



**Spaulding High School
Barre City Elementary and Middle School
Barre Town Middle and Elementary School**

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A rock-solid education for a lifetime of discovery.

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Dear BUUSD Community,

There have been a lot of questions about surpluses in the last few years as we've developed our school budgets, and we want to take an opportunity to provide some clarity for the community on how and why we got to a place of having such large surpluses and how these surpluses can be used to fund our schools.

First, it's very important to know that the large surpluses that we've seen in recent years are unprecedented. In fact, as recently as Fiscal Year 2020, our district was operating in a deficit! So, what happened? Quite simply, the Covid-19 pandemic happened. And with it came an extraordinary influx of federal monies through the Coronavirus Relief Funds (CRF) and Elementary and Secondary School Emergency Relief (ESSER) fund for public schools across the United States. Additionally, schools across the country were facing unprecedented staffing challenges as people increasingly were leaving the education profession. The combination of unusually large influxes of federal funds and large numbers of unfilled positions have been the main reason for these big surpluses in recent years.

Take a look at the historic general fund balances for some perspective:

FY20 - (\$313,296)

FY21 - \$2,529,486 - (\$1,000,000 transferred to SEA Building Construction)

FY22 - \$2,350,301

FY23 - unaudited \$750,000

It's important to know that the four year run of surpluses described above will likely be coming to an end in the years ahead. The ESSER funding that public schools have been counting on to help us get through the pandemic years are coming to an end, but, unfortunately, the staffing shortages and concerns that most school districts are facing appear to be with us for the foreseeable future. The following three questions and answers will provide some clarity and factual information for you on these very complicated issues.

1. Can anticipated and assumed surpluses be considered as revenue to be used in the FY24 budget?

No, we cannot create a budget based on projected unaudited surpluses. We are currently using \$700,000 of the tax stabilization fund for FY23, and we plan on using another \$700,000 of the tax stabilization fund for FY24 (pending voter approval). As you will see below, that will leave us with a projected \$157,962 in the tax stabilization fund. Please refer to [16 V.S.A. § 567](#) for clarification.

In regard to statements that we have “\$6.9 million in cash,” we wanted to convey to the public how these funds are categorized. Fund Balances are classified into the following categories: **Nonspendable, Restricted, Committed, Assigned, and Unassigned.**

Yes, the June 30, 2022 audited fund balances highlighted below equal \$6.9 million, however, the board cannot use funds that are nonspendable, restricted, committed, or assigned to offset taxes. Here is how they each break down:

- **General Fund: \$2,350,301** On March 7th voters approved transfer of these funds into the Capital Projects Fund
- **Central Vermont Career Center: \$351,735**-No longer part of our District Nonspendable
- **Grants \$598,269** Restricted
- **Food Service: \$951,929** Restricted
- **Other Special Revenue: \$267,106** Restricted
- **Capital Projects: \$854,737** - on March 7th voters approved transfer of \$2,350,301 from the general fund, balance now is = **\$3,215,038** Committed
- **Tax Stabilization: \$1,557,962** - \$700,000 (FY23) - \$700,000 (FY24) = \$1,400,000 Assigned, \$157,962 Unassigned

2. Can the \$2,350,301 general fund surplus from FY22 be used as revenue to help offset taxes in FY24?

No. Voters approved transferring these funds into the Capital Projects Fund.

This money is allocated for capital projects and capital projects only.

3. Can we cut the unfilled positions in our current budget?

For the most part, no. The majority of the unfilled positions in our current budget are professional special education positions and student support positions for children who are on IEPs. As has been stated before, we have a legal obligation to provide a Free and Appropriate Public Education (FAPE) to all of our students, including children with disabilities. This is one reason we were forced to look at cuts in other places. Please see the IDEA regulations below:

"A free appropriate public education must be available to all children residing in the State between the ages of 3 and 21, inclusive, including children with disabilities who have been suspended or expelled from school, as provided for in §300.530(d)."

Source: [IDEA: Sec. 300.101 \(a\)](#)

Additionally, please see VT Rule 2361.1 ®, which clearly defines FAPE:

Free Appropriate Public Education (FAPE). A FAPE means special education and related services that:

- (1) Are provided at public expense, under public supervision and direction, and without charge to the parent or student;
- (2) Meet the standards of the State, including the requirements of Part B of the IDEA and include preschool, elementary school, or secondary school education; and
- (3) Are provided in conformity with an individualized education program (IEP) that meets the requirements of Rule 2363.

Consistent with Rule 2363.1 the Agency (Local Education Agency, meaning the BUUSD) shall ensure that there is no delay in implementing a child's IEP, including any case in which the payment source for providing or paying for special education and related services to the child is being determined."

Source: [State of Vermont Special Education Rules](#)

We understand that all of this is a lot to consider, but we hope it's helpful! Every effort has been made here to be clear, factual, and transparent concerning the reality we are facing with surpluses and staffing shortages as a school community. Please reach out to us if you have any questions at all.

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