



Analysis of Maine School Administrative Unit Funding and Tax Rates Under Alternative Evidence Based Model Simulations

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ANALYSIS OF MAINE SCHOOL ADMINISTRATIVE UNIT FUNDING AND TAX RATES UNDER ALTERNATIVE EVIDENCE BASED MODEL SIMULATIONS

Presented to the
Maine Legislature's
Joint Standing Committee on Education and Cultural Affairs

October 29, 2013
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INTRODUCTION

As part of Lawrence O. Picus and Associates' review of Maine's Essential Programs and Services (EPS) school funding system, we were asked to provide the Joint Standing Committee on Education and Cultural Affairs (hereinafter referred to as the Committee) with an analysis of the funding and tax implications of several alternative implementation options for the Evidence Based model (EB) we proposed for Maine. To accomplish this, we have developed a distribution model and incorporated it into the Evidence-Based simulation model that is one of the final products for this study. The purpose of the distribution model is to **estimate** the impact of alternative funding distribution choices on the amount of state and local revenue each SAU would receive as well as to provide an estimate of the local tax rate needed for each SAU to fund its local share of the total EB revenue. The model allows state legislators to vary funding system parameters in a number of ways including changes in:

- The parameters and formulas of the EB model (e.g. changing class sizes or the allocation of certified teachers to serve struggling students)
- The state required tax rate for raising the local share of EB revenue
- The percentage of total EB funding provided by the State
- Whether or not to include a measure of income in the computation of each SAU's fiscal capacity.

This memo summarizes the findings from four simulations we were asked to run at the August 1, 2013 Committee meeting. At our meeting on October 29, we will explain these findings in detail and work with the Committee to run a series of alternative simulations based on their interest and concerns.

At the August 1, 2013 Committee meeting we were also asked to reconcile our model's calculation of total state and local education funding with the funding level displayed on acting Commissioner Rier's annual funding graph. Reconciling these figures was a complex undertaking and we have attached a Memorandum of Understanding between the Department of Education and Lawrence O. Picus and Associates indicating how the figures were reconciled and stating that both parties agree with the approach and results of this effort.

Before proceeding to the findings, it is important to emphasize that the results of the simulations reported here (and any others run for the Committee on October 29th) are only **estimates** of the revenue and tax impact on each SAU. Should the exact parameters simulated in one of these options become the operational definition of the state's education funding system in the future, actual revenues and tax rates will vary as student enrollments, property values, local tax decisions, and other state programs not specifically part of the EB or EPS models are certain to change by the time a new model is fully in place.

Thus the purpose of these simulations is not to show actual revenue distributions – that is the role of the Maine Department of Education – but rather to provide detailed estimates of the impact of these changes. The simulations will allow members of the Committee and the Legislature to understand the fiscal and tax impact of alternative approaches, and have a close approximation of the total state and local costs of the system, as well as the distribution of state and local revenues to each SAU. As the Committee establishes policy goals for education funding in the future, this model will demonstrate the impact of those policies on each SAU.

In the presentation that follows, recall that we are simulating state and local aid and tax rates for the 2012-13 school year. The results of each simulation are thus comparable to actual state and local revenues for that year. The data set we use for the simulations includes EPS funding at 97% as well as adjustments for the curtailment of \$12.5 million enacted in the middle of the 2012-13 school year. As a result, our base simulation uses a required local tax rate (RTR) of 7.8 mills to fund the EB model.

MODELING ALTERNATIVE EVIDENCE BASED AND TAX RATE OPTIONS

In the presentation below, we exhibit the output from four simulations. The discussion includes data on state and local total revenues and provides five analytic tables for each simulation that offer more detailed analysis of the scenario impact. This memo describes succinctly the impact of each simulation on SAUs and on the distribution of total funding between the state and local sources. The analytic tables are included for review, and we plan to go over them in detail with the Committee on October 29th. Note that for any other simulation options the Committee would like to see, our model computes these same five tables in real time for review and discussion.

In viewing the simulations it is important to note that our model initially requires all SAUs to levy at least 7.8 mills for the EB portion of the formula, but then reduces this Required Tax Rate (RTR) for high wealth SAUs to a rate that just raises the revenue required to fund the EB level. This is the same approach used in the current system.

However, our model does not allow SAUs to levy a tax rate lower than what is necessary to raise the EB funding level. This is different from current state practice and as a result the simulation increases the RTR of several SAUs and requires them to levy taxes to raise the EB level. What this means is that the simulation assumes every SAU in the state will fully fund the EB estimated funding level regardless of past practice. We made this assumption because current state law has established a system whereby all districts will be required to levy the RTR by 2015.

In addition to the RTR necessary to raise the EB funding level, many SAUs have an incremental tax rate to raise revenues above the EB level. This reflects the practice of some SAUs to tax themselves beyond EPS or EB levels and enhance their education revenue. In the cases in which an SAU currently taxes itself beyond the level necessary to raise revenue for the EB model, the simulation holds the local tax rate constant, producing some level of “over-EB-tax-rate,” thus raising more local revenues above EB. The result is that the simulation assumes SAUs will use all current revenues for increased education spending, not to lower property taxes.

All simulations were run assuming minimum state funding ratios for minimum receiver SAUs would remain the same as they are in the current formula. The minimum state funding a SAU receives is the greater of:

- 3% of total EB funding
- 30% of special education costs
- 98% of the funding level for educationally disadvantaged students.

For each simulation we provide five tables with the following data:

Table 1: The impact on a representative group of SAUs¹

Table 2: The impact in deciles ranked by EB Revenues per pupil²

Table 3: The impact in deciles ranked by state property valuation per pupil (this table is organized by income adjusted valuation per pupil for the runs that include the income factor in the measure of fiscal capacity)

Table 4: The impact in deciles ranked by SAU enrollment

Table 5: The impact in deciles ranked by per capita income.

As requested by the Committee, we ran four simulations. Their basic features are described below, and the major impact of each is displayed in Table 1. Further detail of the impact of these simulations on SAUs can be found in Simulation Tables at the end of this memo.

- A. The EB model as proposed by Lawrence O. Picus and Associates with the required tax rate (RTR) set at 7.8 mills.
- B. The EB model but, at the direction of the Committee, with class sizes reduced from 25 to 20 in grades 4-12.
- C. The EB model as in Simulation A but with the state share set at 55%.³ To achieve that state percentage, the simulation reduced the RTR from 7.8 to 6.95 mills.

¹ When we run the simulations with the Committee, we can type in the ID number of any SAU in Table 1 and see the impact of the simulation on that specific SAU.

² Deciles are a way to rank observations based on equal numbers of observations in each of ten groups or “deciles.” In this analysis, each decile is constructed to include approximately equal numbers of students (18,300), thus the number of districts in each decile will vary depending on the average size of districts in the decile. Thus, if districts were ranked by total per pupil expenditures, the lowest or first decile would include the lowest spending districts that enrolled 18,300 students. The second decile would have the next lowest per pupil spending districts with approximately 18,300 students, while the 10th or highest decile would have the highest per pupil spending districts with approximately 18,300 students.

D. The EB model as in Simulation A but with income factor included in the fiscal capacity measure (multiplying the state valuation per pupil by the ratio of the average per capita income of the SAU compared to the state average per capita income) but with the ratio restricted to a low of 0.5 and a high of 1.5. This ratio is applied to 50 percent of the State Valuation in this simulation. As described in our memo on fiscal capacity presented to the Committee on August 1, 2013.⁴ In that memo we suggest limiting the ratio to between 0.5 and 1.5 to avoid effects potentially caused by extreme outliers with either very low or very high per capital incomes.

