



# **Barre Unified Union School District**

## **Budget Information Session**

**June 12, 2024**

### **Our Strategic Plan Guides Our Work**

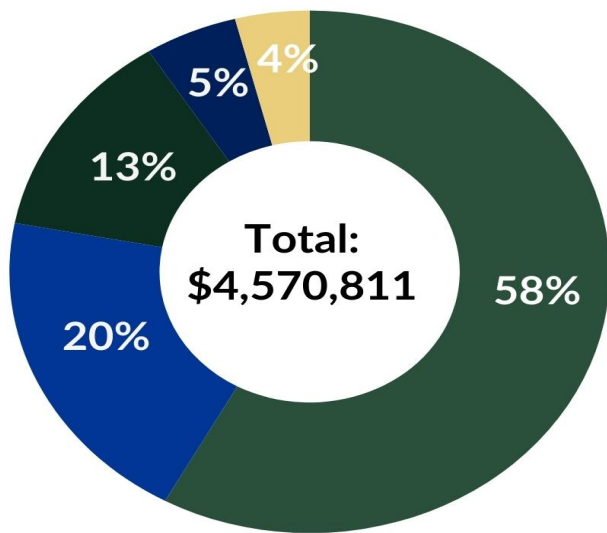
#### **Our Vision**

**A rock solid education for a lifetime of discovery**

#### **Our Mission**

**To build a community of curious learners that empowers student voice and exploration through education, character development, and perseverance, so our students can take on the world's greatest challenges**

## FY25 INCREASES TO BUDGET



- **Salary - Wages**, \$2,849,623
- **Benefits**, \$1,032,829
- **Tuition, inc. CVCC**, \$463,165
- **Contracted Services**, \$198,506
- **Supplies, Equipment, Building Repairs/Utilities, etc.**, \$26,688

## Vote History

	VOTE 1, 3/5	VOTE 2, 5/14	VOTE 3, 6/18
Expenses	55,380,532	\$54,660,337	\$54,186,445
Increase	\$5,764,899	\$5,044,704	\$4,570,812
Tax Rates After CLA BC 76.62% BT 86.93%	\$1.51 \$1.33	\$1.46 \$1.29	\$1.44 \$1.27

## FY 24 & 25 (Vote 3) Comparative Budget Expenses

	<b>FY24</b>	<b>FY25</b>	<b>Percent Increase</b>
General Fund	\$49,615,633	\$54,186,445	+ 9.21%
Grants	\$6,000,000	\$3,500,000	- 42%
Total	\$55,615,633	\$57,686,445	+ 3.7%

5

## FY 24 & 25 (Vote 3) Expenses, Revenues, Education Spending

	<b>FY24</b>	<b>FY25</b>	<b>Percent Increase</b>
Expenses	\$49,615,633	\$54,186,445	+ 11.7%
Revenues	\$9,970,237	\$12,436,936	+ 25%
Education Spending	\$39,645,396	\$41,749,509	+ 5.31%

6

## The Tax Rate: How Is This Calculated?

1) Total BUUSD Expenses	\$57,686,445
2) Less Local Revenues	\$15,936,936
3) Education Spending	<b>\$41,749,509</b>
4) FY25 Long Term Weighted Average Daily Membership (LTWADM)	3703.48
5) <b>Education Spending</b> per LTWADM	<b>\$11,273</b>

## The Tax Rate: How Is This Calculated?

6) LTWADM \$11,273, divided by Yield \$9,893, equals 1.139	1.139 w/.03 discount 1.109
7) Barre City CLA Barre Town CLA	76.62% 86.93%
8) Barre City Homestead Rate Barre Town Homestead Rate	1.448 (increase of 4 cents over last year) 1.276 (increase of 6 cents over last year)

## **Expenses: What We Spend**

**1. TOTAL EXPENSES:** These are the general fund expenses plus any grant-funded expenses.

General Fund Expenses = **\$54,186,445**, an increase of 9.21%,  
or \$4,570,812, from FY24

Grant Fund Expenses = \$3,500,000

**TOTAL EXPENSES: \$57,686,445**

**THIS IS THE NUMBER YOU WILL SEE ON THE BALLOT**

## **Revenues: What Comes In**

**2) GENERAL FUND REVENUE:** This includes tuition from sending schools, the census based grant (special ed. Act 173), extraordinary reimbursement, interest, transportation state aid, tax stabilization, and "miscellaneous."

