

Cambridge Elementary School District

FY2025 Proposed Budget INFORMATIONAL MEETING

March 4, 2024

Presented by Deb Clark, Business Manager LNSU

**LNSU
NON-GRANT
BUDGET BY
DEPARTMENT:
\$2,072,010**

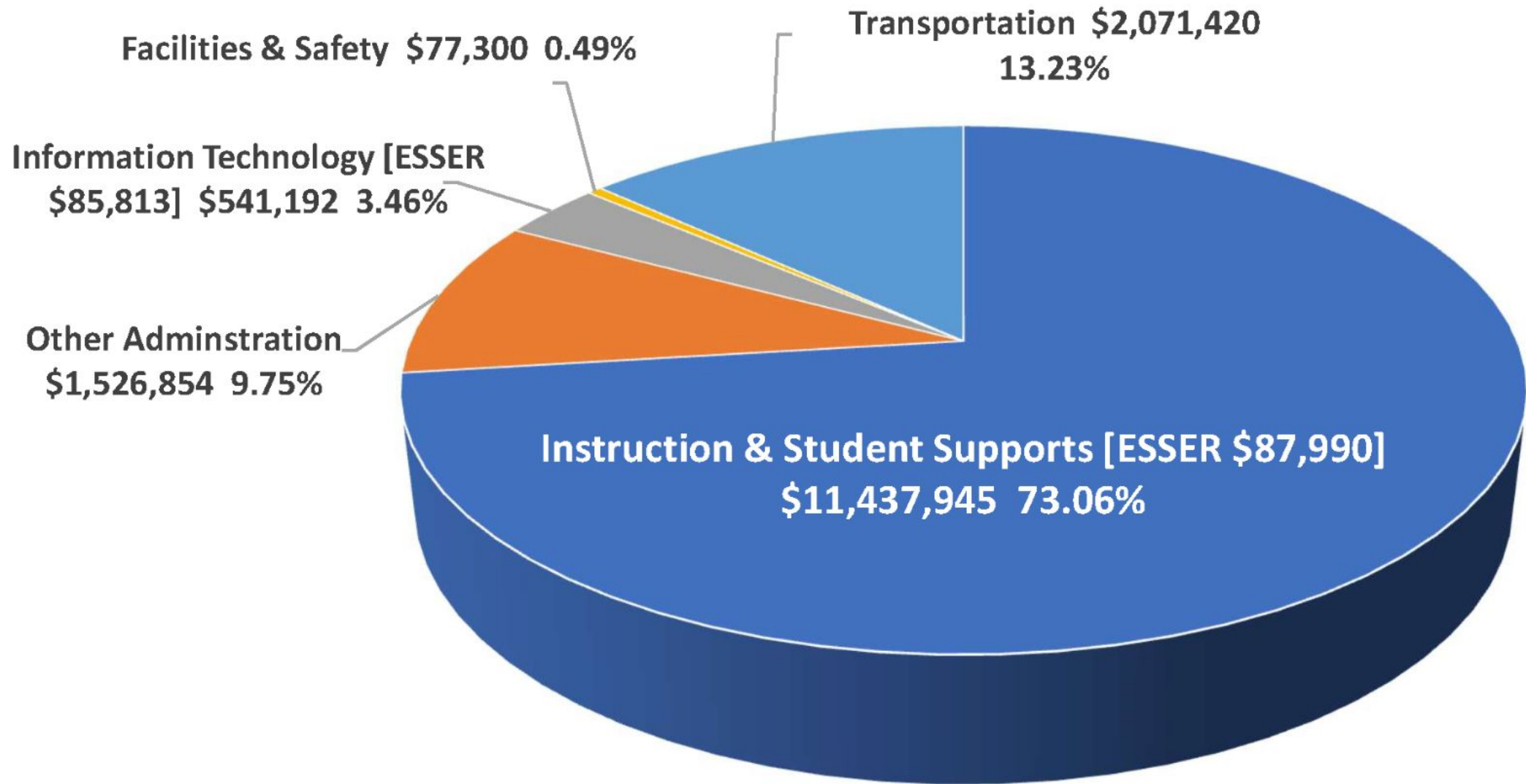
**(INCREASE OF
15.25%)**

**NOTE: Over
86% of the SU
budget is
dedicated to
Instruction
and Student
Services**

**Lamoille North Supervisory Union
Preliminary FY25 Budgets
January 16, 2024**

| <u>LNSU:</u> | <u>FY24</u> | <u>FY25</u> | <u>FY24 - FY25 Change</u> | <u>% Change from FY24</u> | <u>% of FY25 Change</u> | <u>% of FY25 Budget</u> |
|------------------------|-------------------|-------------------|-------------------------------|-------------------------------|-----------------------------|-----------------------------|
| Instruction | 9,679,211 | 11,437,945 | 1,758,734 | 18.17% | 84.88% | 73.06% |
| SPED | 9,117,477 | 10,335,799 | 1,218,322 | 13.36% | 58.80% | 66.02% |
| ESSER | 0 | 87,990 | 87,990 | | 4.25% | 0.56% |
| Adminstration | 1,364,867 | 1,526,854 | 161,987 | 11.87% | 7.82% | 9.75% |
| Information Technology | 538,003 | 541,192 | 3,189 | 0.59% | 0.15% | 3.46% |
| ESSER | 0 | 85,813 | 85,813 | | 4.14% | 0.55% |
| Facilities & Safety | 61,295 | 77,300 | 16,005 | 26.11% | 0.77% | 0.49% |
| Transportation | 1,939,325 | 2,071,420 | 132,095 | 6.81% | 6.38% | 13.23% |
| Total Expenses | 13,582,701 | 15,654,711 | 2,072,010 | 15.25% | 100.00% | 100.00% |

