

## **Executive Summary – Budget FY’27**

The School Board approved the FY’27 budget in the amount of \$70,167,602. This is an increase over the current year by \$5,278,136 or 8.13%. The general education funding required increased by \$4,051,293 or 7.71%, which is slightly higher than the overall anticipated statewide education spending growth of 5.8%.

The proposed budget, if approved, results in per pupil spending of \$15,747, which is an increase from FY’26 per pupil spending of \$14,383 or 9.49%. This is above the state’s projected average per pupil spending increase of 6.8%. A significant part of this overall increase in the budget and the per pupil spending is due to the recently approved construction bonds. The increased debt load related to the first draw down of the bond proceeds played a significant role in increases.

Typically, the district would provide the community with an education tax rate and an estimated increase in the taxes for various stated property values. However, the Town recently completed a reappraisal of all properties in Colchester that will take effect in the spring. The district anticipates the education property tax rate to decrease by over forty percent (40%); however, it is unable to estimate an actual tax increase in dollar values without the new assessed values on properties. To be clear here, just because the education property tax rate is going to decrease significantly, this does not mean that property tax bills will decrease in the same manner. It is also important to keep in mind that approximately seventy percent (70%) of Vermont homeowners currently receive a property adjustment.

General education spending growth for the district increased to \$35,659,694, which is an increase of 5.73% or \$1,933,165. The primary reasons for the overall increase are salaries and benefits, which represent 74% of the overall budget, and another significant increase in health insurance.

Special education increased to \$17,046,772, which is an increase of 7.78% or \$1,230,648 due to anticipated demand. The increase can be attributed to employee compensation, benefits, and tuition costs for out-of-district placements.

Support of education increased to \$16,062,136, which is an increase of 15.42% or \$2,145,323. The most significant cost drivers in this area are compensation, benefits, bond debt, and student transportation.

Below is a summary of the expenditures in each of the functional areas.

<b>Function</b>	<b>2025-26</b>	<b>2026-27</b>	<b>Percent</b>	<b>Dollar</b>
	<b>Budget</b>	<b>Budget</b>	<b>Change</b>	<b>Change</b>
<b>Total General Education</b>	<b>\$33,726,529</b>	<b>\$35,659,694</b>	<b>5.73%</b>	<b>\$1,933,165</b>
<b>Total Special Education</b>	<b>\$15,816,124</b>	<b>\$17,046,772</b>	<b>7.78%</b>	<b>\$1,230,648</b>
<b>Total Support of Education</b>	<b>\$13,916,813</b>	<b>\$16,062,136</b>	<b>15.42%</b>	<b>\$2,145,323</b>
<b>Grants, Medicaid, Etc.</b>	<b>\$1,430,000</b>	<b>\$1,399,000</b>	<b>-2.17%</b>	<b>(\$31,000)</b>
<b>Totals</b>	<b>\$64,889,466</b>	<b>\$70,167,602</b>	<b>8.13%</b>	<b>\$5,278,136</b>