General Fund Revenues = \$12,436,936

Grant Fund Revenues = \$3,500,000

**TOTAL REVENUES: \$15,936,936**



# Education Spending: Expenses - Revenues

This is the amount that the  
**EDUCATION FUND must support.**

## WHAT IS THE EDUCATION FUND?

- Property taxes contribute to the total Education Fund revenues in Vermont, broken down as follows:
  - \* Homestead Property Tax (YOUR TAXES)
  - \* Non-homestead Property Tax (From Businesses and Second Home Owners)

## Act 127: The Impact of Long Term Weighted Average Daily Membership

**EQUALIZED PUPILS has been changed to LONG TERM WEIGHTED AVERAGE DAILY MEMBERSHIP (LTWADM) due to ACT 127:**

- Act 127 was signed into law in 2022.
- The law included changes to the weighting structure implemented under Act 60 of 1997.
- A study determined that the formula used for determining the costs for educating students was outdated and did not reflect true costs.
- The intent of Act 127 is to allow districts with students deemed to cost more to educate to increase services and educational capacity.
- The **equalized pupil calculation has changed to long-term weighted ADM starting in FY25** with new weights for students.
- Barre's student count increased by nearly 1,500 to a LTWADM of 3,703.48.

## **Act 127: The Impact of Long Term Weighted Average Daily Membership**

**EDUCATION SPENDING PER LTWADM:** Divide LTWADM by the total expenses less revenues:

$$3703.48/\$41,749,509 = \$11,273$$

**THIS IS THE PER-PUPIL SPENDING YOU SEE ON THE BALLOT.**

**ESTIMATED FY25 State Average: \$13,242**

## **Act 127 Changed the weighting factors in FY25**

Factors affecting BUUSD student weights:

- Barre's pupil counts for students who are from economically deprived backgrounds increased considerably this year because Medicaid data can now be used to directly certify students for free and reduced priced meals
- Barre doesn't qualify for sparsity weights
- Barre doesn't qualify for small school status
- Barre has 18 ELL students who were reported in our ADM, Barre qualifies for a \$50,000 grant as well

# Act 127

The impact in numbers:

*FY24 Equalized Pupil Comparison (as proposed by AOE)*

	FY24 EqPupil	FY25 LTWADM	Change
Barre	2,205.25	3,703.48	+1,498.23

15

## What is the Impact of the Property Yield?

**6) EDUCATION SPENDING Per LTWADM:** Divide LTWADM by property yield (9,893).

$$\$11,273 / \mathbf{9,893} = 1.139 \text{ Act 127 Discount } \$ .03$$

1.109



## How Does the CLA Impact Our Taxes?

7) The **CLA**, or "Common Level of Appraisal," is a method of ensuring that each town is paying its fair share of education property tax to the state's Education Fund. This year we have seen unprecedented drops in the CLA across Vermont which means tax rates increased for nearly all towns. School districts have no control over this, but the CLA has a big impact on our tax rates.

**Divide equalized tax rate by CLA.**

**$1.109 / 76.62\% = 1.448$  ADJUSTED TAX RATE**

**$1.109 / 86.93\% = 1.276$  ADJUSTED TAX RATE**

## How Does the CLA Impact Our Taxes?

8) **HOMESTEAD TAX RATE:** The tax rates are applied per \$100 of property valuation.

