

## Draft 6 - Budget Summary for RSU 63 Fiscal Year 2020 2019-2020 School Year

### Draft Budget and Additional Information at [www.rsu63.org](http://www.rsu63.org)

#### CHANGES IN REVENUE

The Proposed RSU 63 Budget for FY20 is an overall increase of \$493,154 over the 2018-19 Budget, with an increase to towns of \$578,581.

Other funding sources include:

- an increase in the State funding (an additional \$101,573)
- a decrease balance forward (-\$237,703)
- rent of the Eddington portable (\$5,400)
- additional anticipated revenue from transportation to other districts (\$2,663)

#### CHANGES IN EXPENDITURES

System Administration, School Administration, PreK-Grade 8 Instruction, Special Education, Staff & Student Support, Other Instruction, and Transportation remain relatively flat with a total increase in all those areas of \$32,547.

#### **High School Tuition:**

Based on the number of high school students we anticipate next year and the projection of a 2% increase in the tuition rates, we need an **additional \$372,828 for high school tuition**. This brings our budgeted cost for secondary tuition to \$3,441,226.

#### **Facilities:**

Our aging school buildings have experienced a flurry of breakdowns recently (heat, electricity, and leaking roofs). Several of these breakdowns nearly resulted in the temporary closure of school. Many of our systems have been pushed beyond the end of their lifespan.

Focusing on repairing only what is broken and necessary to keep our schools open next year includes:

- repairing the sections of the roof that are leaking at Holbrook (rubberized, metal, and shingled portions) anticipated to be \$100,000
- installing heating controls at the Holbrook School anticipated to be \$100,000
- re-shingling the portion of the roof at the Eddington School that is leaking anticipated to be \$24,000
- replacing the cracked boiler section at the Holden School anticipated to be \$12,000
- fixing the student walkway at Holbrook School anticipated to be \$12,000

We need an additional \$283,279 for facilities. However, the RSU 63 Board of Directors recommends financing the \$248,000 needed for the projects listed above with a 5-year bond (at 1.9% interest) through the Maine Municipal Bond Bank. A referendum vote is needed for this.

This means an annual payment of \$52,500 for five years and brings the **additional funding required for facilities to \$87,779** for 2019-20. This brings our budgeted cost for facilities to \$900,801.

**RSU 63 District Budget Meeting (Please Come Vote!)  
7:00 pm on Wednesday, May 29<sup>th</sup> at the Holbrook School**

## Per Pupil Costs

### PreK-8

| Elementary School          | 2018-2019      |
|----------------------------|----------------|
| Airline                    | \$10,524       |
| Bangor                     | \$9,114        |
| Brewer                     | \$7,499        |
| Dedham                     | \$9,101        |
| Glenburn                   | \$9,655        |
| Orrington                  | \$8,342        |
| Otis                       | \$10,505       |
| RSU 22 (Hampden)           | \$7,582        |
| RSU 26 (Orono)             | \$10,552       |
| RSU 34 (Old Town, Bradley) | \$8,127        |
| <b>RSU 63</b>              | <b>\$8,236</b> |
| RSU 64 (Corinth)           | \$7,759        |
| Veazie                     | \$14,052       |
| <b>State Average</b>       | <b>\$9,280</b> |

### Grades 9 -12

| High School          | 2018-2019                  |
|----------------------|----------------------------|
| Bangor               | \$9,507                    |
| Brewer               | \$9,791                    |
| John Bapst           | \$11,093*+\$632 = \$11,725 |
| Hampden              | \$8,601                    |
| <b>State Average</b> | <b>\$11,093</b>            |

\*Charge state average plus an additional 6% "insured value factor"

Source: Maine DOE Elementary Tuition Rates  
<https://www.maine.gov/doe/funding/reports/tuition>