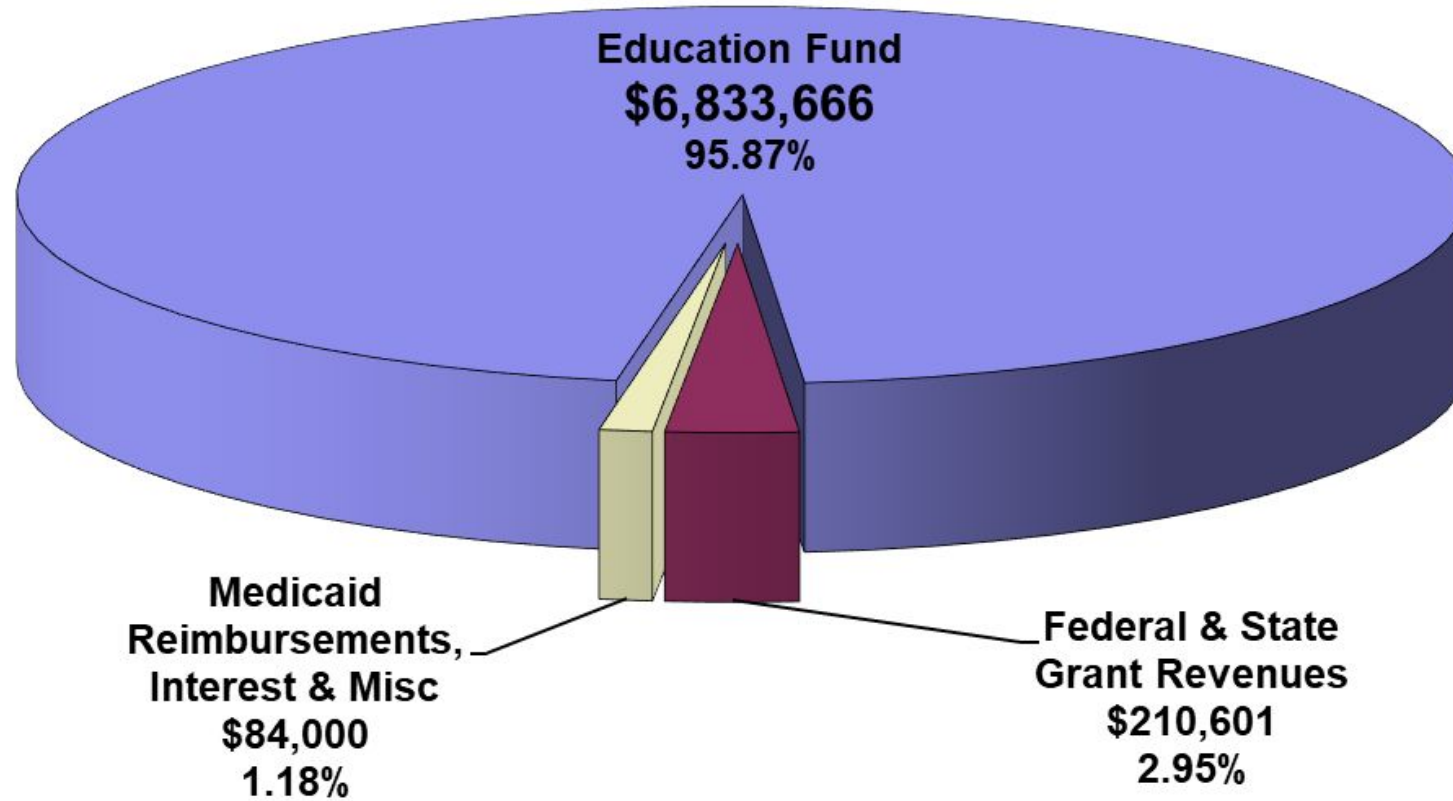
LNSU: FY25 Proposed Budget



FY25 Proposed Budget: Revenues (3-4-24)

| | FY22 Actual | FY23 Actual | FY24 Approved Budget | FY25 Proposed | Change FY24 to FY25 |
|-----------------------|-----------------------------------|--------------------|----------------------|--------------------|---------------------|
| Non-Special Ed | \$85,778 | \$130,520 | \$64,000 | \$84,000 | \$20,000 |
| Grant Funds | \$610,641* | \$789,927* | \$427,180* | \$210,601 | (\$216,579) |
| Special Education | <u>\$252,638</u> | <u>\$122,404</u> | <u>\$13,481</u> | <u>\$0.00</u> | <u>(\$13,481)</u> |
| Total Revenues | \$949,057 | \$1,042,851 | \$504,661 | \$294,601 | (\$210,060) |
| | | | | Change | (41.62%) |
| Reserve Funds Applied | \$0 | \$71,065 | \$333,004 | \$0.00 | (\$333,004) |
| Less: Total Expenses | \$6,089,356 | \$6,572,928 | \$6,709,501 | \$7,128,267 | \$418,766 |
| Ed Spending | \$5,140,299 | \$5,459,012 | \$5,871,836 | \$6,833,666 | \$961,830 |
| | *includes COVID 19 recovery funds | | | Change | 16.38% |

FY25 Proposed Budget: Revenues \$7,128,267



FY25 Proposed Budget: Expenses (3-4-24)

| | FY22 Actual | FY23 Actual | FY24 Approved Budget | FY25 Proposed | Change FY24 to FY25 |
|---|-------------|-------------|----------------------|---------------------|---------------------|
| Non-Special Ed (includes grant funded initiatives) | \$5,160,031 | \$5,585,724 | \$5,857,426 | \$6,031,918 | \$174,492 |
| | | | | Change | 2.98% |
| Special Education | \$929,325 | \$987,204 | \$852,075 | \$1,096,349 | \$244,274 |
| | | | | Change | 28.67% |
| Total Expenses | \$6,089,356 | \$6,572,928 | \$6,709,501 | \$7,128,267 | \$418,766 |
| | | | | Total Change | 6.24% |