³ The state share percentage includes state revenue to SAUs, state miscellaneous revenue, and teacher pension revenue. The local share percentage includes local revenue to SAUs and state miscellaneous revenue. In neither state share nor local share does the share percentage include over-EB revenue.

⁴ *Policies that Address the Needs of High Property-Wealth School Districts with Low-Income Families*. Presented to the Committee on August 1, 2013.

**Table 1
Characteristics and Major Impacts on Base Totals**

SIM	Increased Costs \$ Millions			Percent of Total EB Revenues (%)		Number of SAUs with State Aid		Total EB Revenue Per Pupil to SAUs (\$)	Change in Total EB Revenue to SAUs Per Pupil from Actual Current Revenue Per Pupil (\$)	Major Impact
	State	Local	Total	State	Local	Increase	Decrease			
A EB Model	249.8	77.5	327.3	50.4	49.6	206	19	11,721	1,742	Increases overall base revenues by \$327.3 million
B EB w/ smaller classes	333.4	84.3	417.7	52.0	48.0	211	14	12,202	2,224	Additional \$90.4 million compared to Simulation A.
C EB & 55% State	354.8	(27.5)	327.3	55.0	45.0	214	11	11,721	1,742	Significantly increases state costs (\$105 million compared to Simulation A)
D EB w/Income Factor	222.1	105.2	327.3	49.2	50.8	199	26	11,721	1,742	Increases local costs (\$28 million), decreases equity?

Notes: Average total EPS per pupil revenue for 2012-13 was \$9,976
The state percent of total revenue was 45%⁵ and the Local percent of total revenue was 55%
The Required Tax Rate for simulations A, B and D was 7.8 mills. For simulation C it was 6.95%.

⁵ The state share percentage of EPS calculated in 2012-13 does not include the teacher pension budget.

In our first report to the Committee we noted that Maine’s school funding system exhibited considerable equity. Specifically our equity analysis showed that EPS revenues in Maine are not strongly related to state valuation, but that for local revenues above the EPS amount the relationship is slightly stronger. Per pupil revenues were relatively equitable, and any inequities that we noted do not appear to be related to student needs. In short, Maine’s current system appears to be more equitable than most states.⁶

To test the equity of each simulation we computed the Coefficient of Variation along with weighted correlations of state valuation per pupil and per capita personal income compared to our Evidence-Based estimated revenue per pupil. Table 2 summarizes these results and suggests the system remained equitable as evidenced by a relatively low Coefficient of Variation (ranging from 0.10 to 0.13 against a commonly-accepted standard of 0.10). This means that there is relatively little variation in per pupil revenues across school districts.

Our analysis of the correlations between measures of fiscal capacity and per pupil revenues offers a number of observations. For simulations A, B and C, which relied on state valuation per pupil as the measure of fiscal capacity, the correlations were weak, never exceeding 0.125. At the same time, all three of those simulations showed a negative correlation between per capita income and Evidence Based revenues per pupil. This suggests that as community income increases, EB revenues decline slightly, though the relationship is weak.

When the measure of fiscal capacity includes a per capita income multiplicative ratio adjustment, the relationship between income and EB per pupil revenues is the same as in simulations A and C which would be expected since the total EB revenue remains the same. However the correlation between the income adjusted state valuation per pupil and EB revenue per pupil becomes even weaker.

Table 2: Sample Equity Statistics for Four Sample Simulations

<u>Simulation</u>	<u>Coefficient of Variation</u>	<u>Correlation between State Valuation and EB Total Revenue Per Pupil</u>	<u>Correlation between Per Capita Income and EB Total Revenue Per Pupil</u>
A EB Model	0.11	0.124	-0.387
B EB w/smaller classes	0.10	0.102	-0.385
C EB & 55% State	0.11	0.124	-0.387
D EB w/Income Factor	0.13	0.083	-0.387

Note: All computations were weighted based on the number of pupils in each SAU. As a result, the sample is 183,064 and all correlations are statistically significant due to the large sample.

⁶ *An Independent Review of Maine’s Essential Programs and services Finding Act: Part 1.* See chapter 4 for specifics of our findings on equity.

SIMULATION RESULTS

The tables below summarize the output from the four simulations described above. In all four of these simulations, most SAUs receive an increase in state aid. The number of SAUs with state aid increases ranges from 199 to 214 of the 225 SAUs, while the number of SAUs with decreases ranges from 11 to 26 depending on the particular simulation considered. To help understand how SAUs are impacted under each scenario, Table 3 summarizes the contents of each of the simulations tables.

As the Committee reviews these tables (and as it considers additional simulation options at its October 29 meeting) we suggest considering the following criteria or questions as part of their deliberations and analysis:

- How does each option impact total revenue for K-12 education?
- What are the changes in local and state revenues for each model?
 - What are the variations from current revenues?
 - What are the variations from the base simulation of the EB model (Simulation A)?
- Does the simulation approach the 55% state funding goal?
 - At what cost?
 - What is the required tax rate to reach 55% state funding?
 - What is the additional state funding required?
- What are the equity impacts of the simulation?
 - Are there different impacts when the measure of fiscal capacity includes income?
 - Does the income proportion of the fiscal capacity measure change the equity impact (i.e. if the income factor represents 25%, 50% or 75% of the fiscal capacity measure)
- What are the differential impacts on total and individual SAU revenues by:
 - State valuation per pupil
 - Per capita income
- Can we discern any impacts on high wealth-low income SAUs?
- What happens to average property tax rates
- Is there any pattern for tax rate changes by variations in property wealth per pupil or per capital income?

Table 3: Summary of Contents of Simulation Data Tables

Simulation	Table				
	Sample SAUs	Deciles Ranked by EB Revenue Per Pupil	Deciles Ranked by SAU State Valuation Per Pupil	Deciles Ranked by SAU enrollment	Deciles Ranked by SAU Per Capita Income
A EB Model	A1	A2	A3	A4	A5
B EB w/smaller classes	B1	B2	B3	B4	B5
C EB & 55% State	C1	C2	C3	C4	C5
D EB w/Income Factor	D1	D2	D3	D4	D5

The estimates of current EPS and EB revenue (both total and per pupil) differ on the State Output and Analytics worksheets in the model. These differences occur because the State Output worksheet includes 100 percent EPS revenue as well as additional ME adjustments for revenues that go to the State only and are not distributed directly to SAUs. In addition, the State Output worksheet does not include revenues raised locally by SAUs above the EPS and EB expectations. One other small difference occurs due to the three Tribal SAUs receiving revenue from the BIA in lieu of local resources. Finally, the mid-year reduction in the EPS means that additional funds must be subtracted from the EPS figures on the Analytics worksheet.

Table 4 illustrates reconciliation of the EPS and EB total and per pupil revenue figures between the State Output and Analytics worksheets. The first line of Table 4 displays the relevant data from the Analytics worksheet. From these figures we add the funds for the 3% reduction in EPS. state/local revenue above/(below) the EPS or EB revenue. The third line subtracts state only revenue, which is revenue not distributed directly to SAUs, but expended by the state for education. Line 4 adjusts for the midyear revenue reduction. Line 5 includes additional adjustments to the formula. The final lines shows the data from the State Output page, the values agreed upon with the DOE and described in the MOU at the end of this memo.

