

December 18, 2019

Dear GSA Community Member,

On Monday afternoon, the George Stevens Academy Board of Trustees held a special meeting (1) to review and approve recommendations made by the Finance Committee regarding what financial information it is proper for a town academy to share publicly, and (2) to review and approve our proposed three-year plan to increase tuition for town students to a level that allows GSA to continue to serve all peninsula students well.

On the first point, our trustees approved sharing publicly our audit, our current operating budget, and, separated out, an audited accounting, reviewed and prepared by the accounting firm BerryDunn of Bangor, of the boarding program's revenues and expenses for the last two years. These three financial documents provide the information that school and select boards have requested during meetings this month, for more openness around GSA's finances.

On the second point, Board Chair Samantha Politte shared our proposed three-year plan on Monday evening with the chairs of each town's school board. I want to share this proposed plan with all of you as well:

We are proposing a three-year plan that raises tuition to a level at which GSA can continue as a full service, high-quality high school for all peninsula families. The first year's increase (for the 2020-2021 school year) is the smallest, in recognition that school and town budgets are already being created. The increase would rise in greater increments in each of the next two years (2021-22 and 2022-23). Under this plan, GSA would continue to run deficits next year and the year after, but because we can look forward to a much better financial situation after 2022, we think we can manage those deficits without much significant negative impact on the experience of our students.

We are proposing the following tuition increases to the towns' school boards:

- 2020-21: \$12,545 per student, an increase of \$597 per student over this year's tuition.
- 2021-22: \$13,703 per student, an increase of \$1,158 per student over the 2020-21 tuition.
- 2022-23: \$14,648 per student, an increase of \$945 per student over the 2021-22 tuition.

TOTAL tuition increase over three years would thus be \$2,700 per student.

Remember that the DOE annually increases tuition by some percentage (different from year to year), and the increases we propose will include the DOE increases. After the third year, GSA's town tuition would rise annually in the way it now does—by whatever percentage increase the DOE sets.

According to this proposal, the rise in tuition paid to GSA by each town in the coming year ranges from about \$68,000 for Blue Hill, to about \$8,000 for Castine, with the other towns falling in between, based on the number of students they have attending GSA. As each town by law will have to pay a higher tuition next year by the state number, and therefore will already be budgeting an increase irrespective of our proposal, the actual increase to each town budget over what it would be anyway is even less. By our calculations, based on information from the superintendents about what would have gone into school budgets for next year, the increase would amount to about \$16,000 for Blue Hill and \$2,000 for Castine, with the other towns' increases falling somewhere in between.

Those numbers do, of course, grow in the subsequent two years.

We do want this to be a dialog, and so will wait to hear the responses to our proposal from our town school boards. It is worth remembering, however, that Maine's Department of Education determined *two years ago* that a good high school education for a school our size costs an average of \$14,346 per student. (And this number does not include all costs a school must incur, for example, it leaves out deferred maintenance and debt service.) Yet the tuition that the DOE has set for this year (2019-2020), just released last Friday, is \$11,948, well below that average. That is why we are appealing to our towns. GSA cannot be a good high school on what the state sets as the minimum tuition.

I want to thank all of you who have expressed support for GSA, both to me in private and in public at school and select board meetings. To all of you who have reached out to me with questions, continue to ask questions and share concerns, and please support GSA in school board budget meetings, and at your town meetings.

Respectfully,

Tim Seeley
Head of School