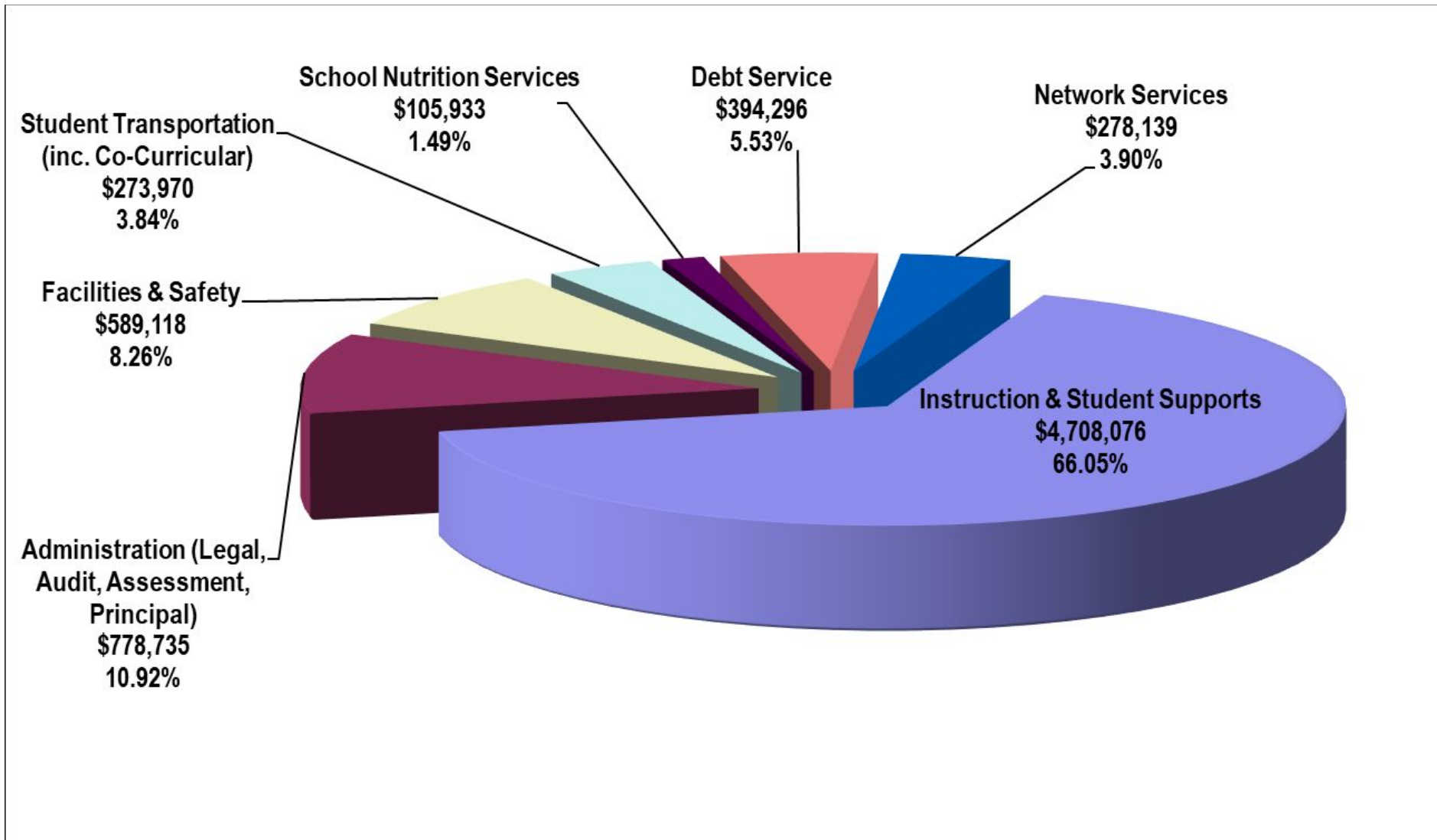
FY25 Proposed Expenses: \$7,128,267 (By Function)

| Cambridge Elementary School Preliminary FY25 Budget | | | | | | |
|--|------------------|--------------------|-----------------------|--------------|---------------------|---------------------|
| by Department | | | | | | |
| March 4, 2024 | | | | | | |
| | FY24 | FY25 | FY24 - FY25 Change | % Change | % of FY25 Change | % of FY25 Budget |
| Instruction & Student Supports | 4,458,560 | 4,708,076 | 249,516 | 5.60% | 59.58% | 66.05% |
| ESSER | | 177,345 | 177,345 | 0.00% | 42.35% | 2.49% |
| Debt | 361,278 | 394,296 | 33,018 | 9.14% | 7.88% | 5.53% |
| Adminstration | 607,135 | 778,735 | 171,600 | 28.26% | 40.98% | 10.92% |
| School Nutrition Program Support | 150,878 | 105,933 | -44,945 | -29.79% | -10.73% | 1.49% |
| Information Technology | 256,321 | 278,139 | 21,818 | 8.51% | 5.21% | 3.90% |
| Student Transportation | 253,510 | 273,970 | 20,460 | 8.07% | 4.89% | 3.84% |
| Facilities & Safety | 621,819 | 589,118 | -32,701 | -5.26% | -7.81% | 8.26% |
| Total Expenses | 6,709,501 | 7,128,267 * | 418,766 | 6.24% | 100.00% | 100.00% |
| * Less revenue of \$294,601, for Education Spending of \$6,833,666 | | | | | | |

FY25 Proposed Transportation: billed from LNSU plus on-site expenditures

| | <u>Regular Transportation</u> <u>FY2025</u> | <u>FY2025 Est. State Aid</u> <u>Offsets</u> | <u>FY2025 Local Budget</u> |
|---|--|--|---------------------------------|
| Salaries & Benefits | \$436,919 | \$194,634 | \$221,345 |
| Repairs & Maintenance | \$175,096 | \$81,926 | \$93,170 |
| Fuel | \$35,000 | \$16,376 | \$18,624 |
| Equipment & Supplies | \$19,000 | \$8,890 | \$10,110 |
| Insurance | \$4,000 | \$1,872 | \$2,128 |
| Other & Miscellaneous | \$4,450 | \$2,082 | \$2,368 |
| Charge for Secondary Transport (LNMUUSD) | (\$178,000) | (\$83,285) | (\$94,715) |
| FY2025 Budget | \$496,465 | \$222,495 | \$273,970 |
| FY2024 Budget | \$426,962 | \$173,451 | \$253,511 |
| Change | \$69,503 | \$49,044 | \$20,459 8.07% |

