# Windsor School District

FY 2024-2025 Proposed Budget

> Board Budget Presentation December 12, 2023

> > 1

## **Budget Key Factors**

- Revenue (up \$37.0K)
  - Statewide Education Property Tax (SWEPT) is down \$3.5K
  - Adequacy Aid is up \$2.7K
  - Appropriations are up \$37.9K to balance with expenses
- Expenditures (up \$37.0K)
  - Tuition (up \$38.0K)
    - 16 students budgeted in FY2024
    - Projecting 17 students in FY2025
  - SAU Apportionment (down \$1.4K)

#### - Revenue:

- To overly simplify the process, DOE calculates the cost of an adequate education, then subtracts SWEPT to determine Adequacy Aid. So...you really need to look at these two lines together. The overall change is an decrease of \$860. More on this in the next slide
- The appropriations line balances revenues with expenses
- Expenditures:
  - Tuition is up \$38K Of our current students, only one should be graduating and we are assuming 1 new K student as well as one new "ghost" middle school student & one new "ghost" high school student (move-ins or switching from homeschool). More on tuition in a few slides
  - The SAU apportionment will decrease by \$1.4K if the SAU budget passes

Revenue Description	FY 2023 ACTUAL	FY 2024 BUDGET	FY 2025 PROPOSED
Unreserved Fund Balance	\$176,832.70		
Local Property Tax (Appropriation)	\$79,930	\$279,920	\$317,82
State Wide Education Property Tax (SWEPT)	\$0	\$49,177	\$45,62
State Adequacy Grant	\$78,878	\$67,205	\$69,89
Earnings on Investments/ Misc Revenue	\$16	\$15	\$1
Total Revenues	\$335,656	\$396,317	\$433,366
Total includes amount required f	or separate SA	.U Apportio	nment

- We had a large surplus in FY 2022 which was returned to the municipality in FY 2023 and shows up as "Unreserved Fund Balance". This also explains why the FY 2023 appropriation line is so low. The Appropriation line balances revenues with expenses so we basically back into that number
- SWEPT:
  - SWEPT is the State-Wide Education Property Tax, but it is collected locally and is part of the municipality's tax burden
  - The Legislature implemented a 1-time decrease in SWEPT in FY 2023 to reduce taxes
  - The rate for FY 2025 is \$1.22 per \$1,000 of property valuation the FY2024 rate was higher (\$1.44)
- The State Adequacy 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 ADM) which is multiplied by \$4,182 (up from \$4,100).
  - The \$4,182 is then adjusted for factors related to free & reduced meals, special education and English language learner services
  - Then DOE subtracts the SWEPT amount and adds a Hold Harmless amount to make sure our Adequacy Aid increases by at least 4%
  - We should note that this \$4,182 is supposed to be what is required per student to provide an adequate education and the amount was ruled unconstitutional on Nov 20, 2023. The ruling said the minimum amount should be \$7,356 which is 76% higher than the FY 2025 factor

(implementation of the ruling would increase our Adequacy Aid by nearly \$6K)

- We typically gather a bit of interest, so I kept that line at \$15

				Enro			
			ICT	HOOL DISTR	NDSOR SC	WI	
Projection			ct)	ENT Count (C	tual STUDE	Ac	
2025	2024	2023	2022	2021	2020	2019	Grade
	0	0	0	0	1	2	PK
1	1	2	1	1	3	0	K
	2	1	0	3	1	3	1
2	1	1	2	1	1	1	2
	1	2	2	1	1	0	3
	2	2	1	1	0	0	4
	2	1	0	0	0	1	5
	2	0	0	0	1	2	6
	0	0	0	1	2	1	7
	0	0	1	2	3	2	8
	1	1	2	2	0	1	9
_	1	2	0	1	1	3	10
	1	0	0	0	1	0	11
2	1	0	0	2	1	0	12
17	15	12	9	15	16	16	Total

- In FY 2024, we budgeted for 16 students and have 15
  - -- Budget increases from 16 to 17 students
- For FY 2025, we're including 3 new (ghost) students: 1 kindergarten student which is likely; 1 MS student; and 1 HS student
- -- This approach seems reasonable and we have \$96K built up in the tuition trust fund if we end up with any additional kids

<b>Tuition Rates</b>	FY24 per 2023 DOE25	FY 2025 Assumption (+2.5%)
Elem	\$23,620	\$24,211
Middle	22,731	23,300
High	23,764	24,358

