



PRIORITY NOTICE: Preliminary Guidance for release of ED 279s

The FY 2018/2019 education subsidy printouts (ED279s) are projected to be distributed to SAUs by the February 1 statutory deadline. With the many changes that went into effect in the 2018/2019 biennial budget and because of the uncertainty and regular questioning that often arises prior to and during this process, the Department is releasing guidance so that SAUs, school boards and local taxpayers can review their own unique circumstances as a unit and the factors with the largest impact on 2018/2019 education funding subsidy levels.

The following is a list of key factors that are greatly impacting calculations for state allocation and required local share for FY 2018/2019 education funding:

- **Student enrollment** – A dramatic increase or decrease in student enrollment. Whether it is because of a change in population or because of a withdrawal from or formation to a unit, the EPS funding formula's major driver is student population.
- **Changes in debt service payments** – SAUs that have either paid off or begun to pay principal or interest payments for equipment (new school, new bus, etc.), that the State has allocated funds to pay those payments could see dramatic changes in calculations if either payments no longer need to be made or if payments have begun.
- **Town valuation** – Each town's valuation is provided by the Maine Revenue Service each year and determines the town's ability to pay local share. Previously the amounts used were determined based on the average valuation of the previous 3 years for each town. This coming FY they will be based on an average of the previous 2 years, per changes created in the biennial budget. As property values tend to increase year after year, this change has created an increased "ability to pay" for some towns resulting in a higher required local share.

Valuation change, Pupil change, and Per Pupil Valuation calculation and change for each SAU

A full list of detailed changes to the EPS funding formula will be provided with the ED279s.

For more information about the EPS formula and state funding for education visit the **School Funding webpage on the Maine DOE webpage** or contact Tyler Backus at **tyler.backus@maine.gov**.

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