



WCUUSD exists to nurture and inspire in all students the passion, creativity and power to contribute to their local and global communities.

To: WCUUSD Finance Committee
From: Flor Diaz Smith, Chair
Meagan Roy, Superintendent
Susanne Gann, Business Administrator
Re: Budget Revote Discussion

The Board previously warned a budget of \$43,810,548, which did not pass on March 5, 2024. This budget represented a 16.14% local education spending increase. The Finance Committee met on March 12, 2024 and requested that the following information be made available for the Board discussion on March 13th.

Budget Decisions:

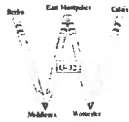
The Board will be facilitating a discussion and taking action on the following related to the budget revote:

1. Identify a budget revote date and timeline for budget adoption, warning and informational meeting.
2. Provide the administration with a budget target. This target will give the administration an overall direction as well as enough information to make determinations about Reductions in Force in order to meet contractual obligations.
 - It is the perspective of the finance committee that it will be important for the Board to focus its discussion on the net education spending. The goal is a budget that meaningfully reduces spending while preserving the opportunities for each of our students. Our hope is that these discussions will result in a budget that our communities can support, and one that will be a step toward making our district sustainable in the years to come.
 - The leadership team will continue to look at all proposals through the lenses of educational quality, equitable distribution of resources and student need.

Possible Timeline:

The Board's attorney has advised the Board on the warning requirements for a revote. [17 VSA 2680\(c\)\(2\)](#) (referenced below) addresses timeline requirements. Because WCUUSD chose to mail all ballots, the Board needs to determine whether they choose to mail them to all voters again for the revote. Either way, ballots need to be made available to voters as close to 20 days before the vote as possible. A possible timeline, taking this into consideration, is offered here for discussion purposes:

March 13: Board adopts budget revote date and provides administration with a budget target.



| | |
|-------------------------------|-----------------------------------------------------------------------------------------------------|
| <u>April 3rd:</u> | WCUUSD Board Meeting: Board adopts Revised Budget as proposed by administration |
| <u>April 4th:</u> | Ballots sent to the printer. Revised budget Warning (for the vote and Public Informational Meeting) |
| <u>April 17th:</u> | Public Informational Meeting |
| <u>April 30th or May 7th:</u> | Revote (date dependent on Board's decision to mail or not mail ballots) |

School Board Parameters (September 2023; Updated November 2023):

The School Board established the following parameters to help guide budget development.

1. Further development of MLSS.
2. Support accelerated growth for students from historically marginalized identities.
3. Support our 3 Pillars: Academic Achievement, Safe & Health Schools, Humanity & Justice.
4. Support investments in school security.
5. Consider configuration changes that realize program quality improvements.
6. Remain under the Act 127 per pupil spending threshold to avoid a tax rate review.
7. ~~Bring proposals that bring Local Education spending increase under 6%.~~
8. Frame budget decisions around Education Quality Standards, Equitable Distribution of Resources and Student Need.

Some Helpful Facts:

- Every 1% reduction in the Local Education Spending equates to a \$316,972 reduction.
- The District's General Fund Balance at the beginning of FY 2023-2024 available for operations is \$2,058,894. Retaining a 2% fund balance makes \$1,337,906 available for operations.

Local Education Spending Models:

| % Local Education Spending Increase / (Decrease) | Local Education Spending Amount | Additional Decrease | Equalized Homestead Tax Rate Projection** | Increase/ (Decrease) in FY24 Equalized Tax Rate |
|---------------------------------------------------------|----------------------------------------|----------------------------|--------------------------------------------------|--------------------------------------------------------|
| 0% | \$31,697,239 | \$5,116,580 | \$1.3629 | (\$.1279) |
| 10% | \$34,866,963 | \$1,946,856 | \$1.4992 | \$.0084 |
| 12% | \$35,500,908 | \$1,312,911 | \$1.5264 | \$.0356 |
| (13%)* | \$27,576,598 | \$9,237,221 | \$1.1857 | (\$.3051) |

