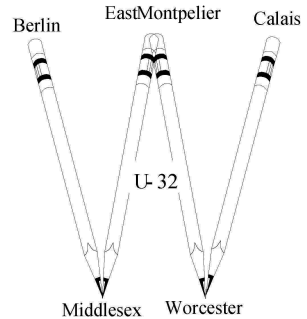


# WCUUSD BOARD BUDGET TRAINING:

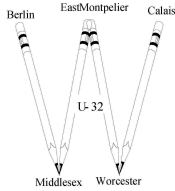
*Background, Context, Process Overview, and  
Configuration Baseline Budgets*



September 18, 2024



# THE ROLE OF THE BOARD



## Essential Work of School Boards:

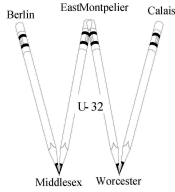
- ▶ Develop and adopt a budget to **support the vision**, and **assure sound financial oversight**.
  - ▶ Overall guidance for budget priorities as well as budget parameters.
  - ▶ Board pays attention to the overall financial health of the district
  - ▶ Input occurs through the identification of Board 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

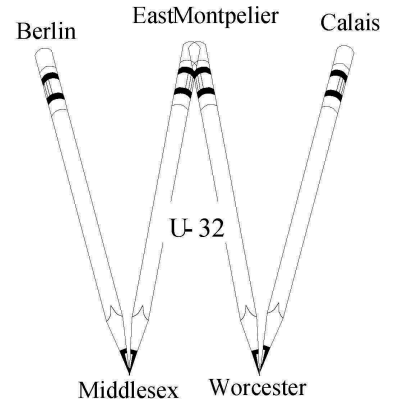


- Understand the WCUUSD budget design process, including our approach to budgeting
- Understand our current budget realities
- Review Configuration Budgets
- Set budget parameters



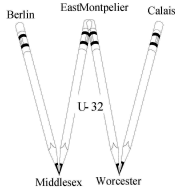


# WCUUSD Budget Design Process





# BUDGET DEVELOPMENT TIMELINE



**September 18th** Budget Training, Budget Assumption Approval, Capital Improvement Project Budget

**October 1st** Configuration Options

**October 16th** Budget Draft #1 Presentation

**November 6th** Community Engagement Meeting Draft #1

**November 20th** Budget Draft #2

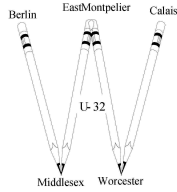
**December 18th** Community Presentation and Budget Draft #3

**January 15th** Final FY 26 Budget Warned

**March 3rd & 4th** Informational 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.

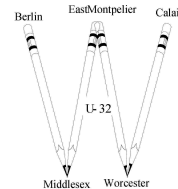


## **Humanity, Justice, Community, & Belonging:**

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.

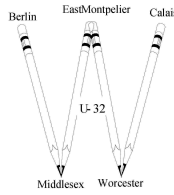


# Goals of the Strategic Plan



- 1. Build and nurture a culture of well-being and inclusivity.**
- 2. Challenge, empower, and engage each student through evidence-based instructional strategies and curriculum, and varied educational opportunities.**
- 3. Foster and commit to responsible leadership that engages the community and communicates transparently.**

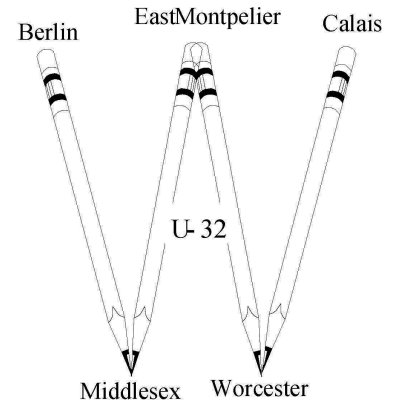


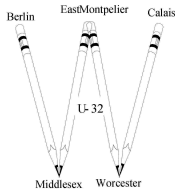


# BUDGET DEVELOPMENT ASSUMPTIONS

- Contractual increases
- Health Insurance premium estimated increase of 15%
- Inflationary increases for non-payroll expenses
- Capital Fund transfer
- Debt service updated
- Estimated reduction in Tuition Revenues (\$119,939)
- Removed FY 25 Budget use of fund balance (\$485,291)
- Very rough estimates for tax rate using estimated LTW ADM and current year CLA and property yield
- Reduction in Grant funds requires positions to be in General Fund