**Cost Center Comparisons**

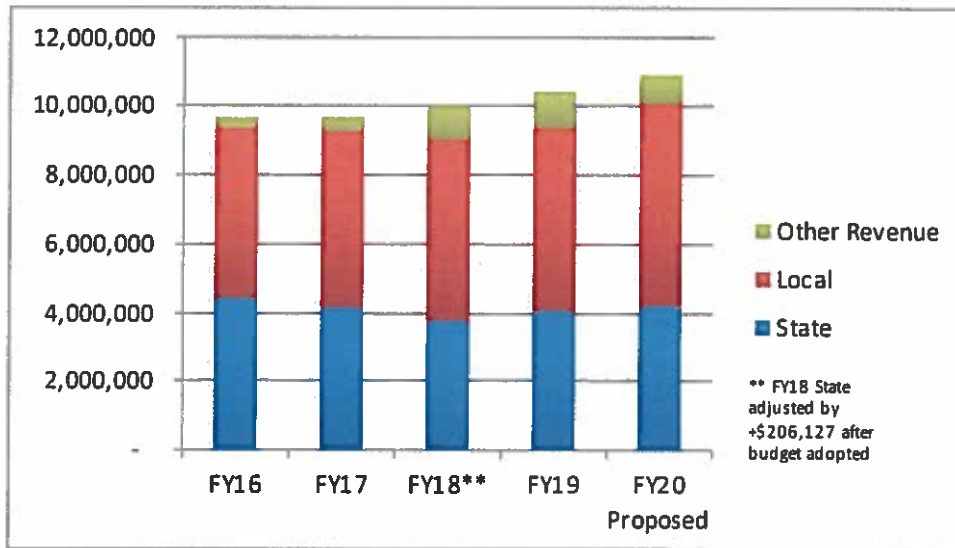
**DRAFT 6**

|                          | Budgeted            |                     |                     |                      |                      |                     | Actuals             |                     |  |
|--------------------------|---------------------|---------------------|---------------------|----------------------|----------------------|---------------------|---------------------|---------------------|--|
|                          | FY16                | FY17                | FY18                | FY19                 | FY20 Proposed        | FY16                | FY17                | FY18                |  |
| System Admin             | 288,478.00          | 348,125.00          | 347,579.00          | 336,891.50           | 337,015.50           | 288,140.50          | 331,779.84          | 318,551.42          |  |
| School Admin             | 344,222.00          | 345,850.20          | 347,535.00          | 354,332.00           | 388,395.00           | 323,441.75          | 331,893.91          | 331,288.84          |  |
| Regular Instruction PK-8 | 2,807,312.50        | 2,625,281.75        | 2,749,758.01        | 2,716,915.00         | 2,759,609.06         | 2,567,159.44        | 2,417,840.34        | 2,656,065.08        |  |
| Regular Instruction 9-12 | 2,740,304.49        | 2,911,961.14        | 2,936,205.00        | 3,068,397.64         | 3,441,225.50         | 2,781,021.77        | 2,767,102.67        | 2,696,043.37        |  |
| Special Education        | 1,219,386.30        | 1,099,032.75        | 1,177,027.25        | 1,779,501.77         | 1,749,555.00         | 1,020,497.81        | 982,240.31          | 1,197,736.31        |  |
| Staff & Student Support  | 470,056.00          | 503,337.60          | 469,247.00          | 504,182.00           | 475,591.00           | 432,468.57          | 410,819.29          | 436,366.01          |  |
| Other Instruction        | 47,512.00           | 51,359.00           | 57,210.00           | 49,214.00            | 51,266.00            | 35,465.74           | 39,612.01           | 51,093.36           |  |
| Facilities               | 814,000.50          | 782,444.50          | 781,378.00          | 813,021.60           | 900,800.50           | 788,722.16          | 714,419.74          | 706,941.92          |  |
| Transportation           | 724,304.50          | 801,214.00          | 769,460.50          | 789,218.28           | 801,369.86           | 720,369.95          | 702,220.47          | 722,012.22          |  |
| All Other                | 50,000.00           | 35,000.00           | 20,000.00           | 10,000.00            | 10,000.00            | 6,777.98            | 58,372.51           | 16,723.81           |  |
| CTE                      | 152,927.00          | 164,822.00          | 163,255.00          | -                    | -                    | 152,926.80          | 164,821.80          | 163,254.84          |  |
| <b>Total</b>             | <b>9,658,503.29</b> | <b>9,668,427.94</b> | <b>9,818,654.76</b> | <b>10,421,673.79</b> | <b>10,914,827.42</b> | <b>9,116,992.47</b> | <b>8,921,122.89</b> | <b>9,296,077.18</b> |  |