Table 4: Reconciliation Between State Output and Analytics Worksheets in the Maine Simulation Model

Reconciliation to Cost of Education						
				EPS Total	EB Total	EB/EPS Difference
SAU Distributed Revenue				\$1,874,324,132	\$2,201,627,452	\$327,303,320
(Switch from 97% EPS to 100% EPS)	+			\$41,876,093	\$0	-\$41,876,093
(State-Only Funding)	+			\$63,811,153	\$63,811,153	
(Adj to Budgeted v. Actual)	+			\$4,222,897	\$4,222,897	
Adj in State Revenues ED279, lines 51-59e)	+			\$8,988,748		-\$8,988,748
Total Rev for ME Education (State Output)				\$1,993,223,023	\$2,269,661,502	\$276,438,479

Simulation A

Model Description

Regional Cost Index:	NCES CW1 (2011)
Fiscal Capacity:	State Valuation
% Income-Based	Not Applicable
State Share	50.43%
Mill Expectation:	7.80
SAUs State Incr	206
SAUs State Decr	19

Comparison to Current System

	EPS Total (97%)	Over-EPS	Total Rev	EB Total	Over-EB	Total Rev	EB/EPS Difference
State	\$817,065,088	\$23,109,817	\$840,174,905	\$1,066,913,284	\$0	\$1,066,913,284	\$249,848,197
Local	\$1,057,259,044	\$173,811,546	\$1,231,070,589	\$1,134,714,167	\$129,088,092	\$1,263,802,259	\$77,455,123
Total	\$1,874,324,132	\$196,921,363	\$2,071,245,495	\$2,201,627,452	\$129,088,092	\$2,330,715,544	\$327,303,320
Model PP	\$9,976			\$11,721			\$1,742
ME Adj PP	\$362			\$362			\$0
Total PP	\$10,338			\$12,083			\$1,743

Table A1 Individual SAU Output

SAUID	SAU Name	Pupils	ED %	State Valuation Per-Pupil	Per-Capita Income	Mill Change from Current	Local Change PP from Current	State Change PP from Current	EPS PP	EB PP
1155	South Portland School Depa	3,103	36%	\$1,204,882	\$28,597	0.00	\$0	\$597	\$10,247	\$10,843
1088	Lewiston School Departmen	4,996	69%	\$467,224	\$20,014	0.98	\$0	\$2,088	\$10,651	\$12,739
3184	RSU 78	200	0%	\$5,254,250	\$23,926	0.00	\$2,305	(\$0)	\$9,625	\$11,931
1105	Medway School Department	194	63%	\$318,605	\$21,030	0.00	\$0	\$7,751	\$8,374	\$16,126
1226	RSU 32/MSAD 32	294	70%	\$450,680	\$20,344	0.00	\$2	\$3,525	\$12,275	\$15,802
1134	Portland Public Schools	6,889	55%	\$1,148,248	\$27,794	0.00	\$0	\$595	\$10,818	\$11,413
1252	RSU 58/MSAD 58	621	68%	\$831,159	\$19,521	0.51	\$1,151	\$1,533	\$9,204	\$11,888
1012	Bar Harbor School Departme	426	15%	\$2,308,224	\$23,926	0.00	\$1,389	(\$0)	\$9,016	\$10,406
1011	Bangor School Department	3,688	54%	\$668,862	\$24,179	0.00	\$0	\$1,961	\$9,595	\$11,556
1074	Hemond School Department	932	24%	\$474,181	\$28,520	0.00	\$0	\$1,430	\$9,480	\$10,910
1213	RSU 85/MSAD 19	127	84%	\$1,365,138	\$20,515	0.00	\$2,679	\$6,038	\$9,106	\$17,822
1032	Castine School Department	79	18%	\$4,730,380	\$19,818	0.31	\$6,311	\$129	\$9,654	\$16,094
1053	Easton School Department	218	59%	\$1,085,550	\$21,227	0.00	\$0	\$3,049	\$9,409	\$12,457
1150	Sedgwick School Department	138	68%	\$1,729,433	\$17,808	0.00	\$5,462	\$2,482	\$8,820	\$16,763
1095	Machias School Department	318	77%	\$433,246	\$17,638	0.00	\$0	\$3,482	\$8,872	\$12,355
1271	Indian Township	186	86%	\$15,903	\$10,940	0.00	\$0	\$5,745	\$10,114	\$15,858
1070	Greenville School Departme	184	59%	\$1,848,282	\$25,160	0.00	\$3,901	\$453	\$9,981	\$14,334
3159	RSU 10	2,889	67%	\$526,346	\$23,926	0.00	\$69	\$2,331	\$10,099	\$12,498
1016	Biddeford School Departme	2,637	57%	\$927,624	\$23,988	0.55	\$0	\$1,319	\$10,983	\$12,303
1251	RSU 57/MSAD 57	3,397	0	\$761,429	\$22,671	0.00	\$146	\$1,055	\$9,636	\$10,838

Table A2 Total EB Revenue Per-Pupil Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average State Valuation PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid
Decile 1	688	22%	\$1,229,604	\$27,520	0.02	\$121	\$551	\$9,446	\$10,118	24	1
Decile 2	1,620	40%	\$750,100	\$26,003	0.11	\$390	\$879	\$9,361	\$10,630	11	1
Decile 3	1,014	39%	\$860,699	\$23,524	0.01	\$338	\$948	\$9,646	\$10,932	15	2
Decile 4	2,327	37%	\$691,324	\$27,293	0.16	\$120	\$1,015	\$9,988	\$11,123	8	0
Decile 5	1,304	49%	\$734,613	\$23,820	0.09	\$318	\$1,312	\$9,632	\$11,262	14	1
Decile 6	1,706	51%	\$953,571	\$22,812	0.09	\$253	\$1,122	\$10,122	\$11,496	11	1
Decile 7	926	51%	\$828,564	\$23,550	0.51	\$884	\$1,189	\$9,878	\$11,951	16	3
Decile 8	1,256	57%	\$854,391	\$23,455	0.32	\$411	\$1,574	\$10,277	\$12,262	15	1
Decile 9	1,122	65%	\$547,237	\$20,535	0.43	\$104	\$2,187	\$10,381	\$12,672	16	0
Decile 10	218	54%	\$1,205,587	\$23,359	0.25	\$1,153	\$2,420	\$10,945	\$14,522	76	9
Weighted Avg	817	47%	\$865,696	\$23,926	0.20	\$412	\$1,330	\$9,978	\$11,721	206	19

Table A3 SAU Valuation Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average State Valuation PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid
Decile 1	569	60%	\$333,677	\$19,119	0.15	\$0	\$2,862	\$9,055	\$11,917	31	0
Decile 2	1,000	56%	\$435,075	\$21,051	0.02	\$7	\$2,171	\$9,624	\$11,803	17	0
Decile 3	1,160	56%	\$494,035	\$21,666	0.27	\$10	\$2,113	\$10,070	\$12,192	17	0
Decile 4	1,936	44%	\$554,352	\$25,295	0.28	\$20	\$1,579	\$10,005	\$11,604	10	0
Decile 5	1,159	48%	\$654,957	\$22,483	0.11	\$13	\$1,782	\$10,022	\$11,818	16	0
Decile 6	2,014	47%	\$720,760	\$26,410	0.44	\$294	\$1,146	\$10,120	\$11,560	8	1
Decile 7	1,055	47%	\$826,075	\$22,846	0.02	\$264	\$1,311	\$9,908	\$11,482	19	0
Decile 8	1,068	28%	\$1,013,826	\$28,712	0.08	\$357	\$533	\$9,900	\$10,791	16	1
Decile 9	1,384	47%	\$1,191,448	\$23,798	0.50	\$1,107	(\$2)	\$10,729	\$11,833	11	3
Decile 10	248	36%	\$2,295,026	\$25,979	0.11	\$1,910	\$23	\$10,221	\$12,157	61	14
Weighted Avg	817	47%	\$865,696	\$23,926	0.20	\$412	\$1,330	\$9,978	\$11,721	206	19