# FY 26 Baseline Budgets

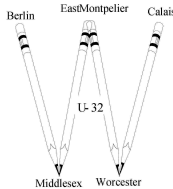




# NET EDUCATION SPENDING

**Baseline Budget: 12.48% net education spending increase**

- Percentages for board consideration
  - ▷ Every 1% increase in the budget = \$341,803.
  - ▷ A 3% increase in the budget = \$1,025,410 in additional spending.
  - ▷ Reducing to a 3% increase in the budget will require us to cut \$3,240,745.



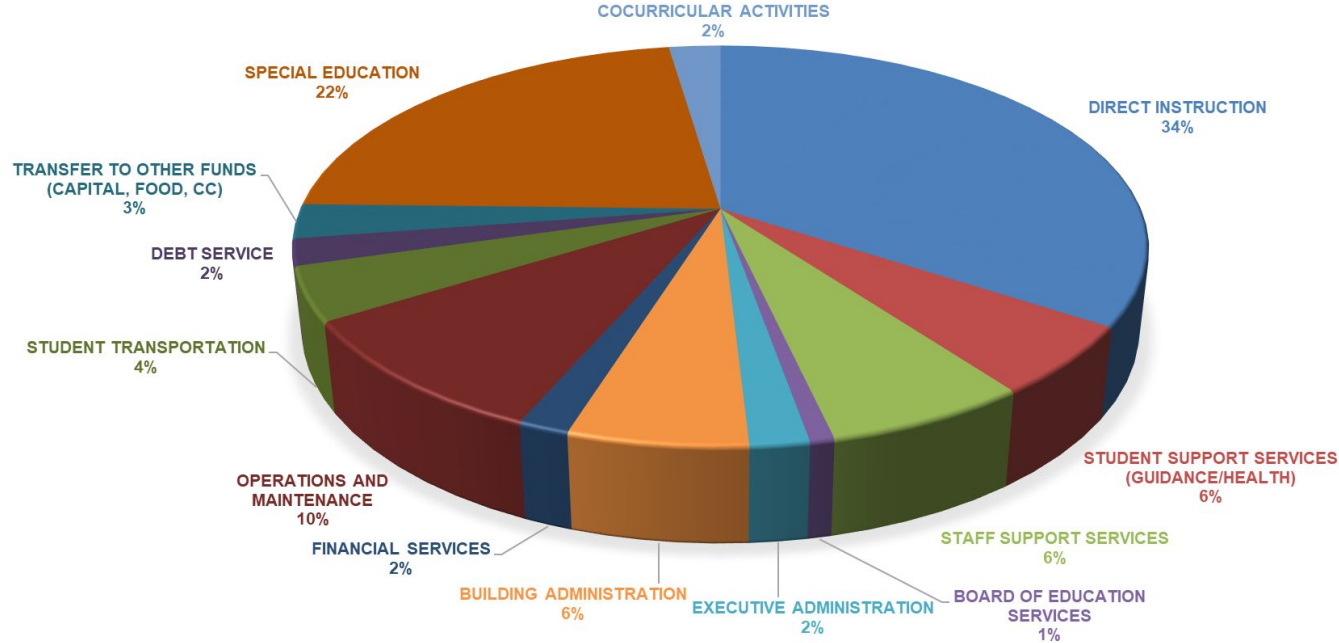
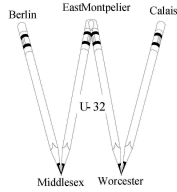
## NET EDUCATION SPENDING (cont.)

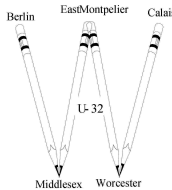
**Baseline Budget: 12.48% net education spending increase**

### ■ Excess Spending Threshold

- ▷ The excess spending threshold = \$16,108.20 per LTW ADM.
- ▷ The estimated LTW ADM for the FY 26 budget is 2,355.11.
- ▷ The estimated excess spending threshold is \$37,936,583.
- ▷ The budget will need to be reduced by \$509,917 to get us under the excess spending threshold.

