

Finance Committee

January 14, 2020



Topics

- School Board's FY22 budget
 - Do we need to add \$5k for Equalized Pupil study lobbying?
- Surplus Allocation
 - Does the Finance Committee have a recommendation?
- Possible reallocations not proposed as reductions
- Other Budget Questions?
- Audit timing update

School Board's Annual Budget

Goal: Ensure that Board has adequate funds to support its work

Year	Budget	Notes
FY20	\$54,730	~\$20,000 spent on superintendent search
FY21	\$40,901	\$5,175 spent to date
FY22	\$40,999	

Does the Finance Committee want to recommend adding \$5,000 to the budget for lobbying related to equalized pupil study?

Are there any other changes that should be included in the FY22 budget?

FY20 Surplus

Recommended application of \$6 million surplus

First \$4 million: Revenue to reduce FY22 tax impact.

- Approximately \$2.9 million supports the BHS & BTC relocations and \$1.1 million supports general operating, which has been typical in past years.

Next \$2 million: Special FY22 contingency for PCB-related issues.

- After FY22 (assuming funds are not all spent), these funds could be used to pay the annual rent for Downtown BHS rent to limit the impact of this emergency on taxpayers.
- If state does not deliver on \$3.5 million to offset BHS fit up, these funds can be applied toward that cost.

Reallocations Not Reductions

- Annually, changes in enrollment and class sizes at particular schools or grade levels present the opportunity to better utilize our existing resources.
- Board & Finance Committee have seen enrollment trends [presentation](#).
- There is potential to reduce the number of homerooms (such as at EES) in order to reallocate the teaching position to another purpose.

Estimated Tax Implications

Property Payers	Property Tax Impact
Property rate increase	7.15%
Tax on \$250,000 homestead	\$5,512
Tax Difference from current rate	\$368

Income Payers	Income Tax Impact
Income Cap increase	6.75%
Tax on \$50,000 household income	\$1,334
Tax Difference from current rate	\$109

Figures reflect rounding. For education taxpayers who pay based on income, the impact will be reflected on the fiscal year 2023 property tax bill. Existing law provides additional property tax relief for households with incomes below \$47,000. This is known as a “circuit breaker.” Once a taxpayer qualifies for the circuit breaker, additional school district spending does not increase the taxpayer’s tax liability.

Budget Development Timeline

- 1/12** School Board meeting
- 1/14** Finance Committee meeting
- 1/19** School Board meeting
- 1/25** City Council Presentation
- 3/2** Town Meeting Day budget vote



Full budget timeline available at:
<http://www.bsdvt.org/district/budget/>

THANK YOU



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courageous people. Join the journey!