

Harwood Unified Union School Board,  
August 30, 2017

1. FY2017 Financial Results
2. FY2018 - Final Tax Rates
3. Planning & Preparing for the FY2019 HUUSD Budget

General Fund FY2017 and Ending General Fund Balances - All HUUSD Schools											
	Fayston	Duxbury	Moretown	HUHS	Waitsfield	Warren	Watebury	WDSO	WWSU	FY2017 Total	FY2018 Total
Total General Fund Revenue	\$ 1,730,667	\$ 22,776	\$ 2,205,371	\$ 14,365,232	\$ 2,310,546	\$ 2,704,167	\$ -	\$ 12,128,173	\$ 1,421,414	\$ 36,888,346	\$ 36,294,313
Total General Fund Expense	\$ (1,728,776)	\$ (22,172)	\$ (2,187,167)	\$ (13,960,631)	\$ (2,286,882)	\$ (2,598,473)	\$ -	\$ (12,069,727)	\$ (1,391,397)	\$ (36,245,225)	\$ (36,294,313)
Contribution to General Fund in FY2017	\$ 1,891	\$ 604	\$ 18,204	\$ 404,601	\$ 23,664	\$ 105,694	\$ -	\$ 58,446	\$ 30,017	\$ 643,121	\$ -
Fund Balance % Total Expense	0.1%	2.7%	0.8%	2.9%	1.0%	4.1%		0.5%	2.2%	1.8%	
<b>GENERAL FUND</b>											
Per Audited Financial Statements June 30, 2016	\$ 99,928	\$ 4,503	\$ (20,667)	\$ 249,270	\$ 55,704	\$ (172,491)	\$ 4,165	\$ 611,492	\$ 46,245	\$ 878,149	
Contribution to General Fund in FY2017	\$ 1,891	\$ 604	\$ 18,204	\$ 404,601	\$ 23,664	\$ 105,694	\$ -	\$ 58,446	\$ 30,017	\$ 643,121	
Ending General Fund Balance June 2017	\$ 101,819	\$ 5,107	\$ (2,463)	\$ 653,871	\$ 79,368	\$ (66,797)	\$ 4,165	\$ 669,938	\$ 76,262	\$ 1,521,270	
Committed to HUUSD Maintenance Reserve	\$ (43,364)	\$ -	\$ 68,459	\$ (249,270)	\$ (55,704)	\$ 172,491	\$ -	\$ (391,204)	\$ (35,367)	\$ (533,959)	
General Fund Balance Uncommitted at June 30, 2017	\$ 58,455	\$ 5,107	\$ 65,996	\$ 404,601	\$ 23,664	\$ 105,694	\$ 4,165	\$ 278,734	\$ 40,895	\$ 987,311	

# FY2017 Financial Results (Pre-Audit)

30-Jun-17		Governmental Funds			Proprietary Funds		Agency-Held on Behalf of Another Organization
District:	General Fund		Special Revenue Fund (including Food Service)	Maintenance Reserve	Enterprise Funds-		
Duxbury	\$ 5,107	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fayston	\$ 58,455	\$ 19,380	\$ 82,248	\$ 2,945	\$ -	\$ -	\$ -
Moretown	\$ 65,996	\$ 19,920	\$ 22,517	\$ 36,113	\$ 4,978	\$ PTO	\$ -
Harwood Union	\$ 404,601	\$ 372,714	\$ 28,279	\$ -	\$ -	\$ -	\$ -
Waitsfield	\$ 23,664	\$ 39,733	\$ 12,313	\$ -	\$ -	\$ -	\$ -
Warren	\$ 105,694	\$ 78,563	\$ -	\$ -	\$ -	\$ -	\$ -
Waterbury	\$ 4,165	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Waterbury Duxbury Union	\$ 278,734	\$ 147,492	\$ 294,369	\$ -	\$ -	\$ -	\$ -
Washington West SU	\$ 40,895	\$ 213,372	\$ -	\$ 18,229	\$ 8,246	\$ VTCLA	\$ -
<b>Total HUUSD</b>	<b>\$ 987,311</b>	<b>\$ 891,174</b>	<b>\$ 533,959</b>	<b>\$ 57,286</b>			

