

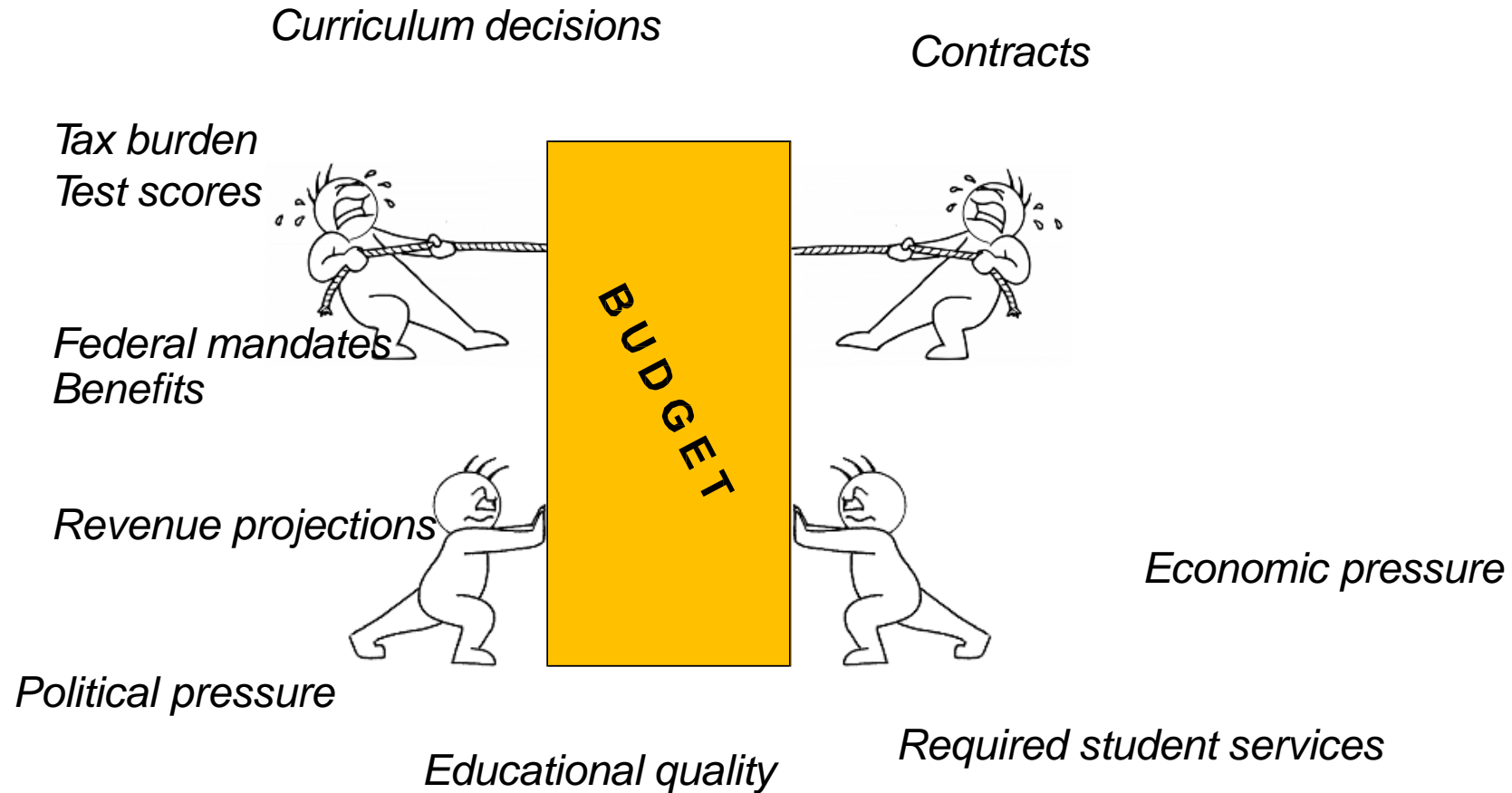
# Doty Memorial Proposed Budget 2018-2019



