transferred will be made after review of the audits for that fiscal year and further provided that said funds may only be expended upon express authorization of the Regional School Unit voters?

Explanation: The Maine Department of Education recommends school districts spend 2% of their physical plant valuation annually on maintenance. The RSU 21 Board established an eventual target of 2% or approximately \$2,000,000 to be set aside in Capital Reserve for this purpose. The audited balance in Capital Reserve was \$767,851 on June 30, 2014.



IMPORTANT DATES TO REMEMBER

Tuesday, May 12
District Budget Meeting
7:00 p.m.

Kennebunk High School Gymnasium

At this meeting, the voters present will cast their ballots on each of the warrant articles outlined in this report.

Tuesday, June 9
Budget Referendum
At Town Polling Places

On this date, each resident will be asked to cast a ballot to approve the budget as adopted at the May 12 meeting, including the expenditure of capital reserve funds.

Administration

Kevin P. Crowley
Interim Superintendent of Schools

Katie Hawes
Assistant Superintendent

Bruce A. Rudolph
Business Administrator

Susan L. Martin
Director of Special Services

Jamie Jensen
Director of Technology

Board of School Directors

Maureen King
Chairperson

Brad Huot
Vice Chairperson

Bob Domine
Matt Fadiman
Amy Johnson
Lionel Menard
Mary Beth Luce

Frank Drigotas
Jeff Cole
Mike Mosher
Erin Nadeau
Susan Sinnott-Curran

Tim Walsh and Anna Kate Luddy
Student Representatives

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