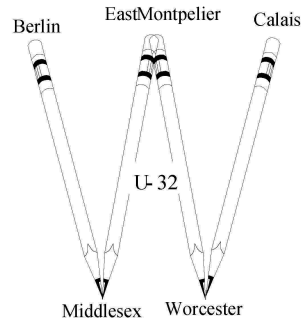


WCUUSD BOARD BUDGET TRAINING:

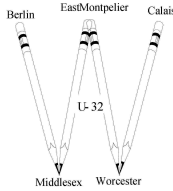
Background, Context and Process Overview



October 18, 2023



THE ROLE OF THE BOARD



Essential Work of School Boards:

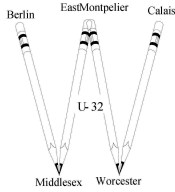
- ▶ Develop and adopt a budget to **support the vision**, and **assure sound financial oversight**.
 - ▶ Overall guidance for budget priorities as well as budget parameters.
 - ▶ Board pays attention to the overall financial health of the district
 - ▶ Input occurs through the identification of Board priorities; not detail level (programs not people)

District Governance Standards

- ▶ The SU/SD follows consistent and financially sound processes to effectively manage its budget, use resources most efficiently, and ensure transparency of financial operations.
- ▶ The SU/SD prepares and presents an annual budget which ensures compliance with federal and other budgeting requirements and demonstrates a clear connection to established SU/SD goals and priorities and, if applicable, the goals and priorities of each member school district within the SU.



GOALS FOR TONIGHT

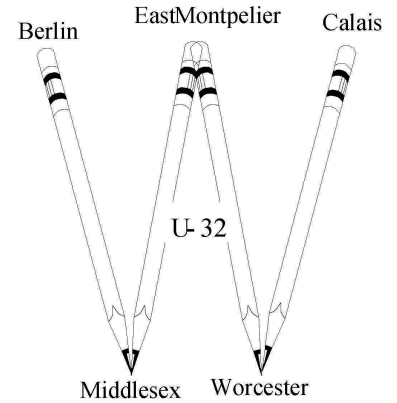


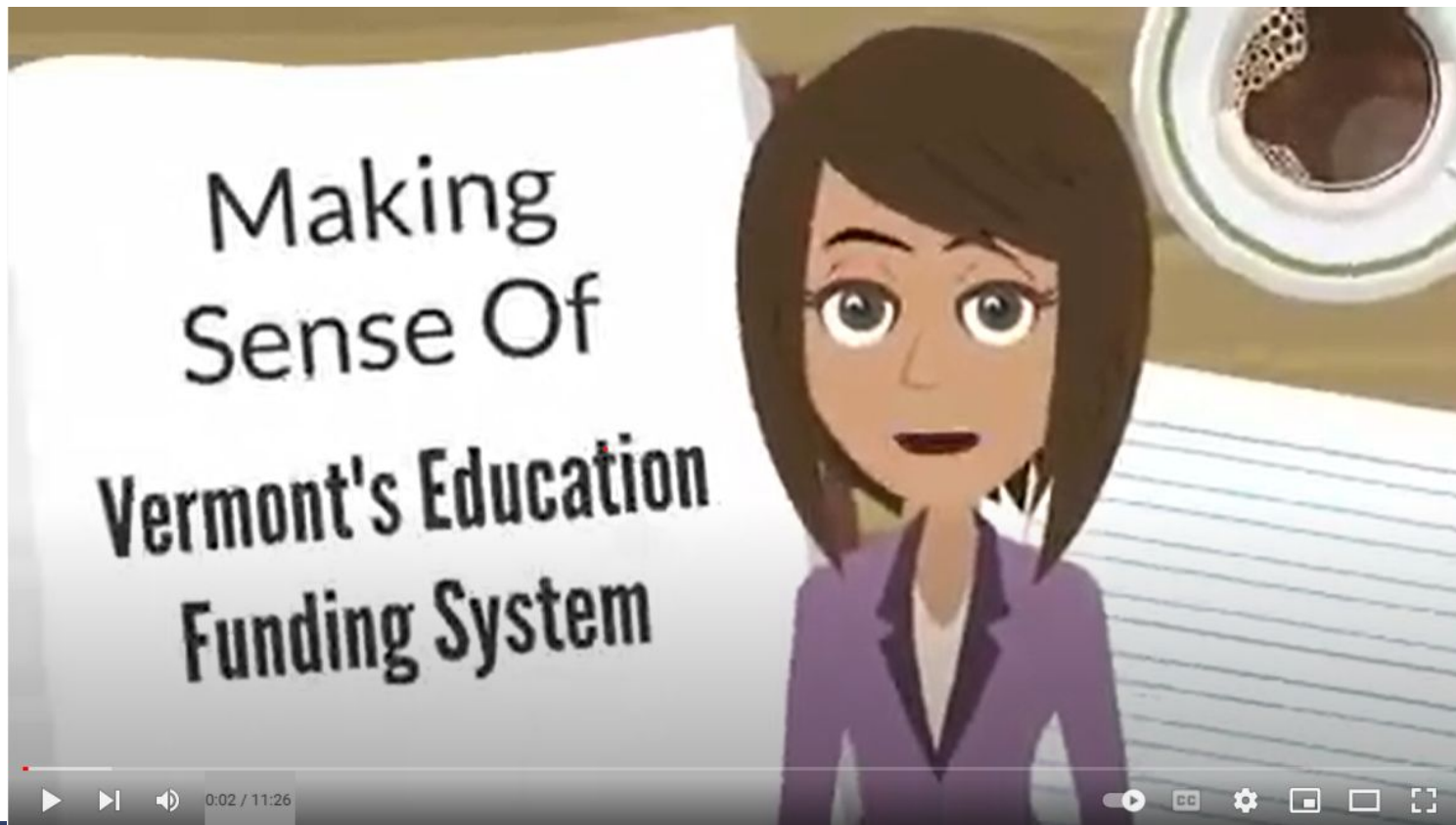
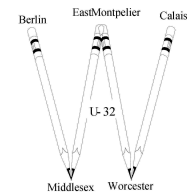
- Provide an overview of Vermont's education funding system
- Understand the WCUUSD budget design process, including our approach to budgeting
- Understand our current budget realities
- Affirm budget parameters