**1.448 TAX RATE for BC, Increase of 4 cents**

**1.276 TAX RATE for BT, Increase of 6 cents**

## RECAP: How is the Tax Rate Calculated?

### TAX RATE CALCULATION: Barre City

$$\$57,686,445 - \$15,936,936 =$$

$$\$41,749,509 / 3703.48 =$$

$$\$11,273 / 9,893 =$$

$$1.139 - .03 / 76.62\% =$$

**1.448**

## RECAP: How is the Tax Rate Calculated?

### TAX RATE CALCULATION: Barre Town

$$\$57,686,445 - \$15,936,936 =$$

$$\$41,749,509 / 3703.48 =$$

$$\$11,273 / 9,893 =$$

$$1.139 - .03 / 86.93\% =$$

**1.276**

## FY25 Education Taxes (Next Year)

	Barre City	Barre Town
100K Assessed Home, Education Taxes	\$1,448 + \$41 more than FY24	\$1,276 + \$62 more than FY24
200K Assessed Home, Education Taxes	\$2,896 + \$82 more than FY24	\$2,552 + \$124 more than FY24
300K Assessed Home, Education Taxes	\$4,344 + \$123 more than FY24	\$3,828 + \$186 more than FY24

**\*\*Taxes are Displayed as an Annual Amount\*\***

On **Tuesday, June 18, 2024**, Barre City & Barre Town residents will have the opportunity to vote on the Barre Unified Union School District's FY25 budget.

# Your Vote Counts!

Here is the language you will see on your ballot:

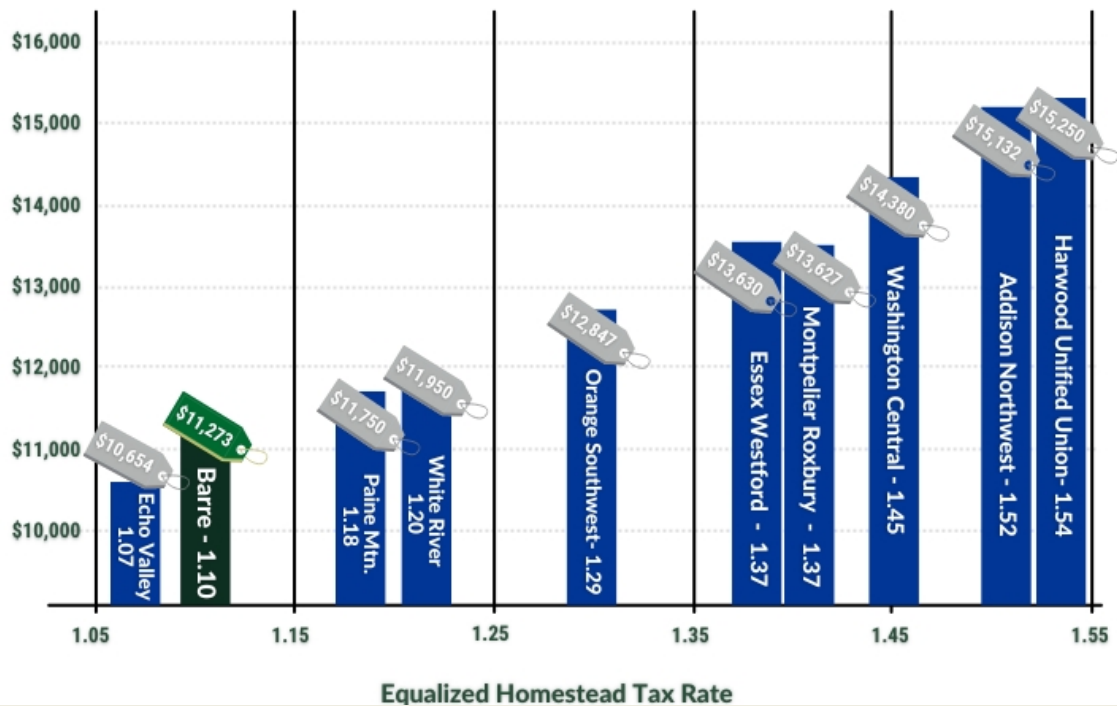
### **BALLOT**

Shall the voters of the Barre Unified Union School District approve the school board to expend **\$57,686,445**, which is the amount the school board has determined to be necessary for the ensuing fiscal year? It is estimated that this proposed budget, if approved, will result in education spending of \$11,273 **per Long Term Weighted Average Daily Membership (LTWADM)**.

