

SCHOOL DEPARTMENT BUDGET ARTICLES FY 18-19

1. ORDERED: Cost Center Summary. That the Town of Cape Elizabeth appropriate the following:

Regular Instruction	<u>\$ 12,268,865</u>
Special Education	<u>\$ 3,377,782</u>
Career and Technical Education	<u>\$ 0</u>
Other Instruction	<u>\$ 886,866</u>
Student and Staff Support	<u>\$ 2,626,017</u>
System Administration	<u>\$ 763,056</u>
School Administration	<u>\$ 1,163,413</u>
Transportation	<u>\$ 820,343</u>
Facilities Maintenance	<u>\$ 3,180,055</u>
Debt Service	<u>\$ 492,050</u>
All Other Expenditures	<u>\$ 62,829</u>

2. ORDERED: State/Local EPS Funding Allocation. That the Town of Cape Elizabeth appropriate \$16,812,487 for the total cost of funding public education from kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and that the Town of Cape Elizabeth raise \$15,566,076 as the Town'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.

Explanation: The Town'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 Town must raise in order to receive the full amount of state dollars.

3. ORDERED: Non-State Funded Debt Service. That the Town of Cape Elizabeth raise and appropriate \$492,050 for the annual payments on debt service previously approved by the legislative body 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 Town's contribution to the total cost of funding public education from kindergarten to grade 12.

Explanation: Non-state-funded debt service is the amount of money needed for the annual payments on the Town'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 voters or other legislative body.

4. ORDERED: Food Service Transfer. That the Town of Cape Elizabeth raise and appropriate \$62,829 to transfer to the Food Service Program.

Explanation: Monies raised for Food Service are not to be included in the calculation of the Local Additional Funds article because they are outside of the State's Essential Programs and Services funding model.

SCHOOL DEPARTMENT BUDGET ARTICLES FY 18-19

5. ORDERED: Additional Local Funds. That the Town of Cape Elizabeth raise and appropriate **\$7,751,344** in additional local funds, which exceeds the State's Essential Programs and Services funding model by **\$7,751,344** as required to fund the budget recommended by the school board.

The School Board recommends an appropriation which exceeds the State Essential Program and Services model for the following reasons:

The state's funding model does not support all of the costs for K-12 education. It includes only those costs considered essential by the state's Essential Programs and Services (EPS) model.

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

6. ORDERED: Total School Budget Summary. That the Town of Cape Elizabeth authorizes the School Board to expend **\$25,641,276** for the fiscal year beginning July 1, 2018 and ending June 30, 2019 from the Town's contributions 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.
7. ORDERED: Special Funds. That the Town of Cape Elizabeth authorizes the School Board to expend sums as may be received from federal or state grants or programs or other sources during the fiscal year for school purposes, provided that such grants, programs, or other sources do not require the expenditure of other funds not previously appropriated.

The above warrant articles are required.

Below are examples of additional warrant articles in case additional subsidy is received. If an article is not voted on specifying what to do in the case of additional subsidy then any additional subsidy will roll into the Unassigned Fund Balance at the end of the year.

Example 1-This is what the School Board provided to the Council for the 2017-18 Budget:

ORDERED: Changes in Anticipated State Subsidy (50% to reduce taxes/50% to fund balance): That in the event the Town receives more state general purpose aid for education than the \$1,246,411 amount included in the school budget, the Town shall use

SCHOOL DEPARTMENT BUDGET ARTICLES FY 18-19

50% of the extra amount to reduce the amount of taxes raised for the school budget, and 50% to supplement the school department unassigned fund balance; and that in the event the amount of that state aid is less than the amount included in the school budget, the Town Treasurer shall execute a journal entry in the amount of any shortfall to be debited from the Town's unassigned fund balance and credited to the school department's fund balance.

Example 2-This is what the Council actually approved:

ORDERED: Changes in Anticipated State Subsidy: That in the event the Town receives more state general purpose aid for education than the \$1,246,411 amount included in the school budget, the Town shall use 100% of the extra amount to reduce the amount of taxes raised for the school budget; and that in the event the amount of that state aid is less than the amount included in the school budget, the school department may curtail spending to offset any shortfall.