

**RUTLAND PUBLIC SCHOOLS**  
**RUTLAND CITY PUBLIC SCHOOLS – FINANCE/PLANNING COMMITTEE**

**January 4, 2022**

**Committee Members Present:**

Charlene Seward, Chair

Ann Dages

Dena Goldberg

Alison Notte

Tricia O'Connor (6:05 pm)

**Also Present:** Kevin Kiefaber, Cathy Solsaa

**Also Present:**

Superintendent Bill Olsen

Assistant Superintendent Rob Bliss

CFO Ted Plemenos

Chair Seward called the meeting to order at 6:00 pm. She noted all Committee Members are in attendance except Commissioner O'Connor (6:05 pm.)

**CALL TO ORDER**

Approval of the Agenda – Motion by Goldberg/Dages to approve the agenda as written. Motion passed unanimously by all those in attendance.

**APPROVAL OF THE AGENDA**

Public Input – None

**PUBLIC COMMENT**

Bid Award Recommendation for Two School Buses – CFO Plemenos reviewed replacement schedule of buses and presented information to the Committee regarding the purchase of two school buses. He also presented information regarding scenarios for leasing in the interest of conserving cash flow and utilizing funds these funds for moving forward on other capital projects. Discussion revolved around maintenance costs, vendors, bus manufacturers, lead time for bus orders, mileage restrictions for leases, lease to own terms, trip buses (newer buses), daily buses (older buses), other capital projects needs (NW roof), potential for pause with bus replacement schedule (if additional bus was leased) and supply chain concerns. The Committee will request to list the recommendation to purchase two buses on the January 11, 2022 consent agenda. Mr. Plemenos will research additional information regarding leasing terms and email findings to the Committee by the end of he week.

**BID AWARD – BUSES**

FY 2023 Budget Update – Regarding FY 23 Budget verses FY 22 Budget, Mr. Plemenos noted: full time staffing is flat, total compensation increase of 1.6%, after being held flat from FY 21 to FY 22, ongoing work regarding cost increases in other areas, equalized pupils down by .5% and projected increase to \$18.6 thousand (+7%) net cost per equalized pupil. He reviewed full time staffing trends, salaries and benefits (both before and with ESSER funding), expenses, revenues, cost per pupil and ballot language. Discussion revolved around: high needs of district, efficiencies, ESSER, unfilled positions and intentions to fill, health insurance premiums and buyouts, yield, CLA (Common Level of Appraisal), ADM (Average Daily Membership), Act 173, timeline for ratifying budget and deadline for printing ballots. Fiscal Year 2023 Budget Update presentation document attached.

**FY23 BUDGET UPDATE**

Next Meeting Date – February 1, 2021 at 6:00 pm.

**NEXT MEETING**

Motion by Notte/Dages to adjourn at 7:18 pm. Carried.

**ADJOURN**

Respectfully submitted,  
Betty A. Kapitan, Recording Secretary



# Fiscal Year 2023 Budget Update

Finance and Planning Committee

January 4, 2022

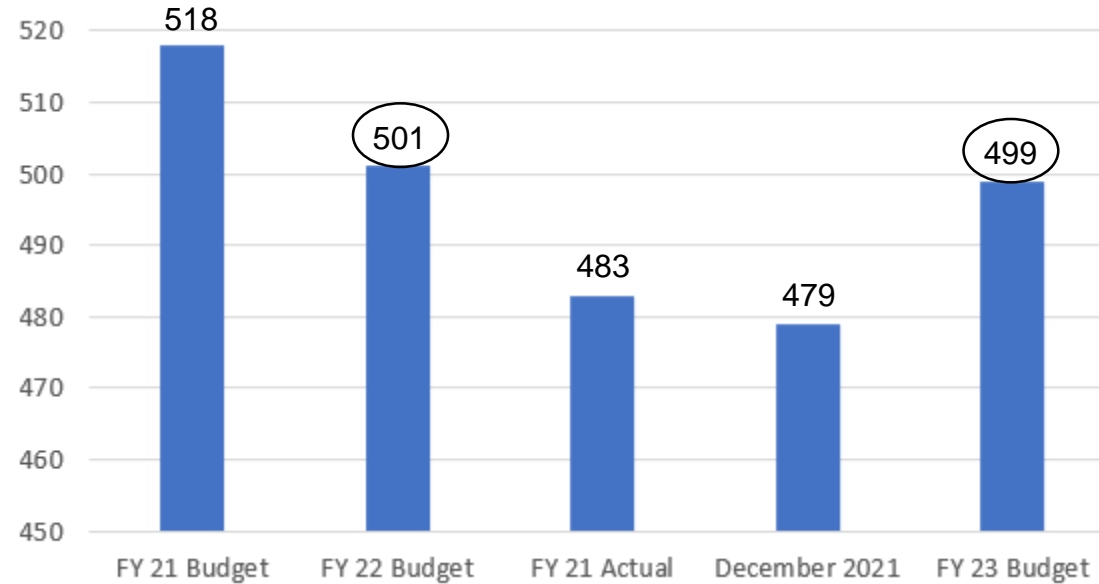
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## Key Messages

