

RSU 38 MARANACOOK AREA SCHOOLS
FY27 Budget – Constituent Q&A Reference
For Use by Town Select Board Members | March 2026

This reference is designed to help Select Board members respond to constituent questions about the FY27 budget. The answers below are plain-language summaries of the district's position. For additional details, contact the Superintendent's Office directly, or you can access all FY 27 [Budget Materials](#) on the RSU 38 Website, Maranacook.org.

Q Why is Mount Vernon's increase so much higher than the other towns?

A Mount Vernon's property valuations increased proportionally more than the other three towns, which pushed a larger share of the required local match onto Mt. Vernon under the state formula. This is a formula outcome – not a per-school spending decision. The district does not allocate budget by town.

Q Why can't you use the fund balance to reduce the assessment?

A We are. The FY27 budget includes a \$984,189 carry forward from prior-year savings, which reduces your assessment dollar-for-dollar. Beyond that, the fund balance is allocated to capital reserves and a special education reserve, leaving an unassigned portion of only 3% of the total fund balance, well below the 9% statutory ceiling under Maine law. Spending it down further would leave the district without a financial cushion and is not fiscally responsible.

Q What happens to the staff affected by the Reduction in Force?

A A RIF eliminates a position, not necessarily a person. We currently have open positions, and the Administrative Team is committed to placing affected employees into available roles that align with their certifications and experience. We will follow all Title 20-A requirements and our collective bargaining agreements throughout the process.

Q What will happen to the kids at Mount Vernon and Wayne Elementary under the new plan?

A Children currently in Grades 1–5 at Mt. Vernon and Wayne continue exactly as planned – they'll progress through the grades and transition to middle school on schedule. No student is displaced. The change only affects new Pre-K and Kindergarten enrollment for the 2026-2027SY. Every building will continue to have a full instructional staff, a nurse, an administrative assistant, and administrative coverage.

Q Is the district planning to close schools?

A The one-year action plan does not close any schools. It consolidates Pre-K and Kindergarten to two buildings while Grades 1–5 continue in all four. Longer-term decisions about the district's configuration will be made through a community-driven strategic planning process that will engage residents, parents, and elected officials from all four towns. That process launches this spring and runs through March 2027.

Q Why did the Anthem health insurance cost go up more than expected?

A The first draft budgeted a 10% increase based on preliminary projections. Updated actuarial data from Anthem indicated a 15% increase is more realistic for FY27. We updated the budget accordingly. It's better to budget higher and bring it down than to raise it just before final adoption.

Q Why is the budget going up if enrollment is going down?

A Enrollment determines how much state aid the district receives, but it does not reduce fixed costs at the same rate. Heat, electricity, insurance, building maintenance, and administrative coverage do not decrease proportionally when a building loses students. Running four elementary buildings for 439 students carries much of the same fixed overhead as running them for 580. That gap – between declining enrollment and stable fixed costs – is a core driver of the district’s financial pressure.

Q How does this affect my actual property tax bill?

A Your property tax bill depends on your town’s total assessment obligations – for schools, municipal services, and county taxes combined. The school assessment is one part of that total. Your town’s Select Board and assessors set the mill rate based on the full budget picture. For the specific impact on your individual tax bill, contact your town office.

Q Why does it cost so much more per student in some towns than others?

A Each town's per-pupil figure is driven by property values, not by what the district actually spends on any individual student. Maine law requires each member town to contribute to the shared budget based on its state-certified property valuation. A town with high property values pays a larger share of the budget; when that amount is divided by a smaller PK-12 enrollment, the result is a higher per-pupil figure. The opposite is equally true: a town with lower property values and more students will show a lower per-pupil cost. In either case, the figure reflects how the budget burden is distributed – not what the district spends to educate each child.

Q Why are we cutting teachers?

A The district eliminated eight positions in total – five through retirements, resignations, and unfilled positions, and three through a formal Reduction in Force. These reductions reflect declining enrollment. Maintaining the same number of teaching positions for a significantly smaller student population is not fiscally responsible. Class sizes remain within contractual and programmatic standards, and the district is committed to placing affected staff into available positions where certification and experience align.

Q Why was summer school cut and then added back?

A Summer school was removed in the First Draft as part of an initial effort to reduce costs. After further review, the Administrative Team determined that eliminating it entirely would disproportionately affect the district’s highest-need students – those requiring elementary intervention, middle school math support, and high school credit recovery. It was restored in the Second Draft at a reduced scope and cost, focused on those students most dependent on the program.

Q What exactly is “Building Stronger Together”?

A Building Stronger Together: Positioning RSU 38 for the Future is the Administrative Team’s one-year action plan, approved by the Board on March 11, 2026. It responds to three converging challenges: declining enrollment, aging facilities, and a structural shift in state funding. The plan’s first concrete step – consolidating Pre-K and Kindergarten to Manchester and Readfield Elementary beginning July 1, 2026 – is designed to align resources with enrollment while preserving full programming in all four buildings.

Q Why are Pre-K and Kindergarten moving – what’s wrong with the current setup?

A Nothing is wrong, but the numbers no longer support the current configuration. The Pre-K and Kindergarten pipeline has dropped from 139–152 students annually to just 91 this year, the smallest incoming cohort since Pre-K began in 2005. Consolidating the youngest grades into two buildings allows the district to right-size staffing and resources while maintaining full Grades 1–5 programming at all four schools. Nearly all students are unaffected. A small number of Pre-K students will transition to a different building for kindergarten.

Q When is the budget vote, and how do I weigh in?

A There are two opportunities to participate. The Annual Budget Meeting is May 13, 2026, at 7:00 PM in the RSU 38 Middle School cafeteria – this is an open meeting where residents can speak and vote on the budget. The Individual Town Referendum is June 9, 2026, when voters in each town cast a formal ballot. Both are public processes, and all residents are encouraged to participate.

Q What is the Annual Budget Meeting, and does my vote matter?

A The Annual Budget Meeting is a public meeting required by Maine law where voters deliberate and vote on the school budget by warrant article. It is not advisory – the votes taken that evening shape the budget that goes to the referendum. Attendance and participation directly influence the outcome. The meeting is open to all voters in the four member towns.

Q What is the strategic planning process, and will residents have a real say?

A Yes. The district is launching a comprehensive, community-driven strategic planning process that runs from March 2026 through March 2027. It will include surveys, focus groups, and public forums in all four towns, facilitated by an external consultant to ensure objectivity. A Strategic Planning Committee of 12–18 members will include board members, administrators, teachers, parents, local government representatives, and high school students. No major decisions about the district’s long-term configuration will be made outside of that process.

Q If the district has savings, why is my assessment going up?

A The district is already using its savings to reduce your assessment. The FY27 budget includes a \$984,189 carry forward from prior-year unspent funds, which reduces local property taxes dollar-for-dollar. The remaining fund balance is allocated to capital reserves and a special education reserve. The unassigned portion – funds not designated for a specific purpose – is only 3% of the total fund balance, well below the 9% statutory ceiling under Maine law. The fund balance is not a surplus available for general spending; it is a managed financial reserve.

Questions not covered here?

Contact the Superintendent’s Office. We are committed to providing accurate, timely information to support your board’s communication with your community.

Dr. Karen G. Smith, Superintendent | RSU 38 Maranacook Area Schools

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