

To The Voters of RSU 54/MSAD 54:

The Directors have worked hard over the past several months to develop a budget that balances providing quality programs and services for our students while trying to minimize the impact on local taxpayers. This year the Board's budget includes a reduced local impact of 3.950%. The district received significant state funding for both the New Margaret Chase Smith Community School (MCSCS; \$4,258,290) and Career and Technical Education (CTE; \$403,505) which although it has no impact to the local budget, accounts for nearly 70% of the overall total budget increase. The Board proposes a budget of \$48,886,208 for 2024-2025, an overall increase of \$7,045,736 or 16.840% more than the budget for 2023-2024. After removing state funded items which have no impact on local property taxes, the budget is up 5.698%.

The RSU 54/MSAD 54 Board of Directors' Local budget shows an increase of \$612,010.72 or 3.950% in overall **Local Assessments** for the 2024-2025 year, for a total of \$16,104,429.52.

The District's Local Assessment is up 2.142% annually over the last six years.

Why does the overall district budget seem like it's up more this year?

1) Dedicated State Funds: The vast majority of the budget increase was unavoidable and has **NO IMPACT ON Local Property Taxes**: \$4,661,795 is state funding dedicated for CTE and the MCSCS School Project, which benefits our kids/district, has no impact to local property taxes. Although Local property taxpayers are paying **\$0** toward CTE or the MCSCS School, those funds account for nearly 70% of the overall budget increase. It is important to understand that **without these state funded costs the budget is up 5.698%**.

2) Increased Costs: Without CTE/MCSCS costs the budget is up \$2,383,941. The District budget is primarily people (over 500 full time employees) and therefore the vast majority of the increase are costs for negotiated salaries and benefits (\$1,696,118). The remaining \$687,823 includes increased costs for supplies, maintenance, contracted services, fuel and energy costs, etc.

Did the MSAD 54 School Board work to keep costs down? **YES.**

In February when it was clear that increased state funding did not match rising costs associated with inflation, the Superintendent froze spending district-wide. As presented, the budget includes significant cuts to spending, including the reduction of both covid-related pandemic positions as well as 12 positions that were cut from the regular budget. Finally, as part of this budget, **the Board chose to utilize an additional 1.22 million dollars in fund balance to reduce local property taxes**. This approach is part of a multi-year plan in which the board will utilize additional fund balance (less each year) to limit the impact of increased costs on local property taxpayers.

Since the cost of operating the District is shared among the members of the towns (Canaan, Cornville, Mercer, Norridgewock, Skowhegan and Smithfield) on the basis of State Valuation, the actual amount of increase for each town varies between communities.

The 2024-2025 assessments, not including Adult Education, will increase as follows:

Canaan.....	\$82,941	Mercer.....	\$39,850	Skowhegan.....	\$261,031
Cornville....	\$6,570	Norridgewock...	\$111,667	Smithfield.....	\$109,951

Several years ago, the Legislature passed laws that established how local districts would approve their school budgets. Consequently, the RSU 54/MSAD 54 budget process will again be in two parts. First, there will be a District Budget Meeting held on Wednesday, May 22, 2024, at 7:00 p.m. in the High School Gymnasium. At this meeting, citizens will be voting on three (3) Appropriations Articles, eleven (11) Expenditure Articles, a Summary Article, and four additional articles including authorization to accept funds/donations, fund adult education, to transfer \$550,000 to capital reserves, and to allow the Directors to transfer funds between cost centers when appropriate. This meeting will be followed by a district-wide Referendum Vote on Tuesday, June 11, 2024, in each municipality where voters will vote on **Article 1**, a single **"yes" or "no"** question, which will validate the action that took place at the May 22, 2024 meeting.

[Articles 1-11](#) requests authorization for the Board of Directors of RSU 54/MSAD 54 to spend the funds raised in Articles 12-14, in the areas of Regular Instruction, Special Education, CTE, Other Instruction, Student and Staff Support, System and School Administration, Transportation, Facilities and Maintenance, Debt Service, and Other Expenditures.

See Articles online at www.msad54.org or obtain copies at each town office, the RSU 54/MSAD 54 Superintendent's Office and/or schools. A budget summary can be found at this link: <https://bit.ly/3WfqPEh>

[Article 12](#) represents the District's contribution to the total costs of funding public education for Pre-K to Grade 12, as described in the EPS Funding Act. These amounts of money, as determined by State law, are the minimum amounts the District must raise and assess in order to receive the full amount of State subsidy dollars.

State Share: [\\$25,820,336](#) Local Share: [\\$13,005,542](#)

[Article 13](#) requests authorization to raise and appropriate funds to pay Debt Service payments on school construction projects that were previously approved by District Voters but receive no State Subsidy. These costs are recognized by the EPS Funding Formula. [\\$18,655.08](#)

[Article 14](#) requests authorization to raise and appropriate additional Local Funds to pay for the total costs of RSU 54/MSAD 54 public education. These funds represent the costs of operating District schools that the State funding model does not recognize. Additional Local: [\\$3,080,232.78](#)

[Article 15](#) requests authorization to expend the total approved school budget for the fiscal year beginning July 1, 2023, to June 30, 2024. [\\$48,886,208](#)

[Article 16](#) requests funds for Adult Education. Total: [\\$355,082](#) Local: [\\$130,000](#)

[Article 17](#) requests authorization to expend other sums (grants, etc.) as may be received from federal or state programs or other sources.

[Article 18](#) requests authorization to transfer amounts exceeding 5% of the total appropriation for any cost center to another cost center or among other cost centers for the 2024-2025 fiscal year (this does not impact the total budget).

[Article 19](#) requests authorization to transfer up to \$550,000 from available fund balances to the Capital Reserve Fund.

The Board of Directors of RSU 54/MSAD 54 urges all voters to attend the District Budget Meeting on [Wednesday, May 22, 2024, at Skowhegan Area High School at 7:00 p.m. and to Vote in the Validation Referendum on Tuesday, June 11, 2024, in your own municipality.](#) Absentee Ballots should be available in your town office starting May 23rd.

2024-2025 BUDGET PROPOSAL
District Budget Meeting
Wednesday, May 22, 2024 at 7:00 p.m.
Skowhegan Area High School
and
School Budget Validation Referendum
Tuesday, June 11, 2024
Polls Open:

Canaan – 8:00 am to 8:00 pm
Cornville – 8:00 am to 8:00 pm
Mercer – 8:00 am to 8:00 pm
Norridgewock – 8:00 am to 8:00 pm
Skowhegan – 7:00 am to 8:00 pm
Smithfield – 8:00 am to 8:00 pm

Detailed backup for this proposal is available at www.msad54.org as well as at the Superintendent's Office and/or your town office