# FY 2025-2026 Baseline Budget Current Configuration

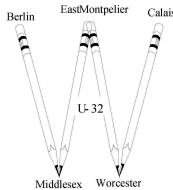




# NET EDUCATION SPENDING

*Configuration Budget: 5.49% net education spending increase*

- Percentages for board consideration
  - ▷ Every 1% increase in the budget = \$341,803.
  - ▷ A 3% increase in the budget = \$1,025,410.
  - ▷ Reducing to a 3% increase in the budget will require us to cut \$849,630.



## NET EDUCATION SPENDING (cont.)

### **Baseline Budget: 5.49% net education spending increase**

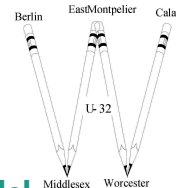
#### ■ Excess Spending Threshold

- ▷ The excess spending threshold = \$16,108.20 per LTW ADM.
- ▷ The estimated LTW ADM for the FY 26 budget is 2,355.11.
- ▷ The estimated excess spending threshold is \$37,936,583.
- ▷ The budget is under the estimated excess spending threshold.





# WCUUSD General Fund: FY 2025-2026 Baseline Budgets



## Current Configuration

### Expenditures

FY 2025 = \$41,662,364

FY 2026 = \$45,434,612

\$ Increase = +\$3,772,248

% Difference = +9.05%



### Revenues

FY 2025 = \$7,482,020

FY 2026 = \$6,988,113

\$ Decrease = -\$493,907

% Difference = -6.60%



### Net Education Spending

FY 2025 = \$34,180,343

FY 2026 = \$38,446,499

\$ Increase = +\$4,266,155

% Difference = +12.48%

## Three Pre-K to 5th Grade / One 6-12 U-32 Model

### Expenditures

FY 2025 = \$41,662,364

FY 2026 = \$43,043,497

\$ Increase = +\$1,381,133

% Difference = +5.49%



### Revenues

FY 2025 = \$7,482,020

FY 2026 = \$6,988,113

\$ Decrease = -\$493,907

% Difference = -6.60%



### Net Education Spending

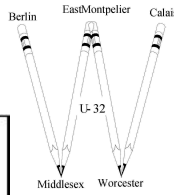
FY 2025 = \$34,180,343

FY 2026 = \$36,055,384

\$ Increase = +\$1,875,040

% Difference = +5.49%

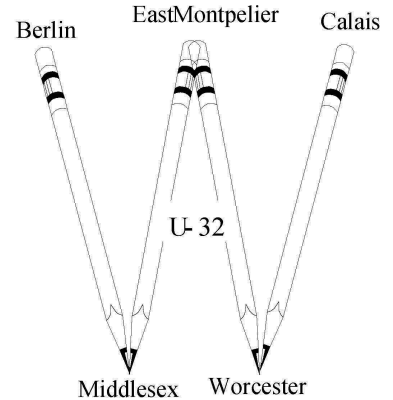
# Budget By Building and Per Pupil



Location	Baseline Budget	Projected FY 26 Enrollment	Percent of Total	Per Pupil Calculation
Berlin	\$5,090,899	181	13.89%	\$ 28,127
Calais	\$2,956,900	85	6.52%	\$ 34,787
Worcester	\$1,939,110	61	4.68%	\$ 31,789
East Montpelier	\$6,067,130	179	13.74%	\$ 33,895
Middlesex	\$3,432,637	111	8.52%	\$ 30,925
U-32	\$18,959,824	686	52.65%	\$ 27,638
District Total	\$38,446,499	1,303	100.00%	\$ 29,506
WCUUSD allocated above by pupil	\$8,265,688			
Location	3 PreK-5 Schools / 1 6-12 School	Projected FY 26 Enrollment	Percent of Total	Per Pupil Calculation
Berlin	\$4,865,811	154	11.82%	\$ 31,596
Calais	\$85,924	-	0.00%	
Worcester	\$47,689	-	0.00%	
East Montpelier	\$7,274,757	230	17.65%	\$ 31,629
Middlesex	\$4,332,450	150	11.51%	\$ 28,883
U-32	\$19,448,753	769	59.02%	\$ 25,291
District Total	\$36,055,384	1,303	100.00%	\$ 27,671
WCUUSD allocated above by pupil	\$8,214,888			