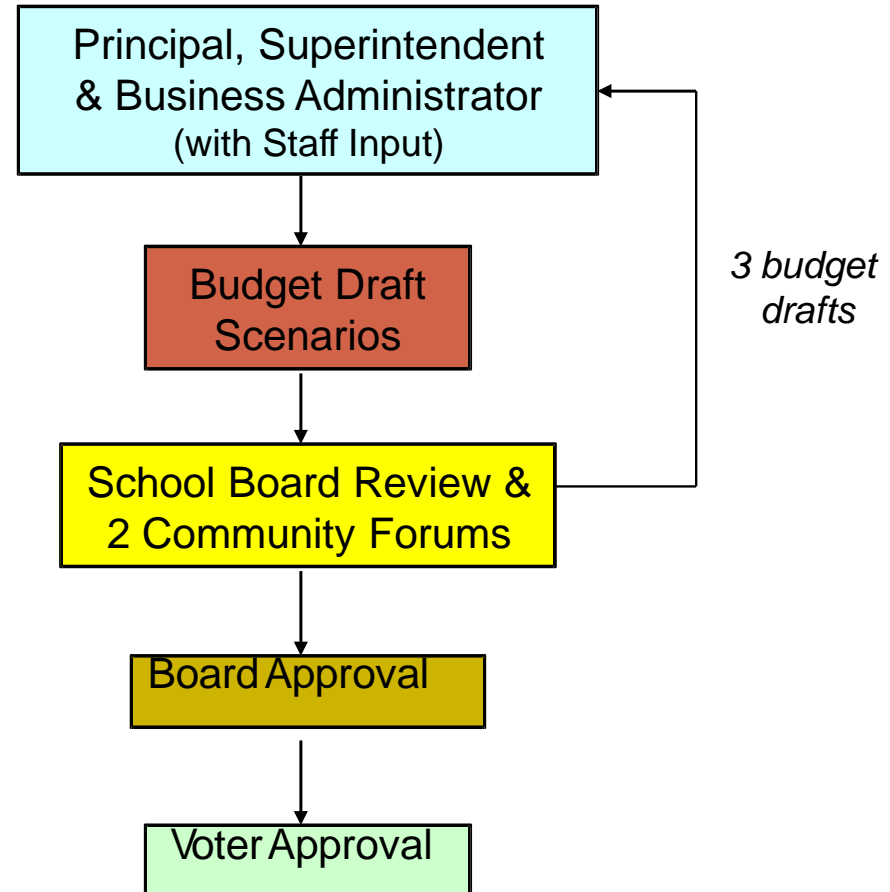
# Welcome

- Budgeting Process
- Components of the 2018-2019 Budget
- Tax Impacts
  - Local Budgets
  - State Tax Rate
  - Property Yield
  - Common Level of Appraisal