Table A4 SAU Size Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average State Valuation PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid
Decile 1	134	53%	\$1,521,238	\$22,832	0.35	\$1,340	\$2,753	\$9,571	\$13,664	128	11
Decile 2	838	52%	\$714,531	\$23,708	0.11	\$253	\$2,039	\$9,623	\$11,916	21	1
Decile 3	1,309	45%	\$835,278	\$24,848	0.08	\$245	\$1,359	\$9,793	\$11,397	13	1
Decile 4	1,773	43%	\$890,143	\$27,540	0.01	\$308	\$1,079	\$9,790	\$11,177	10	1
Decile 5	2,103	36%	\$776,274	\$30,047	0.11	\$424	\$764	\$10,222	\$11,410	6	3
Decile 6	2,354	50%	\$568,359	\$25,767	0.26	\$23	\$1,815	\$9,977	\$11,816	7	0
Decile 7	2,653	43%	\$987,539	\$26,731	0.36	\$894	\$220	\$10,767	\$11,881	6	2
Decile 8	3,102	50%	\$686,413	\$25,192	0.13	\$96	\$1,323	\$9,826	\$11,245	5	0
Decile 9	3,487	45%	\$763,249	\$25,979	0.30	\$117	\$1,320	\$9,753	\$11,191	6	0
Decile 10	2,214	54%	\$845,725	\$23,387	0.19	\$302	\$900	\$10,321	\$11,526	4	0
Weighted Avg	817	47%	\$865,696	\$23,926	0.20	\$412	\$1,330	\$9,978	\$11,721	206	19

Table A5 SAU by Income Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average State Valuation PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid
Decile 1	321	67%	\$512,087	\$16,994	0.29	\$130	\$2,898	\$9,885	\$12,914	56	0
Decile 2	640	60%	\$530,757	\$20,996	0.10	\$95	\$2,222	\$9,761	\$12,081	28	0
Decile 3	1,161	54%	\$708,774	\$22,374	0.34	\$343	\$1,534	\$9,693	\$11,569	15	1
Decile 4	557	52%	\$1,185,994	\$23,783	0.33	\$855	\$1,345	\$9,971	\$12,170	26	5
Decile 5	2,618	53%	\$795,896	\$23,926	0.30	\$558	\$1,225	\$10,512	\$12,295	6	1
Decile 6	1,758	48%	\$706,821	\$24,317	0.26	\$285	\$1,348	\$9,710	\$11,343	12	0
Decile 7	830	48%	\$657,673	\$25,776	0.34	\$243	\$1,552	\$9,850	\$11,645	19	1
Decile 8	1,230	42%	\$882,904	\$27,583	0.25	\$247	\$993	\$10,121	\$11,360	14	2
Decile 9	762	33%	\$1,358,062	\$30,137	0.23	\$975	\$325	\$10,194	\$11,494	18	4
Decile 10	1,197	15%	\$1,321,712	\$39,779	0.27	\$474	(\$9)	\$10,094	\$10,559	12	5
Weighted Avg	817	47%	\$865,696	\$23,926	0.20	\$412	\$1,330	\$9,978	\$11,721	206	19

Simulation B

Model Description

Regional Cost Index	NCES CWI (2011)
Fiscal Capacity:	State Valuation
% Income-Based	Not Applicable
State Share	52.03%
Mill Expectation:	7.80
SAUs State Incr	211
SAUs State Decr	14
Notes:	Gr 4-12, class size 20

Comparison to Current System

	EPS Total (97%)	Over-EPS	Total Rev	EB Total	Over-EB	Total Rev	EB/EPS Difference
State	\$817,065,088	\$23,109,817	\$840,174,905	\$1,150,467,994	\$0	\$1,150,467,994	\$333,402,906
Local	\$1,057,259,044	\$173,811,546	\$1,231,070,589	\$1,141,604,861	\$123,423,771	\$1,265,028,631	\$84,345,817
Total	\$1,874,324,132	\$196,921,363	\$2,071,245,495	\$2,292,072,854	\$123,423,771	\$2,415,496,625	\$417,748,723
Model PP	\$9,976			\$12,202			\$2,224
ME Adj PP	\$362			\$362			\$0
Total PP	\$10,338			\$12,564			\$2,224

Table B1 Individual SAU Output

SAUID	SAU Name	Pupils	ED %	State Valuation Per-Pupil	Per-Capita Income	Mill Change from Current	Local Change PP from Current	State Change PP from Current	EPS PP	EB PP
1155	South Portland School Depa	3,103	36%	\$1,204,882	\$28,597	0.00	\$0	\$1,126	\$10,247	\$11,373
1088	Lewiston School Departmen	4,996	69%	\$467,224	\$20,014	0.98	\$0	\$2,598	\$10,651	\$13,249
3184	RSU 78	200	0%	\$5,254,250	\$23,926	0.00	\$2,308	(\$0)	\$9,625	\$11,934
1105	Medway School Department	194	63%	\$318,605	\$21,030	0.00	\$0	\$7,818	\$8,374	\$16,192
1226	RSU 32/MSAD 32	294	70%	\$450,680	\$20,344	0.00	\$2	\$3,494	\$12,275	\$15,771
1134	Portland Public Schools	6,889	55%	\$1,148,248	\$27,794	0.00	\$0	\$1,138	\$10,818	\$11,956
1252	RSU 58/MSAD 58	621	68%	\$831,159	\$19,521	0.51	\$1,151	\$1,760	\$9,204	\$12,114
1012	Bar Harbor School Departme	426	15%	\$2,308,224	\$23,926	0.00	\$1,303	(\$0)	\$9,016	\$10,319
1011	Bangor School Department	3,688	54%	\$668,862	\$24,179	0.00	\$0	\$2,533	\$9,595	\$12,129
1074	Hermon School Department	932	24%	\$474,181	\$28,520	0.00	\$0	\$1,974	\$9,480	\$11,454
1213	RSU 85/MSAD 19	127	84%	\$1,365,138	\$20,515	0.00	\$2,679	\$5,993	\$9,106	\$17,778
1032	Castine School Department	79	18%	\$4,730,380	\$19,818	0.31	\$6,313	\$129	\$9,654	\$16,097
1053	Easton School Department	218	59%	\$1,085,550	\$21,227	0.00	\$0	\$3,024	\$9,409	\$12,432
1150	Sedgwick School Departmen	138	68%	\$1,729,433	\$17,808	0.00	\$5,462	\$2,520	\$8,820	\$16,801
1095	Machias School Department	318	77%	\$433,246	\$17,638	0.00	\$0	\$3,376	\$8,872	\$12,249
1271	Indian Township	186	86%	\$15,903	\$10,940	0.00	\$0	\$5,692	\$10,114	\$15,806
1070	Greenville School Departme	184	59%	\$1,848,282	\$25,160	0.00	\$3,920	\$455	\$9,981	\$14,356
3159	RSU 10	2,889	67%	\$526,346	\$23,926	0.00	\$69	\$2,887	\$10,099	\$13,055
1016	Biddeford School Departme	2,637	57%	\$927,624	\$23,988	0.55	\$0	\$1,877	\$10,983	\$12,860
1251	RSU 57/MSAD 57	3,397	0	\$761,429	\$22,671	0.00	\$146	\$1,616	\$9,636	\$11,399

