

AGENDA



Addison Central School District

Finance Committee

Committee Meeting

Monday, September 11, 2023, 8:30 am - 10:00 am

49 Charles Avenue, Middlebury VT

ACSD District Vision and Mission

OUR VISION

Our vision is for all ACSD students to reach their full learning potential, have a sense of belonging in our schools, and enrich our community and the communities where they live in the future.

OUR MISSION

Our mission is to provide high-quality, equitable, and varied learning environments that inspire a passion for learning and growth among our students.

- A. Call to Order Upon Reaching a Quorum
- B. Introductions: Board Members, Administrators and Staff
- C. Public Comment - Agenda Items
- D. Approve the Minutes of June 8, 2023
- E. Committee Discussion:
 - 1. FY25 Budget Process and Timeline
 - 2. Budget Drivers FY25
- F. Public Comment - Any Topic
- G. Adjournment

***Public Comment Guidelines:**

Public comments are encouraged and welcome at each regular board meeting during the period designated for public comment. Comments are limited to three minutes per person. Citizens will be called to make their statement by the board chair. Public comments regarding personnel, students or legal matters will not be heard by the Board.

MINUTES



Addison Central School District

Finance Committee

Committee Meeting

Thursday, June 8, 2023, 8:30 am - 9:30 am

49 Charles Avenue, Middlebury VT & Virtual Connection

A. Call to Order Upon Reaching a Quorum Meeting called to order at 8:30AM

B. Introductions - Board Members, Administrators and Staff

Present: James Malcolm, Jason Chance, Steve Orzech [zoom], Matthew Corrente
Finance and Operations Director, Peter Burrows Superintendent

C. Public Comment

None

D. Approve Minutes of May 1, 2023

Minutes of May 1, 2023

approved E. Committee

Discussion:

1. ACSD Tax Anticipation Note Approval

Matt explained this note and how this is voted on each year and how the National Bank of Middlebury helps compile the dollar number of the note. Last year the district did not need to utilize the note at all. Board will need to approve it.

F. ACSD Audit Report 2022

This was received in February 2023. The entire report will be on Boardpaq attachments for review by entire board. Only findings will be presented by Matt. Schol accounts have been on ongoing finding in this audit and previous years. Matt will make recommendations to the board as to how these will be addressed hopefully starting this new FY.

1. FY 24 Transportation Bid

Last year ACSD, Mt Abe, and ANWSD joined in a consortium to go as one unit to hopefully attract more bids. Even with that effort only one bid from BET-Cha was received.

That bid will be presented to the board for approval. The committee discussed and felt that an effort by the three districts to look at a startup entity to manage all the transportation in the

3

districts was worth looking at. The reality of it being not practical should not deter further examination.

2. FY24 ACSD Auditor Bids

The district received 2 bids for 5 year contracts. One from current auditor and one local. Matt recommended for numerous reasons that we accept RHR bid. He will present details to the board for approval.

G. Other

Many challenges upcoming as new budget will be determined i.e. Loss of ESSER funds, negative changes to district from new weighting rules, an interim superintendent unfamiliar with VT education funding, act 173, and a competent but still learning Finance manager.

