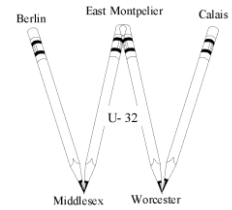


Washington Central Unified Union School District

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

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Steven Dellinger-Pate
Superintendent



TO: WCUUSD Finance Committee
FROM: Steven Dellinger-Pate, Superintendent
Susanne Gann, WCUUSD Business Administrator
RE: FY 26 Tax Rate Projections Update
DATE: January 22, 2025

Tax Rate Projections Updated: The [December 1 letter from the Tax Commissioner](#) provided a preliminary estimate for the Homestead Property Yield at \$11,879. New legislation starting July 1, 2025 applies a statewide adjustment for the average CLA to the property yield and town CLAs. The statewide adjustment of 72% makes the adjusted yield \$8,553 ($\$11,879 \times .72$), which is a decrease from last year's final property yield of \$9,893. This yield is impacted by the average expected growth in per pupil spending across the state, as well as the income yield and the non-homestead property tax rate, which will be set by the legislature.

- The final long-term weighted average daily membership (LTW ADM) of 2,370.68 was used to project the tax rate. This is 96.5 more than previous estimates.
- The Annual Property Valuation and Review Report provided updated Common Level of Appraisal for each town. All CLAs were slightly lower than the early projections received from the Tax Department.
- The per pupil excess spending threshold is currently estimated at \$15,926 by the AOE. The per pupil spending for Draft #3 is \$15,272, which is below the per pupil excess spending threshold.
- **The local spending per equalized pupil is a 6.20% increase over FY 2024-25 from \$14,380 to \$15,272. This is the per pupil amount currently included in the warning.**
- The equalized tax rate, using \$8,553 as the property yield, is an increase of \$.3319 or 22.83% from \$1.4536 in FY 2024-25 to \$1.7855 in FY 2025-26. Without the statewide adjustment to the yield, the FY 2025-26 equalized tax rate would have been 1.2856, **which would have been a decrease of \$.1680 or 11.56%.**
- The estimated changes per \$100,000 house value range from a \$93 decrease per year in Berlin to a \$367 per year increase in Worcester.

Common Level of Appraisal Change from FY 2024-2025 to FY 2025-2026

Towns	CLA 24-25	CLA 25-26	CLA Reduction	SWA CLA*
Berlin	72.29%	67.38%	-4.91%	93.12%
Calais	72.34%	62.68%	-9.66%	86.62%
East Montpelier	70.33%	61.59%	-8.74%	85.12%
Middlesex	71.72%	65.33%	-6.39%	90.28%
Worcester	79.09%	58.59%	-20.50%	80.97%

*SWA CLA is the Statewide Adjusted CLA: CLA/.72

FY 2025-26 Budget Draft #3 Tax Rate Projection – Equalized Tax Rate = \$1.7855

Towns	SWA Common Level of Appraisal Estimates	Post Legislative Session Tax Rates FY 24-25	Estimated Tax Rates FY 25-26	Increase (Decrease)	Increase per \$100,000 House Value
Berlin	93.12%	\$2.0108	\$1.9174	-\$0.0934	-\$93
Calais	86.62%	\$2.0094	\$2.0613	+\$0.0519	+\$52
East Montpelier	85.12%	\$2.0668	\$2.0976	+\$0.0308	+\$31
Middlesex	90.28%	\$2.0268	\$1.9778	-\$0.0490	-\$49
Worcester	80.97%	\$1.8379	\$2.2052	+\$0.3673	+\$367

Factors that will change the preliminary tax rate:

- The final property yield, income yield and non-homestead tax rates are set by the legislature based on reports statewide as we progress in the budget development process, and may change post-legislative session.

Next Steps:

1. The Board adopts the final budget to be warned for the vote in March. The warning must be posted by January 23, 2025.
2. The School Board continues to work to inform and engage the community in the budget process.

WASHINGTON CENTRAL UNIFIED UNION SCHOOL DISTRICT
 COMPARATIVE SUMMARY
 FY 2024 - 2025 BUDGET vs. FY 2025-2026 DRAFT #3

	BUDGET 2024-25	\$ INCREASE (DECREASE)	BUDGET 2025-26	BUDGET % CHANGE
SALARIES AND BENEFITS				
Salaries		\$ 575,523		1.38%
Benefits		\$ 608,234		1.46%
TOTAL SALARY & BENEFITS	\$ 29,052,369	\$ 1,183,757	\$ 30,236,126	2.84%
NONSALARY ITEMS				
Estimated inflationary costs offset by line item reductions		\$ (116,154)		-0.28%
Tuition to Other School Districts (Tech Centers)		\$ 69,667		0.17%
Interest on Short-term Debt		\$ (5,168)		-0.01%
Transportation		\$ 278,509		0.67%
Debt Service		\$ (22,963)		-0.06%
Fund Transfer - Capital		\$ (423,252)		-1.02%
Fund Transfer - Food Service		\$ 12,995		0.03%
Special Education		\$ 585,247		1.40%
TOTAL NONSALARY ITEMS	\$ 12,609,995	\$ 378,882	\$ 12,988,877	0.91%
TOTAL EXPENSE INCREASES / (DECREASES)	\$ 41,662,364	\$ 1,562,639	\$ 43,225,002	3.75%
REVENUE CHANGES				
Tuition		\$ (190,079)		-0.46%
Investment Earnings		\$ 32,896		0.08%
Miscellaneous Revenues		\$ (14,624)		-0.04%
Miscellaneous State Reimbursements		\$ 100,801		0.24%
Special Ed Revenues		\$ 95,427		0.23%
Fund Balance		\$ (485,291)		-1.16%
TOTAL REVENUE INCREASES / (DECREASES)	\$ 7,482,020	\$ (460,870)	\$ 7,021,150	-6.16%
LOCAL EDUCATION SPENDING INCREASE (DECREASE)	\$ 34,180,343	\$ 2,023,509	\$ 36,203,852	5.9201%

Baseline Budget Comparison
 Local Education Spending was \$38,446,499 or a 12.48% increase.
 The budget was reduced \$2,242,647 from the baseline budget.

Percentages for consideration
 Every 1% increase in the budget = \$341,803.
 A 3% increase in the budget = \$1,025,410.
 A 3% increase in the budget will require us to cut \$802,640.

Excess Spending Threshold
 The excess spending threshold = \$15,926 per LTW ADM.
 The estimated LTW ADM for the FY 26 budget is 2,370.68.
 The estimated excess spending threshold is \$37,755,449.68
 This budget is below the estimated excess spending threshold by \$1,551,597.68.