

Budget Preparation

October School Board Discussion - FY 17

October, 2015



Budget Process and Timeline

Month	Activity
October	Boards discuss budget priorities
November	Administrative team works on first draft
December	Draft #1 of budget presented to board
January	Final adjustments to budgets are made
February	Budget information distributed to taxpayers
February 29	VOTE!

What is the Relationship between Local School Districts and the State in Setting Property Taxes?

Local School Districts:	State:
Determine education spending	Sets tax rate and state policy
Decide how money is spent	Collects education taxes including statewide property tax
Set school policy and curriculum	Transfers money from the General Fund to the Education Fund
Pay school expenses including teacher and staff salaries	Distributes money to school districts

How is the School Property Tax Rate Calculated?

School Expenditures	<p>"The Budget" - The amount determined locally by a vote of the taxpayers</p> <p>Expenditures required to fund all the programs in a school district including regular education and special education programs</p>
Local Revenues	<p>State categorical grants, federal revenues, tuition revenues, interest income and other miscellaneous income such as athletic receipts</p>
Education Spending	<p>School expenditures less local revenues</p>

How is the tax rate calculated?

			Effect on Tax Rate
Education Spending	Determined Locally	Increase	↑
Base Tax Rate	Determined by State Legislature	Increase	↑
Base Spending Amount	Determined by State Legislature	Increase	↓
Equalized Pupils	2 Year Average Daily Membership (ADM) weighted for students considered to have higher costs	Increase	↓
Common Level of Appraisal (CLA)	Issued by VT Department of Taxes	Increase	↓
Estimated Tax Rate			

Budget Factors for FY 17

FY16 - Budgets increased 2.30% statewide, PSD FY16 budget increase was 0.65%.

Education spending increased 2.83% statewide, PSD FY16 education spending increase was 1.99%

FY17 - Proctor School District cost containment: 1.90% increase in education spending

- FY17 Teachers' contract is being negotiated - salaries to be determined
- FY17 Health insurance increase 7.9%
- Centralization of special education services - SPED teacher wage and benefits to SU budget and assessed to school districts
- Act 46 - changing landscape of school governance

Board Discussion

1. Keeping in mind the Board's goals, school action plan and student needs, what are the Board's budget priorities for FY 17?

Board Discussion

2. What parameters would you like us to be mindful of as we develop the budget?