

**REGIONAL SCHOOL UNIT NO. 57
SCHOOL BUDGET AND MINOR CAPITAL PROJECT PUBLIC HEARING GUIDE**

PUBLIC HEARING PART 1: PROPOSED SCHOOL BUDGET FOR FY 2020-2021

The School Board of the Regional School Unit has proposed a school operating budget for fiscal year 2020-2021. Pursuant to Order of the Governor, the budget meeting where these articles are presented has been replaced by a remote public hearing. The budget recommended by the School Board consists of the following Articles 1 through 16. Together, these articles constitute the school operating budget for fiscal year 2020-2021 to be presented to the voters as Question 1 at a Budget and Minor Capital Project Referendum election scheduled for July 14, 2020.

EXPENDITURES FOR THE 2020-2021 SCHOOL BUDGET

Proposed Expenditures by Cost Center			
ARTICLE 1:	Regular Instruction	\$	17,419,229
ARTICLE 2:	Special Education	\$	7,194,894
ARTICLE 3:	Career and Technical Education	\$	47,500
ARTICLE 4:	Other Instruction	\$	1,042,716
ARTICLE 5:	Student and Staff Support	\$	4,515,892
ARTICLE 6:	System Administration	\$	889,936
ARTICLE 7:	School Administration	\$	2,144,251
ARTICLE 8:	Transportation and Buses	\$	3,707,810
ARTICLE 9:	Facilities Maintenance	\$	6,281,697
ARTICLE 10:	Debt Service and Other Commitments	\$	1,479,622
ARTICLE 11:	All Other Expenditures	\$	245,000

STATE SUBSIDY AND LOCAL TAX REVENUES FOR THE 2020-2021 SCHOOL BUDGET

ARTICLE 12: The School Board recommends that the Regional School Unit appropriate **\$35,916,102.11** as set forth below for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and raise and assess **\$20,803,204.71** as set forth below as each municipality's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688.

Recommended amounts set forth below:

Total Appropriated (by municipality):		Total Raised (and Regional School Unit assessments by municipality):	
Town of Alfred	\$ 4,220,142.00	Town of Alfred	\$ 2,366,510.16
Town of Limerick	\$ 5,153,960.65	Town of Limerick	\$ 2,659,627.31
Town of Lyman	\$ 6,267,359.82	Town of Lyman	\$ 3,897,313.98
Town of Newfield	\$ 2,201,657.06	Town of Newfield	\$ 1,586,972.47

Town of Shapleigh	\$	3,835,839.71	Town of Shapleigh	\$	3,209,164.77
Town of Waterboro	\$	14,237,142.87	Town of Waterboro	\$	7,083,616.02
Total Appropriated			Total Raised		
(sum of above)	\$	35,916,102.11	(sum of above)	\$	20,803,204.71

State Mandated Explanation: The Regional School Unit's contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that the Regional School Unit must raise and assess in order to receive the full amount of state dollars.

OTHER LOCAL TAX REVENUES FOR THE 2020-2021 SCHOOL BUDGET

ARTICLE 13: The School Board recommends that the Regional School Unit raise and appropriate **\$59,016.56** for the annual payments on debt service previously approved by the Regional School Unit voters for non-state-funded school construction projects or non-state-funded portions of school construction projects in addition to the funds appropriated as the local share of the Regional School Unit's contribution to the total cost of funding public education from kindergarten to grade 12.

State Mandated Explanation: Non-state-funded debt service is the amount of money needed for the annual payments on the Regional School Unit's long-term debt for major capital school construction projects that are not approved for state subsidy. The bonding of this long-term debt was previously approved by the Regional School Unit voters.

ARTICLE 14: The School Board recommends that the Regional School Unit raise and appropriate **\$245,000** to transfer to the school nutrition program.

ARTICLE 15: The School Board recommends that the Regional School Unit raise and appropriate **\$5,998,727** in additional local funds, which exceeds the State's Essential Programs and Services allocation model by **\$5,998,727** as required to fund the budget recommended by the School Board.

