

The logo for Washington School District is a square with a light blue background. It features a diagonal line from the top-left corner to the bottom-right corner. The area above the line is a slightly darker shade of blue. The text "Washington School District" is written in a dark blue, sans-serif font, positioned in the upper right quadrant of the square.

Washington
School District

FY 2024-2025
Proposed Budget

**Board Budget Presentation
December 11, 2023**

Budget Key Factors

- Revenue

- Statewide Education Property Tax (SWEPT) is up \$40.8K
- Adequacy Aid is down \$80.0K to \$0

2

Revenues are covered in a few slides, but these are the two lines with the most significant impact

Budget Key Factors (Cont'd)

● Expenses

- Transportation cost increases (\$65.2K – 32.6%) – Largely Special Education
- Health Rate Increase (\$41.4K – 35.4%)
- Salary increase (\$24.8K – 4.5%) - largely new hire costs
- Tuition
 - General Education decrease (\$71.1K – 4.9%) – less HS students
 - Outside Placement costs are level

3

- Expenses

-- Transportation up \$65.2K

--- Special Education is up \$55K based on anticipated requirements

--- Routine bussing up \$10.2K based on contract

- Health rate increase of 17.8% and changes in coverages (e.g., two-person to family) drive an increase of \$41.4K

- Salary increase of \$24.8K driven by new hire costs and cost of living increases

- GenEd Tuition

--- 21 MS (two ghosts) up from 17

--- 35 HS (two ghosts) down from 42 (this year 9 seniors and only 3 8th graders)

Proposed Budget Revenues

General Fund Revenue	Approved FY2024	Proposed FY2025	\$ Diff	% Chg
Local Taxes	\$2,447,512	\$2,545,346	\$97,834	4.00%
State Wide Education Property Tax (SWEPT)	\$486,435	\$527,197	\$40,762	8.38%
State Adequacy Aid	\$80,030	\$0	(\$80,030)	-100.00%
Misc. Revenue	\$400	\$400	\$0	0.00%
Special Education Aid	\$0	\$0	\$0	N/A
Tuition	\$0	\$0	\$0	N/A
Interest Income	\$300	\$2,500	\$2,200	733.33%
Medicaid Revenue	\$2,750	\$1,500	(\$1,250)	-45.45%
Total	\$3,017,427	\$3,076,943	\$59,516	1.97%

Total includes amount required for separate SAU Apportionment

- **"Local" taxes** balance revenues with expenses and is dramatically influenced based on amount received in SWEPT and Adequacy Aid
- **SWEPT** is collected locally and is part of the municipality's tax burden. SWEPT is based on a rate of \$1.22 per thousand in property values – this year the rate is down from \$1.44, but property values are significantly higher which caused the amount to increase by over \$40K
- Adequacy Aid is a grant that is **not** part of the municipality's tax burden. It is a complicated formula that starts with a pupil count (average daily membership) which is multiplied by \$4,182 (up from \$4,100).
 - Of note is that this amount was ruled unconstitutional on Nov 20, 2023 and that the amount should be a minimum of \$7,356.01 (76% higher than the current factor).
 - The \$4,182 is adjusted for factors related to free & reduced meals, special education, and English language learner services; then subtracts the SWEPT amount
 - If the SWEPT amount is higher, you receive no **Adequacy Aid**. For FY2025, the calculated cost of an adequate education was \$503,855 and our SWEPT was over \$527K, so we receive no adequacy aid.
 - **If the impact of Court ruling was factored into this year's calculations, we would receive \$254,923 instead of \$0**
- The **interest** rate in FY2022 was about 0.1% and the rate is now 2.85%; it will likely start to drop, but nowhere near 0.1% (>\$8K in FY2023); On the flip-side, we're seeing less qualifying Medicaid expenses/reimbursements

FY25: Total Cost of an Adequate Education = ADM (87.67) * Base Adequacy Amt (\$4,182) + F&R Differential (39 * \$2,346) + SpEd Differential (21.35 * \$2,142) + ELL Differential (0 * \$816) = \$503,855 - \$527,197 (SWEPT) = Negative Amt, therefore, no Adequacy

Final FY24: Total Cost of an Adequate Education = ADM (108.41) * Base Adequacy Amt (\$4,100) + F&R Differential (338.79 * \$2,300) + SpEd Differential (21.35 * \$2,100) + ELL Differential (0 * \$800) = \$578,550 - \$486,435 (SWEPT) = \$92,115 (Adequacy Aid); Original amount was \$80,030 – different factors and 3rd Gr Reading vs ELL

