

School Committee Meeting 4/23/2013 – Proposed 2013/14 Budget Review

Prepared by Rick Cliffe

As all of you know, it is pretty difficult to fully comprehend all of the details in the proposed school budget when it is presented at the annual hearing. Last year (2012/13) we had a situation where the bottom line on the expenditure summary sheet showed a net increase of \$10,008 (0.4%) over the previous year. But this wasn't the whole story. I raised a couple of questions at the hearing but it wasn't until I'd had a few days to review the proposed budget in-depth that I came to the understanding. Because of a very large graduating class, we actually had a drop in tuition payments of \$164,000. When you adjust the budget for this savings, last year's expenses actually increased by \$174,000 (8.3%) over the 2011/12 budget. The 2011/12 budget was \$180,637 (9.5%) higher than 2010/11. I'm a strong advocate for public schools but also financial responsibility. I don't think Georgetown taxpayers can continue to absorb this level of growth. Therefore, I decided to get educated and involved in this year's draft budget. To that end, I have attended February, March and April school committee meetings to understand and question the draft budget which will be turned in to the Selectmen this week. I am distributing this email as a "heads up" to you, hoping that it will help you to ask pertinent questions during the school budget hearing and make an informed vote at the town meeting.

The first thing to note about the proposed 2013/14 school budget is that the bottom line will show a *decrease* in spending of about \$70,000 (-3%). But like last year, the bottom line is dramatically impacted by a \$167,000 decrease in tuition, primarily special education tuition. When you adjust the overall expense budget for this decrease, the bottom line is actually an *increase* of about 4%. But it's not nearly as simple as this. The whole budget package is 11 sheets of spreadsheet numbers.

After attending the February meeting where Superintendent Eileen King presented the first draft budget, I sent her a 4-page list of questions intended to clarify what specific items are. At the March meeting Ms King provided an updated, slightly revised draft and patiently walked through it line by line for three of us who were in attendance with the committee. During that discussion she addressed most of the questions that I had previously provided as well as a number of others we raised at the meeting.

At the April 23rd meeting, Ms King provided an overview of the updated, only one minor change, draft budget. I brought a listing of 21 line items that proposed increases greater than 4%. In dollar terms, these lines ranged from a low of \$614 (6.2% growth) to a high of \$20,297 (all new) and totaled about \$101,000. Using this list I questioned whether growth in each of these lines was essential (e.g. contractually required, etc.), discretionary, on-going, or one-time only. I expect that Ms King will explain the rationale for each of these in her presentation at the hearing. While I (personally) question a couple of the smaller growth items, I concur that all of the significant ones are in fact essential. These include:

- Salaries and Benefits (teachers, ed techs, others) which are contractually required
- Allocation of the cost of the AOS98 curriculum coordinator and technology consultant (previously paid entirely by Boothbay)
- New equipment which is a one-time expenditure to replace old and borrowed equipment
- An anticipated reduction in the State subsidy for food service
- An anticipated transfer of State funding for the Teacher Retirement Fund (as proposed by Governor LePage)

A separate item, not on the budget, was school security enhancements (locks, video cameras, intercomm) proposed by the AOS security coordinator at the April school committee meeting. The superintendent has already submitted a grant request but it is not clear if/when that may be approved. Meanwhile, this budget cycle provides an opportunity for the community to approve a contingency budget that will enable these safety upgrades to be made this summer. The committee agreed to check with the selectmen about including it in the proposed budget. (See Rick Freeman's Report on the Selectmen's meeting for April 23 for more details and the outcome of the discussion with the Selectmen.)

I believe Ms King will elaborate in much more detail when she presents the proposed 2013/14 budget at the School Budget Hearing May 14th. I hope that this email gives you a little help in understanding the details she will present.

Rick Cliffe