H. Adjournment

Meeting adjourned at 9:35AM

Respectfully Submitted,
James Malcolm, recorder

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FY25 Budget Drivers

Prevailing Factors | Estimated Impacts





ESSER CLIFF



ARP ESSER ends September 2024

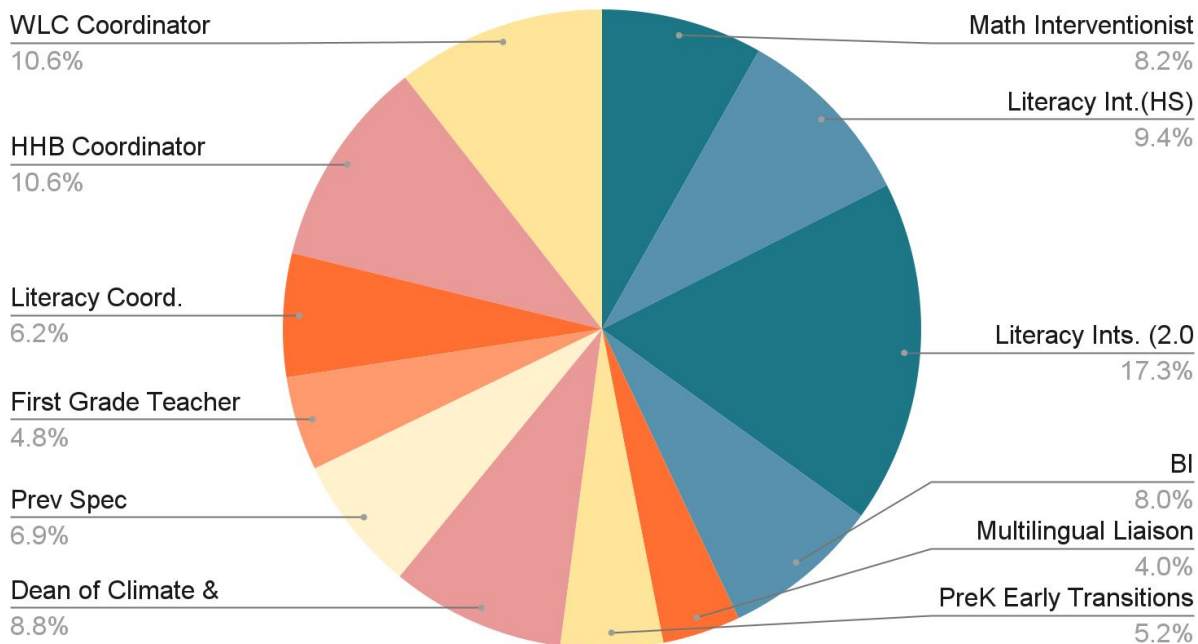
- \$3.36M total award. Used to fund a variety of pandemic support initiatives.
- All expenditures must be for goods and services used within the grant's period of performance. No pre-paying.
- In FY24, ARP ESSER will fund at least 12 FTE positions.
- The future of these positions in FY25 will be a major budget driver.
 - Which positions remain funded using local funding?
 - Which positions are cut?
 - What other cuts could facilitate funding ESSER personnel?



What positions are ESSER Funded?

- \$1.04M in Salary/Benefits
- 43% Interventionists

ESSER FUNDED POSITIONS FY24 S&B





**“In FY25,
How we budget
will determine
How we educate.”**

-Peter Burrows



Funding ESSER Positions Locally

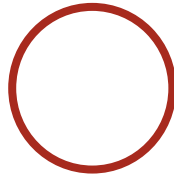
What would
folding \$1.3M of
salary and benefits
do to the budget?

3.5%
Increase in
Per Pupil
Spending

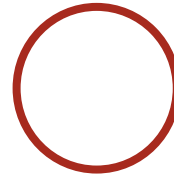
3.5%

ESSER

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Cumulative Effect of Budget Drivers on PP Spending



UNION NEGOTIATIONS





Negotiations

- New 3-year deals for teachers and support staff will be negotiated in FY24 and begin in FY25.
- Salaries for all teachers and support staff are projected to increase by a significant amount in Y1.
- For the sake of budget projection, we will research different scenarios.



Negotiations Projection

What happens to
the Budget when
we raise all
Teacher and
Support salaries?

For every 5% in
Salary Increase
2.5% Increase in
Per Pupil Spending



Cumulative Effect of Budget Drivers



HEALTHCARE

?%

Healthcare costs will rise. We currently do not have any information regarding this year's increase.



Healthcare Projection

What happens to
the Budget when
we increase
healthcare costs?

