



Regional School Unit No. 18

REVENUES

Fiscal Year 2009-2010

As presented to
RSU No. 18 School Board
April 9, 2009

EPS Required

- Calculations based upon preliminary info from DOE (no subsidy report to date)
- Based upon student count and valuation
- Reflects mil effort established by state at 6.37 (plus adjustment for Rome = 6.12 for RSU No. 18)

Reducing Impact on Towns

- Identifying additional revenue to offset Local Efforts
 - Medicaid, IDEA, Title 1
- Identify how Stimulus funds help Lower local effort.
- Accept resignations w/o replacements.
- Retrain and reassign.
- Minimal Job Loss

REVENUE OVERVIEW

- State subsidy shortfall of approximately \$1,209,672
- Partial recovery of State funding from feds, approximately \$628,866
- Federal ARRA spending requires additional reporting and must meet the federal criteria.

Revenue Changes

Revenues are calculated and presented in conformity with

- State statutes,
- State EPS and
- the Reorganization plan for RSU No. 18.

All unrestricted fund balance are to be credited back to each town, not used as a “carry forward”.

Local-only debt is divided evenly among towns.

China School Choice amounts are separated.

Summer accrual amounts are recognized.

Erskine busing is shared.

Federal ARRA stability funds are included.

Balance Forward

- State statute changes how we declare our fund balance in new year.
- Returned directly to towns as a “credit” instead of reducing overall tax obligation
- Calculated separately for SAD 47 towns and China

EPS calculations reflect changes in estimated 2008 valuation.

- Belgrade increase 4.473%
- China increase 20.946%
- Oakland increase 17.695%
- Rome increase 12.847%
- Sidney increase 10.856%

Source: Kennebec County Proposed 2008 valuations

The 21% increase in valuation would impact China, regardless of whether they were part of the RSU or not.

Local-Only Debt

- Reflects the local-only Messalonskee Middle School debt
- Shares debt evenly among 5 towns.
- Any future debt will utilize new cost sharing formula.

China School Choice

Overview

- Tuition secondary rates for 09-10 reflect a 5% increase from current rates and are estimates.
- Messalonskee High School per student rate is \$362 lower than Erskine's estimated rate, and the difference is the fiscal responsibility of China.
- Insured Value Factor (private school debt) is budgeted at 10% at \$890 per tuition student.
- IVF can be reduced to 5% or 445/student.
- Estimated 237 bused students at Erskine
- 278 Tuition students total

China School Choice Financial

Union52/Current	RSU #18/Next Year
Tuition (state ave.) \$0	Tuition (state ave.) \$95,860 (Maximum tuition rate of RSU H.S.)
IVF 5% \$93,220	IVF 5% \$106,300 (5% reduction from draft 1)
Erskine Bussing \$90,000	Erskine Bussing \$18,013
Total: \$183,220	Total \$220,173
China's increase in choice only costs is \$36,953	
RSU Plan Section 8-B.2, 13-C.2	

Additional Local Funds

- Based upon formula in RSU plan freezing percentages for three years
 - Belgrade 27.64%
 - China 20.01%
 - Sidney 15.89%
 - Rome 10.63%
 - Oakland 19.21%
- Budget cuts will also reduce these ALF revenue lines.

Total town impact-after application of estimated fund balance credit

• Belgrade	\$ (32,935.49)
• China	\$514,766.30
• China Choice (new)	\$36,952.56
– After IVF reduction	
• Sidney	\$115,449.91
• Rome	\$ 25,994.12
• Oakland	\$301,667.17
Total increase to towns:	\$961,894.57

IMPACT

\$961,894.57 as proposed

- B: (\$32,935)
- Ch: \$514,766.30
- Ch Choice \$36,952.58
- S: \$115,449.91
- R: \$25,994.12
- O: \$301,667.17
- Total: \$961,894.57**

IF \$211,894.57 Increase

- B: (\$240,205.22)
- Ch: \$332,317.43
- Ch Choice \$36,952.58
- S: (\$3,735.85)
- R: (\$71,000.49)
- O: \$157,566.15
- Total: \$211,894.57**

China Credit Toward Local Effort

- As the China School System ceases to exist, fund balances as of June 30 become credits toward local effort.
 - Carry Forward becomes a credit of \$100,000
 - Day Treatment Funds \$20,000
 - Medicaid \$45,000
 - Insurance Refunds \$9,100
 - SU 52 Central Office \$48,500
 - Total Credit \$222,600**

MSAD 47 Credit Toward Local Effort

- As the MSAD 47 System ceases to exist, fund balances as of June 30 become credits toward local effort.

– Carry Forward becomes a credit of	\$400,000
– Day Treatment Funds	\$100,000
– Medicaid	\$100,000
Total Credit	\$600,000

Summary

- Next Steps: Important Dates
 - RSU 18 Board Meeting April 16
 - April 27 Oakland Public Information Meeting
 - April 30 Sidney Public Information Meeting
 - May 4 Belgrade/Rome Public Information Meeting
 - May 5 China Public Information Meeting
 - May 13 District ALL Towns Budget Meeting
 - May 20 District ALL Towns Budget Referendum

Superintendent Recommendations

- Reduce IVF to 5% (benefits China only)
savings \$106,000
- Identify Day Treatment Revenue
- Cuts (non-personnel)
 - \$33,000 Technology
 - \$100,000 Maintenance
 - \$22,000 Transportation

Superintendent Recommendations

- China Funding Reassignments
 - 1 China SPED aide to New Federally funded Early Childhood Program = cut in local effort of approximately \$25,000
 - 1 China SPED aide moved to Local Entitlement = cut in local effort of approximately \$25,000
 - 1 SPED Teacher to Local Entitlement = savings in local effort of \$42,500

Superintendent Recommendations

- High School Reassignment & Cuts – Estimate Enrollment down 50 students
 - Move 1 Social Studies teacher to Learning Lab and pay under federal funds.
 - Savings to local effort = \$40,700.
 - Cut 1/2 Math, 1/2 Science
 - Due to a Retirement in Science Department savings is \$68,900.
 - Current ELA Position has substitute for remainder of year – do not fill for 09-10.
 - Saves \$ 40,200

Superintendent Recommendations

- Cuts Elementary due to enrollment
- 1 Belgrade Elementary = savings \$42,000
- 1 China Elementary = savings \$40,000
- 1 Sidney Elementary = savings \$42,000
- 1 China Special Ed. = savings \$42,500
- Cut K Afternoon Aides – savings \$24,000
 - K classrooms @ Atwood very small

Superintendent Recommendations

- Actual Openings and Possible Openings
 - Early Childhood China (federally funded)
 - Grade 6 China
 - Grade 7 China
 - Federally funded Elementary Math
 - Grade 7 Science MMS

Shuffling due to voluntary and involuntary transfers will cause openings to occur.