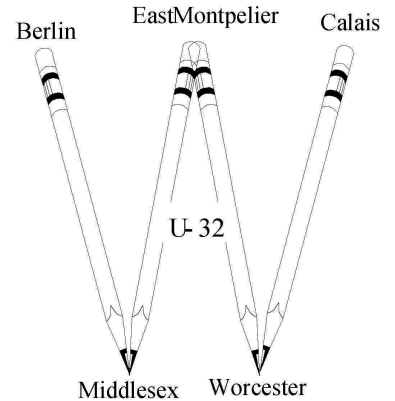
Vermont Education Finance





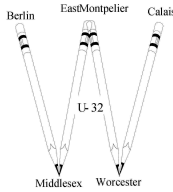


WCUUSD Budget Design Process





BUDGET DEVELOPMENT TIMELINE



October 18th Budget Training and Budget Assumption Approval

November 1st Community Forum - Connecting Our Vision with Budget Realities

November 15th Budget Draft #1

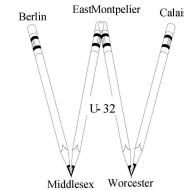
December 20th Budget Meeting

January 17th Approve final budget for warning

March 4th & 5th Annual Meeting and Town Meeting Day Vote



WCUUSD MISSION STATEMENT



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



WCUUSD CORE BELIEFS

Transparent & Responsible Governance:

We believe that all decisions about our schools must center students. We seek to build on our strengths and continue to grow and improve our practices. We commit to making decisions using data and input from the community. We will communicate all of our decisions and processes in a clear and timely way.



Community Engagement & Relationships:

We believe in building strong, positive relationships in our schools and communities. The community must be a part of our schools. We encourage people to talk to each other about our similarities and our differences.



Rigorous Curriculum & Instruction:

We believe that schools should provide a variety of opportunities and experiences that students find meaningful and challenging. Students need to see their lives and the lives of others reflected in materials, resources, books, and lessons. Our learning materials and activities must help students develop a sense of identity, build on their strengths, encourage them to direct their learning experiences, and prepare them to grow and thrive as community members and lifelong learners.



