

**RSU 54/MSAD 54
BUDGET PROPOSAL
FOR
2025-2026**

**District Budget Meeting
Wednesday, May 21, 2025
7:00 pm**

Skowhegan Area High School Gymnasium

**Budget Validation Referendum
June 10, 2025**

Polls Open:	Canaan	8:00 am to 7:00 pm
	Cornville	1:00 pm 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

RSU 54/MSAD 54

BOARD OF DIRECTORS

<u>Name</u>	<u>Town Represented</u>	<u>Term Expires</u>
Mark Bedard	Skowhegan	2027
Sarah Bunker	Mercer	2027
Jeannie Conley	Skowhegan	2026
Valerie Coulombe	Norridgewock	2027
Karyn Curran	Skowhegan	2026
Rebecca Eldridge	Norridgewock	2026
Lauren Fox	Mercer	2028
Jean Franklin	Canaan	2026
Daniel Frey	Smithfield	2027
Tanya Groce	Skowhegan	2026
Samantha Hilton	Norridgewock	2026
Theresa Howard	Cornville	2027
Michelle Kelso	Skowhegan	2027
Michael Lambke	Skowhegan	2025
Desiree Libby	Norridgewock	2026
Peggy Lovejoy	Skowhegan	2026
Lynda Quinn	Skowhegan	2027
Amy Rouse	Skowhegan	2027
Lisa Sironen	Skowhegan	2026
Sara Smith	Skowhegan	2025
Michelle Taylor	Smithfield	2026
Timothy Williams	Skowhegan	2025
Wayne Wofford	Cornville	2026

To The Voters:

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 working to minimize the impact on local taxpayers in these challenging economic times. This year's budget, with inflation, shifts to local and state valuation and increasing budgetary costs seen in all aspects of our lives, has been challenging.

With this in mind, the Board proposes a Budget of **\$51,440,429** for 2025-2026, an overall increase of **\$2,554,221** or **5.225%** more than the budget for 2024-2025.

The Primary Drivers of the overall budget increase were increased state funding for CTE (\$625,515) and for the new Margaret Chase Smith Community School (\$867,937). **The overall budget is up 2.115%** when removing these two 100% state funded areas. This cumulative increase of \$1,520,452 represented roughly 60% of the overall budget increase and has no impact on local taxpayers as it is 100% state funded. The remaining increase of **\$1,033,768 represents a 2.115%** increase. This increase includes increased health insurance (up 5.19%), negotiated salaries and benefits, and inflationary increases in a broad range of categories including contracted services, energy costs, and the like. Of the overall budget increase of 5.225%, roughly 60% is a result of state funding for CTE and the new school project.

The MSAD 54 Board of Directors is presenting a budget that shows a **2.346%** increase of **\$377,878** in overall Local Assessments for the 2025-2026 school year. This local increase was driven primarily by the aforementioned negotiated salary and benefit, contracted services, energy costs and other inflationary increases. The district valuation has resulted in an increase in state aid although shifting town valuations has resulted in the re-distribution of the local cost of education between towns. **The overall local increase in the district over the past 7 years, which stands at 2.171% annually, remains considerably below the national inflation rate of 3.786%.**

The 2025-26 District Budget utilizes increased revenues to offset the impact to local taxpayers. The total local impact is up 2.171%. The District Budget includes a revenue plan that utilizes \$1,775,000 in undesignated fund balance to limit the local cost of education and to keep property taxes down. The plan includes \$485,750 in new revenue that has further reduced the impact to towns.

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 percentage of the increase/decrease for each town varies between communities. A complete breakdown of assessments is found at the back of this budget document (See page 34).

The Regular Education Article has increased by \$443,430 or 3.18%, largely due to increases in negotiated salaries and health insurance.

The budget includes an increase of \$835,525 or 7.51% in Special Education Instruction, largely due to increases in salaries, health insurance, additional programming for student needs and high cost out of district placements.