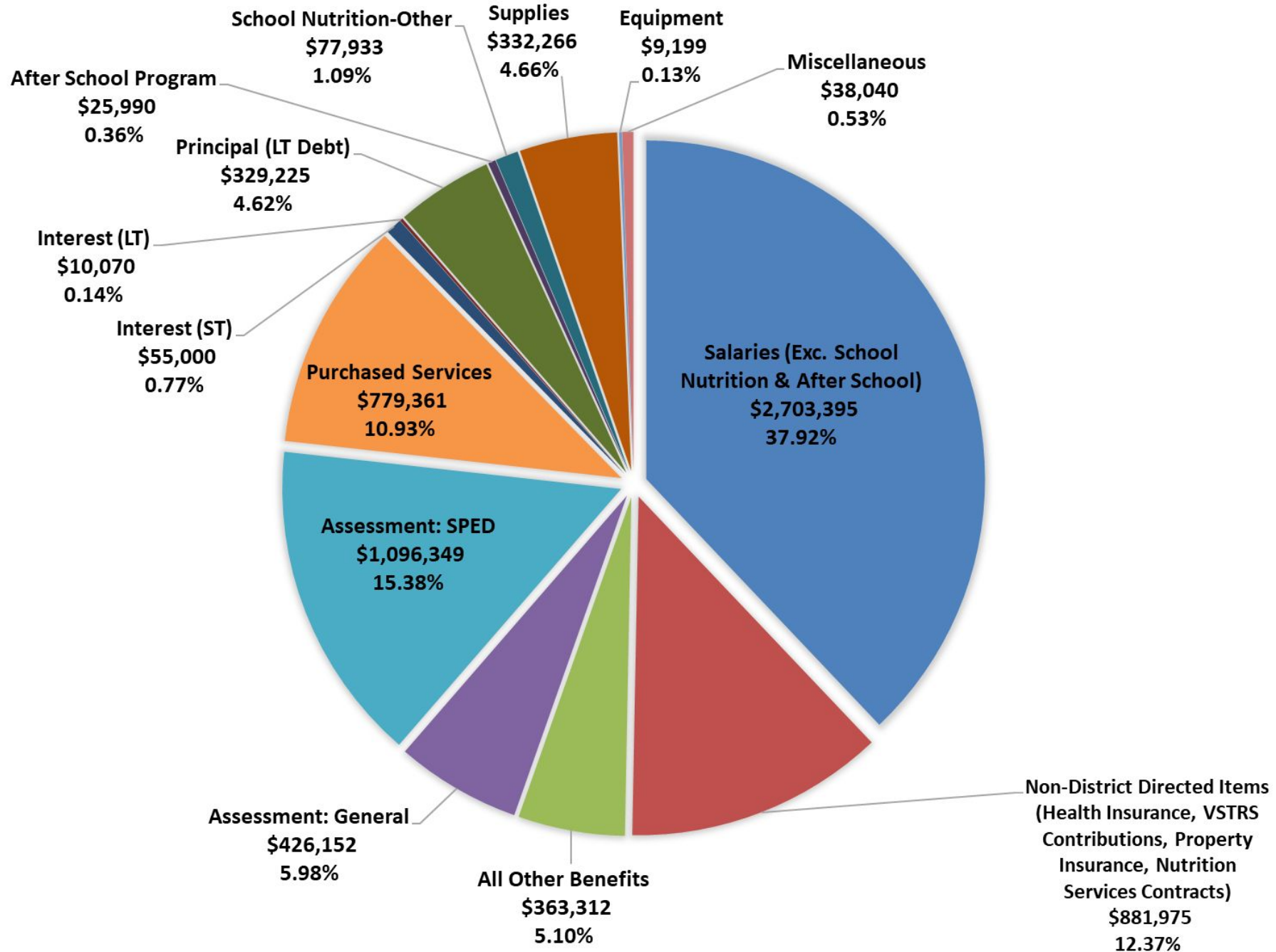
FY25 Proposed Expenses: \$7,128,267 (By Function)



Budget Drivers by Object: \$418,766 (up 6.24%)

| Budget Factor | Amount | Investment Impact | Percent Change from FY24 Budget |
|--|------------|---|---------------------------------|
| Salary & Benefit Changes (Objects: 100-299) | \$92,560 | <ul style="list-style-type: none"> •Salaries & Wages Up 1.27% •Benefits Up 5.17% •Off-set by increases to contracted services and services provided SU-wide | 2.42% |
| Purchase/Contracted & Tuition Services, SU Assessment, Repairs & Maintenance (Objects: 300-599) | \$338,849 | <ul style="list-style-type: none"> • SU Assessment (Includes Special ED) up 35.38% •Transportation Up 16.28% (fuel up 40%, Wages & Benefits up 12.5%) | 16.60% |
| Supplies (Objects: 600-699) | \$17,149 | <ul style="list-style-type: none"> • Technology related supplies (instructional & other) up 7.64% •Heating Fuel down 10% (expected savings using wood chips) •FFV food costs moved to this category \$25K | 5% |
| Equipment (Objects: 700-799) | \$2,590 | <ul style="list-style-type: none"> •Library Equipment \$2,100 •Facilities Equipment \$2,500 •School Nutrition Equipment (\$2,000) | 34.06% |
| Miscellaneous (Objects: 800-999) | (\$32,382) | <ul style="list-style-type: none"> •FFV costs moved to supplies (\$25K) •Reserves available to support Nutrition Services in FY25 (\$40K) •Above savings off-set by Boiler Financing \$24K •Increases to ST Interest \$9K | (6.56%) |

FY25 BUDGET DRIVERS BY OBJECT \$7,128,267



Budget Growth of 27.71% since fiscal 2018



| 2017-2018 | 2018-2019 | 2019-2020 | 2020-2021 | 2021-2022 | 2022-2023 | 2023-2024 | 2024-2025 |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| \$5,581,756 | \$5,494,274 | \$5,538,930 | \$5,782,688 | \$6,143,066 | \$6,351,467 | \$6,709,501 | \$7,128,267 |