# Competing Pressures



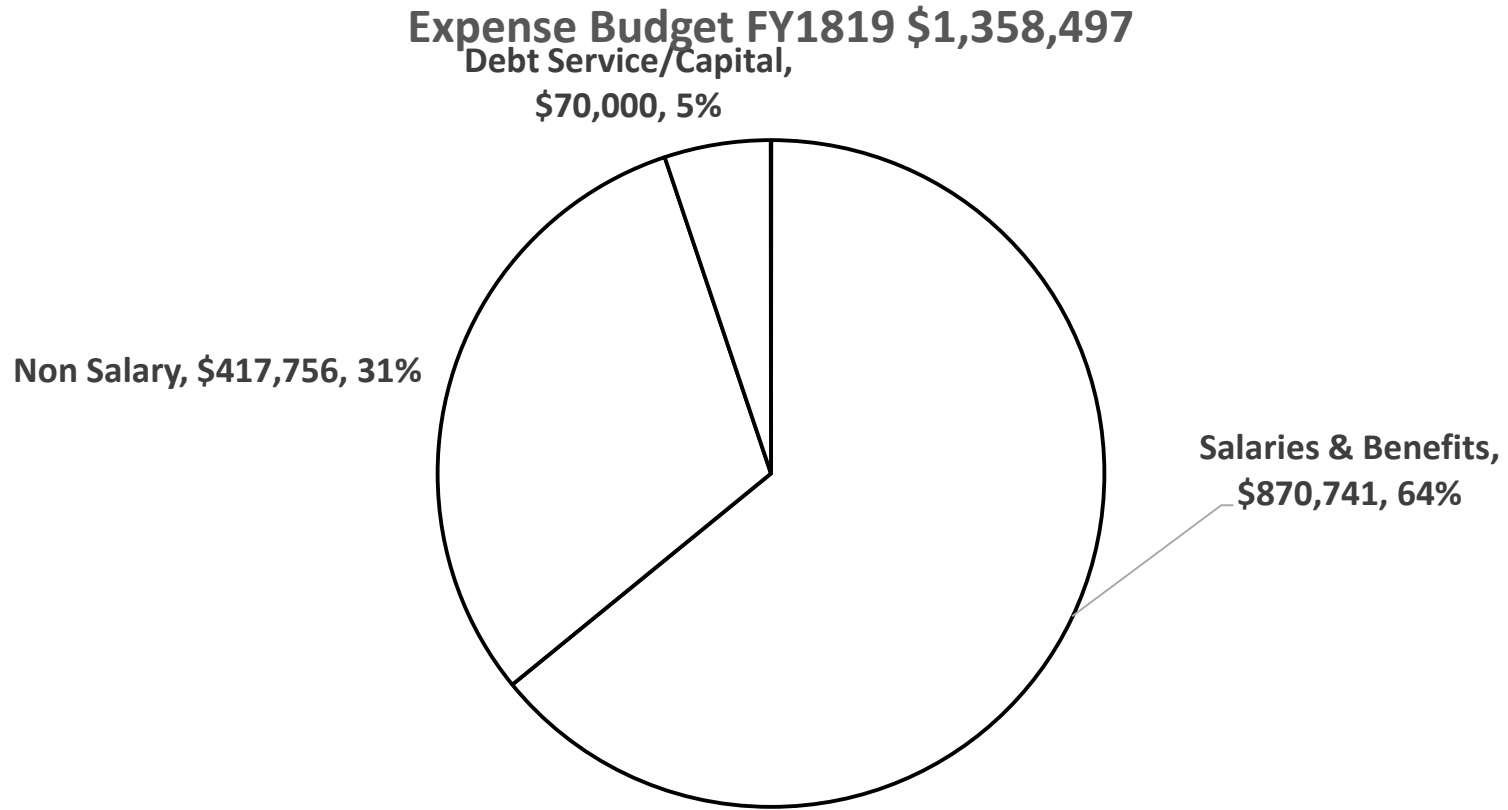
# Developing our Budget



# The Proposed Budget

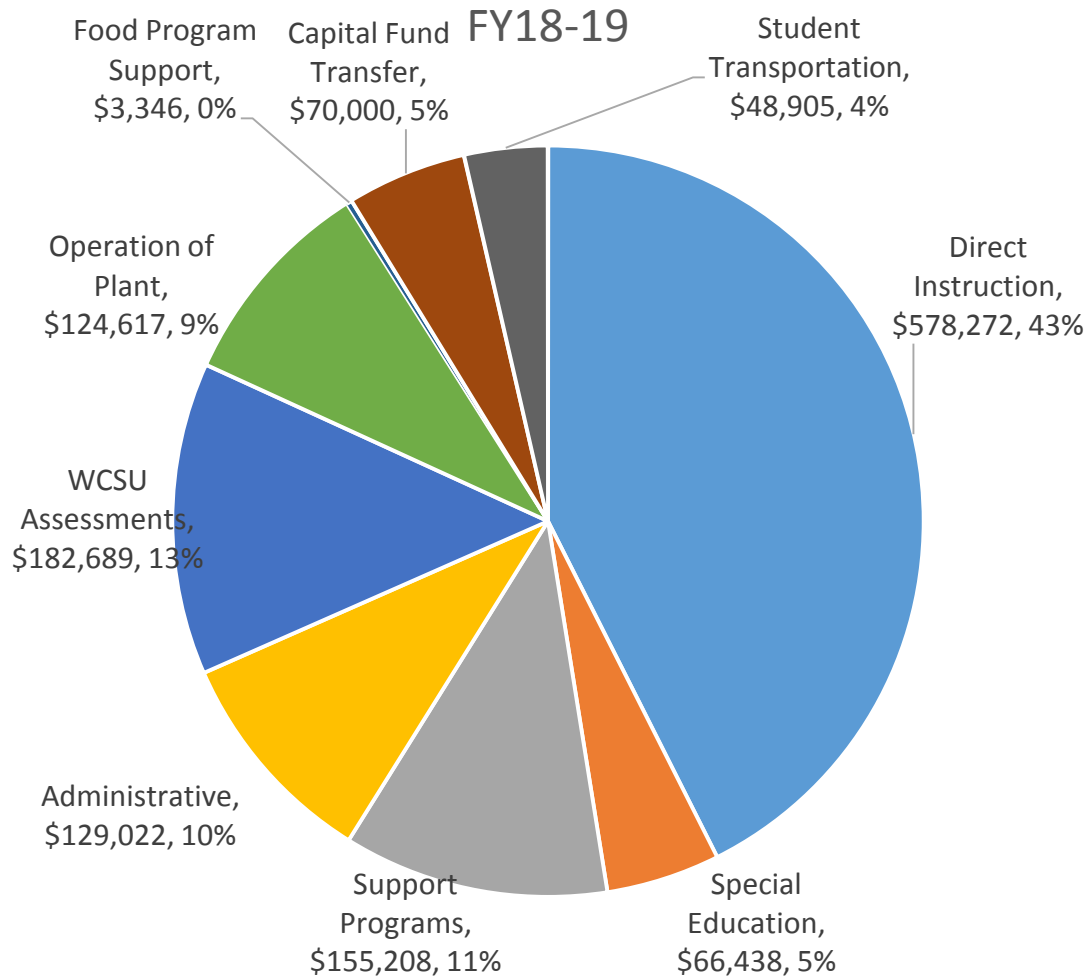
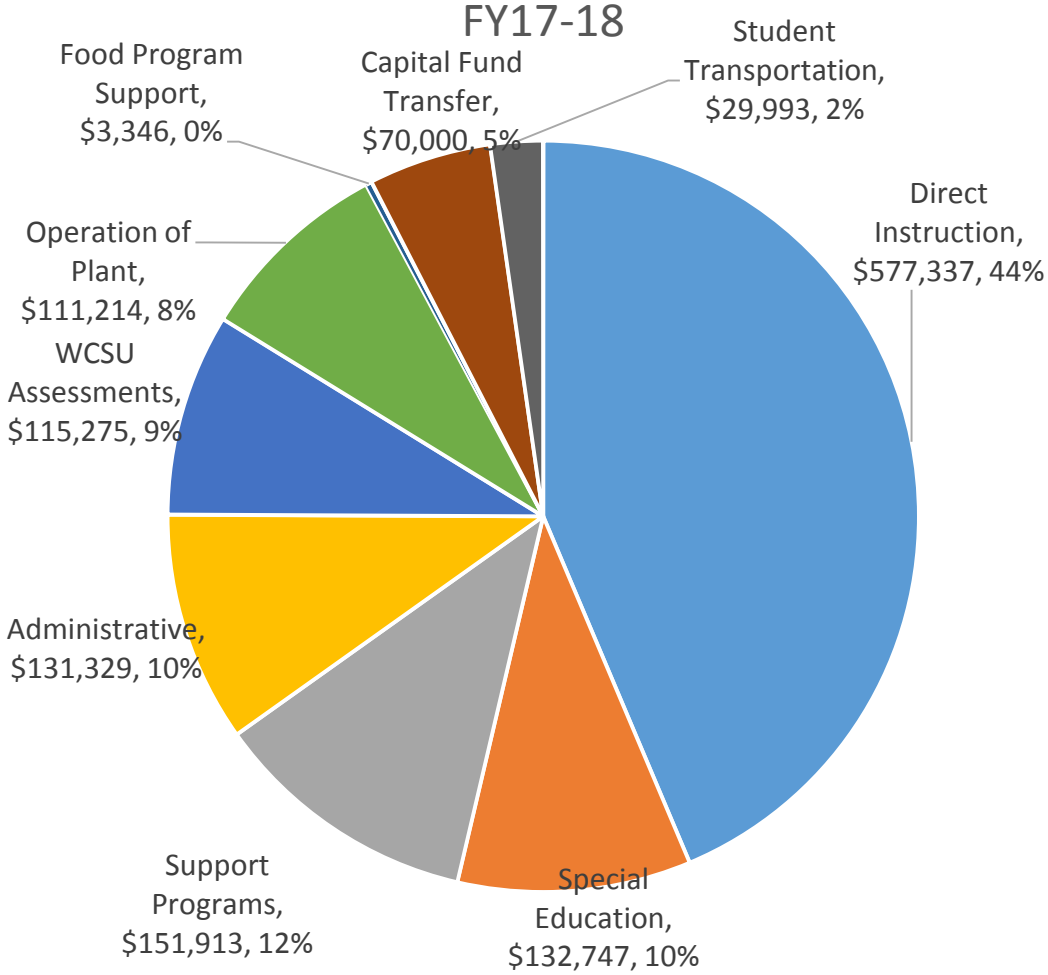
- \$ 1,358,497
- Expense Change 2.67% or \$35,343 more than 2017-2018
- Net Impact on Taxes 2.49%
- Proposed budget education spending per equalized pupil:
  - \$17,255 FY18-19
  - \$16,368 FY17-18
    - Equalized spending change is 5.42% higher than the current year.