The budget includes an increase of \$435,952 or 15.21% in Career and Technical Education. This increase, which has no impact to local property taxes, expands programming for students in the areas of Emergency Services, Fire Science, Business, Computer Science, and Career Exploration. 59.9% of MSAD 54 Juniors and Seniors participate in some CTE programming.

The budget includes an increase in Article 4 – Other Instruction, of \$17,656 or 1.90%. The article includes local funding for co-curricular and extra-curricular activities and summer school. Inflation factors were the primary drivers of increases in this area.

The budget includes an increase to Student and Staff Support of \$116,237, or 3.61%. The majority of this increase is negotiated salary increases, health insurance increases, supplies for support staff, guidance, nursing, and increased technology costs.

System Administration is up 1.99%, or \$19,251 due to employee benefit changes, salary increases and business office costs.

School Administration is up 1.61% or \$30,461 due to costs associated with increased health insurance and salaries.

Increases in Transportation and Buses, up 7.15% or \$195,130, and Facilities and Maintenance, up 0.53% or \$22,870, were driven primarily by increased fuel costs, negotiated salaries and benefits, and the cost of contracted services and supplies. District Health Insurance rates increased 5.19%, accounting for nearly half (43%) of the overall local budget increase.

The district continues to be impacted by increased Maine State Retirement costs, a higher percentage of which was shifted by the state to local districts prior to the pandemic.

Debt Service has seen a significant increase (6.40%) as a result of the inclusion of the bonds of \$6,226,027 for the new Margaret Chase Smith Community School. As mentioned previously, although 100% of this cost is funded by the state and doesn't impact local property taxes, it has a significant impact on the overall budget. Without the 100% state funded increases (Bond & CTE) the overall budget is up just 2.115%.

The Board of Directors has continued its plan to annually review programming to make the school district as efficient as it can be, to protect student opportunity, and be responsive to the pressure placed on taxpayers by our economy. With increased inflationary pressures the Board has worked very hard to limit the impact to taxpayers by significantly increasing revenues and utilizing fund balance. Over the last **7 years the board's effort has yielded a local impact of 2.171%, significantly below the inflation rate of 3.786%**. The Board has been able to accomplish this through an ongoing effort to both increase efficiencies and cut costs as well as through the significantly increasing revenues through grant funding, federal Medicaid reimbursements and other revenues. Finally, through careful planning, the Board has utilized state and federal program dollars to update and improve the district's infrastructure and physical plant.

In summary, for 2025-2026, the district-wide Local Appropriations, without Adult Education, for K-12 Education will be \$2,554,221 or 5.22% more than last year. The effect on each town, adjusted for changes in individual town property values, are as follows:

Canaan	\$ 62,174.57
Cornville	\$ 14,681.60
Mercer	\$ 31,521.84
Norridgewock	\$ 91,713.59
Skowhegan	\$ 83,879.56
Smithfield	<u>\$ 93,906.62</u>
	\$377,877.78

The Board of Directors of RSU 54/MSAD 54 urges all voters to attend the District Budget Meeting on Wednesday, May 21, 2025, at 7:00 p.m. at the Skowhegan Area High School Gymnasium and to vote in the School Budget Validation Referendum on Tuesday, June 10, 2025 in each municipality.

Absentee Ballots will be available in each Town Office starting on Thursday, May 22, 2025.

There will be a “yes” or “no” vote (Question 1), at the June 10th Referendum, validating the Budget adopted at the earlier District Budget Meeting.

Additionally (Question 2), every 3 years there is a second question that would determine whether or not to continue the budget validation referendum process. A “yes” vote would continue the current process. A “no” vote would discontinue the referendum process.

Explanation of the Warrant Articles

Only persons who are registered to vote may vote at the District Budget Meeting on May 21, 2025, and in the Referendum on June 10, 2025. The Registrar of Voters or Board of Registration will hold office hours while the polls are open to correct any error in or to change a name or address on the voting list, to accept the registration of persons eligible to vote and to accept new enrollments.