**Note: This represents the reductions needed if the budget continued to fail, requiring the district by statute to begin July 1 on an operating budget that is 87% of the FY24 budget. If this scenario occurred, the district would continue to bring revised budgets to vote until passage, at which time they would then begin operating under that passed budget.*

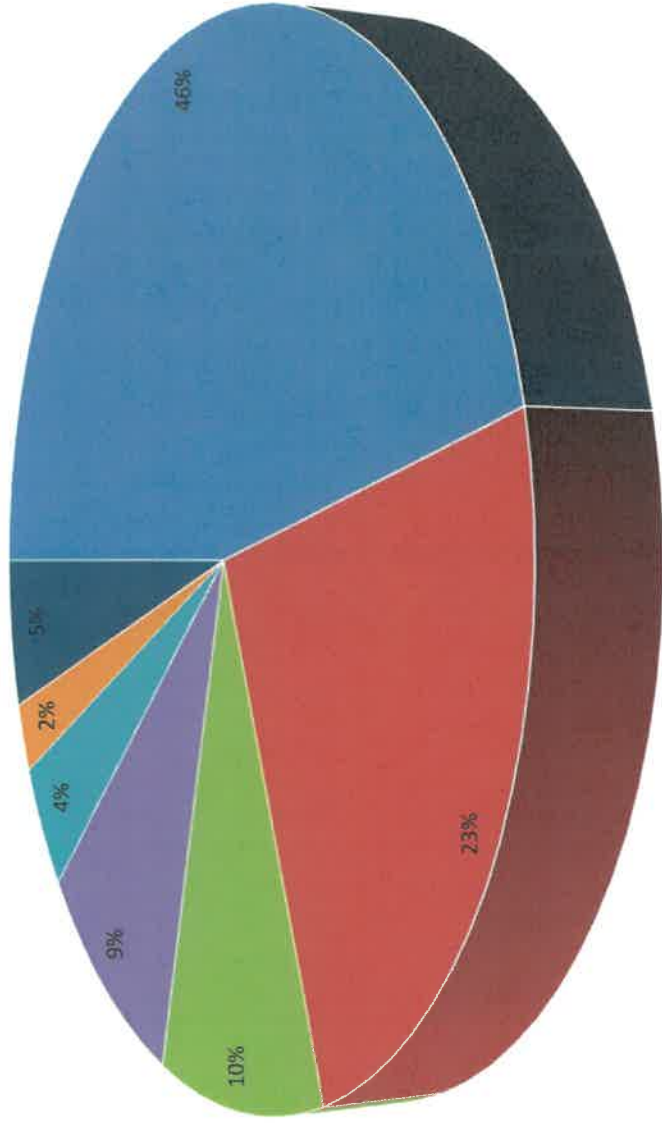
Tax Rate Projections by Town

Below are the tax rate calculations for the five adjustments to local education spending in the table above. These tax rate calculations use an estimated property yield of \$9,785, which is based on information available to the AOE as of Friday, March 8, 2024.

Estimated Change in Taxes on a \$100,000 House

| Towns | 0% LES Increase (Equalized Tax Rate = \$1.3629) | 10% LES Increase (Equalized Tax Rate = \$1.4992) | 12% LES Increase (Equalized Tax Rate = \$1.5264) | 13% LES Decrease (Equalized Tax Rate = \$1.1857) |
|------------------------|--------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------|
| Berlin | \$151 | \$340 | \$378 | -\$94 |
| Calais | \$20 | \$208 | \$246 | -\$225 |
| East Montpelier | \$141 | \$335 | \$373 | -\$111 |
| Middlesex | \$77 | \$267 | \$305 | -\$170 |
| Worcester | -\$21 | \$152 | \$186 | -\$245 |

FY 24-25 WARNED BUDGET



- INSTRUCTIONAL PROGRAMMING
- DIRECT INSTRUCTION-SPECIAL EDUCATION
- ADMINISTRATION
- OPERATION OF PLANT
- STUDENT TRANSPORTATION
- FUND TRANSFER-CAPITAL
- OTHER