# Doty Memorial School Expense Budget-Percentage of Each Category To The Total Budget



# Doty Memorial School

## Percentage of Each Expense Category To The Total Budget



NOTE: The WCSU Assessments include Special Education & Student Transportation for the schools.

# Budget Change Highlights

- Negotiated Items
  - Salary & Benefit Increases \$32,859
  - Position Changes -\$ 5,949
  - Total \$26,910 (2.03% of Budget)
- Non-Salary Items \$ 8,433 ( .64% of Budget)
- Combined Total \$35,343 (2.67% of Budget)
- Revenues \$ 2,363 ( .18% of Budget)
- Net Impact on Taxes \$32,980 (2.49% of Budget)



# Doty Memorial Student Enrollment

- 2016-2017 School Year Prek-6 enrollment was 77
- 2017-2018 School Year Prek-6 enrollment is 80
- According to NESDEC, our PreK-12 enrollment is projected to be level over the next 5 years.

# Education Spending Per Equalized Pupil

<b>SCHOOL</b>	<b>Education Spending Per Equalized Pupil</b>
BERLIN	\$16,892
CALAIS	\$15,912
EAST MONTPELIER	\$19,645
MIDDLESEX/RUMNEY	\$19,287
WORCESTER/DOTY	\$17,255
U-32	\$18,056

# Percentage of Expense Change for Proposed Budgets & Net Tax Impact

<b>SCHOOL</b>	<b>% of Expense Change Proposed Budget</b>	<b>Net Impact On Taxes By Town</b>
BERLIN	1.74%	11.0 Cents
CALAIS	-3.82%	6.8 Cents
EAST MONTPELIER	4.72%	9.4 Cents
MIDDLESEX/RUMNEY	3.40%	3.9 Cents
WORCESTER/DOTY	2.67%	16.3 Cents
U-32	3.69%	Included Above
WCSU* See Note	5.47%	Included Above

\* Note: This includes 3.28% for Special Education and Transportation for Schools.

# Tax Impact

Four factors affect the local tax rate:

- The Common Level of Appraisal (CLA)
- The Statewide Education Tax Rate
- The Property Yield is a new feature of the education funding system.
- The Doty Memorial and U-32 budgets\*
  - \* We only have control over the 4<sup>th</sup> item.

# Common Level of Appraisal(CLA)

- The CLA is an adjustment to the education tax rate to account for the gap between appraised value and actual value of property.
- The 2018-2019 CLA for Worcester is 99.40%  
(-1.66% change from last year's 101.06% rate). This results in a tax increase of \$3.0 cents.

# Statewide Tax Rate (As of January 24, 2018)

- The Residential Tax Rate is projected to stay the same at \$1.00.
- The Property Yield represents the amount of revenue raised by \$1.00 base Homestead Property Tax Rate. The Property Yield is projected to decrease by \$318 (from \$10,160 to \$9,842) which results in a tax increase of \$5.5 cents
- The Nonresidential Tax Rate is projected to increase \$.079 from \$1.55 to \$1.629. This combined with the change in CLA results in a tax increase of \$12.0 cents
  
- NOTE: These rates do not reflect income sensitivity adjustments, which are available to most homeowners with incomes less than \$137,500 per year.

# Tax Rate Impacts for 2018-2019

<b>TOWN</b>	<b>Combined Impact on Residential Tax Rate</b>	<b>Combined Impact on NON- Residential Tax Rate</b>
BERLIN	\$.11 or \$110/100,000	\$.14 or \$140/100,000
CALAIS	\$.068 or \$68/100,000	\$.095 or \$95/100,000
EAST MONTPELIER	\$.094 or \$94/100,000	\$.083 or \$83/100,000
MIDDLESEX/RUMNEY	\$.039 or \$39/100,000	\$.03 or \$30/100,000
WORCESTER/DOTY	\$.163 or \$163/100,000	\$.12 or \$120/100,000

**NOTE:** These rates do not reflect income sensitivity adjustments, which are available to most homeowners with incomes less than \$137,500 per year.

