



MARANACOOK AREA SCHOOLS

A Caring School Community Dedicated to Excellence

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RSU #38 BOND REFERENDUM Tax Impact Memo

The RSU #38 School Board Facilities Committee started the process of reviewing all district facilities back in the fall of 2017. The School Board decided to contract with Oak Point Associates for the facilities study, which was presented in March of 2018. The following address is a link to the report:

[Facilities Analysis Report RSU38 032818](#)

The Facilities Committee then went through a process of identifying projects that were critical foundational needs. A first round of identification led to projects totaling in excess of \$7,000,000 and the committee agreed that this number was too high to ask our communities to support. Through working with Oak Point, the Facilities Committee, and along with the Directors of Maintenance and Finance were able to reduce this amount to the current \$5,843,710 proposal. (This is a combination of Oak Point led projects and RSU 38 Maintenance department led projects.)

Included in this memo is tax information on a 15 year bond through the Maine Municipal Bond Bank. (Using the Bond Bank is highly recommended by legal advice due to the size of the bond.) As you review the information we listed debt that will be retiring in the next several years and came up with an estimate of the increase in debt. That debt is then broken up across the four towns of the RSU. Each town's percentage amount was then plugged into information provided by the towns for Year 1 and Year 2. Please note that in Year 1 we would be responsible for a single interest payment. In Year 2 and thereafter we would be responsible for a principal payment and 2 interest payments. The numbers provided here are estimates only and will change over the life of the bond. Additionally, the numbers we used for Year 1 and Year 2 are based on 2018 - 2019 information based on a \$150,000 home evaluation.

Please reach out with any questions about the various projects within the bond. Information can be found at Maranacook.org. (Navigate to the [School Board](#) pull down menu and then go to [Bond Referendum](#).) We also post on our Facebook Page, search [RSU #38 Maranacook Schools](#). I also encourage you to contact the RSU 38 Superintendent's Office at 685-3336 with any questions.

The referendum vote day is **Tuesday, January 8** at each town's polling location. Absentee ballots will be available at each town office. We encourage everyone to get out and vote on the RSU #38 Facilities Improvement Bond initiative.

The following page includes the above referenced tax information.

Estimated Tax Implication of Bond

Fiscal Year	Description of Debt Decrease	Local \$ Facility Debt Reduction	Accumulated Debt Reduction	Estimated Local Debt - New Bond	Cumulative Net Increase in Debt
2019-2020	Budgeted for Architect	(60,000)	(60,000)	87,944	27,944
2020-2021	Siemens Phase I Project	(128,065)	(188,065)	562,554	374,489
2021-2022	Local % MS Construction & New Fields	(113,938)	(302,003)	554,568	252,565
2022-2023	Siemens Phase II Project	(49,524)	(351,527)	545,997	194,470
2023-2024	High School Renovations	(101,308)	(452,835)	536,745	83,910

Estimated Tax Implication of Bond by Town*

Fiscal Year	Budget Increase	Manchester	Mt. Vernon	Readfield	Wayne	Total
	Enrollment @ 50% of Increase	31.62%	20.55%	35.26%	12.57%	100.00%
	Valuation @ 50% of Increase	31.36%	24.47%	25.52%	18.65%	100.00%
	Average Percentage	31.49%	22.51%	30.39%	15.61%	100.00%
2019-2020	27,944	8,800	6,290	8,492	4,362	27,944
2020-2021	374,489	117,927	84,297	113,807	58,458	374,489
2021-2022	252,565	79,533	56,852	76,755	39,425	252,565
2022-2023	194,470	61,239	43,775	59,099	30,357	194,470
2023-2024	83,910	26,423	18,888	25,500	13,098	83,910
5 Year Total	933,378	293,921	210,103	283,654	145,700	933,378

*Estimated increases based on 2018 state valuations and 10/1/18 student enrollment.

