

**MSAD 72 Budget Review FY18  
Summary  
Debt Service**

|           |             |                      |
|-----------|-------------|----------------------|
|           | <u>2016</u> | <u>2017</u>          |
| Budget    | \$423,426   | \$1,417,712          |
| Increase: |             | \$994,287 or 234.82% |

**Summary:**

The initial information from the State indicated that we would receive no State subsidy for the building project for the towns of Denmark, Lovell, Stoneham, and Sweden. Based upon the student population for these towns, that means that we would be paying **30.12%** of the debt service for the building project in the next fiscal year. For the four towns, that would have meant payments of:

|          |           |
|----------|-----------|
| Denmark  | \$160,627 |
| Lovell   | \$182,034 |
| Stoneham | \$ 35,726 |
| Sweden   | \$ 48,628 |

Because of a debt service "circuit breaker," the State now actually ends up paying State subsidy for the project for all of our towns.

**Narrative:**

The difficulty in comparing budget-to-budget figures is that with the additional debt service for the bond payment for the project, our budget increases by \$994,287 or **5.56%** with no additional expenditures. Of the \$1,417,712 in debt service, the State will be paying the following amounts:

|            | <b>State Subsidy</b> | <b>Town Share</b> |
|------------|----------------------|-------------------|
| Brownfield | \$280,848            |                   |
| Denmark    | \$116,854            | \$ 43,773         |
| Fryeburg   | \$647,469            |                   |
| Lovell     | \$ 81,340            | \$100,694         |
| Stoneham   | \$ 22,373            | \$ 13,354         |
| Stow       | \$ 63,379            |                   |
| Sweden     | <u>\$ 34,999</u>     | <u>\$ 13,629</u>  |
|            | \$1,247,262          | \$171,450         |

# Maine School Administrative District 72

## ARTICLE 10: Debt Service and Other Commitments

Report # 30722

Statement Code: Debt Serv

| Account Number / Description                                   | 3 Years Prior<br>Actual<br>7/1/2014 -<br>6/30/2015 | 2 Years Prior<br>Actual<br>7/1/2015 -<br>6/30/2016 | 1 Year Prior<br>Adopted<br>7/1/2016 -<br>6/30/2017 | Budget Total<br>7/1/2017 -<br>6/30/2018 | Budget Difference<br>7/1/2017 -<br>6/30/2018 |
|--|--|--|--|---|--|
| <b><u>DEBT SERVICE PAYMENTS</u></b>                            |  |  |  |   |  |
| Debt Service Payments  |  |  |  |   |  |
| 1000-0000-5100-583100-900 Debt Service Redemption of Principal | 0.00   | 0.00   | 0.00   | 967,087.95                              | 967,087.95                                   |
| 1000-0000-5100-583200-900 Debt Service Interest                | 0.00   | 0.00   | 423,425.62   | 450,624.30                              | 27,198.68                                    |
| <b>Total Debt Service Payments</b>                             | <b>\$0.00</b>                                      | <b>\$0.00</b>                                      | <b>\$423,425.62</b>                                | <b>\$1,417,712.25</b>                   | <b>\$994,286.63</b>                          |
| <b>Total General Fund Expenditure</b>                          | <b>\$0.00</b>                                      | <b>\$0.00</b>                                      | <b>\$423,425.62</b>                                | <b>\$1,417,712.25</b>                   | <b>\$994,286.63</b>                          |