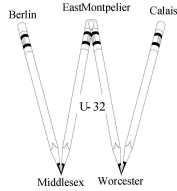
# FY 26 Rough Tax Rate Estimates

*Baseline Budgets*





# FY 2025-2026 Baseline Budgets



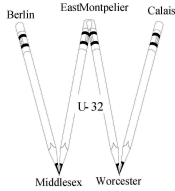
## Local Ed Spending (LES) / Long-term Weighted Average Daily Membership (LTW ADM)

<b>LTW ADM Estimate = 2,355.11</b>	<b>Current Configuration Baseline Budget</b>	<b>Reconfiguration Budget</b>
Spending Per LTW ADM	\$16,325	\$15,309
\$ Change from FY 25 (\$14,380)	+\$1,945	+\$929
% Change from FY 25	+13.53%	+6.46%



# WCUUSD TAX RATE PROJECTIONS

## FY 2025 - 2026



### Tax Rate Change from FY 2024-2025 to FY 2025-2026 Baseline Budget

Towns	Common Level of Appraisal (current year)	Post Legislative Session Tax Rates FY 24-25	Estimated Tax Rates FY 25-26 Baseline	\$ Increase (Decrease)	% Increase (Decrease)
Berlin	72.29%	\$2.0108	\$2.2827	\$0.2719	13.52%
Calais	72.34%	\$2.0094	\$2.2811	\$0.2717	13.52%
East Montpelier	70.33%	\$2.0668	\$2.3463	\$0.2795	13.52%
Middlesex	71.72%	\$2.0268	\$2.3008	\$0.2740	13.52%
Worcester	79.09%	\$1.8379	\$2.0864	\$0.2485	13.52%

#### Factors Used:

LTW ADM = 2,355.11 (estimate)

CLA - Statewide Adj by Town (current FY 25)

Property Yield = \$9,893 (current FY 25)

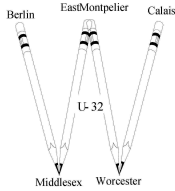
Spending LTW ADM = \$16,325

Equalized Homestead Tax Rate = \$1.6501



# WCUUSD TAX RATE PROJECTIONS

## FY 2025 - 2026



### Tax Rate Change from FY 2024-2025 to FY 2025-2026 Reconfiguration

Towns	Common Level of Appraisal (current year)	Post Legislative Session Tax Rates FY 24-25	Estimated Tax Rates FY 25-26 Reconfiguration	\$ Increase (Decrease)	% Increase (Decrease)
Berlin	72.29%	\$2.0108	\$2.1407	\$0.1299	6.46%
Calais	72.34%	\$2.0094	\$2.1392	\$0.1298	6.46%
East Montpelier	70.33%	\$2.0668	\$2.2003	\$0.1335	6.46%
Middlesex	71.72%	\$2.0268	\$2.1577	\$0.1309	6.46%
Worcester	79.09%	\$1.8379	\$1.9566	\$0.1187	6.46%

#### Factors Used:

LTW ADM = 2,355.11 (estimate)

CLA - Statewide Adj by Town (current FY 25)

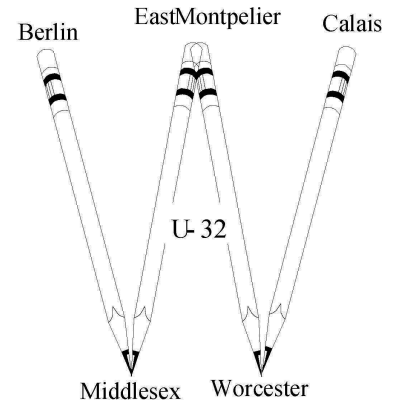
Property Yield = \$9,893 (current FY 25)

Spending LTW ADM = \$15,309

Equalized Homestead Tax Rate = \$1.5475

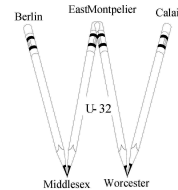


# Current Budget Realities





# FY 26 Budget - Board Guidelines



- Remain under the per pupil spending threshold - currently estimated at \$37,936,583 net ed spending (dependent on LTW ADM)
- Consider configuration changes that realize program quality improvements
- Frame budget decisions around meeting goals of the Strategic Plan
- Support accelerated growth for students from historically marginalized identities
- Further development of Multi-Layer System of Supports

# QUESTIONS? DISCUSSION

