

# Norwich School District 2023-24 Proposed Budget Draft

## **Administration**

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## **School Board Members**

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## Our Mission:

Marion Cross School is a nurturing kindergarten- through sixth-grade public school that:

- ✧ Promotes educational excellence and fosters a lifelong love of learning.
- ✧ Empowers all students to realize their intellectual, physical, emotional, creative, and social potential.
- ✧ Partners with families and the community to develop responsible local and global citizens who can adapt to a changing world.



# 2022-23 Norwich Budget Guidelines

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**The Norwich School Board recommends a 2023-24 budget increase not to exceed 4% as compared to the 2022-23 budget. This increase is exclusive of any costs associated with facilities upgrades (septic system) or contracted settlements with both teachers and support staff.**

It's important to note that the Marion Cross budget is only one factor among several that contribute to the property tax rate. Other factors include the Dresden assessment, the Common Level of Appraisal, the number of equalized pupils and the property and income yield numbers. While the Norwich School Board is directly responsible for the Marion Cross budget, it has less influence over many of the other contributing factors to the tax rate. Even so, when preparing the budget the administration and the board should be mindful of the impact these other factors have on the tax rate. In particular:

1. An expected decrease in the Common Level of Appraisal (CLA) or a reappraisal. The town was recently notified that our CLA has dropped below the statutory minimum thus requiring a town-wide reappraisal.
2. Anticipated increases in the Dresden assessment to Norwich. Initial Dresden budget models indicate that non-discretionary spending and inflation would result in an estimated 2.8% budget increase for next year.
3. Implementation of new student weighting in the 2024-25 school year. This legislative change in the education funding formula will not go into effect until the 2024-25 school year but it's anticipated this could result in a tax rate increase of approximately 30% for Norwich. Budgetary increases in 2023-24 could exacerbate the impact of the new weights in the 2024-25 school year.

In developing the 2023-24 budget:

- The administration should continue efforts to present creative staffing patterns that would result in efficient use of FTEs. In addition, the administration and board should use the budget process to determine if existing programs are making the most effective use of resources.
- The board should strive to ensure that contract negotiations result in agreements that are beneficial to staff, the school system and the community.

# 2022-23 Norwich Budget Guidelines

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## CONTINUED:

- The administration and board shall provide information to help taxpayers understand the relationship between the budget and the quality of education provided by the District. To meet this goal, the board seeks a budget document that provides a written explanation of:
  - \*The ability of the 2023-24 budget to promote excellence in the Marion Cross School by ensuring that the budgeting process takes into account the needs of all students and promotes approaches that are equitable.
  - \*The levels of proposed spending for 2023-24.
  - \*The reasoning behind differences in the proposed spending levels for the 2023-24 budget versus the 2022-23 budget.

In recommending the 4.0% budget increase guideline, the Budget Committee notes that the Norwich budget "Quick Model" projects **a budget increase of approximately 3.59%**. The North East Region CPI for June 2022 is 7.6% with the New England Division reporting 7.9%.

This "Quick Model" does not include the following additional cost factors that could add to the budget:

- Contract negotiations with Norwich teachers continue with no settlement in place for the current school year and beyond. Contract negotiations with Norwich support staff will also begin this fall for the 2023-34 school year and beyond. Step increases for both teachers and support staff are included in the quick model based on current base wage levels.
- the Federal government funding for education is volatile
- a 5-year building maintenance plan, including the need to replace the septic system

Based on recent board discussions, there are some "new initiatives" that may be considered in the upcoming budget process:

- after-school program
- playground upgrades
- septic system replacement
- incorporation of a regular maintenance schedule for the building and grounds



# Projected Enrollment

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	Projected	Actual						
	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Cohort Survival Method Avg Past 5 years*
Kind	35	36	34	34	34	34	34	
Grade 1	45	51	39	37	37	37	37	K to 1 plus 3
Grade 2	35	32	54	42	40	40	40	1 to 2 plus 3
Grade 3	41	46	33	55	43	41	41	2 to 3 less 1
Grade 4	47	41	50	37	59	47	45	3 to 4 plus 4
Grade 5	45	47	46	55	42	64	52	4 to 5 plus 5
Grade 6	52	48	50	49	58	45	67	5 to 6 plus 3
<b>TOTAL</b>	<b>299</b>	<b>301</b>	<b>306</b>	<b>309</b>	<b>306</b>	<b>308</b>	<b>313</b>	
<b>PreK*</b>	<b>18</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>35</b>	<b>35</b>	
<b>TOTAL</b>	<b>317</b>	<b>336</b>	<b>341</b>	<b>344</b>	<b>341</b>	<b>343</b>	<b>348</b>	