This budget requests authority to expend **\$51,440,429**, of which **\$16,482,307** will come from Local Taxpayers.

The following articles allow the District to raise and expend these funds:

Articles 1-11 requests authorization for the Board of Directors of RSU 54/MSAD 54 to spend the funds raised in Articles 12-14.

Article 12 represents the District's contribution to the total costs of funding public education for Kindergarten 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: \$31,229,864 Local Share: \$13,189,827**

Article 13 requests authorization to raise and appropriate funds to pay Debt Service payments on Mill Stream Elementary school construction projects that were previously approved by District Voters but receive no State Subsidy. These costs are recognized by the EPS Funding Formula. **\$67,607**

Article 14 requests authorization to raise and appropriate additional Local Funds to pay for the total costs of RSU 54/MSAD 54 public education. Part of these funds represent the money needed to cover the State's shortfall in its share of funding the EPS model, and part is needed to cover costs of operating District schools that the State funding model does not recognize.

Additional Local: \$3,224,874

Article 15 requests authorization to expend the total approved school budget for the fiscal year beginning July 1, 2025, to June 30, 2026. **\$51,440,429**

Article 16 requests funds for Adult Education. **Total: \$407,146 Local: \$140,000** The local appropriation for adult education has increased minimally over the past ten years.

Article 17 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, Special Educational Local Entitlement and other grants.

Article 18 Asks for approval for the School Board to be authorized to transfer amounts exceeding 5% of the total appropriation for any cost center to another cost center or among other cost centers for the 2025-2026 fiscal year (between warrant articles; not to increase the FY26 budget).

**WARRANT TO CALL
MAINE SCHOOL ADMINISTRATIVE DISTRICT NO. 54 BUDGET MEETING
(20-A M.R.S. § 1485)**

TO: Donald Gage, a resident of Maine School Administrative District No. 54 (the “District”) composed of the Towns of Canaan, Cornville, Mercer, Norridgewock, Skowhegan, and Smithfield, State of Maine.

In the name of the State of Maine, you are hereby required to notify the voters of each of the municipalities within the District, namely, the Towns of Canaan, Cornville, Mercer, Norridgewock, Skowhegan, and Smithfield, that a District Budget Meeting will be held at Skowhegan Area High School Gymnasium, 61 Academy Circle, Skowhegan, Maine at 7:00 P.M. on May 21, 2025 for the purpose of determining the Budget Meeting Articles for the 2025-2026 fiscal year set forth below.

ARTICLE 1A: To elect a moderator to preside at the meeting.

ARTICLES 1 THROUGH 11
AUTHORIZE EXPENDITURES IN COST CENTER CATEGORIES

ARTICLE 1: To see what sum the District will be authorized to expend for Regular Instruction.
School Board Recommends \$14,373,643

ARTICLE 2: To see what sum the District will be authorized to expend for Special Education.
School Board Recommends \$11,961,633

ARTICLE 3: To see what sum the District will be authorized to expend for Career and Technical Education.
School Board Recommends \$3,303,042

ARTICLE 4: To see what sum the District will be authorized to expend for Other Instruction.
School Board Recommends \$946,153

ARTICLE 5: To see what sum the District will be authorized to expend for Student and Staff Support.
School Board Recommends \$3,337,749

ARTICLE 6: To see what sum the District will be authorized to expend for System Administration.
School Board Recommends \$988,239

ARTICLE 7: To see what sum the District will be authorized to expend for School Administration.
School Board Recommends \$1,926,437

ARTICLE 8: To see what sum the District will be authorized to expend for Transportation and Buses.
School Board Recommends \$2,925,656

ARTICLE 9: To see what sum the District will be authorized to expend for Facilities Maintenance.

School Board Recommends \$4,299,169

ARTICLE 10: To see what sum the District will be authorized to expend for Debt Service and Other Commitments.

School Board Recommends \$7,278,708

ARTICLE 11: To see what sum the District will be authorized to expend for All Other Expenditures.