Average growth of 3.96% per year

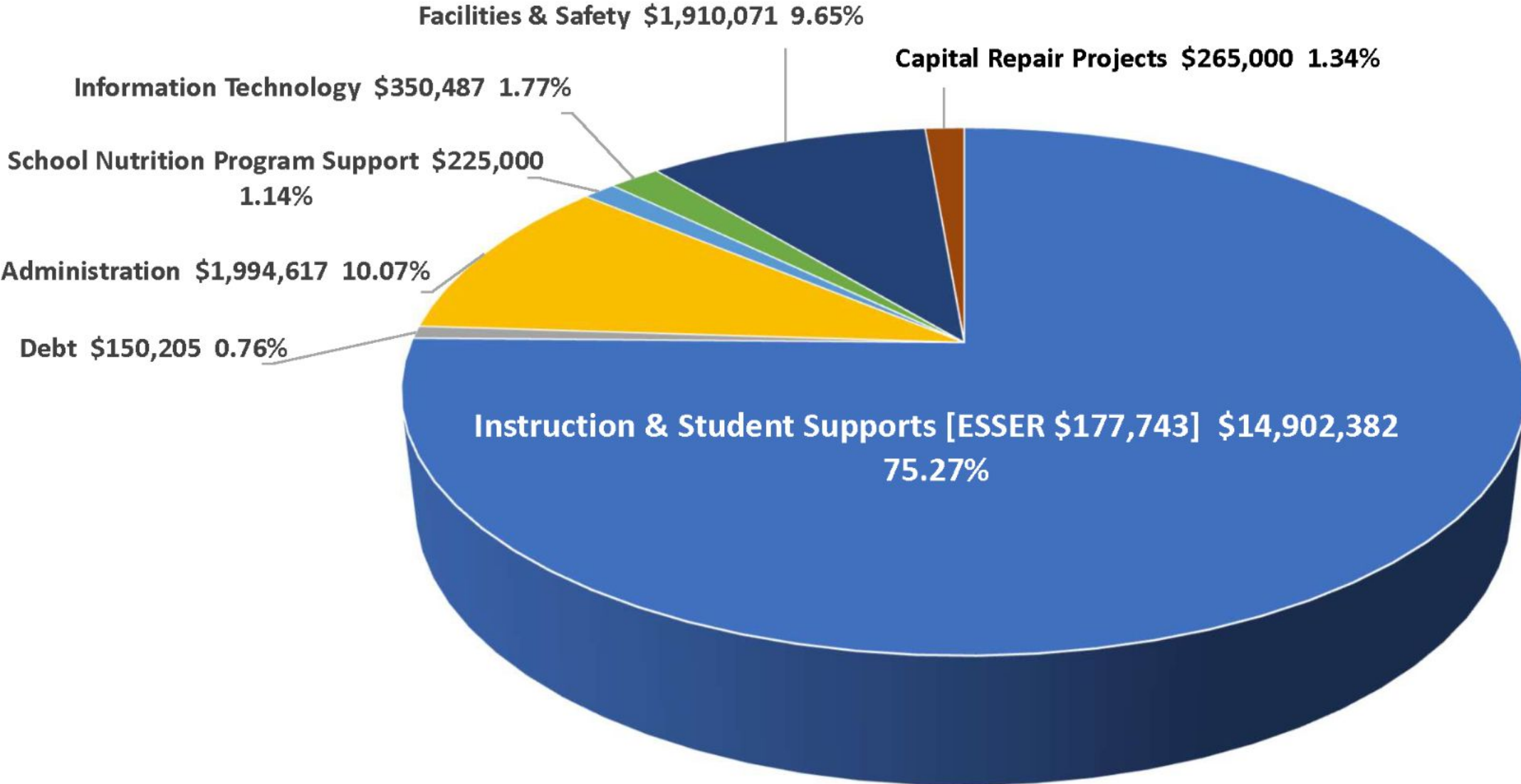
**MIDDLE &
HIGH SCHOOL
NON-GRANT
BUDGET
DRIVERS BY
DEPARTMENT:
\$3,304,918

(INCREASE OF
20.04%)**

Lamoille North Modified Unified Union School District - SECONDARY
FY25 Budget - by Department
January 16, 2024

| <u>MUUSD-B:</u> | <u>FY24</u> | <u>FY25</u> | <u>FY24 - FY25 Change</u> | <u>% Change</u> | <u>% of FY25 Change</u> | <u>% of FY25 Budget</u> |
|--|-------------------|-------------------|-----------------------------------|---------------------|---------------------------------|-----------------------------|
| Instruction | 12,847,363 | 14,902,382 | 2,055,019 | 16.00% | 62.18% | 75.27% |
| Previously Grant Funded COVID-19 [ESSER] | | 119,720 | 119,720 | | 3.62% | 0.60% |
| Debt | 151,372 | 150,205 | -1,167 | -0.77% | -0.04% | 0.76% |
| Administration | 1,540,328 | 1,994,617 | 454,289 | 29.49% | 13.75% | 10.07% |
| School Nutrition Program Support | 0 | 225,000 | 225,000 | | 6.81% | 1.14% |
| Information Technology | 287,540 | 350,487 | 62,947 | 21.89% | 1.90% | 1.77% |
| Facilities & Safety | 1,666,241 | 1,910,071 | 243,830 | 14.63% | 7.38% | 9.65% |
| Capital Repair Projects | 0 | 265,000 | 265,000 | | 8.02% | 1.34% |
| Total Expenses | 16,492,844 | 19,797,762 | 3,304,918 | 20.04% | 100.00% | 100.00% |

MUUSD-B: FY25 Budget by Department 1.16.24



Key Factors in Building FY25 Budget

12.01%

12/1/23 Anticipated increase in Education Spending statewide **CES 16.38%**

12.80%

12/1/23 Growth in per weighted student spending statewide **CES -6.35%**

\$9,769

State Property Yield 2/22/24 – 2/27/24 Education Fund Outlook is indicating further growth in the yield

\$10,300

State Income Yield 12/1/23 – was \$17,600 for fiscal year 2024

\$1.36

12/1/23 Forecast Avg. State Property Tax Base Rate. FY25 CES est. Base Rate \$1.3055

\$1.442

12/1/23 Forecast Non-Residential Property Tax Rate - was 1.391 FY24 and \$1.466 FY23.

\$0.00

Excess Spending Threshold - The Excess Spending Threshold is suspended through 2029.