### FY 23 versus FY 22 Budget

1. Full time equivalent **staffing** is flat versus FY 22 Budget.
  - Addition of 10 ESSER-funded positions in FY 23 is mostly offset by other staffing reductions.
2. Total **compensation** costs increase by 1.6%, after being held flat from FY 21 to FY 22.
  - Salary costs could exceed FY 22 Budget and FY 23 Outlook, depending upon REA negotiations.
  - Each 1% increase in REA salaries increases District salary costs by more than \$200 thousand.
3. Cost increases are budgeted in **other areas, including** special ed, facilities, utilities, and IT.
  - Work is ongoing this week to update and refine budget estimates by January 11.
4. Equalized **pupils** are down by ½% from 1,980 this year to 1,971 for FY 23.
  - No impact of Weighting Study, pending 2022 deliberations by House and Senate Education Committees.
5. RCPS net **cost per equalized pupil** is projected to increase to \$18.6 thousand (+7%).
  - Net cost per pupil is almost 4% *higher* than the VT state average of \$18.0 thousand.

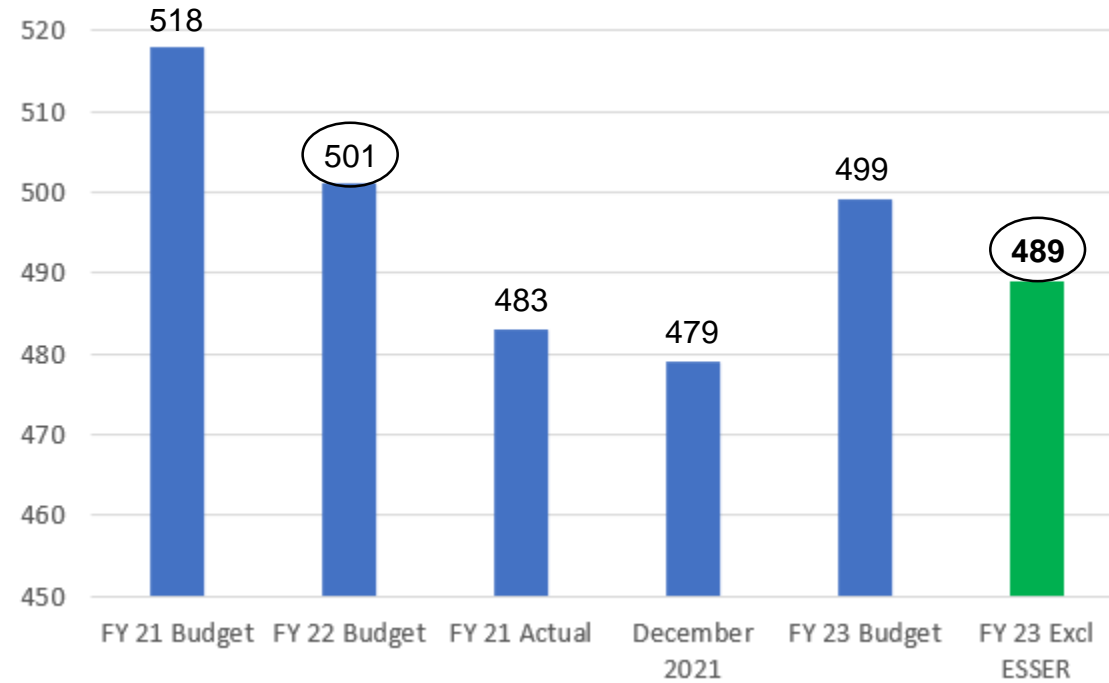
## Full Time Staffing Trends FY 2021 - 2023



- Staffing remains flat in FY 23 vs. FY 22 Budget.
- Addition of 10 ESSER-funded positions is offset by reductions in other areas.
- Reducing six positions through attrition will lower FY 23 costs by about **\$667,000**.

- Staffing declined during calendar 2021 from the FY 22 budgeted level.
- ESSER grants will fund 10 positions in FY 23.
  - ESSER-funded positions do not increase the local tax rate.
- RCPS will realign and reduce - 6 positions in FY 23 through attrition:
  - - 3 To Be Hired (“TBH”) positions will be eliminated.
  - - 3 other net FTE reductions.

## Full Time Staffing Trends FY 2021 - 2023



- Excluding ESSER-funded positions, staffing declines by - 2.4% versus FY 22 Budget.