ESTIMATED TOWN MILL CALCULATION
Based on Fiscal Year 2018-2019
11/19/2018
2019-2020 - Year 1 (One Interest Payment)

Description	Manchester	Mt. Vernon	Readfield	Wayne
Total Valuation Base	318,644,450.00	244,718,721.00	247,556,913.00	186,016,238.00
County Tax	335,770.00	253,691.00	270,000.00	198,029.00
Municipal Appropriation	1,925,718.00	1,289,560.00	2,548,726.00	1,184,257.00
TIF Financing Plan Amount	34,396.00	-	-	2,612.00
Education Appropriation	4,106,177.00	3,137,324.00	3,564,799.00	2,218,997.00
Add'l Education Appropriation	8,800.00	6,290.00	8,492.00	4,362.00
Total Appropriations	6,410,861.00	4,686,865.00	6,392,017.00	3,608,257.00
State Municipal Revenue Sharing	122,775.00	82,938.00	135,000.00	46,968.00
Other Revenues	781,080.00	439,007.00	1,456,243.00	396,045.00
Total Deductions	903,855.00	521,945.00	1,591,243.00	443,013.00
Net to be Raised in Local Taxes	5,507,006.00	4,164,920.00	4,800,774.00	3,165,244.00
Maximum Allowable Tax (x1.05)	5,782,356.30	4,373,166.00	5,040,812.70	3,323,506.20
Min. Tax Rate (Net Tax/Val. Base)	0.017283	0.017019	0.019393	0.017016
Max. Tax Rate (Max. Allow/Val. Base)	0.018147	0.017870	0.020362	0.017867
Current Mill Rate	0.01735	0.01710	0.01944	0.01705
\$150,000 Home at Current Mill Rate	2,602.50	2,565.00	2,916.00	2,557.50
Average Mill Increase - Min vs Max	0.01771	0.01744	0.01988	0.01744
\$150,000 Home at Average Mill Increase	2,657.20	2,616.70	2,981.61	2,616.20
Property Tax Increase Due to Bond	54.70	51.70	65.61	58.70

2020-2021 - Year 2 (One Principal Payment & Two Interest Payment)

Description	Manchester	Mt. Vernon	Readfield	Wayne
Total Valuation Base	318,644,450.00	244,718,721.00	247,556,913.00	186,016,238.00
County Tax	335,770.00	253,691.00	270,000.00	198,029.00
Municipal Appropriation	1,925,718.00	1,289,560.00	2,548,726.00	1,184,257.00
TIF Financing Plan Amount	34,396.00	-	-	2,612.00
Education Appropriation - Adjusted	4,114,977.00	3,143,614.00	3,573,291.00	2,223,359.00
Add'l Education Appropriation	117,927.00	84,297.00	113,807.00	58,458.00
Total Appropriations	6,528,788.00	4,771,162.00	6,505,824.00	3,666,715.00
State Municipal Revenue Sharing	122,775.00	82,938.00	135,000.00	46,968.00
Other Revenues	781,080.00	439,007.00	1,456,243.00	396,045.00
Total Deductions	903,855.00	521,945.00	1,591,243.00	443,013.00
Net to be Raised in Local Taxes	5,624,933.00	4,249,217.00	4,914,581.00	3,223,702.00
Maximum Allowable Tax (x1.05)	5,906,179.65	4,461,677.85	5,160,310.05	3,384,887.10
Min. Tax Rate (Net Tax/Val. Base)	0.017653	0.017364	0.019852	0.017330
Max. Tax Rate (Max. Allow/Val. Base)	0.018535	0.018232	0.020845	0.018197
Current Mill Rate	0.01735	0.01710	0.01944	0.01705
\$150,000 Home at Current Mill Rate	2,602.50	2,565.00	2,916.00	2,557.50
Average Mill Increase - Min vs Max	0.01809	0.01780	0.02035	0.01776
\$150,000 Home at Average Mill Increase	2,714.10	2,669.67	3,052.30	2,664.52
Property Tax Increase Due to Bond	111.60	104.67	136.30	107.02