

***THIS AGENDA PRESENTS THE STATUTORY BUDGET ARTICLES TO THE REMOTE
PUBLIC HEARING FOR CONSIDERATION/INPUT AND PUBLIC
COMMENT.***

1. School Budget Articles for FY 2020-2021

The School Board of Regional School Unit 16 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 Pursuant to Order of the Governor, the budget meeting where these articles are presented has been replaced by a remote public hearing.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 15. Together, these articles constitute the proposed school operating budget for fiscal year 2020-2021 to be presented to the voters as Question 1 at a budget referendum election scheduled for July 14, 2020.

EXPENDITURES FOR THE 2020-2021 SCHOOL BUDGET

Proposed Expenditures by Cost Center		
ARTICLE 1:	Regular Instruction	\$9,188,798.00
ARTICLE 2:	Special Education	\$5,152,294.00
ARTICLE 3:	Career and Technical Education	\$ 0.00
ARTICLE 4:	Other Instruction	\$ 582,362.00
ARTICLE 5:	Student and Staff Support	\$2,142,936.00
ARTICLE 6:	System Administration	\$ 735,863.00
ARTICLE 7:	School Administration	\$1,253,973.00
ARTICLE 8:	Transportation and Buses	\$1,759,038.00
ARTICLE 9:	Facilities Maintenance	\$2,860,146.00
ARTICLE 10:	Debt Service and Other Commitments	\$ 462,247.00
ARTICLE 11:	All Other Expenditures	<u>\$ 26,115.00</u>
	Total School Operating Budget	\$24,163,772.00

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

- ARTICLE 12:** The School Board recommends that the District appropriate the amounts 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 the amounts 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 District assessments by municipality):	
Town of Poland	\$9,815,504.00	Town of Poland	\$5,604,663.00
Town of Mechanic Falls	\$5,749,873.00	Town of Mechanic Falls	\$1,278,398.00
Town of Minot	\$4,984,727.00	Town of Minot	\$1,582,285.00
Total Appropriated (sum of above)	\$20,550,104.00	Total Raised (sum of above)	\$8,465,346.00

State Mandated Explanation: The District'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 District 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 District raise and appropriate \$425,425.00 for the annual payments on debt service previously approved by the District 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 District'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 District'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 District voters.

ARTICLE 14: The School Board recommends that the District raise and appropriate \$2,316,309.00 in additional local funds, which exceeds the State's Essential Programs and Services allocation model by \$2,316,309.00 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 \$2,316,309.00:

State Mandated Explanation: The additional local funds are those locally raised funds over and above the District'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 District budget for educational programs.

SUMMARY OF TOTAL 2020-2021 SCHOOL BUDGET

ARTICLE 15: The School Board recommends that the District authorize the School Board to expend \$24,163,772.00 for the fiscal year beginning July 1, 2020 and ending June 30, 2021 from the District'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.

**ARTICLE 16 AUTHORIZES THE ADULT EDUCATION PROGRAM AND RAISES
THE LOCAL SHARE**

ARTICLE 16: To see if Regional School Unit Sixteen (16) will appropriate \$215,000.00 for Adult Education and raise \$70,000.00 as the local share for the year beginning July 1, 2020 and ending June 30, 2021; with authorization to expend any additional, incidental, or miscellaneous receipts in the interest and well-being of the Adult Education Program?

Yes No

**ARTICLES 17 - 18 TO RAISE AND AUTHORIZE EXPENDITURES FOR CAPITAL
IMPROVEMENT FUND**

ARTICLE 17: Shall Regional School Unit Sixteen (16) be authorized to raise \$200,000.00 for the Capital Improvement Reserve Fund?

Yes No

ARTICLE 18: Shall Regional School Unit Sixteen (16) be authorized to expend up to \$400,000.00 from the Capital Improvement Reserve Fund?

Yes No

ARTICLE 19: In the event that Regional School Unit Sixteen (16) receives more state education subsidy than the amount included in its budget, shall the School Board be authorized to use all or part of the additional state subsidy to increase expenditures for school purposes in cost center categories approved by the School Board, increase the allocation of finances in a reserve fund approved by the School Board and/or decrease the local cost share expectation, as defined in Title 20-A, section 15671-A(1)(B), for local property taxpayers for funding public education as approved by the School Board?

Recommended: Tax relief 100%, increased expenditures 0%, CIP Reserve 0%

Explanation: In 2016 the Legislature passed a bill that allows a school district to include an article in the warrant for its annual budget meeting that says in the event the district receives more state subsidy than expected, the school board can, without a special budget meeting and budget validation referendum: increase expenditures for school purposes in approved cost centers; decrease the local tax rate for education; or increase reserves. The law addresses the problem that typically happens every two years when the Legislature, late in the session, passes the state budget after districts have approved their budgets at the local level based on GPA estimates.

Yes No

ARTICLE 20: Shall the Board of Directors of Regional School Unit 16 be authorized to issue notes not to exceed a period of five years in the name of the district for the purpose of purchasing school bus(es) in an amount not to exceed \$100,000.00 and appropriate the same?

Yes No

ARTICLE 21: Shall the Board of Directors of Regional School Unit 16 be authorized to transfer \$70,000.00 from the 2019 fiscal year-end audited undesignated fund balance to the school nutrition program?

Yes No

ARTICLES 22 - 23 ESTABLISH AND FUND A RESERVE ACCOUNT

ARTICLE 22: Shall the Board of Directors of Regional School Unit 16 be authorized to establish an Educational Reserve Account for the purpose of maintaining educational programming during the 2020-2021 school year, in case of a State curtailment?

Yes No

ARTICLE 23: Shall the Board of Directors of Regional School Unit 16 be authorized to fund the Educational Reserve Account in the amount of \$500,000.00, from the amount remaining from the 2019-2020 fiscal year?

Yes No