Wellbeing:

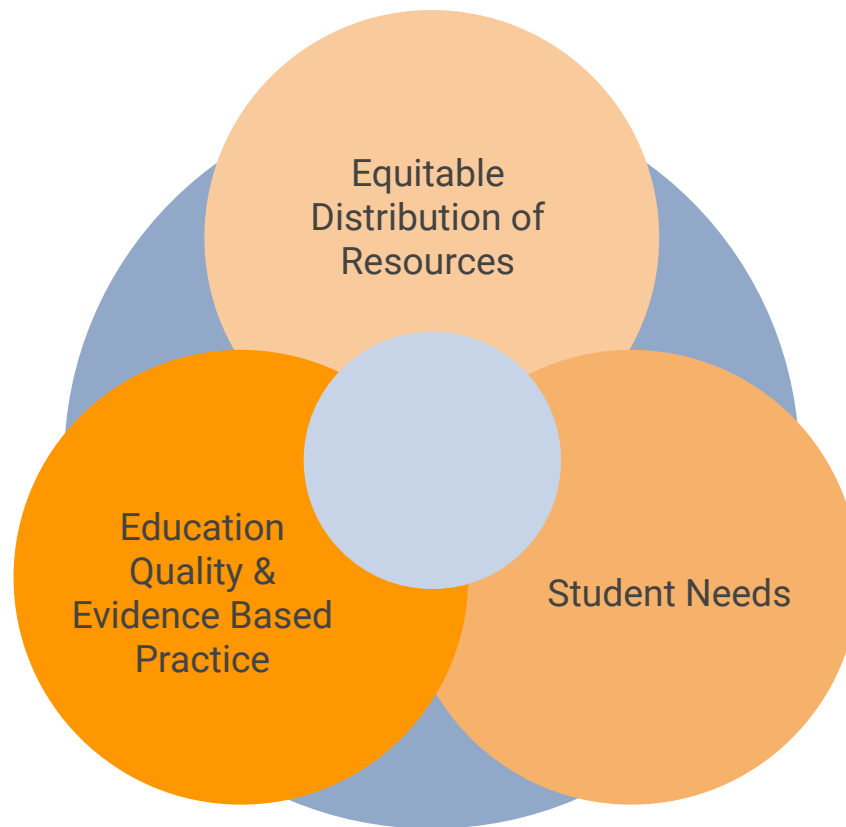
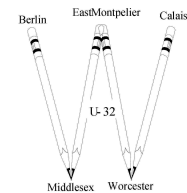
We believe that schools must create a space where all students feel safe and valued. It is important that our schools meet the academic, social-emotional, and physical needs of all students. We foster and practice joy, kindness, empathy, inclusivity, and flexibility.



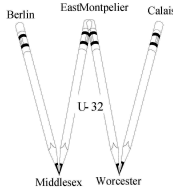
Humanity, Justice, Community, & Belonging:

We respect, value, and welcome all individuals. We strive to make sure everyone feels like they belong by honoring diversity, seeking fairness, and celebrating the different experiences we all bring to this community. We promise to continue to learn and adjust our practices to create a more just and humane world.





FY 2023-24 GENERAL FUND BUDGET



Expenditures

FY 2023 = \$36,169,267

FY 2024 = \$38,921,331

\$ Increase = \$2,752,064

% Difference = 7.61%

The amount the district plans to spend.

Revenues

FY 2023 = \$7,348,250

FY 2024 = \$7,224,092

\$ Decrease = -\$124,158

% Difference = -1.69%

The money the district anticipates receiving to offset expenditures.

Local Education Spending

FY 2023 = \$28,821,017

FY 2024 = \$31,697,238

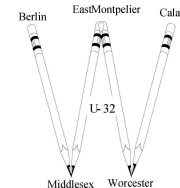
\$ Increase = \$2,876,221

% Difference = +9.98%

The amount that needs to be raised by property taxes.



FY 2023-24 GENERAL FUND BUDGET



Equalized Pupils

FY 2023 = 1,412.82

FY 2024 = 1,376.82

Decrease = -36.00

% Decrease = -2.55%

Equalized pupils is a two-year weighted average of the district's ADM.