Table B2 Total EB Revenue Per-Pupil Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average State Valuation PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid
Decile 1	690	22%	\$1,259,352	\$27,716	0.02	\$259	\$939	\$9,472	\$10,670	25	1
Decile 2	1,211	42%	\$663,926	\$24,350	0.13	\$387	\$1,562	\$9,181	\$11,130	14	0
Decile 3	1,185	39%	\$869,260	\$25,031	0.04	\$436	\$1,418	\$9,594	\$11,448	17	1
Decile 4	1,682	41%	\$718,259	\$23,481	0.16	\$165	\$1,692	\$9,799	\$11,655	11	0
Decile 5	1,571	43%	\$707,900	\$26,802	0.11	\$132	\$1,704	\$9,948	\$11,784	11	0
Decile 6	1,701	52%	\$956,426	\$21,484	0.09	\$464	\$1,482	\$10,054	\$12,000	9	3
Decile 7	730	50%	\$894,884	\$22,642	0.62	\$1,140	\$1,334	\$9,917	\$12,391	21	2
Decile 8	1,587	56%	\$791,539	\$23,863	0.11	\$326	\$2,141	\$10,261	\$12,729	12	0
Decile 9	1,442	66%	\$608,186	\$22,358	0.45	\$99	\$2,643	\$10,376	\$13,118	13	0
Decile 10	232	54%	\$1,135,942	\$23,135	0.33	\$1,047	\$2,692	\$10,994	\$14,736	78	7
Weighted Avg	817	47%	\$865,696	\$23,926	0.20	\$449	\$1,775	\$9,978	\$12,202	211	14

Table B3 SAU Valuation Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average State Valuation PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid
Decile 1	569	60%	\$333,677	\$19,119	0.15	\$0	\$3,247	\$9,055	\$12,302	31	0
Decile 2	1,000	56%	\$435,075	\$21,051	0.02	\$7	\$2,654	\$9,624	\$12,285	17	0
Decile 3	1,160	56%	\$494,035	\$21,666	0.27	\$10	\$2,599	\$10,070	\$12,678	17	0
Decile 4	1,936	44%	\$554,352	\$25,295	0.28	\$20	\$2,093	\$10,005	\$12,117	10	0
Decile 5	1,159	48%	\$654,957	\$22,483	0.11	\$13	\$2,292	\$10,022	\$12,327	16	0
Decile 6	2,014	47%	\$720,760	\$26,410	0.44	\$294	\$1,671	\$10,120	\$12,085	9	0
Decile 7	1,055	47%	\$826,075	\$22,846	0.02	\$264	\$1,811	\$9,908	\$11,983	19	0
Decile 8	1,068	28%	\$1,013,826	\$28,712	0.08	\$357	\$1,065	\$9,900	\$11,322	17	0
Decile 9	1,384	47%	\$1,191,448	\$23,798	0.50	\$1,110	\$510	\$10,729	\$12,349	12	2
Decile 10	248	36%	\$2,295,026	\$25,979	0.15	\$2,253	\$46	\$10,221	\$12,523	63	12
Weighted Avg	817	47%	\$865,696	\$23,926	0.20	\$449	\$1,775	\$9,978	\$12,202	211	14

Table B4 SAU Size Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average State Valuation PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid
Decile 1	134	53%	\$1,521,238	\$22,832	0.37	\$1,364	\$2,787	\$9,571	\$13,721	129	10
Decile 2	838	52%	\$714,531	\$23,708	0.11	\$305	\$2,371	\$9,623	\$12,299	22	0
Decile 3	1,309	45%	\$835,278	\$24,848	0.08	\$288	\$1,863	\$9,793	\$11,944	13	1
Decile 4	1,773	43%	\$890,143	\$27,540	0.01	\$413	\$1,508	\$9,790	\$11,712	11	0
Decile 5	2,103	36%	\$776,274	\$30,047	0.12	\$484	\$1,256	\$10,222	\$11,962	8	1
Decile 6	2,354	50%	\$568,359	\$25,767	0.26	\$23	\$2,360	\$9,977	\$12,361	7	0
Decile 7	2,653	43%	\$987,539	\$26,731	0.38	\$966	\$698	\$10,767	\$12,430	6	2
Decile 8	3,102	50%	\$686,413	\$25,192	0.13	\$96	\$1,872	\$9,826	\$11,794	5	0
Decile 9	3,487	45%	\$763,249	\$25,979	0.30	\$117	\$1,871	\$9,753	\$11,742	6	0
Decile 10	2,214	54%	\$845,725	\$23,387	0.19	\$302	\$1,439	\$10,321	\$12,065	4	0
Weighted Avg	817	47%	\$865,696	\$23,926	0.20	\$449	\$1,775	\$9,978	\$12,202	211	14

Table B5 SAU by Income Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average State Valuation PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid
Decile 1	321	67%	\$512,087	\$16,994	0.32	\$133	\$3,242	\$9,885	\$13,261	56	0
Decile 2	640	60%	\$530,757	\$20,996	0.11	\$96	\$2,694	\$9,761	\$12,553	28	0
Decile 3	1,161	54%	\$708,774	\$22,374	0.37	\$357	\$2,004	\$9,693	\$12,054	15	1
Decile 4	557	52%	\$1,185,994	\$23,783	0.35	\$984	\$1,666	\$9,971	\$12,621	27	4
Decile 5	2,618	53%	\$795,896	\$23,926	0.30	\$558	\$1,772	\$10,512	\$12,841	7	0
Decile 6	1,758	48%	\$706,821	\$24,317	0.27	\$285	\$1,880	\$9,710	\$11,875	12	0
Decile 7	830	48%	\$657,673	\$25,776	0.35	\$246	\$2,007	\$9,850	\$12,103	19	1
Decile 8	1,230	42%	\$882,904	\$27,583	0.25	\$247	\$1,484	\$10,121	\$11,851	14	2
Decile 9	762	33%	\$1,358,062	\$30,137	0.24	\$1,066	\$707	\$10,194	\$11,967	19	3
Decile 10	1,197	15%	\$1,321,712	\$39,779	0.29	\$604	\$402	\$10,094	\$11,101	14	3
Weighted Avg	817	47%	\$865,696	\$23,926	0.20	\$449	\$1,775	\$9,978	\$12,202	211	14

Simulation C

Model Description

Regional Cost Index	NCES CWI (2011)
Fiscal Capacity:	State Valuation
% Income-Based	Not Applicable
State Share	55.02%
Mill Expectation:	6.95
SAUs State Incr	214
SAUs State Decr	11
Notes:	Bring State Share to 55%

Comparison to Current System

	EPS Total (97%)	Over-EPS	Total Rev	EB Total	Over-EB	Total Rev	EB/EPS Difference
State	\$817,065,088	\$23,109,817	\$840,174,905	\$1,171,822,580	\$0	\$1,171,822,580	\$354,757,492
Local	\$1,057,259,044	\$173,811,546	\$1,231,070,589	\$1,029,804,872	\$212,674,499	\$1,242,479,371	(\$27,454,172)
Total	\$1,874,324,132	\$196,921,363	\$2,071,245,495	\$2,201,627,452	\$212,674,499	\$2,414,301,951	\$327,303,320
Model PP	\$9,976			\$11,721			\$1,742
ME Adj PP	\$362			\$362			\$0
Total PP	\$10,338			\$12,083			\$1,743

