

To: Residents and Taxpayers of Cooper, ME

From: Cooper School Board

During the 2011-2012 school year, fifteen Cooper students attended three area elementary schools (Alexander, Elm Street, and Woodland) and three area high schools (Woodland, Calais, and Washington Academy). Students attending schools in Alexander and Woodland had the option of riding the Cooper bus. Students attending schools in East Machias had the option of meeting an out of town bus at the old store on Rt. 191. The town of Cooper funded 98% of the education costs locally, with the state contributing 2%.

Many towns in Maine have seen drastic cuts to state funding of education over the last few years, and Cooper has been no exception. Just five years ago, in the 2007-2008 school year, the state contributed more than \$170,000 to Cooper's education expenses, which represented 58% of the total. Next year, the state will contribute \$3,554, which represents less than 2% of the total budget. Cooper has been especially hard hit because our number of students has slowly declined, while the state's valuation of the town continues to increase. As our valuation increases, the state expects the town to spend more on education. This year the state used a valuation of \$22,750,000 for Cooper and used a statewide mill expectation of 7.690 for education. This puts our expected town contribution at \$174,947. The state calculated our operating allocation at \$133,336, based on 15 students. Because the operating allocation is less than the town contribution, the only funding we receive from the state is required special education funding of a few thousand dollars.

The state uses these calculations to determine a "Required Local Share" for each town, which is the amount we need to raise in local taxes to pay for education. Over the years, we have raised more than we have actually spent, leaving the Cooper School Department with a fund balance. After raising the required local share, we can use the fund balance to cover the remainder of the budget. For the 2012-2013 school year, we propose using \$54,259 from the fund balance to cover the remainder of the \$187,595 budget. While our school budget is \$2,000 more than last year's budget, the proposed money raised from taxes drops \$34,461.

Three years ago, the Cooper school board decided to share busing services with the Meddybemps School Department, in order to share expenses and reduce our budget. The last few years, bus operating expenses have been around \$30,000. Meddybemps and Cooper each pay 50% of those costs, resulting in significant savings for each town. When we entered into the agreement, both towns were in need of a new school bus. At the time, the state was funding close to 50% of Cooper's education budget, so we decided to have Cooper lease the new bus, expecting most of the funding to come from the state. Unfortunately, as explained above, the state is not funding any of this cost. While the unexpected expense is unfortunate, the cost of the new bus is less than the expenses paid by Meddybemps, so our bus expenses have not increased significantly. We have a new, safe bus for our students that the town of

Cooper will own at the end of the five year lease.

A great deal of information about state funding and recent legislation can be found on the Maine Department of Education's website. Below is some information about some of the recent legislation impacting the funding of education.

In 2011 LD 1274 "An Act to Restore Equity in Education Funding" became law. It changed the Essential Programs and Services (EPS) funding formula created in 2004. One of the LD 1274 provisions was to redirect more money for education from urban larger communities to the rural smaller ones. In February 2012 many of our area municipalities and school districts received preliminary state subsidy figures that still had potential losses in funding using the new 1274 formula changes. Now these preliminary figures have been implemented with very little changes for the school budgets of 2012-2013.

Two of the major factors determining state subsidy amounts are property valuation and student enrollment. An additional minimum subsidy amount can be provided with a community having a greater than state average of students qualifying for free and reduced lunches. Between the years of 2009-2010, many school districts were under great pressure from the state to cut costs. Teachers' and support staff jobs, materials, etc. were cut. Special education costs were also often included. To be eligible for full participation requirements to receive federal funding for special education, a school district has to maintain a certain level of state and local fiscal effort towards the special education costs. Unfortunately, many school districts, which had out of necessity made cuts in the previous years, received lower special education allocations in the new 1274 formula for failing to meet the federal criteria!! Also, any federal Title 1 funds a school district receives are subtracted from what will be sent by the state. Yet Title 1 funds are used for additional reading and math support programs and not for the regular education programs! Much of this background resulted in the funding of school district budgets for 2012-2013.

The Maine legislature passed in March, 2012 LD 958 "Resolve To Direct the Department of Education To Review the Essential Programs and Services Model". It requires an independent agency to do this review. This agency cannot have been involved with the creation of the current EPS funding formula. So the State Department of Education will not be able to do this review! It will analyze the impact of its implementation on the schools, especially for the mandate of equal education for all Maine students. They will examine the funding shifts experienced by many school districts, the results of the regional salary adjustment variables and economically disadvantaged student variables, etc. They will determine if inequities have happened in the distribution of state aid for education and provide a report to the Education Committee in the Maine legislature before the end of this year. This will hopefully result in positive changes for the implementation of the EPS formulas for 2013-2014.

We will keep you updated. Thank you for your support.