## RSU 63 REVENUE HISTORY

|                      | FY16             | FY17             | FY18**            | FY19              | FY20 Proposed     |
|----------------------|------------------|------------------|-------------------|-------------------|-------------------|
| <b>State</b>         | 4,425,559        | 4,145,906        | 3,764,393         | 4,061,275         | 4,196,473         |
| <b>Local</b>         | 4,935,304        | 5,117,473        | 5,266,664         | 5,309,599         | 5,888,180         |
| <b>Other Revenue</b> | 297,640          | 405,049          | 992,725           | 1,050,801         | 830,175           |
| <b>Total</b>         | <b>9,658,503</b> | <b>9,668,428</b> | <b>10,023,782</b> | <b>10,421,674</b> | <b>10,914,827</b> |

\*\*FY18 State adjusted by +\$206,127 after budget adopted



| Local Appropriations | FY16             | FY17             | FY18             | FY19             | FY20 Proposed    |
|----------------------|------------------|------------------|------------------|------------------|------------------|
| <b>Clifton</b>       | 699,149          | 722,081          | 746,980          | 749,725          | 827,827          |
| <b>Eddington</b>     | 1,596,565        | 1,655,178        | 1,704,524        | 1,706,393        | 1,893,801        |
| <b>Holden</b>        | 2,639,590        | 2,740,214        | 2,815,159        | 2,853,480        | 3,166,552        |
| <b>Total</b>         | <b>4,935,304</b> | <b>5,117,473</b> | <b>5,266,664</b> | <b>5,309,599</b> | <b>5,888,180</b> |

**Proposed Bond Referendum Question - Draft for Discussion and Consideration**

Do you favor authorizing the School Board of Regional School Unit No. 63 (RSU 63) to issue bonds or notes for minor capital project purposes in an amount not to exceed \$248,000 to construct and equip renovations and improvements to RSU 63 schools including, to the extent funds are available, the projects described below?

| School                      | Proposed Project         | Estimated Cost   |
|-----------------------------|--------------------------|------------------|
| Holbrook Middle School      | Roof repair              | \$100,000        |
| Holbrook Middle School      | Replace heating controls | \$100,000        |
| Holbrook Middle School      | Sidewalk improvements    | \$12,000         |
| Holden Elementary School    | Boiler repair            | \$12,000         |
| Eddington Elementary School | Roof repair              | \$24,000         |
| <b>Total Estimated Cost</b> |                          | <b>\$248,000</b> |

The above removes \$248,000 from FY20 Budget and replaces it with a payment of approximately \$52,500 per year for five (5) years.

We would use the Maine Municipal Bond Bank (MMBB) to secure a bond. The interest rate is currently 1.9%. The table below is from MMBB's on-line calculator which has a starting interest rate of 2.2%.

| ESTIMATE OF DEBT SERVICE |            |                   |        |                  |                   |                     |
|--------------------------|------------|-------------------|--------|------------------|-------------------|---------------------|
| RSU 63                   |            |                   |        |                  |                   |                     |
| PREPARED ON 05/01/2019   |            |                   |        |                  |                   |                     |
|                          | DATE       | PRINCIPAL         | RATE   | INTEREST         | TOTAL             | ANNUAL DEBT SERVICE |
| <b>TOTALS</b>            |            | <b>248,000.00</b> |        | <b>18,307.98</b> | <b>266,307.98</b> | <b>266,307.98</b>   |
| 1                        | 05/01/2020 |                   |        | 2,938.52         | 2,938.52          | 2,938.52            |
| 2                        | 11/01/2020 | 47,385.00         | 2.200% | 2,938.52         | 50,323.52         |                     |
| 3                        | 05/01/2021 |                   |        | 2,417.28         | 2,417.28          | 52,740.80           |
| 4                        | 11/01/2021 | 48,427.00         | 2.290% | 2,417.28         | 50,844.28         |                     |
| 5                        | 05/01/2022 |                   |        | 1,862.79         | 1,862.79          | 52,707.07           |
| 6                        | 11/01/2022 | 49,536.00         | 2.360% | 1,862.79         | 51,398.79         |                     |
| 7                        | 05/01/2023 |                   |        | 1,278.27         | 1,278.27          | 52,677.06           |
| 8                        | 11/01/2023 | 50,705.00         | 2.450% | 1,278.27         | 51,983.27         |                     |
| 9                        | 05/01/2024 |                   |        | 657.13           | 657.13            | 52,640.40           |
| 10                       | 11/01/2024 | 51,947.00         | 2.530% | 657.13           | 52,604.13         | 52,604.13           |