\*Pre-Kindergarten is now a full day program effective 2021-22; added 2nd class 2022-23

Actual enrollment in used in projection is October 1, 2022 student count

Actual enrollment as of today is 336

# Proposed Personnel – FTE's

Proposed Personnel - FTEs				
NORWICH FTE CHANGES	2022-23	Proposed for 2023-24	2022-23 Budgeted to 2023-2024 Proposed	Notes:
	Approved	Proposed	Difference	
Regular Ed Teachers	28.30	29.30	1.00	Math Coach/Interventionist
Regular Ed Assistants	2.02	1.95	(0.07)	Adj hours
Remedial Tutors (GF)	0.90	0.90	-	
ESL Specialist	0.20	0.50	0.30	Increase student needs
LEEEP Program Specialist	0.69	0.81	0.12	Approved in 22-23 Budget; addit hrs
Technology Teacher	0.60	0.60	-	
Technology Admin Asst	0.00	-	-	
Special Ed Teachers	4.40	4.00	(0.40)	Adj to actual needs
Speech & Language	1.00	1.40	0.40	Adj to actual needs
Special Ed Assistants	5.85	5.85	-	
Language Assistant	0.94	0.94	-	
Early Essential Ed Teacher	0.10	0.50	0.40	Adj to actual needs
Guidance Teacher	1.00	1.00	-	
Nurse/Health Specialist	1.00	1.00	-	
Library/Media Specialist	1.00	1.00	-	
Principal Administrator	2.00	2.00	-	
Administrative Assistant	1.00	1.00	-	
Front Office Ed Assistant	0.98	0.98	-	
Custodial	3.00	3.00	-	
School FTE Totals	54.98	56.73	1.75	

# Significant Changes:

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- Medical Ins. Rate, Election Changes & FTE changes: 12.6% rate increase, current budgeted census results in an increase of \$147,257
- Net Total Salary Changes with current census\* = \$279,877, significant changes:
  - Additional Reg Ed Teacher FTE increase 1.0 for Math Coach/Interventionist and loss of offsetting grant funds resulting in an increase of \$163,298
  - Regular Ed Assts, ESOL & LEEEP net an increase of 0.35 FTE = \$36,907
  - Early Ed Teacher FTE increase of 0.40 and Speech & Language FTE increase of 0.40 offset by 0.40 decrease in Spec Ed Teachers nets a 0.40 FTE increase = \$39,003
- PreK Tuition is projecting an increase of \$13,560 due to increase students and rate change
- Technology Equipment purchases includes lease payment, chromebooks, doc cams, projectors and interactive display boards for a projected increase of \$30,700
- Increases in Special Ed specialized therapies including testing, psychological services, physical and occupational therapy are netting an increased projection of \$14,750
- Specialized contracted instructional services offsite are projecting an increase of \$52,300
- Tuition changes include OOD increase \$89,500 along with spec ed transportation increase of \$27,000
- SAU70 Increase - currently projected with an increase \$10,880
- Facilities Maintenance & Custodial supply and equipment lines increasing \$20,100 & \$53,300
- Transportation changes in Reg Ed include route expansion and diesel increases of \$53,300 and \$11,600, as well as field trip changes of \$10,636
- Site & Building Improvements (discretionary): decrease of (\$16,250); increase of \$10,250
- Debt Service expense ended last fiscal year resulting in a decrease of (\$45,724)

## **\*Not Included:**

- Negotiated Wage Increases – Teachers (FY23 & FY 24); Support Staff (FY24)
- Non Union Wage Increases
- Playground updates, Septic updates