2.67%

12/1/23 Forecast Avg. State announced income sensitivity rate. FY24 2.33%

ACT 127: AS IN EFFECT DURING FY25 **BUDGET PROCESS**

- Changed the way students are counted for purposes of education spending per student, from Equalized Pupils to LTWADM (long-term weighted average daily membership)
 - Adds new weighting factors for poverty, sparsity, ELL, and update grade level weights
- Built-in a limit on the increase to per LTWADM spending of 10%
 - FY24 spending per equalized pupil has been adjusted by the AOE to spending per LTWADM
 - Districts exceeding 10% increase in per LTWADM spending are subject to review by a Tax Review Board and subject to loss of the following hold harmless benefit
- Provided a hold harmless benefit of capping district tax rate increases to 5% as long as the increase to per LTWADM spending remains under 10%
- Effective through FY29 budget process, or until not needed, whichever happens first
 - Allowing districts to reach “natural” tax rate by 2030 budget development
- Lamoille North’s one-time growth in LTWADM provided the districts with a one-time opportunity to adjust budgets to allow for:
 - Continued pandemic recovery work
 - Absorb economic pressure driving costs upward
 - Hold increases in district tax rates to no more than 5%

ACT 127: W/ PROPOSED LEGISLATIVE CHANGES (AS OF 2.22.24)

- H.850 – signed into Law by the Governor on Thursday 2/22/24
- Eliminates 10% growth in Ed Spending per LTWADM
- Eliminates tax rate review
- Replaces 5% district tax rate increase cap with a five year tapered tax rate discount for “disadvantaged” districts
 - 39 Districts identified as having “lost” a relative percentage of the statewide LTWADM; districts that now have a “reduced piece of the pie”
- Allows districts with extraordinary, non-student expenditures to postpone already warned FY25 budget votes, as long as the postponed vote happens by April 15, 2024

Impact to CES:

- Yield is estimated to increase to \$9,769 from the \$9,452 reported on 12/1/23 and used in our budget development
- Yield going to \$9,769:
 - Cambridge combined district rate drops from a maximum 5% increase to 4.87% increase

Key Considerations: Adjusted for H.850

- Budget Managers and the Principal developed their FY25 budgets based on the needs in the schools, and presented their proposed budgets to the Board
- Budget drafts, economic factors and new legislation was shared and reviewed by the Board throughout the development process
- These budgets:
 - Continue vital pandemic recovery work being provided in our schools
 - Absorb general economic pressures driving costs up
 - Support a move to competitive wages to retain and attract talent for our students
 - Hold growth in district tax rates to less than 5%
 - Apply more than three-quarters of all resources to instruction and student services
- It would take ~\$600,000 of reductions to education spending at CES to create zero change in the district tax rate.
- Finally, it would take ~\$1.65M in reductions at CES to create zero change in the after CLA tax rate

With this in mind:

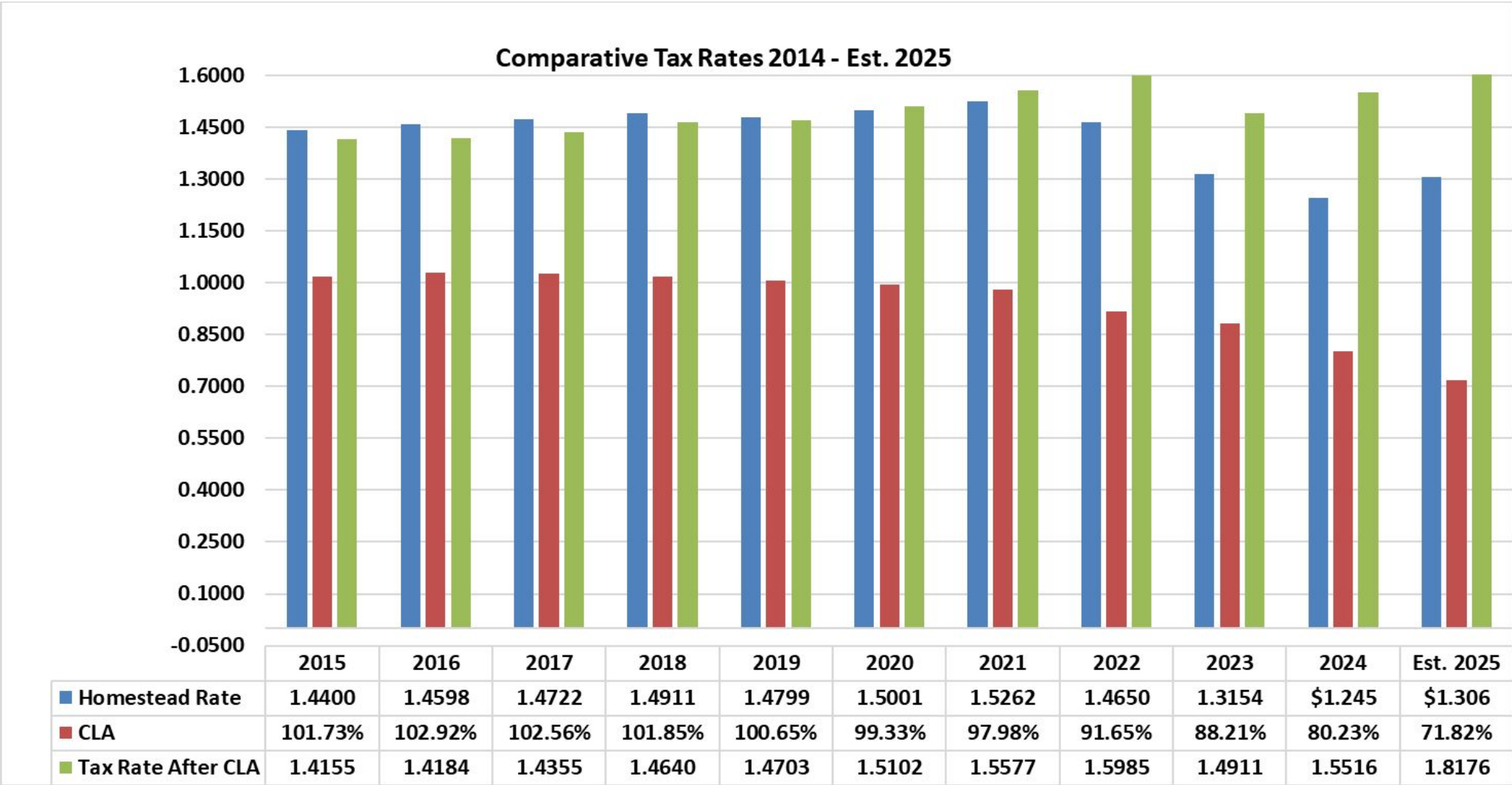
The Board has strategically and reasonably, under the intent of Act 127, utilized a one time opportunity to garner additional State education resources for our students and schools, while minimizing the impact on the district rate