## Salaries and Benefits Before ESSER Funding

	<u>FY22 Budget</u>	<u>FY23 Budget</u>	<u>\$ Change</u>	<u>% Change</u>
<i>(\$ thousands)</i>				
Salaries	31,814	32,049	235	0.7%
Benefits	14,561	15,065	504	3.5%
<b>Compensation</b>	<b>46,375</b>	<b>47,114</b>	<b>739</b>	<b>1.6%</b>
Full Time Employees	501	489	-12	-2.4%

- Costs of budgeted salary increases are mostly offset by staff reductions. Two major labor contracts involving ~ 2/3's of the salary budget are still pending.
- Higher per person costs for medical insurance, pension contributions, and FICA are partly offset by lower costs for health care buy-outs, following a policy change by the State.

## Salaries and Benefits

With ESSER Funding

<i>(\$ thousands)</i>	<u>FY22 Budget</u>	<u>FY23 Budget</u>	<u>\$ Change</u>	<u>% Change</u>
Compensation	46,375	47,114	739	1.6%
Full Time Employees	501	489	-12	-2.4%
<b>✓ ESSER</b>				
Compensation	-	875	875	n/a
Full Time Employees	-	10	10	n/a
<b>Total RCPS</b>				
Compensation	<b>46,375</b>	<b>47,989</b>	<b>1,614</b>	<b>3.5%</b>
Full Time Employees	501	499	-2	-0.4%

Excluding ESSER, about \$4 million of compensation (9%) is funded by other grants.

## Expenses

	<u>FY22 Budget</u>	<u>FY23 Budget</u>	<u>\$ Change</u>	<u>% Change</u>
<i>(\$ thousands)</i>				
Program Cost (excl S&B)	3,312	3,312	-	0%
Special Ed. (excl S&B)	954	1,584	630	66%
Facilities & Transportation	1,734	2,773	1,039	60%
Food Service	1,315	1,364	49	4%
Financing	1,251	1,327	76	6%
IT	705	850	145	21%
Utilities	650	850	200	31%
Other	1,685	1,600	(85)	-5%
➔ Total Expenses *	57,981	61,649	3,668	6%
<i>Memo:</i>				
* Total Expenses include \$48.0M of Compensation ESSER funding (10 positions and carpet)		1,775		
➔ Total Expenses, Net of ESSER funding		59,874	1,893	3%

### FY 23 Notes

- **Facilities & Transportation** includes:
  - o Roof repairs (\$290k)
  - o Carpet (\$900k, ESSER)
- **Food** Service: 3.7% increase allowed by VT.
- **IT** increases after remaining flat in FY 21 and FY 22.
- **Utilities** include higher costs for all major fuels.
- Net of ESSER funds, FY 23 Expenses are **\$59.9 M.**



## Revenues

Federal, Local, and State

	<u>FY22 Budget</u>	<u>FY23 Budget</u>	<u>\$ Change</u>	<u>% Change</u>
<i>(\$ thousands)</i>				
Federal Grants & Reimbursements	13,020	15,113	2,093	16%
Tuition	2,804	2,654	-150	-5%
Working Capital	1,000	-	-1,000	-100%
Special Ed and Local	<u>6,830</u>	<u>7,183</u>	<u>353</u>	5%
➔ Federal & Local Revenues	23,654	<u>24,950</u>	1,296	5%
➔ State Education Fund	34,327	<u>36,699</u>	2,372	7%

## Expenses, Revenues, Cost per Pupil

	<u>FY22 Budget</u>	<u>FY23 Budget</u>	<u>\$ Change</u>	<u>% Change</u>
Expenses (\$ thousands)	\$ 57,981	\$ 61,649	\$ 3,668	6%
Revenues, federal & local	\$ <u>23,654</u>	\$ <u>24,950</u>	\$ <u>1,296</u>	5%
➔ State funded	\$ 34,327	\$ <u>36,699</u>	\$ 2,372	7%
Equalized Pupils *	1,979.65	1,970.56	-9.1	-0.5%
➔ RCPS Cost per Pupil (\$) *	\$ 17,340	\$ <u>18,624</u>	\$ 1,284	7.4%
Vermont Avg. Cost per Pupil (\$) *	\$ 17,207	\$ 18,023	\$ 816	4.7%

\* FY 23 data are preliminary per AOE.

- RCPS cost per pupil increases by 7% to \$18,624 in FY 23, exceeding the VT state average.
  - Expenses increase more than revenues in FY 23, resulting in a larger gap to be funded by the State.
  - Equalized pupils reflect the same number of students from low income families year to year.

## Draft Ballot Language

*“Shall the voters of Rutland City School District approve the school board to expend **\$61,649,000** which is the amount the school board determined to be necessary for the ensuing fiscal year? It is estimated that this proposed budget, if approved, will result in education spending of **\$18,624** per equalized pupil. This projected spending per equalized pupil is **7.4%** higher than spending for the current year.”*



## Wrap Up

Questions?

Comments?

*Thank you for your time and consideration.*