Table C1 Individual SAU Output

SAUID	SAU Name	Pupils	ED %	State Valuation Per-Pupil	Per-Capita Income	Mill Change from Current	Local Change PP from Current	State Change PP from Current	EPS PP	EB PP
1155	South Portland School Depa	3,103	36%	\$1,204,882	\$28,597	0.00	(\$1,024)	\$1,621	\$10,247	\$10,843
1088	Lewiston School Departmen	4,996	69%	\$467,224	\$20,014	0.13	(\$397)	\$2,485	\$10,651	\$12,739
3184	RSU 78	200	0%	\$5,254,250	\$23,926	0.00	\$2,305	(\$0)	\$9,625	\$11,931
1105	Medway School Department	194	63%	\$318,605	\$21,030	0.00	(\$271)	\$8,022	\$8,374	\$11,626
1226	RSU 32/MSAD 32	294	70%	\$450,680	\$20,344	0.00	(\$381)	\$3,908	\$12,275	\$15,802
1134	Portland Public Schools	6,889	55%	\$1,148,248	\$27,794	0.00	(\$976)	\$1,571	\$10,818	\$11,413
1252	RSU 58/MSAD 58	621	68%	\$831,159	\$19,521	0.00	\$445	\$2,240	\$9,204	\$11,888
1012	Bar Harbor School Departme	426	15%	\$2,308,224	\$23,926	0.00	\$1,389	(\$0)	\$9,016	\$10,406
1011	Bangor School Department	3,688	54%	\$668,862	\$24,179	0.00	(\$569)	\$2,530	\$9,595	\$11,556
1074	Hermon School Department	932	24%	\$474,181	\$28,520	0.00	(\$403)	\$1,833	\$9,480	\$10,910
1213	RSU 85/MSAD 19	127	84%	\$1,365,138	\$20,515	0.00	\$1,519	\$7,198	\$9,106	\$17,822
1032	Castine School Department	79	18%	\$4,730,380	\$19,818	0.31	\$6,311	\$129	\$9,654	\$16,094
1053	Easton School Department	218	59%	\$1,085,550	\$21,227	0.00	(\$923)	\$3,971	\$9,409	\$12,457
1150	Sedgwick School Departmen	138	68%	\$1,729,433	\$17,808	0.00	\$3,992	\$3,952	\$8,820	\$16,763
1095	Machias School Department	318	77%	\$433,246	\$17,638	0.00	(\$368)	\$3,851	\$8,872	\$12,355
1271	Indian Township	186	86%	\$15,903	\$10,940	0.00	(\$14)	\$5,758	\$10,114	\$15,858
1070	Greenville School Departmer	184	59%	\$1,848,282	\$25,160	0.00	\$3,860	\$493	\$9,981	\$14,334
3159	RSU 10	2,889	67%	\$526,346	\$23,926	0.00	(\$378)	\$2,778	\$10,099	\$12,498
1016	Biddeford School Departmer	2,637	57%	\$927,624	\$23,988	0.00	(\$788)	\$2,108	\$10,983	\$12,303
1251	RSU 57/MSAD 57	3,397	0	\$761,429	\$22,671	0.00	(\$501)	\$1,703	\$9,636	\$10,838

Table C2 Total EB Revenue Per-Pupil Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average State Valuation PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid
Decile 1	688	22%	\$1,229,604	\$27,520	0.01	(\$418)	\$1,090	\$9,446	\$10,118	24	1
Decile 2	1,620	40%	\$750,100	\$26,003	0.00	(\$178)	\$1,447	\$9,361	\$10,630	12	0
Decile 3	1,014	39%	\$860,699	\$23,524	0.00	(\$156)	\$1,442	\$9,646	\$10,932	16	1
Decile 4	2,327	37%	\$691,324	\$27,293	0.00	(\$468)	\$1,603	\$9,988	\$11,123	8	0
Decile 5	1,304	49%	\$734,613	\$23,820	0.00	(\$133)	\$1,762	\$9,632	\$11,262	15	0
Decile 6	1,706	51%	\$953,571	\$22,812	0.01	(\$414)	\$1,789	\$10,122	\$11,496	12	0
Decile 7	926	51%	\$828,564	\$23,550	0.23	\$253	\$1,820	\$9,878	\$11,951	17	2
Decile 8	1,256	57%	\$854,391	\$23,455	0.05	(\$202)	\$2,187	\$10,277	\$12,262	16	0
Decile 9	1,122	65%	\$547,237	\$20,535	0.06	(\$357)	\$2,648	\$10,381	\$12,672	16	0
Decile 10	218	54%	\$1,205,587	\$23,359	0.09	\$595	\$2,979	\$10,945	\$14,522	78	7
Weighted Avg	817	47%	\$865,696	\$23,926	0.05	(\$146)	\$1,889	\$9,978	\$11,721	214	11

Table C3 SAU Valuation Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average State Valuation PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid
Decile 1	569	60%	\$333,677	\$19,119	0.04	(\$284)	\$3,146	\$9,055	\$11,917	31	0
Decile 2	1,000	56%	\$435,075	\$21,051	0.00	(\$362)	\$2,541	\$9,624	\$11,803	17	0
Decile 3	1,160	56%	\$494,035	\$21,666	0.03	(\$410)	\$2,532	\$10,070	\$12,192	17	0
Decile 4	1,936	44%	\$554,352	\$25,295	0.01	(\$451)	\$2,050	\$10,005	\$11,604	10	0
Decile 5	1,159	48%	\$654,957	\$22,483	0.01	(\$543)	\$2,339	\$10,022	\$11,818	16	0
Decile 6	2,014	47%	\$720,760	\$26,410	0.04	(\$319)	\$1,759	\$10,120	\$11,560	9	0
Decile 7	1,055	47%	\$826,075	\$22,846	0.00	(\$438)	\$2,013	\$9,908	\$11,482	19	0
Decile 8	1,068	28%	\$1,013,826	\$28,712	0.00	(\$504)	\$1,395	\$9,900	\$10,791	17	0
Decile 9	1,384	47%	\$1,191,448	\$23,798	0.22	\$99	\$1,006	\$10,729	\$11,833	13	1
Decile 10	248	36%	\$2,295,026	\$25,979	0.09	\$1,631	\$301	\$10,221	\$12,157	65	10
Weighted Avg	817	47%	\$865,696	\$23,926	0.05	(\$146)	\$1,889	\$9,978	\$11,721	214	11

