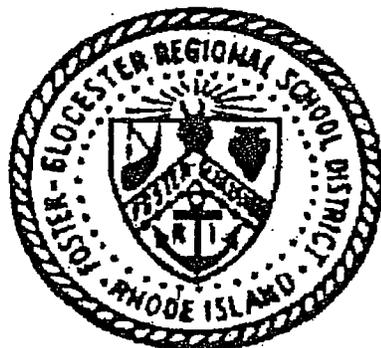


"Exhibit A"

**FOSTER-GLOCESTER REGIONAL SCHOOL DISTRICT**  
Chepachet, Rhode Island

**School District Budget Proposal**  
**Fiscal Year 2011**  
July 1, 2010 - June 30, 2011



**PUBLIC HEARING**

March 1, 2010

8:00 PM

Ponaganset Middle School Library

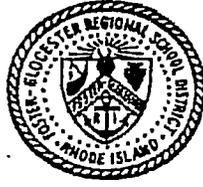
**TOWN MEETING**

March 16, 2010

8:00 PM

Ponaganset High School Auditorium

# Foster-Glocester Public Schools



MICHAEL S. BARNES, Ph. D.  
SUPERINTENDENT

KAY WOOD, Ph. D.  
ASSISTANT SUPERINTENDENT

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BUSINESS MANAGER

AURELIO CAETANO  
INFORMATION TECHNOLOGY DIRECTOR

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January 26, 2010

To Community Members:

Enclosed is a copy of the Foster-Glocester Regional School District Summary Budget Packet for the 2010/2011 which was approved by the Regional School Committee on January 25, 2010.

The 2010/2011 budget reflects a:

- **1.32% Decrease in General Operating Expenditures**
- **0.00% Increase in Total Local Appropriations**

The Foster-Glocester Regional School District is proposing a budget for the 2010/2011 school year which maintains our District's educational programs, ensures that the Federal Stimulus funds are used in a way to enhance our school as originally outlined by the American Recovery Reinvestment Act, yet provides an affordable budget to our taxpayers during these difficult financial times.

The 2010/2011 budget was built on revenue assumptions listed within this packet, and accordingly the expenses of the District will be adjusted to fit within the revenue restrictions once we have finalized figures from both the state and the local authorities.

The 2010/2011 budget was built using the Uniform Chart of Accounts (UCOA) mandated by the State of Rhode Island for all expenditures beginning July 1, 2009. Therefore, the budget detail is comparative to the 2008/2009 actual expenditures in total only, and the 2009/2010 budgeted expenditures by line item detail.

Sincerely,

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Michael S. Barnes, Superintendent

---

Sarah E. Mangiarelli, Business Manager

**FOSTER-GLOCESTER REGIONAL SCHOOL DISTRICT  
BUDGET PROPOSAL  
2010-2011**

**2010/2011 BUDGET OVERVIEW**

*The Foster-Glocester Regional School District projected the following changes for the 2010/2011 budgeted revenues based on a combination of internal analysis and information received from both the state and local revenue projections, as well as budget committee insight.*

- ❖ Projected decrease in State Aid to be used for general operations by \$227,274, or 4.81%.
- ❖ Projected use of \$192,488 of debt service set aside funds to offset the increase in debt service appropriations required by the net difference between the projected housing aid revenue, and required debt service principal and interest payment.
- ❖ Projected increase in local appropriations to be used for capital improvements by \$21,126 211.26%.
- ❖ Projected increase in housing aid reimbursements for capital projects completed during FY 2009 \$159,409.

*The Foster-Glocester Regional School District has built the 2010/2011 expense budget based on the projected revenues as presented above.*

- ❖ Projected net decrease in expenditures for general operations by \$223,361, or -1.32%.
  - It should be noted that the true decrease in the District's operating budget is 3.32% or \$559,717 due to an estimated inflation rate of 2% for the 2009/2010 year.
- ❖ Projected increase in expenditures for capital projects by \$180,535.
- ❖ Projected increase in debt service principal and interest payment by \$67,552 or 1.31%.

*Proposed Budget is Subject Local Approval*

**FOSTER-GLOCESTER REGIONAL SCHOOL DISTRICT  
BUDGET PROPOSAL  
2010-2011**

**SUMMARY OF LOCAL APPROPRIATIONS FY 10 AND FY 11**

*The District Proposes a 0% Increase in Local Appropriations for the 2009/2010 Year:*

	2009-2010 Budget	2010-2011 Proposed Budget	09/10 - 10/11 Change (\$)	09/10 - 10/11 Change (%)
<b>Local Appropriations</b>				
Gen. Op. & Cap. Projects	\$ 12,028,376	\$ 12,028,376	\$ -	0.00%
Debt Service	1,816,458	1,816,458	-	0.00%
<b>Total</b>	<b>\$ 13,844,834</b>	<b>\$ 13,844,834</b>	<b>\$ -</b>	<b>0.00%</b>

While the District does have the option to increase the total budget by 4.50% under Senate Bill 3050, we believe that coming forward with a 0% increase, will clearly demonstrate our commitment to have a financially responsible budget, especially during these difficult economic times.

In order to level fund the requested general operations, and increase the amount allocated to the District's capital improvement budget, the District was required to make cuts to the general operations in the amount of \$223,360. It should be noted that the District is making every effort to maintain their current programs while at the same time ensuring that we are upholding our fiduciary responsibilities to the Towns.