School Board Recommends \$100,000

ARTICLES 12 THROUGH 14
RAISE FUNDS FOR THE PROPOSED SCHOOL BUDGET

ARTICLE 12: To see what sum the District will appropriate for the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and to see what sum the District will raise and assess as each municipality's contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688.

Recommended amounts set forth below:

Total Appropriated (by municipality):		Total Raised (and District assessments by municipality):	
Town of Canaan	\$ 5,855,838.57	Town of Canaan	\$ 1,045,845.00
Town of Cornville	\$ 2,790,641.05	Town of Cornville	\$ 737,795.00
Town of Mercer	\$ 1,393,271.60	Town of Mercer	\$ 538,223.33
Town of Norridgewock	\$ 7,851,495.24	Town of Norridgewock	\$ 1,739,821.67
Town of Skowhegan	\$ 21,046,596.86	Town of Skowhegan	\$ 8,043,663.33
Town of Smithfield	\$ 2,040,733.13	Town of Smithfield	\$ 1,084,478.33
Total Appropriated (sum of above)	\$ 40,978,576.45	Total Raised (sum of above)	\$ 13,189,826.66

Explanation: The District's contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that the District must raise and assess in order to receive the full amount of state dollars.

ARTICLE 13: To see what sum the District will raise and appropriate for the annual payments on debt service previously approved by the District voters for non-state-funded school construction projects or non-state-funded portions of school construction projects in addition to the funds appropriated as the local share of the District's contribution to the total cost of funding public education from pre-kindergarten to grade 12.

School Board Recommends \$67,607.07

Explanation: Non-state-funded debt service is the amount of money needed for the annual payments on the District's long-term debt for major capital school construction projects that are not approved for state subsidy. The bonding of this

long-term debt was previously approved by the District voters for the Mill Stream Elementary School.

ARTICLE 14: **(Written ballot required.)** To see what sum the District will raise and appropriate in additional local funds (**Recommend \$3,224,873.56**), which exceeds the State's Essential Programs and Services allocation model by (**Recommend \$3,224,873.56**) as required to fund the budget recommended by the School Board.

The School Board Recommends \$3,224,873.56, which exceeds the State's Essential Programs and Services allocation model by \$3,224,873.56. The School Board gives the following reasons for exceeding the State's Essential Programs and Services funding model: This model does not fully cover the costs of regular classroom instruction, special education instruction, extracurricular and co-curricular student activities, district administration and leadership, student transportation, and school technology.

Explanation: The additional local funds are those locally raised funds over and above the District's local contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state funded debt service that will help achieve the District budget for educational programs.

ARTICLE 15 SUMMARIZES THE PROPOSED SCHOOL BUDGET

ARTICLE 15: To see what sum the District will authorize the School Board to expend for the fiscal year beginning July 1, 2025 and ending June 30, 2026 from the District's contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, local funds for non-state-funded school construction debt service, additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690, unexpended balances, tuition receipts, state subsidy and other receipts for the support of schools.

School Board Recommends \$51,440,429

ARTICLE 16 AUTHORIZES THE ADULT EDUCATION PROGRAM AND RAISES THE LOCAL SHARE

ARTICLE 16: To see if the District will appropriate **\$407,146** for adult education and raise **140,000** as the local share, with authorization to expend any additional, incidental, or miscellaneous receipts in the interest and for the well-being of the adult education program.

ARTICLE 17 AUTHORIZES EXPENDITURES OF GRANTS AND OTHER RECEIPTS

ARTICLE 17: In addition to amounts approved in the preceding articles, shall the School Board be authorized to expend such other sums as may be received from federal or state grants or programs or other sources during the fiscal year for school and other

program purposes, provided that such grants, programs or other sources do not require the expenditure of other funds not previously appropriated?