5% HC Increase
1.4% Increase in
PP Spending

3.5%

ESSER

—

2.5%

Negotiations

—

3%

Healthcare



Cumulative Effect of Budget Drivers on PP Spend



ACT 127: Effects of New Weighting System



ACT 127: New Weighting System

- Different types of pupils cost different amounts to educate
- The idea behind equalized pupils is to make the average cost per pupil the same as it would be for an elementary pupil
- The equalized pupil process counts pupils in identified categories by adding weights to account for cost differences
- Vermont currently groups (weights) pupils by preK, elementary, secondary, pupils in poverty, and students who are English language learners
- This will change in FY25, changing weights and adding new categories
- Additionally, long-term weighted ADM counts will be used instead of equalized pupil counts

ACT 127: New Weighting System

Average Daily Membership (ADM)

The number of publicly funded resident students in the district as a 20-day FTE from the 11th through the 30th day of the school year

A student is one ADM if publicly funded for the full 20-day period

Long Term Membership (LTM)

The average ADM for the current and prior years plus state-placed students from the prior year

Act 127 Pupil Weights, effective FY 2025

1. Grade range weights	
pK	→ (0.54)
K-5	0.00
6-8	0.36
9-12	0.39
2. Poverty, FRL	1.03
3. Sparsity/population density	
< 36 pop/mi ²	0.15
36 ≤ pop/mi ² < 55	0.12
55 ≤ pop/mi ² < 100	→ 0.07
4. Districts with small schools: ≤ 55 pop/mi ² and:	
enrollment ≤ 100	✗ 0.21
enrollment > 100, ≤ 250	✗ 0.07
5. English Language Learners, ELL	2.49



**“For a district
disadvantaged by the new
weights, a higher tax rate
will be required to maintain
the same level of spending
per pupil.” - Brad James, AoE**





Projected
Property
Yield

\$9687

Projected
LTWADM

2525*
(*FY24)



Flat Fund Budget

\$37,539,743 (0%) - Local Ed Spend

\$14,868 - Per Pupil Spending

\$9,687 - Property Yield

\$1.53 Equalized District Tax Rate

\$1.49 EDTR after 5% Cap Applied

9% Budget Increase*

\$40,918,320 (9%) - Local Ed Spend

\$16,206 - Per Pupil Spending

\$9,687 - Property Yield

\$1.67 Equalized District Tax Rate

\$1.49 EDTR after 5% Cap Applied

Maintain FY24 Tax Rate

\$34,730,950 (-7.5%) - Local Ed Spend

\$13,756 - Per Pupil Spending

\$9,687 - Property Yield

\$1.42 Equalized District Tax Rate

3.5%

ESSER

—

2.5%

Negotiations

—

3%

Healthcare

9%



Cumulative Effect of Budget Drivers on PP Spend

“If, at the conclusion of the Review, the Secretary determines that the school district’s budget contains excessive increases in per pupil education spending that are within the school district’s control and are not supported by a good cause, then the homestead property tax rate of the school district that would otherwise be increased by not more than five percent in each fiscal year pursuant to subsection (a) shall be increased to the actual homestead property tax rate calculated pursuant to this act.”



OTHER KNOWN KNOWNS and KNOWN UNKNOWNNS





Transportation

4.5% Increase
in Transport
Costs in FY25

0.3% Increase
in PP Spend



Tuition

- Will Lincoln HS students choose to come to ACSD in significant numbers to create new revenue?
- Will PHCC tuition increase significantly again?
- Will OOD tuition costs to Special Education Programs decline as our MTSS increases?



Facilities

- Will Facilities Repair and Maintenance needs be contained within the new, larger scope of the Budget?
- Will failing systems and deferred maintenance create unforeseen emergency costs?
- How will the Bond Initiative move forward during the leadership transition year?
- Will the FY23 fund balance be earmarked for Capital Improvements?



Insurance

- Non-Employee Insurance costs have continued to rise lately.
- Workers Comp and Cyber Security are drivers.
- Unclear how much premiums could rise.
- Could have a similar effect as Transportation (0.5%)

