

To: All Selectmen, Finance, and School Committee Members.
From: Thad Harshberger, Chairman, MV Finance Association

Re: Proposed DOE Regulations Governing Regional School Districts

The MV Finance Association, a voluntary association of finance committees from all six towns, is sponsoring a public forum on the subject of the proposed new regulations governing regional school districts. These proposed regulations affect **ALL SIX ISLAND TOWNS**, both in the manner in which costs are allocated, and how school budgets are adopted. The changes are substantial and dramatic. **We cannot overstate the importance of your attendance at this public forum.**

WHERE & WHEN: MV High School cafeteria, 7:00 p.m., Oct. 18.

WHO: Representative Eric Turkington and Associate Commissioner of Education Jeff Wulfson will be present to answer questions and hear reactions to the proposed new regulations. See summary of the new regulations below, which may go into effect for the next budget cycle. Everyone is welcome to attend.

CONTACT: Thad Harshberger at 693-0277, or Richard Knabel at 696-9134 for further information.

SUMMARY: The proposed DOE regulations governing regional school districts were passed by the legislature in 1993, but not implemented until now. The changes provide for the statutory use of a so-called "wealth" formula to allocate costs between member towns *rather* than the enrollment based formulas in existing regional agreements. This new formula uses aggregate real estate value, median income, and enrollment, to determine a member town's contribution to the district budget. When applied to current budgets, as calculated by the Superintendent's office, this new formula demonstrates substantial changes in the cost allocations of the member towns. ***Both the Up Island Regional School District, and the MV Regional School District (the high school) are affected.***

Second, the process by which regional school district budgets are adopted would become more complicated, and has the potential for pitting one member town against another *every year*. It could also easily prolong the budget approval process well beyond the annual spring town meeting season. In the proposed scheme, member towns may unanimously choose to remain with existing regional agreements every year, but the statutory wealth formula will require only a 2/3 approval of member towns. Since one or more member towns will benefit from one or the other methods of allocating costs, it is entirely possible that the two regional school districts on the Island will achieve neither unanimous consent to existing agreements nor 2/3 approval of the statutory formula at their annual town meetings. This would then require special town meetings to resolve the problem.