# Final 2017 Tax Rates (FY2018 Budget)

	Duxbury	Fayston	Moretown	Waitsfield	Warren	Waterbury
2016 (FY2017) Homestead Tax Rates	\$ 1.65	\$ 1.59	\$ 1.73	\$ 1.61	\$ 1.56	\$ 1.65
*2017 Homestead (FY2108 Tax Rate with \$.10 Incentive)	\$ 1.56	\$ 1.50	\$ 1.58	\$ 1.55	\$ 1.57	\$ 1.55
Estimated	1.56	1.48	1.58	1.55	1.58	1.55
\$ Savings 2016 to 2017	\$ (0.09)	\$ (0.09)	\$ (0.15)	\$ (0.06)	\$ 0.01	\$ (0.10)
% Savings 2016 to 2017	-5.6%	-5.7%	-8.9%	-4.0%	0.9%	-6.2%
* The Actual Tax Rate is the Equalized Rate divided by the town's CLA	\$ 1.56	\$ 1.50	\$ 1.58	\$ 1.55	\$ 1.57	\$ 1.55
CLA	99.710%	103.510%	98.520%	100.440%	98.660%	100.340%
Equalized Tax Rate (The same for all Towns)	\$ 1.553	\$ 1.553	\$ 1.553	\$ 1.553	\$ 1.553	\$ 1.553
The Non-Residential Rate is \$1.535 divided by the towns CLA	\$ 1.54	\$ 1.48	\$ 1.56	\$ 1.53	\$ 1.56	\$ 1.53
						1.56 Estimated

## Need for Better Budgeting and Possible Roadmap for the Journey

### - A conversation

- “Traditional” budget model
  - Incremental changes in resource allocation
  - Limited resources drive spending plan
  - More reactionary than proactive
  - More focused on current year challenges than multi-year strategies
- **Need for better alignment of budget process and student achievement goals**
  - Proactive approach
  - Strategic plan drives budget with a focus on student achievement rather than limited resources
  - Administrative Team takes the time to work together to propose one comprehensive budget for HUUSD laying out the challenges the district is facing, goals, strategies and initiatives being pursued, the financial plan and any risks to long term financial stability.

Budget Plan and Timeline – DRAFT (Aug 30, 2017)

Month Of	Board	Director of Finance	Admin Team
September	<ul style="list-style-type: none"> <li>Board Develops Budget Principles</li> <li>Fund Balance and Contingency Policies</li> <li>Receives first FY2018 Financial Projections</li> </ul>	Issue budget materials and work individually with Admins and in two team meetings to develop initial proposal	<ul style="list-style-type: none"> <li>Budget Work and Admin Team Meetings scheduled for September 11<sup>th</sup> and September 25<sup>th</sup></li> </ul>
October	<ul style="list-style-type: none"> <li>Budget Communication Plan</li> <li>Admin on current levels student learning</li> </ul>	Prepare Comprehensive Budget Document for Admin Review Discussion	<ul style="list-style-type: none"> <li>October 19<sup>th</sup> – 1<sup>st</sup> Admin Team Review of Comprehensive Budget Proposal and Continued Work</li> </ul>
November	<ul style="list-style-type: none"> <li>1<sup>st</sup> Budget Presentation to Board on November 22<sup>nd</sup></li> </ul>	Continue preparations and prepare for 1 <sup>st</sup> Presentation to Board	<ul style="list-style-type: none"> <li>November 16<sup>th</sup> – Admin Budget Team Discussion/Decisions/Planning for first presentation to Board on November 22<sup>nd</sup></li> </ul>
December	<ul style="list-style-type: none"> <li>Board Discussions regarding Budget December 13<sup>th</sup> and December 27<sup>th</sup></li> </ul>	Prepare Information and Budget Presentations	<ul style="list-style-type: none"> <li>Continue to participate with Board on Budget Discussions</li> </ul>
January	<ul style="list-style-type: none"> <li>Board Discussion regarding Budget Continue</li> <li>Adoption of budget warning within 45 days of Town Meeting</li> </ul>	Prepare Information and Final Budget Presentations and work with Admins on Annual Report	
February	<ul style="list-style-type: none"> <li>Board Communications-re: Budget</li> </ul>		<ul style="list-style-type: none"> <li>Maybe start Admin redesign ideas/discussions</li> </ul>
March	<ul style="list-style-type: none"> <li>Annual Meeting &amp; Town Meeting Vote-March 6, 2018</li> </ul>		

- After March Board work on Strategic Plan and Redesign
- Maybe Board considers bond vote for general election in November 2018

# Preparing the FY2019 HUUSD Budget

- Examples of Board Budget Principles and Presentation
  - Harwood Union
  - Burlington School District
- Fund Balance Policy and Procedures
  - To Do - Determine the appropriate unrestricted fund balance in the General Fund (Contingency Fund) and the Maintenance Reserve Fund (Capital Improvement Plan)
  - As an example-Burlington School District Management Letter
  - Further Guidelines - [GFOA Fund Balance Guidelines for the General Fund](#)
- Budget Communication Plan