# Data on Income Sensitivity

- **63% of Worcester residents receive support for their property taxes from the Income Sensitivity**
- **37% of the Worcester residents pay the full tax rate**

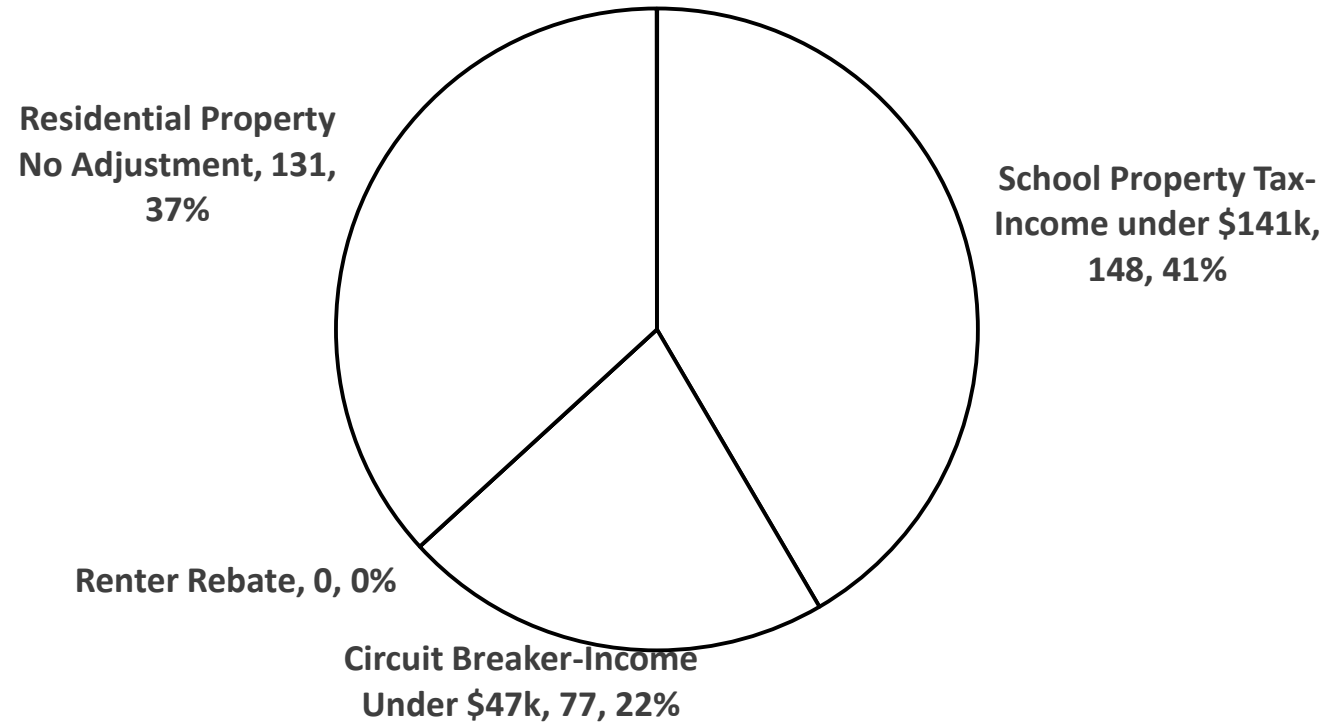


# Town of Worcester

## Vermont Property Tax Adjustments\*

\*As Processed By the Vermont Tax Department

**CY 2016 Residents Received Property Tax Adjustments & Rebates  
Totaling \$332,470**



# Summary

- The Doty Memorial School Board is proposing a 2018- 2019 budget of \$1,358,497. The proposed budget is a 2.67% increase over last year's expense budget.
- Passage of both the Doty Memorial School and U-32 budgets will result in a 16.3 cent increase in the Local Homestead Tax Rate. This translates to an increase of \$163 per \$100,000 of assessed value.
- Our tax rate is projected to increase due to the change in the Common Level of Appraisal & the State-wide Education Tax Formula.
- We believe this is a responsible budget, balancing fiscal constraint with student needs. We ask for your support.