REGARDING THE FOLLOWING ESTIMATED FY25 TAX RATES: **Adjusted for H.850**

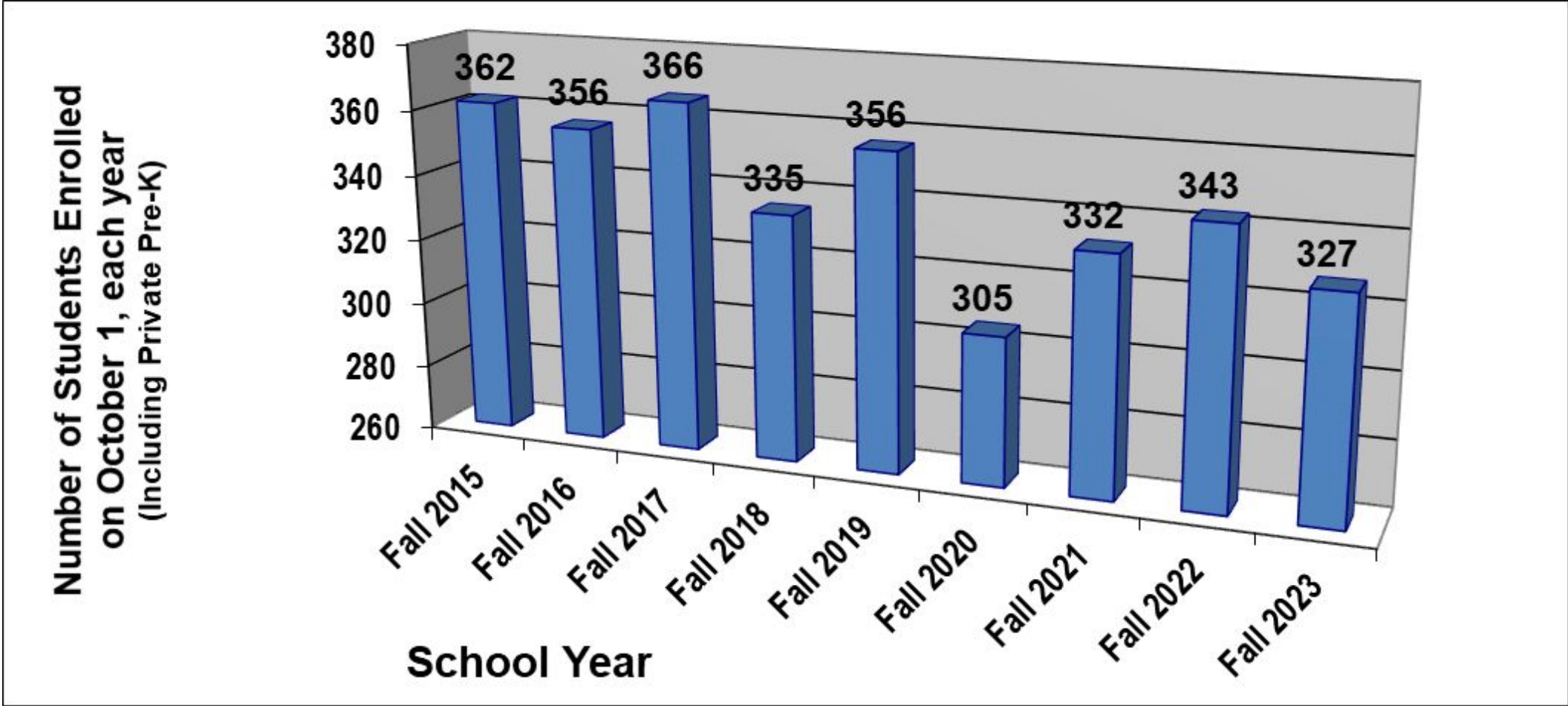
- Est. Increase in Pre-CLA tax rate of 6.06 Cents (4.87% increase) – or \$60.60 per \$100,000 of property value or \$91 for a \$150,000 home
- Increases to student numbers under Act 127 has allowed the district to claim additional resources from the statewide budget, with minimized impact on the base tax rate
- In 2023–2024 tax year over 69% of Lamoille North homesteads will pay education tax based on income
- If statewide budgets come in with lower spending than anticipated, the yield could be adjusted upward and decrease tax rates further
- While the increase to student numbers, along with increases to the yield, have minimized the impact on the base rate, sharp increase in property values continues to drive CLA down, which influences the final town tax rate

| FY24 vs. FY25: as of 3/4/24 | | 2023-2024 Elementary/Secondary | | 2024-2025 Elementary/Secondary [*Includes Grant Expenses & Revenues] | |
|---|---------------|---|--------------------------|---|-------------------|
| LT Weighted ADM (LTWADM) [FY25 LTWADM as of 1/30/24] | | 415.37 <small>(Cam. @ Secondary n/a)</small> | 1390.03 | 516.19 <small>(Cam. @ Secondary 428.45) (Total LTWADM 944.64)</small> | 1583.89 |
| Expenditures | | \$6,709,501 | \$16,492,844 | \$7,128,267 | \$19,880,098* |
| <u>Off-Setting Revenues</u> | | <u>\$837,665</u> | <u>\$1,050,395</u> | <u>\$294,601</u> | <u>\$606,880*</u> |
| Education Spending | | \$5,871,836 | \$15,442,449 | \$6,833,666 | \$19,273,218 |
| Ed Cost/LTWADM (as of 3/4/24) | | \$14,136 | \$11,109 | \$13,239 | \$12,168 |
| Excess Spending Threshold | | N/A | | N/A | |
| Yield (as of 2/8/24) | | N/A | | \$9,769 | |
| Est. Rate (before CLA) | | 1.3120 | 1.1667 | 1.3552 | 1.2456 |
| % of Eq. pupils at each | | 53.80% | 46.20% | 54.64% | 45.36% |
| Base Rate | | .7059 | .5390 | .7405 | .5.650 |
| Blended CES Rate before CLA: | | 1.2449 | | 1.3055 | |
| Homestead Rate | FY2024 | FY2025 | Change in Homestead Rate | Change per \$100,000 | |
| Before CLA | 1.2449 | 1.3055 | .06059 [4.87%] | \$60.59 | |
| CLA | 80.23% | 71.82% | | | |
| Est. Homestead Rate | 1.5517 | 1.8177 | .26595 [17.1%] | \$265.95 | |