Local Spending / Equalized Pupil

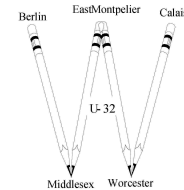
FY 2023 = \$20,400

FY 2024 = \$23,022

\$ Increase = +\$2,622

% Increase = +12.86%

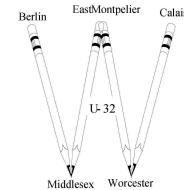
Education spending per equalized pupil determines the equalized tax rate.



Common Level of Appraisal Change from FY 2022-23 to FY 2023-2024

Towns	CLA 2022-23	CLA 2023-24	CLA Reduction
Berlin	94.91%	85.96%	8.95%
Calais	87.66%	79.99%	7.67%
East Montpelier	89.97%	82.97%	7.00%
Middlesex	89.89%	81.78%	8.11%
Worcester	90.65%	85.46%	5.19%





Tax Rate Change from FY 2022-2023 to FY 2023-2024

Towns	Common Level of Appraisal	Post Legislative Session Tax Rates FY 22-23	Post Legislative Session Tax Rates FY 23-24	Increase (Decrease)
Berlin	85.96%	\$1.614	\$1.734	\$0.120
Calais	79.99%	\$1.748	\$1.864	\$0.116
East Montpelier	82.97%	\$1.703	\$1.797	\$0.094
Middlesex	81.78%	\$1.705	\$1.823	\$0.118
Worcester	85.46%	\$1.690	\$1.744	\$0.054

FY 2023-24 Factors:

Equalized Pupils = 1,376.82

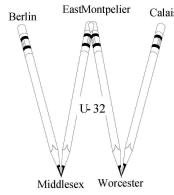
Property Yield = \$15,443

Local Spending/Equalized Pupil = \$23,022

Equalized Tax Rate = \$1.4908

TAX RATE PROJECTIONS - YEAR OVER YEAR





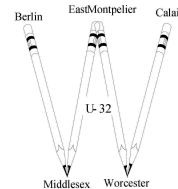
PROJECTED TAX INCREASE BASED ON HOME VALUE

Towns	\$100,000 House Value	\$200,000 House Value	\$300,000 House Value
Berlin	+\$120	+\$240	+\$360
Calais	+\$116	+\$232	+\$348
E. Montpelier	+\$94	+\$188	+\$282
Middlesex	+\$118	+\$236	+\$354
Worcester	+\$54	+\$108	+\$162





LONG-TERM WEIGHTED AVERAGE DAILY MEMBERSHIP REPLACING EQUALIZED PUPILS



Equalized Pupils vs. Long-term Weighted Average Daily Membership (LTW ADM)

FY 2024 Equalized pupils = 1,376.82

FY 2024 LTW ADM = 2,184.51

LTW ADM is a two-year weighted average of the district's ADM plus state placed students.

Spending / Pupil

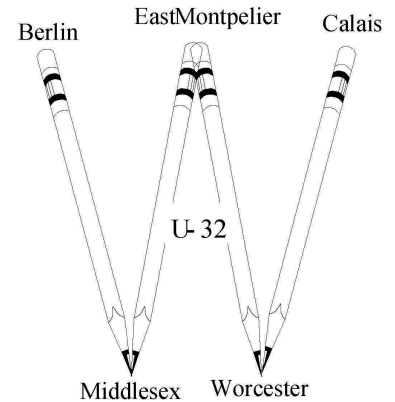
FY 2024 Spending / Equalized Pupil = \$23,022

FY 2024 Spending / LTW ADM = \$14,510

Local Ed Spending / LTW ADM is the education spending per LTW ADM.