Table C4 SAU Size Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average State Valuation PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid
Decile 1	134	53%	\$1,521,238	\$22,832	0.25	\$924	\$3,170	\$9,571	\$13,664	130	9
Decile 2	838	52%	\$714,531	\$23,708	0.02	(\$153)	\$2,445	\$9,623	\$11,916	22	0
Decile 3	1,309	45%	\$835,278	\$24,848	0.01	(\$271)	\$1,875	\$9,793	\$11,397	14	0
Decile 4	1,773	43%	\$890,143	\$27,540	0.00	(\$217)	\$1,604	\$9,790	\$11,177	11	0
Decile 5	2,103	36%	\$776,274	\$30,047	0.02	(\$162)	\$1,349	\$10,222	\$11,410	9	0
Decile 6	2,354	50%	\$568,359	\$25,767	0.02	(\$460)	\$2,299	\$9,977	\$11,816	7	0
Decile 7	2,653	43%	\$987,539	\$26,731	0.17	\$235	\$880	\$10,767	\$11,881	6	2
Decile 8	3,102	50%	\$686,413	\$25,192	0.00	(\$487)	\$1,906	\$9,826	\$11,245	5	0
Decile 9	3,487	45%	\$763,249	\$25,979	0.02	(\$531)	\$1,969	\$9,753	\$11,191	6	0
Decile 10	2,214	54%	\$845,725	\$23,387	0.04	(\$417)	\$1,619	\$10,321	\$11,526	4	0
Weighted Avg	817	47%	\$865,696	\$23,926	0.05	(\$146)	\$1,889	\$9,978	\$11,721	214	11

Table C5 SAU by Income Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average State Valuation PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid
Decile 1	321	67%	\$512,087	\$16,994	0.17	(\$266)	\$3,295	\$9,885	\$12,914	56	0
Decile 2	640	60%	\$530,757	\$20,996	0.03	(\$352)	\$2,669	\$9,761	\$12,081	28	0
Decile 3	1,161	54%	\$708,774	\$22,374	0.11	(\$198)	\$2,075	\$9,693	\$11,569	16	0
Decile 4	557	52%	\$1,185,994	\$23,783	0.27	\$303	\$1,896	\$9,971	\$12,170	28	3
Decile 5	2,618	53%	\$795,896	\$23,926	0.04	(\$118)	\$1,902	\$10,512	\$12,295	7	0
Decile 6	1,758	48%	\$706,821	\$24,317	0.12	(\$303)	\$1,936	\$9,710	\$11,343	12	0
Decile 7	830	48%	\$657,673	\$25,776	0.17	(\$234)	\$2,029	\$9,850	\$11,645	19	1
Decile 8	1,230	42%	\$882,904	\$27,583	0.15	(\$451)	\$1,690	\$10,121	\$11,360	15	1
Decile 9	762	33%	\$1,358,062	\$30,137	0.16	\$389	\$910	\$10,194	\$11,494	19	3
Decile 10	1,197	15%	\$1,321,712	\$39,779	0.27	(\$120)	\$585	\$10,094	\$10,559	14	3
Weighted Avg	817	47%	\$865,696	\$23,926	0.05	(\$146)	\$1,889	\$9,978	\$11,721	214	11

Simulation D

Model Description

Regional Cost Index	NCES CW1 (2011)
Fiscal Capacity:	Alternative Income-Based
% Income-Based	50.00%
State Share	49.22%
Mill Expectation:	7.80
SAUs State Incr	199
SAUs State Decr	26
Notes:	Income-Based Wealth Adj

Comparison to Current System

	EPS Total (97%)	Over-EB	Total Rev	EB Total	Over-EB	Total Rev	EB/EPS Difference
State	\$817,065,088	\$23,109,817	\$840,174,905	\$1,039,196,304	\$0	\$1,039,196,304	\$222,131,216
Local	\$1,057,259,044	\$173,811,546	\$1,231,070,589	\$1,162,431,148	\$165,341,871	\$1,327,773,019	\$105,172,104
Total	\$1,874,324,132	\$196,921,363	\$2,071,245,495	\$2,201,627,452	\$165,341,871	\$2,366,969,323	\$327,303,320
Model PP	\$9,976			\$11,721			\$1,742
ME Adj PP	\$362			\$362			\$0
Total PP	\$10,338			\$12,083			\$1,743

Table D1 Individual SAU Output

SAUID	SAU Name	Pupils	ED %	Income Adjusted Per-Pupil	Per-Capita Income	Mill Change from Current	Local Change PP from Current	State Change PP from Current	EPS PP	EB PP
1155	South Portland School Depa	3,103	36%	\$1,322,504	\$28,597	0.00	\$623	(\$26)	\$10,247	\$10,843
1088	Lewiston School Departmen	4,996	69%	\$429,030	\$20,014	0.98	(\$298)	\$2,385	\$10,651	\$12,739
3184	RSU 78	200	0%	\$5,254,250	\$23,926	0.00	\$2,305	(\$0)	\$9,625	\$11,931
1105	Medway School Department	194	63%	\$299,324	\$21,030	0.00	(\$150)	\$7,902	\$8,374	\$16,126
1226	RSU 32/MSAD 32	294	70%	\$416,946	\$20,344	0.00	(\$261)	\$3,788	\$12,275	\$15,802
1134	Portland Public Schools	6,889	55%	\$1,241,072	\$27,794	0.00	\$724	(\$129)	\$10,818	\$11,413
1252	RSU 58/MSAD 58	621	68%	\$754,651	\$19,521	0.51	\$554	\$2,130	\$9,204	\$11,888
1012	Bar Harbor School Departme	426	15%	\$2,308,224	\$23,926	0.00	\$1,389	(\$0)	\$9,016	\$10,406
1011	Bangor School Department	3,688	54%	\$672,402	\$24,179	0.00	\$28	\$1,933	\$9,595	\$11,556
1074	Heron School Department	932	24%	\$519,708	\$28,520	0.00	\$355	\$1,075	\$9,480	\$10,910
1213	RSU 85/MSAD 19	127	84%	\$1,267,835	\$20,515	0.00	\$1,920	\$6,796	\$9,106	\$17,822
1032	Castine School Department	79	18%	\$4,324,310	\$19,818	0.62	\$6,311	\$129	\$9,654	\$16,094
1053	Easton School Department	218	59%	\$1,024,328	\$21,227	0.00	(\$478)	\$3,526	\$9,409	\$12,457
1150	Sedgwick School Departmen	138	68%	\$1,508,329	\$17,808	0.00	\$3,737	\$4,206	\$8,820	\$16,763
1095	Machias School Department	318	77%	\$376,317	\$17,638	0.00	(\$444)	\$3,926	\$8,872	\$12,355
1271	Indian Township	186	86%	\$11,927	\$10,940	0.00	(\$31)	\$5,776	\$10,114	\$15,858
1070	Greenville School Departmer	184	59%	\$1,895,957	\$25,160	0.00	\$3,901	\$453	\$9,981	\$14,334
3159	RSU 10	2,889	67%	\$526,346	\$23,926	0.00	\$69	\$2,331	\$10,099	\$12,498
1016	Biddeford School Departmer	2,637	57%	\$928,832	\$23,988	0.55	\$9	\$1,310	\$10,983	\$12,303
1251	RSU 57/MSAD 57	3,397	0	\$741,463	\$22,671	0.00	(\$9)	\$1,211	\$9,636	\$10,838

