

Dear OSSD Community,

Below is article two of three explaining the 2024-25 school budget.

**The Bottom Line: Your Tax Rates**

We are looking at an increase of \$2,107,309 in district expenses for next year, which will be offset by \$1,033,333 in subsidies and an additional \$1,594,655 due to the beneficial impact of Act 127 on the OSSD. This means that the district is requesting approximately \$520,679 **less** from the taxpayers compared to last year. In terms of the increased expenses, approximately \$1,492,711 (seventy-one percent) is mandatory; meaning, it is required to meet our legal and contractual obligations under the master agreements with our staff including a significant increase in the cost health insurance premiums.

The discretionary increase (twenty-nine percent) in expenses, supports the continuation of our full day preschool program, staff needed to better support student mental health challenges, a human resources director to serve the district's 262 employees, and a small increase to offset the cost of supplies due to inflation. Despite these increases, for the third year in a row, we have significant revenue to not only offset all these new costs, but to also reduce our ask from the taxpayers.

- The OSSD budget is partially within the district's control, basically how much we spend on education relative to the revenues we receive. We are asking for **\$520,679 less** from the taxpayers in 2024-25.
- The Common Level of Appraisal (CLA) that the state uses as part of the tax formula is independent of our control. If the value of homes in your town has increased, then the CLA will change so that you pay more in taxes – your homes are worth more, so the state taxes you on that additional value. CLA affects school taxes, but it has nothing to do with the district's budget – it is not within our control.
- If your tax rates were only based on the school side of the equation, your rates next year would go down by about 14.96 cents per \$100 of assessed property value, which equates to a **decrease in school taxes of \$374** per year on a \$250,000 property. In fact, the district has done

a good job of controlling the school side of the tax rate for several years now. The table below shows the change in OSSD tax rates if the CLA is taken out of the equation.

	Change in Tax Rate	Annual Impact	Monthly Impact
2022-23	-\$0.0752	-\$188.00	-\$15.67
2023-24	-\$0.0720	-\$180.00	-\$15.00
2024-25	-\$0.1496	-\$374.00	-\$31.17
3 Yr Totals	-\$0.2968	-\$742.00	-\$61.83

During this same time period, the values of our homes have been increasing steadily, so we are paying more in taxes because of that increased value. So much so, that the increases due to rising property values overwhelms the district's decreases. The table below shows the expected tax rate for each of our towns taking all the impacts discussed above into account.

Town	*2023-24 Tax Rate	CLA	*2024-25 Tax Rate	Annual Impact**	Monthly Impact**
Braintree	\$1.5709	79.57%	\$1.7082	\$343.00	\$28.58
Brookfield	\$1.2724	95.21%	\$1.4276	\$388.00	\$32.33
Randolph	\$1.6484	78.71%	\$1.7268	\$196.00	\$16.33

\*Per \$100 of assessed value

\*\*Based upon a \$250,000 property value

Note: At the time of this writing, the projected property yield was \$9,452.00