# Projected Budget Overview by Function

Function	Description	<u>2022-23 Budget</u>	<u>2023-2024</u>	<u>Incr-Decr</u>	<u>Percent Diff</u>	
		<u>Adopted</u>	<u>Proposed Budget</u>			
1100	Regular Education	\$3,184,969	\$3,571,499	\$386,530	12.1%	
1200	Special Education	\$1,216,152	\$1,428,844	\$212,692	17.5%	
2100	Guidance & Health Services	\$207,215	\$226,219	\$19,004	9.2%	
2200	Curriculum/Staff Devel, Media/Library	\$194,183	\$195,698	\$1,515	0.8%	
2300	School Board & Superintendent Service	\$339,047	\$350,021	\$10,974	3.2%	
2400	School Administration	\$531,635	\$555,113	\$23,478	4.4%	
2600	Building & Grounds Maint & Custodial	\$468,855	\$556,904	\$88,049	18.8%	
2700	Transportation Services	\$297,400	\$399,936	\$102,536	34.5%	
4000	Building & Site Improvements	\$123,000	\$117,000	(\$6,000)	-4.9%	
5000	Debt Service & Food Service Transfers	\$58,724	\$13,000	(\$45,724)	-77.9%	
	<b>Totals</b>	<b>\$6,621,180</b>	<b>\$7,414,234</b>	<b>\$793,054</b>	<b>11.98%</b>	



# Projected Budget Overview by Object

<u>Object</u>	<u>Description</u>	<u>2022-23 Budget</u> <u>Adopted</u>	<u>2023-2024</u> <u>Proposed Budget</u>	<u>Incr-Decr</u>	<u>Percent Diff</u>
110	Teacher Salaries	\$2,626,306	\$2,844,558	\$218,252	8.3%
1XX	Other Salaries	\$800,890	\$862,515	\$61,625	7.7%
2XX	Payroll Tax & Benefits	\$1,123,769	\$1,304,969	\$181,200	16.1%
235	Retiree Wages/Benefits	\$18,186	\$18,186	\$0	0.0%
240	Staff Development	\$83,300	\$85,900	\$2,600	3.1%
3XX	Purchase Profl & Tech Svcs	\$472,162	\$494,905	\$22,743	4.8%
4XX	Purch Prop Svcs	\$374,235	\$435,595	\$61,360	16.4%
5XX	Other Purch Svcs	\$318,925	\$409,216	\$90,291	28.3%
56X	Tuition	\$419,340	\$522,400	\$103,060	24.6%
6XX	Supplies	\$239,306	\$287,503	\$48,197	20.1%
7XX	Property/Equipment	\$77,512	\$126,962	\$49,450	63.8%
8XX	Dues/Fees/Debt	\$54,249	\$8,525	(\$45,724)	-84.3%
9XX	Transfers - Capital/Food	\$13,000	\$13,000	\$0	0.0%
	<b>Totals</b>	<b>\$6,621,180</b>	<b>\$7,414,234</b>	<b>\$793,054</b>	<b>11.98%</b>

# Estimated Revenues and Net Assessments - subject to legislative changes

(Note: Dresden Budget & Assessment is in review)

Exhibit 2

Item	2022-23	2023-24	\$ Chg	% Chg
<b><u>Appropriations</u></b>				
Marion Cross School	\$6,621,180	\$7,414,234	793,054	11.98%
<b><u>Approp Changes</u></b>	0	0		
Dresden Assessment	8,302,106	8,466,544	164,438	1.98%
[Dres Assessment Actual (Oct 2022)]	8,430,819		35,725	
additional Warrant Article - Service Staff			0	
<b>total</b>	<b>14,923,286</b>	<b>15,880,778</b>	957,492	6.42%
<b><u>Revenues</u></b>				
(subtracted from appropriations to arrive at net assessment)				
<i>Local Sources</i>				
Tuition Income	0	14,118	14,118	
Interest on investments	6,000	3,600	(2,400)	
Other Local	9,014	21,500	12,486	
<i>subtotal</i>	15,014	39,218	24,204	
<i>State Sources</i>				
Vocational Aid	37,966	38,161	195	
Transportation Aid	121,498	114,958	(6,540)	
Spec Ed Block Grant	0	0	0	
Spec Ed Exp Reimbursement	0	0	0	
Census Block Grant (Act 173)	851,688	1,008,961	157,273	
Spec Ed Extraordinary Aid	143,667	143,667	0	
Essential Early Educ	52,713	52,713	0	
State Placed Student(s)	0	0	0	
<i>subtotal</i>	1,207,532	1,358,460	150,928	
<i>Interfund Transfer</i>				
Transfer from Const Fund	230,452	149,496	(80,956)	
<i>subtotal</i>	230,452	149,496	(80,956)	
<b>Total Budgeted Revenues</b>	<b>1,452,998</b>	<b>1,547,174</b>	94,176	6.48%
from Prior Year Fund Balance	298,500	298,500	0	0.00%
+/- Revenue Changes		0		
<b>Net Assessment</b>	<b>\$13,171,788</b>	<b>\$14,035,104</b>	863,316	6.55%