Table D2 Total EB Revenue Per-Pupil Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average Income Adjusted PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid
Decile 1	688	22%	\$1,447,331	\$27,520	0.02	\$672	\$0	\$9,446	\$10,118	20	5
Decile 2	1,620	40%	\$792,783	\$26,003	0.11	\$618	\$651	\$9,361	\$10,630	11	1
Decile 3	1,014	39%	\$970,094	\$23,524	0.01	\$665	\$621	\$9,646	\$10,932	14	3
Decile 4	2,327	37%	\$732,771	\$27,293	0.16	\$443	\$692	\$9,988	\$11,123	7	1
Decile 5	1,304	49%	\$745,947	\$23,820	0.09	\$356	\$1,274	\$9,632	\$11,262	14	1
Decile 6	1,706	51%	\$1,001,041	\$22,812	0.09	\$443	\$932	\$10,122	\$11,496	10	2
Decile 7	926	51%	\$853,807	\$23,550	0.49	\$1,054	\$1,019	\$9,878	\$11,951	16	3
Decile 8	1,256	57%	\$848,095	\$23,455	0.32	\$355	\$1,629	\$10,277	\$12,262	15	1
Decile 9	1,122	65%	\$521,087	\$20,535	0.43	(\$93)	\$2,384	\$10,381	\$12,672	16	0
Decile 10	218	54%	\$1,258,963	\$23,359	0.23	\$1,111	\$2,463	\$10,945	\$14,522	76	9
Weighted Avg	817	47%	\$915,335	\$23,926	0.20	\$560	\$1,183	\$9,978	\$11,721	199	26

Table D3 SAU Income Adjusted Valuation Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average Income Adjusted PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid	
Decile 1	476	60%	\$318,030	\$18,644	0.15	(\$181)	\$3,197	\$9,022		\$12,037	39	0
Decile 2	1,582	62%	\$424,753	\$21,412	0.27	(\$130)	\$2,194	\$9,720		\$11,783	12	0
Decile 3	1,075	50%	\$494,206	\$22,743	0.02	\$25	\$2,076	\$10,145		\$12,246	15	0
Decile 4	1,427	48%	\$561,881	\$22,403	0.27	\$54	\$1,652	\$10,215		\$11,921	14	0
Decile 5	1,267	54%	\$654,769	\$22,550	0.35	\$46	\$2,022	\$9,872		\$11,939	14	0
Decile 6	1,934	43%	\$749,826	\$25,039	0.20	\$466	\$908	\$9,774		\$11,148	10	1
Decile 7	1,053	42%	\$862,162	\$24,583	0.00	\$519	\$757	\$10,168		\$11,445	16	1
Decile 8	1,157	51%	\$1,112,792	\$23,326	0.20	\$896	\$435	\$10,489		\$11,820	15	2
Decile 9	1,157	26%	\$1,319,746	\$29,947	0.08	\$1,394	(\$655)	\$9,978		\$10,717	7	8
Decile 10	267	33%	\$2,514,408	\$26,438	0.37	\$2,352	(\$552)	\$10,369		\$12,172	57	14
Weighted Avg	817	47%	\$915,335	\$23,926	0.20	\$560	\$1,183	\$9,978		\$11,721	199	26

Table D4 SAU Size Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average Income Adjusted PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid	
Decile 1	134	53%	\$1,602,283	\$22,832	0.34	\$1,233	\$2,861	\$9,571		\$13,664	128	11
Decile 2	838	52%	\$727,836	\$23,708	0.12	\$193	\$2,100	\$9,623		\$11,916	21	1
Decile 3	1,309	45%	\$878,519	\$24,848	0.08	\$201	\$1,404	\$9,793		\$11,397	12	2
Decile 4	1,773	43%	\$971,832	\$27,540	0.01	\$507	\$880	\$9,790		\$11,177	9	2
Decile 5	2,103	36%	\$839,522	\$30,047	0.11	\$917	\$270	\$10,222		\$11,410	5	4
Decile 6	2,354	50%	\$595,394	\$25,767	0.26	\$234	\$1,605	\$9,977		\$11,816	6	1
Decile 7	2,653	43%	\$1,068,788	\$26,731	0.35	\$1,110	\$5	\$10,767		\$11,881	6	2
Decile 8	3,102	50%	\$717,398	\$25,192	0.13	\$279	\$1,140	\$9,826		\$11,245	4	1
Decile 9	3,487	45%	\$801,119	\$25,979	0.30	\$275	\$1,163	\$9,753		\$11,191	5	1
Decile 10	2,214	54%	\$873,140	\$23,387	0.19	\$516	\$686	\$10,321		\$11,526	3	1
Weighted Avg	817	47%	\$915,335	\$23,926	0.20	\$560	\$1,183	\$9,978		\$11,721	199	26

Table D5 SAU by Income Deciles

Decile	Average # of Pupils	Average Econ Disadv	Average Income Adjusted PP	Average Per-Capita Income	Average Mill Change from Current	Average Local Change from Current PP	Average State Change from Current PP	EPS PP	EB PP	# SAUs Increase State Aid	# SAUs Decrease State Aid	
Decile 1	321	67%	\$458,944	\$16,994	0.37	(\$237)	\$3,265	\$9,885		\$12,914	56	0
Decile 2	640	60%	\$500,088	\$20,996	0.11	(\$142)	\$2,460	\$9,761		\$12,081	28	0
Decile 3	1,161	54%	\$686,364	\$22,374	0.36	\$190	\$1,687	\$9,693		\$11,569	15	1
Decile 4	557	52%	\$1,183,527	\$23,783	0.33	\$840	\$1,360	\$9,971		\$12,170	26	5
Decile 5	2,618	53%	\$795,896	\$23,926	0.30	\$558	\$1,225	\$10,512		\$12,295	6	1
Decile 6	1,758	48%	\$710,870	\$24,317	0.25	\$314	\$1,319	\$9,710		\$11,343	12	0
Decile 7	830	48%	\$684,604	\$25,776	0.32	\$426	\$1,368	\$9,850		\$11,645	19	1
Decile 8	1,230	42%	\$951,822	\$27,583	0.18	\$741	\$498	\$10,121		\$11,360	13	3
Decile 9	762	33%	\$1,534,684	\$30,137	0.18	\$1,496	(\$197)	\$10,194		\$11,494	17	5
Decile 10	1,197	15%	\$1,629,918	\$39,779	0.11	\$1,403	(\$938)	\$10,094		\$10,559	7	10
Weighted Avg	817	47%	\$915,335	\$23,926	0.20	\$560	\$1,183	\$9,978		\$11,721	199	26



MEMORANDUM OF UNDERSTANDING

To: Wendy Cherubini, Maine Office of Program Evaluation and Government Accountability (OPEGA)

From: Lawrence O. Picus on behalf of Lawrence O. Picus and Associates
Jim Rier on behalf of Maine Department of Education

Subject: **Agreement on Cost of Education Comparison**

Date: October 24, 2013

During meetings with the Joint Legislative Committee on Education and Cultural Affairs (hereinafter the Committee) on August 1, 2013, the Committee requested that Lawrence O. Picus and Associates and the Maine Department of Education (DOE) agree on a consistent cost of education for the 2012-13 school year. A single figure of reference would aid discussion on the differences between the Essential Programs and Services (EPS) and Evidence Based (EB) models of school finance.

Staff of Lawrence O. Picus and Associates and the DOE selected a cost of education of \$1,993,219,722. This figure is shown on Jim Rier's 6-28-13 Annual Funding Graph (Education Funding Law Implementation, State/Local Share of Education Costs). This figure represents the 2012-13 education budget, which:

1. Excludes teacher retirement
2. Excludes Local Only Debt
3. Includes state-only education revenue (i.e. revenue for education that is not dispersed to SAUs)
4. Represents 100 percent funded EPS

Each of the budgetary components of the \$1,993,219,722 cost of education is detailed in Lawrence O. Picus and Associate's excel-based model (ME Picus and Assoc EB Model.xls, State Output worksheet), which makes line-by-line component comparisons to illustrate the differences between the EPS and EB approaches.