



# CAPE ELIZABETH SCHOOL SCHOOL BOARD

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December 7, 2009

Patricia Brigham  
*Chair*

Linda Winker  
*Vice-Chair*

Karen Burke  
Peter Cotter  
Rebecca Millett  
Katharine Ray  
Mary Townsend

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Alan H. Hawkins  
*Board Secretary  
Superintendent of Schools*

Dear Cape Elizabeth Community Members,

As you are probably aware, Gov. John Baldacci recently issued a curtailment order which reduces general purpose aid to public education for the current year in the amount of \$38 million. The prospect of this curtailment has been looming for some time as has been mentioned at School Board meetings throughout the fall. However, now that it is official, we'd like to share with you some background information and highlight some of the steps we are taking to address the situation.

Cape Elizabeth's share of this current curtailment is \$621,440 or 3.5% of our budget. This represents one of the highest percentage cuts in the state. (Cuts in other districts ranged from .5% to just over 3% of total school budgets.) Our cut, combined with the reduction in state aid of \$504,338 to Cape's school budget earlier this year, means that our state aid for the current school year, (2009-10) will have been cut by over \$1 million, a decrease of nearly 40%. After these combined reductions, the portion of our budget funded by state aid will decrease from approximately 15% of the total school budget for the school year 2008-09 to 10% for the current year. Furthermore, Cape Elizabeth's General Purpose Aid to Education (G.P.A.) lost an additional \$699,120 in FY 09/10. Our district utilized federal stimulus funds (ARRA) to cover that loss, but those funds will not be available after fiscal year 10/11. As gloomy as the current situation appears, it may get worse. Fiscal year 2010-11 projections indicate that our state aid, including federal stimulus monies, may be reduced to \$1.7 million, or about 8% of our current budget level.

We have been meeting regularly with our legislative representatives from Cape Elizabeth and South Portland to stay abreast of activity in Augusta and to communicate our concerns about the impact on our schools of these cuts. We are particularly concerned about the perceived inequity in the distribution of the curtailment and state aid in general. In our area, eight districts will absorb approximately 25% of the cuts resulting from the revenue shortfall. We have met with representatives of the Department of Education (DOE) to gain a better understanding of the formula used for allocation purposes and the "what ifs" should our funding from the state fall below certain minimums. A meeting of the Cumberland County Superintendents Association on December 10 will provide further opportunity for dialogue between local School Boards, Superintendents and the DOE.

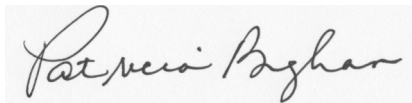
It is a challenge to cut expenditure levels in the current fiscal year in a manner that minimizes the adverse impact on the quality of education in our schools. At this point, we have not cut staff, but instead have frozen all non-

payroll related accounts. This includes supplies, travel for extracurricular activities, professional development for teachers, etc. All purchase requests are reviewed carefully and approved only when deemed necessary for classroom instruction. The anticipated savings from this budget freeze is approximately \$104,000. (This action has already placed additional demands on our parent associations, CEEF, and school families who have been called upon to fill the financial gaps when necessary.) We have also identified approximately \$100,000 in unanticipated savings resulting from restructuring of the town's school-related debt.

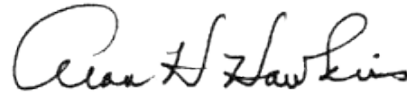
Dealing with the enormity of the reduction in state aid for this year and next will require a marshalling of all of the community's resources- creative thinking, collaboration, and volunteerism. In this spirit, we have created a "Curtailment Committee" consisting of representatives from the Town Council, School Board, Cape Elizabeth Education Foundation and the Cape Elizabeth Education Association. We welcome your input and invite you to attend a public workshop on Tuesday, December 8, at 7PM in the High School Cafeteria.

We appreciate your support as we continue to work toward providing high-quality education for our young people in the face of unprecedented financial challenges.

Sincerely,



Trish Brigham  
School Board Chair



Alan H. Hawkins  
Superintendent