

August 5, 2013

Budget Memo

To: Clint Deschene, City Manager, Mayor Jonathan Labonte, Councilor Crowley, Councilor Gerry, Councilor Hayes, Councilor Walker, Councilor Lafontaine, Councilor Shea

From: Katy Grondin, Superintendent of Schools

The School Committee's recommended budget now represents no increase to the \$7.66 mill rate for education.

- The Total Local Contribution of tax dollars to the school budget will be reduced \$35,000 from the previous year. Last year's Total Local Contribution was \$15,396,300 and this budget recommends \$15,361,300. Total Local Contribution includes the General Appropriation Allocation, Local Only Debt Service, Adult Education and Crossing Guards.
- According to the state funding formula (ED 279), Auburn's General Appropriations should be \$15,564,765. This recommended budget's General Appropriation Allocation is \$13,625,217. This means that the school department is underfunded by \$1.9 million dollars for the 2013-14 budget.
- This year the Auburn School Department received \$1,273,332 in state subsidy funds. These funds will be used to off set non-negotiable expenditures.
 - State Retirement Costs: \$511,103
 - Special Education Seed money for Private Purpose Programs: \$309,845
 - 13% increase in Health Insurance: \$456,044
- The state subsidy increase represents the 3.41% increase to the overall school budget. Last year's total budget was \$35,903,082 and this recommended budget is \$37,128,028. There will be no change to the mill rate for education.
- In order for the mill rate not to increase the school committee reduced the teacher salary lines by \$545,735. This reduced the funds available for the current teacher contract negotiations. The teachers' contract expires August 31, 2013.
- The Fund balance was increased by \$3,807 to \$856,882. This was the difference between the reduction to the salary lines and the bottom line for a zero impact to the mill rate.

The school committee is asking that you approve this recommended budget and to endorse it to be approved by the citizens of Auburn.