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# Estimated Tax Rate Calculation - subject to legislative changes (Note: Dresden Budget & Assessment is in review)

Line #	Exhibit 3 Item	Budgeted 2022-23	Estimated 2023-24	Chg	% Chg
1	Marion Cross School	\$6,621,180	\$7,414,234	793,054	11.98%
2	plus Dresden Assessment	8,302,106	8,466,544	164,438	1.98%
2a	Total Expenditures	14,923,286	15,880,778	957,492	6.42%
3	less Revenues and Fund Balance (excl Voc Aid)	1,713,532	1,807,513	93,981	5.48%
4	equals Education Spending	\$13,209,754	\$14,073,265	863,511	6.54%
4a	Plus or (minus) net budget	\$0	\$0		
5	Estimated equalized pupils - VT AOE	613.06	594.97	-18.09	-2.95%
6	Adjusted ES/Eq Pupil	\$21,547	\$23,654	\$2,106	9.78%
6a	Net Debt per Eq pupil	\$1,498	\$1,599		
6b	Net Special Ed	\$67	\$67		
7	Adjusted ES/Eq Pupil for purposes of Excess Spending	\$19,982	\$21,988		
8	Excess Spending Threshold	\$19,977	\$22,204	\$2,227	11.15%
9	Per Pupil Spending above- (below) Threshold - Penalties currently suspended	5	(216)		
10	Per pupil figure for Calculating District	\$21,547	\$23,654	\$2,107	9.78%
11	Base Amount - VT AOE	\$13,314	\$15,479	\$2,165	16.26%
12	District Spending Adjustment	1.6184	1.5281	-9.03%	-5.58%
13	Statewide Ed Tax Rate	\$1.000	\$1.000	\$0.00	0.00%
13a	Equalized Homestead Tax	\$1.6184	\$1.5281	-0.0903	-5.58%
14	Common level of appraisal	84.39%	84.39%	0.00%	0.00%
15	Estimated nominal tax rate	\$1.9178	\$1.8108	(0.1070)	-5.58%
16	Income Sensitivity Percentage	2.70%	2.69%	-0.01%	-0.37%
17	Non Residential Tax Rate	\$1.466	\$1.386	(0.08)	-5.46%
18	Divide by CLA	84.39%	84.39%	0.00%	0.00%
19	Nominal Non-Residential Tax Rate	\$1.7372	\$1.6424	(0.0948)	-5.46%
<b>Note: Tax rate info preliminary and subject to state legislative changes.</b>					
	tax on a \$500,000 house	\$9,313	\$9,054	-\$259	
	tax on a \$400,000 house	\$7,450	\$7,243	-\$207	
	tax on a \$350,000 property	\$6,519	\$6,338	-\$181	

# Potential Budget Reductions

- Group 1 - Positions that have not been able to be filled
  - 1. - 1.00 FTE - K to 6 Special Educator (\$82,556)
  - 2. - .050 FTE - French Teacher (\$40,980)
  - 3. - 1.74 FTE - Special Ed. Assistants [2 positions] (\$67,076)
- Group 2 - Filled Positions
  - 1. - 0.60 FTE - Technology Teacher (\$60,473)





## Additional Thoughts, Other Potential Warrant Articles?

The Budget as built does not include settlement amounts for union contracts currently being negotiated. Steps are built into the salary sections for both unions as well as a health insurance rate increase of 12.6%.

Replacement and/or upgrade of the sewer system is still being addressed with an EOPC and warrant article expected this year.

We are also considering whether or not to issue a warrant article for upgrading the playgrounds and parking areas along with other infrastructure needs.