The School Board gives the following reasons for exceeding the State's Essential Programs and Services funding model by \$5,998,727: This amount is needed to cover costs of RSU schools that the state's funding model does not recognize including the following: 1) costs of special education programming, 2) costs of career and technical education, 3) transportation costs, 4) costs of student and staff support, 5) instructional costs for teachers and educational technicians.

State Mandated Explanation: The additional local funds are those locally raised funds over and above the Regional School Unit's local contribution to

the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state funded debt service that will help achieve the Regional School Unit budget for educational programs.

SUMMARY OF TOTAL 2020-2021 SCHOOL BUDGET

ARTICLE 15: The School Board recommends that the Regional School Unit authorize the School Board to expend **\$44,968,547** for the fiscal year beginning July 1, 2020 and ending June 30, 2021 from the Regional School Unit’s contribution to the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, non-state-funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690, unexpended balances, tuition receipts, state subsidy and other receipts for the support of schools.

PUBLIC HEARING PART 2: REFERENDUM QUESTIONS

The following school budget and other questions, including a Minor Capital Project question, will be submitted to referendum on July 14, 2020:

Question 1: School Budget. Shall Regional School Unit No. 57 appropriate the sum of **\$44,968,547** and raise the sum of **\$27,105,948** for the 2020-2021 school budget? *(The Board of Directors recommends a Yes vote.)*

VOTER INFORMATION FOR QUESTION 1

The Regional School Unit No. 57 school budget submitted in this Question 1 totals **\$44,968,547**. It includes locally raised funds in the amount of **\$27,105,948**, to be assessed in shares to member municipalities in accordance with the RSU’s cost sharing formula and state law. The locally raised amount exceeds the State’s Essential Programs and Services funding model by **\$5,998,727**. This budget includes these cost centers and amounts:

Cost Center	Amount Appropriated
Regular Instruction	\$ 17,419,229
Special Education	\$ 7,194,894
Career and Technical Education	\$ 47,500
Other Instruction	\$ 1,042,716
Student and Staff Support	\$ 4,515,892
System Administration	\$ 889,936
School Administration	\$ 2,144,251
Transportation and Buses	\$ 3,707,810
Facilities Maintenance	\$ 6,281,697
Debt Service and Other Commitments	\$ 1,479,622
All Other Expenditures	\$ 245,000
Summary of Total Authorized School Budget Expenditures:	\$ 44,968,547

Question 2: RSU Adult Ed Program. Shall the Regional School Unit be authorized to appropriate **\$358,201** for the Massabesic Center for Adult Learning and raise **\$172,576** as the local share for the fiscal year beginning July 1, 2020 and ending June 30, 2021, with authorization to expend any additional, incidental, or miscellaneous receipts in the interest and for the well-being of the adult education program.
(The Board of Directors recommends a Yes vote.)

Question 3: Minor Capital Project. Do you favor authorizing the RSU Board of Directors to issue bonds and other obligations in the name of the RSU for minor capital projects described below (the “Project”) in an aggregate principal amount of up to \$643,596 (the “Bonds”), including up to \$370,068 of Bonds issued through the State of Maine’s zero interest rate/loan forgiveness program described below?

- A. Zero Interest/Loan Forgiveness Program: The State Department of Education has awarded the RSU loans in the amount of \$643,596 through the State’s zero interest rate/loan forgiveness School Revolving Renovation Fund Program.
- B. Loan Forgiveness: The State Department of Education will forgive approximately 42.50% (up to an estimated \$273,528) of the total approved loan.
- C. Interest Free Loan: The RSU will be obligated to repay approximately 57.50% (up to an estimated \$370,068) of the total approved loan amount over a ten-year term. The State of Maine has agreed to lend these funds and to permit repayment at zero percent (0%) interest.

Project Description: The Project includes Priority 1 Health, Safety, and Compliance Repairs to improve security at Shapleigh Memorial School, Alfred Elementary School, Lyman Elementary School, Waterboro Elementary School, Line Elementary School, Massabesic Middle School, and Massabesic High School East and West.

(The Board of Directors recommends a Yes vote.)