

## 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, not counting state funding for the New School and CTE, was up just **2.731%**. The Board proposes a budget of **\$41,840,472** for 2023-2024, an overall increase of **\$2,932,245** or **7.536%** more than the budget for 2022-2023.

Two items significantly increased the overall budget but did not raise local taxes as they were fully funded by the state – they included the first interest payment on the New Elementary School Project (**\$1,532,470**) and additional state funding for our Technical Center (**\$337,208.52**). These additional state funds more than doubled the overall budget but do not impact local property taxes, which are up primarily as a result of reductions in state aid and increased town valuations.

The RSU 54/MSAD 54 Board of Directors' Local budget shows an increase of **\$817,547** or **5.57%** in overall **Local Assessments** for the 2023-2024 year, for a total of **\$15,492,418.45**.

The District's Local Assessment is up **\$332,602** or **2.19% higher (.13% annually)** than it was 17 years ago.

### Why is the district budget up so much this year (overall and local)?

**1) Dedicated State Funds:** The vast majority of the budget increase was unavoidable and had **no impact on local property taxes: \$1,869,678.52 is state funding** dedicated for CTE and the New School Project, both of which local property taxpayers are paying **\$0** toward in this budget, and which account for most of the budget increase. It is important to understand that **without these state funded costs the budget is up just 2.731%**.

**\*\* After removing dedicated state aid, which doesn't impact local taxes, the budget was up: \$1,062,566.48**

**2) Health Insurance:** District's fixed costs for **health insurance went up \$392,209**. Fixed costs account for **\$2,261,887.52** or most of the budget increase. **The remaining budget is up just 1.723%** without these costs.

**3) Lost Revenue** State Valuations of MSAD 54 towns and a reduction in poverty rate/factor reduced MSAD54's state funding and **is the primary reason why the local increase is up 5.57%**.

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

In January the Superintendent froze spending. The Board has used **\$1,615,000 in fund balance** to reduce the local property impact in this budget, **cut 5 staff positions**, and did not add additional discretionary spending or programs. **This Status Quo Budget reflects increases primarily driven from inflation factors** including increases in fuel, retirement costs, contracted services, negotiated salaries and transportation costs.

**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 2023-2024 assessments, not including Adult Education, will increase as follows:**

Canaan.....	\$78,926	Mercer.....	\$36,123	Skowhegan.....	\$520,998
Cornville....	\$24,020	Norridgewock...	\$93,720	Smithfield.....	\$63,760

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 24, 2023, 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 and authorization for the Directors to transfer funds between cost centers when appropriate. This meeting will be followed by a **Referendum Vote on Tuesday, June 13, 2023**, 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 24, 2023 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.

See Articles online at [www.msad54.org](http://www.msad54.org) or obtain copies at each town office, the RSU 54/MSAD 54 Superintendent's Office and/or schools.

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: \$24,333,931 Local Share: \$12,887,414

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. \$20,031,25

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: \$2,584,973.71

Article 15 requests authorization to expend the total approved school budget for the fiscal year beginning July 1, 2023, to June 30, 2024. \$41,840,472

Article 16 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 2023-2024 fiscal year (this does not impact the total budget).

Article 17 requests funds for Adult Education. Total: \$348,123 Local: \$125,000

Article 18 requests authorization to expend gifts or grants and other receipts that the Board might receive during the year. Although these amounts are unknown, funds are anticipated for the Title I Program and from Special Educational Local Entitlement.

**The Board of Directors of RSU 54/MSAD 54 urges all voters to attend the District Budget Meeting on Wednesday, May 24, 2023, at Skowhegan Area High School at 7:00 p.m. and to Vote in the Validation Referendum on Tuesday, June 13, 2023, in your own municipality. Absentee Ballots should be available in your town office starting **May 25<sup>th</sup>**.**

**2023-2024 BUDGET PROPOSAL**  
**District Budget Meeting**  
**Wednesday, May 24, 2023 at 7:00 p.m.**  
**Skowhegan Area High School**  
**and**  
**School Budget Validation Referendum**  
**Tuesday, June 13, 2023**

**Polls Open:**

Canaan – 8:00 am to 7:00 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](http://www.msad54.org) as well as at the Superintendent's Office and/or your town office*