ARTICLE 18 AUTHORIZES TRANSFERS AMONG COST CENTERS

ARTICLE 18: Shall the School Board be authorized to transfer amounts exceeding 5% of the total appropriation for any cost center to another cost center or among other cost centers for the 2025-2026 fiscal year, provided that transfers shall not be permitted to increase the authorized total school budget?

RSU 54/MSAD 54
Enrollments by Town, October 1st

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Canaan	297	312	303	328	340	350	366	381	365	374	380	372
Cornville	147	145	147	140	150	156	184	159	146	141	147	151
Mercer	72	73	68	64	71	78	74	65	75	79	91	89
Norridgewock	386	423	429	408	405	434	450	470	486	495	517	504
Skowhegan	1088	1094	1106	1136	1132	1215	1243	1299	1331	1351	1362	1425
Smithfield	109	105	88	83	84	95	85	87	83	93	90	93
Other	84	74	76	53	44	16	18	13	19	18	25	10
Totals	2183	2226	2217	2212	2226	2344	2420	2474	2505	2551	2612	2644

RSU 54/MSAD 54
Enrollments by School, October 1st

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Skowhegan Area High School	679	691	710	705	715	743	754	809	809	803	800	809
Skowhegan Area Middle School	471	472	402	423	433	458	485	486	464	495	531	533
Margaret Chase Smith School	179	173	171	156	162	207	204	191	213	209	201	198
Canaan Elementary School	160	163	185	201	201	194	224	233	218	211	235	238
North Elementary School	118	130	133	153	132	146	157	159	142	169	198	184
Bloomfield Elementary School	267	274	272	263	281	263	269	284	311	309	300	320
Mill Stream Elementary School	309	323	344	311	302	333	327	312	348	355	347	362
Totals	2183	2226	2217	2212	2226	2344	2420	2474	2505	2551	2612	2644

Since October 1st of 2024, the district has gained 99 students as of 4/30/2025.

LOCAL ASSESSMENTS

	2024-25 Assessment	2025-26 Projected Assessment	Difference	% Change	2024-25 Assessment w/ Adult Ed	2025-26 Assessment w/ Adult Ed	Difference	% Change
Canaan	\$ 1,244,872.40	\$ 1,307,046.97	\$ 62,174.57	4.99%	\$ 1,254,921.40	\$ 1,318,148.97	\$ 63,227.57	5.04%
Comville	\$ 906,679.38	\$ 921,360.98	\$ 14,681.60	1.62%	\$ 913,998.36	\$ 929,186.98	\$ 15,188.62	1.66%
Mercer	\$ 640,956.30	\$ 672,478.14	\$ 31,521.84	4.92%	\$ 646,130.30	\$ 678,190.14	\$ 32,059.84	4.96%
Norridgewock	\$ 2,082,302.74	\$ 2,174,016.33	\$ 91,713.59	4.40%	\$ 2,099,111.74	\$ 2,192,482.33	\$ 93,370.59	4.45%
Skowhegan	\$ 9,967,031.43	\$10,050,910.99	\$ 83,879.56	0.84%	\$10,047,488.43	\$10,136,282.99	\$ 88,794.56	0.88%
Smithfield	\$ 1,262,587.27	\$ 1,356,493.89	\$ 93,906.62	7.44%	\$ 1,272,779.29	\$ 1,368,015.89	\$ 95,236.60	7.48%
Totals	\$16,104,429.52	\$16,482,307.30	\$377,877.78	2.346%	\$16,234,429.52	\$16,622,307.30	\$ 387,877.78	2.389%

Resident Per Pupil Operating Cost K-12

State Average Per Pupil Cost (state/local spending*) for 2023-24: \$20,139

RSU 54/MSAD 54 Per Pupil (state/local spending*) for 2023-24: \$18,398

** This number includes taxpayer state and local spending, not including federal covid relief funds or other grants/etc.*

MSAD 54's per-pupil cost for education is \$1,741 less than the state average. If the district were to expend the state average cost for education the district budget would increase by 3.8 Million Dollars.