FY 2023	FY 2024	FY 2025	
ACTUAL	BUDGET	PROPOSED	
\$264,464	\$369,611	\$407,620	
\$0	\$0	\$0	
\$935	\$996	\$1,179	
\$1,000	\$1,300	\$1,300	
\$0	\$300	\$250	
\$75	\$25	\$25	
\$200	\$300	\$300	
\$0	\$25	\$25	
\$0	\$30	\$30	
\$30	\$25	\$25	
\$50	\$50	\$50	
\$9,388	\$9,670	\$9,960	
\$276,142	\$382,332	\$420,764	
444.000	440.000	440.500	Communication of the Communica
			Separate Article
			- and the second
\$30,000	\$15,182	\$30,000	Separate Article - no tax impact
	ACTUAL \$264,464 \$0 \$935 \$1,000 \$0 \$75 \$200 \$0 \$0 \$50 \$50 \$50 \$50 \$50 \$50 \$50 \$50	ACTUAL 8UDGET  \$264,464 \$369,611  \$0 \$0  \$935 \$996  \$1,000 \$1,300  \$0 \$300  \$75 \$25  \$200 \$300  \$0 \$25  \$0 \$30  \$25  \$50 \$50  \$59,388 \$9,670  \$276,142 \$382,332  \$14,332 \$13,985  \$290,474 \$396,317	ACTUAL         BUDGET         PROPOSED           \$264,464         \$369,611         \$407,620           \$0         \$0         \$0           \$935         \$996         \$1,179           \$1,000         \$1,300         \$1,300           \$0         \$300         \$250           \$75         \$25         \$25           \$200         \$300         \$300           \$0         \$25         \$25           \$0         \$30         \$30           \$30         \$25         \$25           \$30         \$25         \$25           \$50         \$50         \$50           \$9,388         \$9,670         \$9,960           \$276,142         \$382,332         \$420,764           \$14,332         \$13,985         \$12,602           \$290,474         \$396,317         \$433,366

- The budget gets broken into 3 articles...The operational budget which relates to the top portion of this slide (\$420,764); the appropriation for SAU Budget (\$12,602); and the transfer to the Tuition Trust Fund (\$30,000)

#### - OPERATIONAL BUDGET

- -- 97% of the operational budget is for tuition; as discussed, the tuition line assumes 1 new Kindergarten student, retains all current students (except 1 current senior), and adds 2 ghost students one in MS and 1 in HS
- -- The property & liability and workers' comp increase reflects the estimate provided by Primex; the FY 2024 actual amount was \$1,061 vs the \$996 we budgeted
  - -- We made a slight reduction in School Board expenses based on actuals
- -- The Transportation increase is for inflation. The FY 2025 amount includes a 3% increase which is lower than the bus contract increase (5%)
- SAU APPORTIONMENT: The amount will decrease by \$1,383 assuming the SAU Budget obtains voter approval; If defeated, the apportionment will actually increase to \$12,646 (SAU expenses will decrease, but revenues decrease even more, so the apportionment is higher)

#### - TRANSFER TO TUITION TRUST

- -- The \$30K Trust Transfer showing up in FY 2023 relates to a surplus in FY 2022
- -- The \$15,182 in FY 2024 relates to a surplus in FY 2023; the article allowed for \$30K, but we only had a surplus of \$15,182
- -- We're assuming we'll keep the same article at \$30K for this year's vote and we'll talk more about that in a few slides

Local Assessed Valuation (No util)			2020	2021	2022	2023
	27,263,852	27,672,039	28,048,918	35,845,321	36,299,462	36,745,601
Local Assessed Valuation .	28,017,752	28,425,939	28,777,018	36,562,221	37,093,862	37,511,601
Local School Tax	79,383	171,225	184,869	136,770	(68,985)	277,232
State School Tax	61,231	58,280	56,901	47,545	34,923	49,177
Local School Tax Rate	\$2.83	\$6.02	\$6.42	\$3.74	(\$1.86)	\$7.39
State School Tax Rate	\$2.25	\$2.11	\$2.03	\$1.33	\$0.96	\$1.34
County Rate	\$1.18	\$1.13	\$0.94	\$0.77	\$0.81	\$0.87
Town Rate	\$3.31	\$2.55	\$0.42	\$3.10	\$3.48	\$1.32
otal Tax Rate	\$15.93	\$11.81	\$9.81	\$8.94	\$3.39	\$10.92
\$ Change over Prior Yr	\$4.08	(\$4.12)	(\$2.00)	(\$0.88)	(\$5.54)	\$7.53
% Change over Prior Yr	34.4%	-25.9%	-16.9%	-8.9%	-62.0%	221.9%

- The 2023 tax rates were recently released
- -- Compared to 2022, there is a large increase, but that's due to the significant amount of money the district returned to the municipality last year which actually made the school portion of the tax rate to be a negative number
- -- The 2023 school tax rates are very similar to the pre-pandemic tax years of 2019 and 2020

### Trust Warrant Article to Consider

- Trust Fund Status
  - \$51,092 as of 5/26/22
  - + \$30,000 added from FY 2022 surplus
  - + \$15,182 added from FY 2023 surplus
  - = \$96,274 estimate a/o 6/30/2024 (plus int.)
- FY 2025 Trust Article
  - Retain \$30,000 article even though we do not project a large surplus in FY2024?