Proposed Budget Expenditures

General Fund Expenditures	Approved FY2024	Proposed FY2025	\$ Diff	% Diff	
Regular Instruction	\$1,909,116	\$1,859,404	-\$49,712	-2.60%	
Special Education	\$287,900	\$289,538	\$1,638	0.57%	
Student Services	\$124,425	\$153,591	\$29,166	23.44%	
Curriculum & Staff Development	\$1,900	\$1,750	-\$150	-7.89%	
District Administration	\$35,392	\$31,172	-\$4,220	-11.92%	
School Administration	\$103,490	\$107,898	\$4,408	4.26%	
Media & Technology	\$23,000	\$21,800	-\$1,200	-5.22%	
Facilities	\$154,532	\$158,944	\$4,412	2.85%	
Transportation	\$200,226	\$265,470	\$65,244	32.59%	
Food Service Transfer	\$12,000	\$15,000	\$3,000	25.00%	
Total Operational Expenses	\$2,851,981	\$2,904,567	\$52,586	1.84%	
SAU Allocation	\$165,446	\$172,376	\$6,930	4.19%	Separate Article
Total w/ SAU Allocation	\$3,017,427	\$3,076,943	\$59,516	1.97%	
Transfers to Trust	\$65,000	\$90,000	\$25,000	38.46%	Separate Articles - if FY2024 surplus
Total w/ SAU Allocation & Trusts	\$3,082,427	\$3,166,943	\$84,516	2.74%	

Regular Instruction:

- Decrease in tuition (-71.1K)
 - 21 MS (two ghosts) up from 17
 - 35 HS (two ghosts) down from 42 (this year 9 seniors and only 3 8th graders)
- Health (\$13K) – rate increase of 17.8%
- Salaries (\$10K) – cost of living increase

Special Education: Nearly level; over half of requirement is for outside placements which are stable

Student Services: New hire costs (employee higher on salary scale and with more costly benefit coverages)

District Admin: Some decreases based on current copier and audit contracts

School Admin: Health increase is \$2.6 of the \$4.4K

Media & Tech: Decrease in software based on actuals and anticipated requirements

Facilities: Health increase is \$1.8 of the \$4.4K; property & liability insurance (\$1.2K); gas for van (\$0.5K); electricity & propane level based on rates & anticipated usage

Transportation: Special Education bussing (\$55K) based on student needs; Routine bussing contract increase (\$10K)

Food Service Transfer: Increase based on FY2023 deficit; food prices have skyrocketed.

SAU Allocation: Total SAU assessment is lower for FY2025, but Washington's share is higher based on a more dramatic increase in property values; If the SAU budget is defeated, the alternative budget will result in a higher allocation (\$172,978 – SAU revenues decrease more dramatically than expenses)

Transfers to Trust: This line has no impact to taxes and funds will only be transferred into trusts if there is sufficient surplus at the end of FY2024

Trust Warrant Article to Consider

Trust Fund Description	Balance a/o 6/30/2023	FY23 Surplus to Add to Trust	Estimated 6/30/2024 Balance	Proposed Amounts for Trust Warrants (FY24 Surplus)
Special Education Fund	\$332,982.11	\$30,000.00	\$362,982.11	\$30,000.00
School Repair & Maintenance	\$112,836.15	\$25,000.00	\$137,836.15	\$50,000.00
Tuition	\$10,020.30	\$10,000.00	\$20,020.30	\$10,000.00
Total Combined Fund Balances	\$455,838.56	\$65,000.00	\$520,838.56	\$90,000.00

To be clear, **Transfers to Trust** have no impact to taxes and funds will only be transferred into trusts if there is sufficient surplus at the end of FY2024;

This slide shows the amounts in the trusts as of 6/30/23; adds the amounts we'll be adding from the FY23 surplus to show a 6/30/24 balance (not including interest); and proposes amounts for the trust warrants (which would use FY24 surplus – if available).

Recommending we increase the Maintenance trust transfer from \$25 to 50K – more flexibility to retain funds without having to rush to spend by June 30th; Special Education transfer would remain at 30K and Tuition transfer at \$10K

Special Education and Tuition Trust language includes the word “Unanticipated”

Maintenance Trust language was “...for the purpose of maintaining and repairing school buildings...”