

Echo Valley Community School District
FY20 Budget
Frequently Asked Questions

What is the difference between last year's budget and this year's budget? The FY20 budget proposal is \$5,008,088. FY19's budget was \$4,828,380. FY20 is up 3.72% or \$179,708.

Why did the budget go up? There are two main reasons that the budget has increased.

1. Healthcare premiums costs have increased by 24% since the last budget was developed. There was a 12% increase in January of 2019 and will be another 12% increase in July of 2019.
2. High school tuition costs have increased significantly at some of the schools our students continue to attend. In addition to the tuition cost, we will be sending six (6) more students to area high schools in FY20 than in FY19. This is because we have more students in eighth grade going on to high school in the fall than we do students graduating from high school this spring. We have conservatively budgeted \$100,250 to cover those increases. The total cost of educating our high school students makes up 35.5% of the entire FY20 budget proposal.

Are we meeting the goals of the merger? Yes. We have single graded classes ranging in size from 14 students to 21 students. Our music program has grown to include a vibrant instrumental program. Students in grades 5 through 8 are experiencing outdoor education woven into their core content and additional global studies including an introduction to foreign language. Those same students are having a true middle school experience and as a result will be much better prepared for the transition to a larger high school.

Why isn't the merger saving us money? It actually IS saving us money. By adding 3% to each of the FY18 and FY19 Orange and Washington budgets and allocating the correct number of high school students to the correct Towns, we can roughly estimate what the Town school budgets would have been had we not merged.

- The FY20 total budget for Orange and Washington would have been \$5,205,380, about \$200,000 more than the FY20 EVCS D proposed budget.
- The FY20 Orange budget would have been \$2,789,980 with a tax rate of \$1.50. This would have been \$0.14 more than the current EVCS D proposed tax rate of \$1.36.

- The FY20 Washington budget would have been \$2,415,400 with a tax rate of \$1.45. This would have been \$0.09 more than the current EVCS D proposed tax rate of \$1.36.
- The FY20 EVCS D budget proposal will result in a proposed tax rate of \$1.36. This means a \$0.05 increase for Orange taxpayers (\$0.14 less than if we were not merged.)
- The FY20 EVCS D budget proposal will result in a proposed tax rate of \$1.36. This means a \$0.08 increase for Washington taxpayers (\$0.09 less than if we were not merged).

Why is there a difference between the Orange and Washington tax rates for the same budget when we split it 50/50? This is associated with the Common Level of Appraisal (CLA). Remember, we do not pay directly for the schools in EVCS D but rather we pay into a pot of money at the state level and they distribute it back out to the Towns to pay for the schools. The CLA is used to equalize education taxes statewide, making sure that properties of equal value pay equal taxes.

Are we doing anything to save money? Yes. We reduced the teaching staff by one full-time teacher and part of another teacher at the Washington campus. Also, by being merged we were able to keep our small schools' grants that add approximately \$200,000 to our revenue and saw a \$0.06 decrease in our tax rates. We were also the recipients of a \$10,000 grant from the Mockingbird Foundation and \$4000 from a local fundraiser to support the music program. In addition, the Orange Center campus will have a new, more secure entry way and the Washington Village campus will have a PA system installed thanks to money from the state sponsored safety grants. In general, all line items in the budget proposal that are not associated with salaries, benefits or high school tuitions were level funded or decreased.

Why did Food Service costs increase from \$10,000 to \$50,000? They didn't. The Food Service costs were moved to the Central Vermont Supervisory Union budget. The total cost of Food Service for the entire supervisory union is \$52,250 of which EVCS D is responsible for 21% or about \$10,900.

Would it be cheaper to tuition out all students at all grade levels? No. A fairly conservative average cost of tuition per student is \$16,000 per year. We have approximately 300 students which would put tuition costs alone at \$4,800,000. Any extra costs associated with children with disabilities would be billed directly back to the supervisory union. We would still be responsible for 21% of the CVSU budget. We also

would not have access to the \$200,000 in revenue we receive through the small schools' grants. Perhaps most importantly, we would lose all say in our students' education. We would not be represented on any school board and our Towns would have no voice in any future tuition costs we would be automatically responsible for.

I hope to see many from the Orange and Washington communities this Wednesday, February 27, 2019 at Washington Village School for the EVCS D budget forum at 6:00 p.m. I always invite you to email me with any questions or comments about the budget and the school boards work, your input helps us better serve our communities and children.

Respectfully,

Jessica Foster

Jfoster@cvsu.org

EVCS D Board of Directors, Chair