Visit [buusd.org/budget](https://buusd.org/budget) for more information about this year's budget.

You can request a ballot to be mailed to you through the City & Town Clerk or the My Voter Page online at [mvp.vermont.gov](https://mvp.vermont.gov)

## Proposed Per Pupil Spending By District



23

## Property Tax Credit

The Vermont Property Tax Credit assists many Vermont homeowners with paying their property taxes. The maximum credit is \$5,600 for the State education property tax portion and \$2,400 for the municipal property tax portion.

2024 Property Tax Calculator: <https://tax.vermont.gov/document/2024-property-tax-credit-calculator>

### Eligibility

- Your property qualifies as a homestead, you have filed a [Homestead Declaration](#) for the current year's grand list.
- You were [domiciled](#) in Vermont for the entire taxable year.
- You were not claimed as a dependent of another taxpayer.
- You owned and occupied the property as your homestead as of April 1.
- If you meet these requirements, except that your homestead is leased to a tenant as of April 1, you may still claim it as a homestead if it is not leased for more than 182 days in the claim year.
- You meet the household income criteria (see form for current year income limit).

24



# If the budget fails on June 18

## 16 V.S.A. § 566. Authority to borrow

*Notwithstanding the provisions of subdivision 562(9) of this title, if a budget for the support of schools for the ensuing year has not been approved on or before June 30 of any year, the school board **may borrow funds necessary to enable it to operate the schools on a budget of up to 87 percent** of the most recently approved school budget. If the school board borrows money under this section, it shall determine how all funds shall be expended*

- Intended to be a bridge to keep districts operating
- Votes shall continue until a budget is passed 16 V.S.A. § 4028(a)
- Borrowing capacity is 87% of the prior year budget less ed fund cash receipts

16 V.S.A. § 4028. Fund payments to school districts

a) *On or before September 10, December 10, and April 30 of each school year, one-third of the adjusted education payment under section 4011 of this title shall become due to school districts, except that districts that have not adopted a budget by 30 days before the date of payment under this subsection shall receive one-quarter of the base education amount and upon adoption of a budget shall receive additional amounts due under this subsection.*

- FY2025 base amount is \$13,063
- Each payment made is 25% the base amount multiplied by LTW ADM (previously erred and said 25% for the entire year, which is wrong, 25% each time)
- After passage of a budget, a true-up will occur between payments made and ed spending actually owed the district. A district may have to pay back the ed fund
- Eligible categorical aid will be paid as usual



Barre could borrow up to 87% of prior year expense budget:  
\$43,165,600

This would need to be a line of credit, not a revenue anticipation note.

Education Fund payments would still be received on:  
Sept 10th=\$12,094,640  
December 10th=\$12,094,640  
April 10th=\$12,094,640

Categorical Grants would still be received as well: Approx. \$10,117,486

The remaining funding will be received once a budget passes.



## Tax Rates without a passed budget

- For districts without a passed budget, tax bills of \$1.00 adjusted for CLA will go to member towns as an interim tax rate

***Barre City: \$1.00 / 76.62% = \$1.31***

***Barre Town: \$1.00 / 86.93% = \$1.15***

- Tax rates are released June 30<sup>th</sup>
- True-up of education taxes raised will occur upon passage of a budget and after the reconsideration period
- Taxpayers will see an increase in tax bills when the revised bills are sent out

**Thank you for spending the time to  
learn more about our budget!**



***Please help your friends and neighbors get out to vote.***