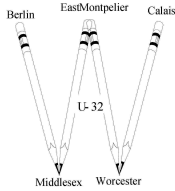


Current Budget Realities



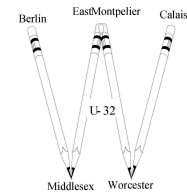


FY25 BUDGET REALITIES

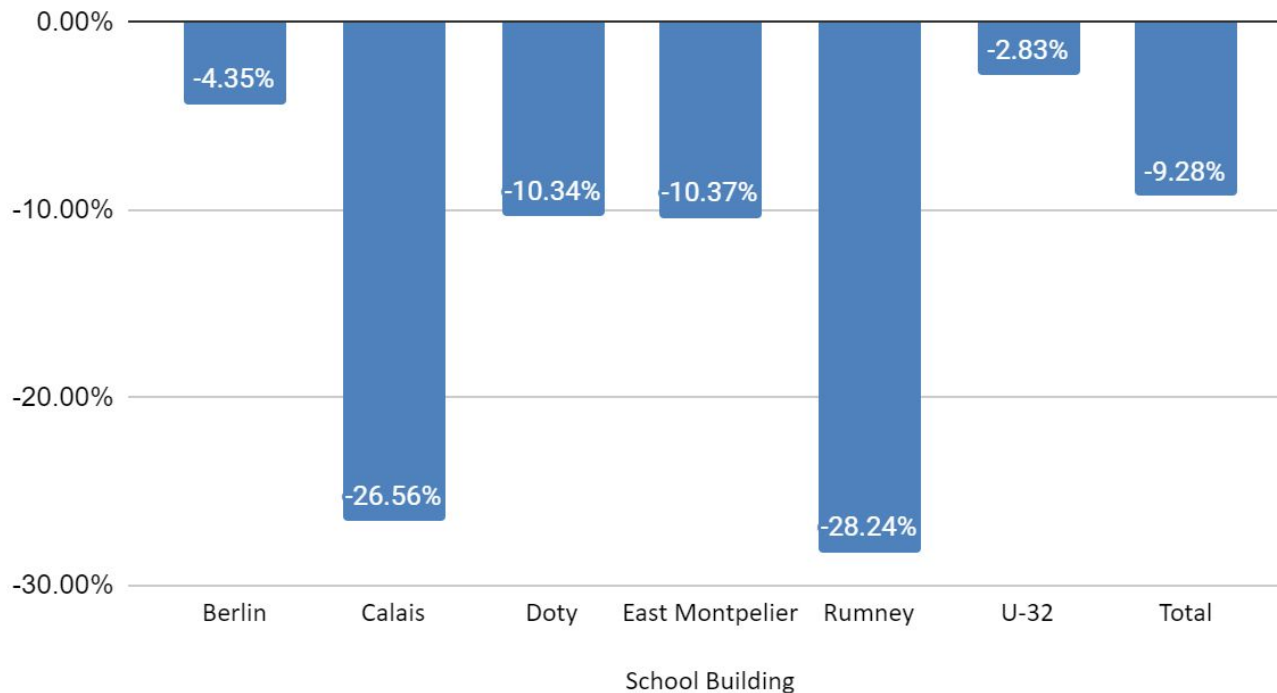


- Sunset of ARP ESSER funds in FY25
- Changes in VT education funding increasingly connects funding to enrollment
 - ▷ Act 173 = decreased funding
 - ▷ Act 127 = increased long-term weighted pupils
- Federal grant impacts (Title, etc)
- Rising labor costs
- Declining enrollment
- Implications of strategic plan implementation

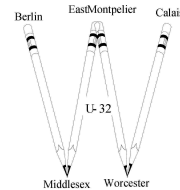




Five-year Enrollment Change FY 20 - FY 24



FY25 BUDGET PARAMETERS

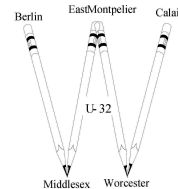


September, 2023

- Further development of MLSS
- Support accelerated growth for students from historically marginalized identities
- Support our 3 Pillars: Academic Achievement, Safe & Health Schools, Humanity & Justice
- Support investments in school security
- Consider configuration changes that realize program quality improvements
- Under the spending threshold ***Act 127 requires a Tax Rate Review if tax rate increase exceeds 10%***
- Net impact under the October inflation rate
- Frame budget decisions around Education Quality Standards, Equitable Distribution of Resources and Student Need



FY25 BUDGET BASELINE



Projected Local Education Spending

FY 2024 = \$31,697,238

FY 2025 = \$35,782,907

\$ Increase = +\$4,085,668

% Difference = +12.89%

- 1% increase = \$316,972
- Need to reduce by \$3,134,751 to achieve a 3% increase in Local Education Spending (October inflation rate not yet known)

QUESTIONS? DISCUSSION