**NOTE:** In accordance with Regional Charter, \$12,028,376 will be appropriated from the towns of Foster and Gloucester based on student enrollment. The \$1,816,458 will be appropriated based on the equalized weighted assessment of property values.

*Proposed Budget is Subject Local Approval*

**FOSTER-GLOCESTER REGIONAL SCHOOL DISTRICT  
BUDGET PROPOSAL  
2010-2011**

**PROPOSED BUDGET IMPACTS FOR THE TOWNS OF FOSTER AND GLOCESTER**

The District will bring forward a 0% budget for the 2010/2011 year. Due to the changing enrollment patterns between the towns of Foster and Glocester, Glocester will experience an estimated increase in local appropriations by approximately \$124,946, and accordingly, Foster will experience an estimated decrease in local appropriations in the amount \$124,946.

\*These figures are based on student enrollment that was verified with the Foster and Glocester tax rolls.

<u>Foster</u>				
General Operations	\$ 3,864,696	\$ 3,769,594	\$ 95,102	
Debt Service	651,763	621,919	(29,844)	
<b>Total Foster</b>	<u>4,516,459</u>	<u>4,391,513</u>	<u>(124,946)</u>	
 <u>Glocester</u>				
General Operations	8,163,680	8,258,782	95,102	
Debt Service	1,164,695	1,194,539	29,844	
<b>Total Glocester</b>	<u>9,328,375</u>	<u>9,453,321</u>	<u>124,946</u>	
<b>Total Local Appropriations</b>	<u>\$ 13,844,834</u>	<u>\$ 13,844,834</u>	<u>\$ -</u>	<u>0.00%</u>

*Proposed Budget is Subject Local Approval*

**FOSTER-GLOCESTER REGIONAL SCHOOL DISTRICT  
BUDGET PROPOSAL  
2010-2011**

**BUDGETARY INCREASE BY PROGRAM AREAS**

The Fiscal Year 2011 (FY 11) Budget can be summarized by examining the major program expense areas. As you can see in the table below, the proposed FY 11 Budget reflects a decrease of \$223,361, or a -1.32% increase in the General Operating Fund Budget.

Budget Areas	FY 11 Increase (Decrease)
Salaries	\$ 348,875
Employee Benefits	(445,797)
Educational Programs	(63,538)
Central Office Facility Operations*	542,507
District Wide Facility Operations *	(605,408)
<b>Total Increase</b>	<b>\$ (223,361)</b>

**Salaries**

**Total Increase: \$348,875**

The Salaries Budget consists of all salary expenditures associated with the cost of employing all certified, non-certified, administration and part-time employees.

The salary decrease represents the net effect of the increase in salaries associated with the annual step increase, as well as the adjustment of employee resignation and rehiring.

**Employee Benefits**

**Total Decrease: \$(445,797)**

The Employee Benefits Budget consists of all employee related benefits and payments including but not limited to: social security, Medicare, workman's compensation, pension contributions, and health, dental and life insurance payments.

The benefit expense decrease is the net effect of the assumption for rising costs of dental care and non-certified pension requirements, as well as the decrease in certified pension expense, and the assumption of a 0% increase in health care expense.

*\*As a result of our continued implementation of UCOA, various expenditures have been reclassified as necessary to properly reflect the expenditures as delineated by UCOA guidance.*

*Proposed Budget is Subject Local Approval*



**FOSTER-GLOCESTER REGIONAL SCHOOL DISTRICT  
BUDGET PROPOSAL  
2010-2011**

**DEBT SERVICE SET ASIDE FUNDS**

Included in the 2009/2010 (FY 10) requested debt service appropriations was an amount equal to \$1,105,359 in debt service set aside funds. The funds are received by the District from the towns of Foster and Gloucester in conjunction with the Town's debt service appropriation payments paid in the fall and spring.

The summary of activities related to the debt service set aside funds as follows:

<b>Projected Debt Service Set Aside at 6/30/2010</b>	\$ 1,105,359
Requested Use of Debt Service Set Aside FY 11	<u>(192,488)</u>
<b>Remaining Debt Service Set Aside at 6/30/2011</b>	<u>\$ 912,871</u>

In summary, if the requested \$192,488 of debt service set aside funds are authorized to be used to maintain a 0% increase in the required debt service appropriations, the District will have \$912,871 remaining to offset against future debt service payments.

Below is a summary re-cap of the calculation for the debt service set aside funds, as presented in the 2009/2010 budget:

DEBT SERVICE OBLIGATION – Required Payment (2009/2010)	\$	5,139,583
LESS HOUSING AID REIMBURSEMENT (2009/2010) (INCLUDING "DOUBLE" REIMBURSEMENT)		(4,428,484)
<b>NET AMOUNT TO BE PAID BY LOCAL APPROPRIATIONS</b>	<b>\$</b>	<b>711,099</b>
<b>TOTAL LOCAL APPROPRIATIONS REQUESTED FY 09</b>	<b>\$</b>	<b>13,844,834</b>
<b>LOCAL APPROPRIATIONS REQUESTED FOR FY 10</b>		
Operating (09/10)	\$	12,028,376
Debt Service (09/10)		711,099
Debt Service Set Aside (09/10)		1,105,359
<b>TOTAL LOCAL APPROPRIATIONS REQUESTED (2009/2010)</b>	<b>\$</b>	<b>13,844,834</b>

*Proposed Budget is Subject Local Approval*