Comparative Tax Rates FY2015 – Est. FY2025



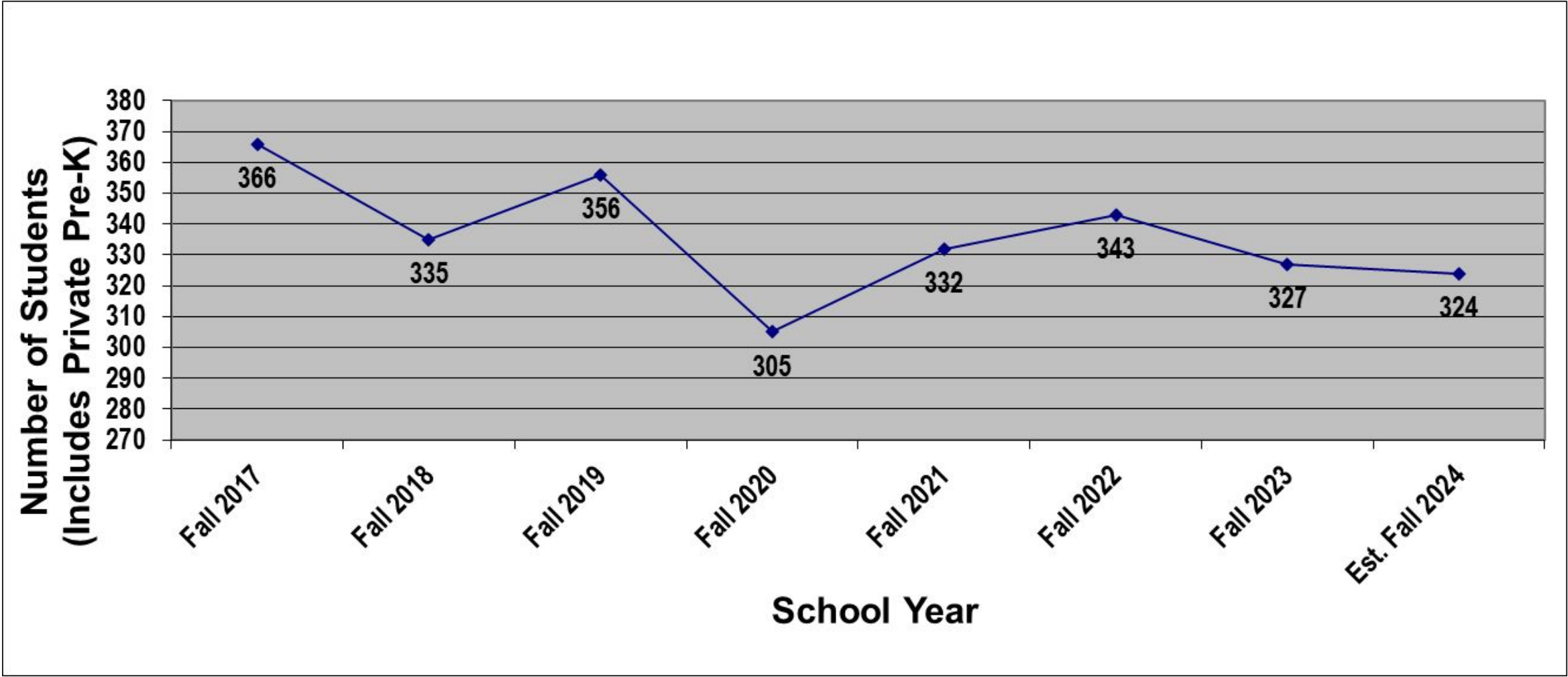
Cambridge Elementary Enrollment Fall 2015 through Fall 2023



School Enrollment Data: Fall 2017 through Projected Fall 2024

| School Year | Grade Pre-K | Grade K | Grade 1 | Grade 2 | Grade 3 | Grade 4 | Grade 5 | Grade 6 | Total Students |
|-------------------|---------------------------|---------|---------|---------|---------|---------|---------|---------|------------------------------|
| 2017-18 | 54 (+17 Private Pre-K) | 39 | 32 | 40 | 44 | 48 | 46 | 46 | PK-6 349 (+17 Private Pre-K) |
| 2018-19 | 44 (+14 Private Pre-K) | 38 | 38 | 31 | 40 | 44 | 45 | 41 | PK-6 321 (+14 Private Pre-K) |
| 2019-20 | 52 (+21 Private Pre-K) | 53 | 37 | 41 | 31 | 40 | 39 | 42 | PK-6 335 (+21 Private Pre-K) |
| 2020-21 | 33 (+18 Private Pre-K) | 41 | 45 | 31 | 38 | 29 | 32 | 38 | PK-6 287 (+18 Private Pre-K) |
| 2021-22 | 41 (+25 Private Pre-K) | 44 | 41 | 50 | 33 | 36 | 26 | 36 | PK-6 307 (+25 Private Pre-K) |
| 2022-23 | 49 (+19 Private Pre-K) | 36 | 42 | 40 | 51 | 38 | 38 | 30 | PK-6 324 (+19 Private Pre-K) |
| 2023-24 | 40 (+16 Private Pre-K) | 35 | 34 | 37 | 41 | 45 | 39 | 40 | PK-6 311 (+16 Private Pre-K) |
| Projected 2024-25 | 42 (+16 Private Pre-K) | 35 | 35 | 34 | 37 | 41 | 45 | 39 | PK-6 308 (+16 Private Pre-K) |

Cambridge Elementary Projected Enrollment: 324 in FY2025



Please
Vote
March 5

• Thank
k
You