

# MOUNT MANSFIELD UNIFIED UNION SCHOOL DISTRICT

## FY27 Budget: Facts for Town Leaders

January 2026 Budget Overview

### The Bottom Line

**We have made \$860,000 in cuts**, including staff and program reductions, eliminating our operating margin, and paying off near-maturity bonds early. **With these reductions, the budget increases 5.99%** due to health insurance costs, negotiated salary agreements, and prior year shortfalls.

FY27 Proposed Budget: **\$64,963,496**

Increase over FY26: **\$3,673,450 (5.99%)**

District Homestead Tax Rate: **\$1.6713**

Tax Rate Increase: **9.44%**

Personnel Costs: **80.3% of budget**

Salaries & Wages: **\$37.4M (57.2%)**

Benefits: **\$15.2M (23.1%)**

Operating Expenses: **\$12.4M (19.7%)**

### Tax Impact by Town

Town tax rates vary significantly due to Common Level of Appraisal (CLA) changes, not differences in school spending. The CLA reflects how your town's property values compare to the statewide average.

Town	FY26 CLA	FY27 CLA	CLA Change	FY27 Rate	% Increase
Bolton	125%	119%	-5%	\$1.4045	14.73%
Huntington	159%	153%	-4%	\$1.0924	9.16%
Jericho	90%	80%	<b>-11%</b>	\$2.0891	<b>22.95%</b>
Richmond	128%	121%	-6%	\$1.3812	16.04%
Underhill	116%	106%	<b>-9%</b>	\$1.5767	<b>20.08%</b>

**Key insight:** Jericho and Underhill's larger tax increases are driven primarily by state factors—their CLAs dropped 11 and 9 points respectively (property values rose faster than the state average). This is a property valuation adjustment, not a school spending decision.

### What's Driving Costs??

- Health insurance increase: 7.4% (state-driven)
- Negotiated staff salary agreements
- Prior year shortfall carried forward
- Special education costs continue to rise
- Inflation on supplies, utilities, contracts
- Maintaining safe, functional facilities

### Actions Taken to Reduce the Budget

- \$380,000 in staff and program reductions (~6.5 FTE)
- Removed \$300,000 operating margin (Facilities)
- \$425,000 early payoff of near-maturity bonds (FY26)
- Budget freeze on discretionary spending

**Total FY27 reductions: \$860,000**

## Historical Tax Rate Context

The district's 6-year average tax rate increase is 2.76%. FY23 and FY24 saw artificially low rates due to a state Education Fund surplus that temporarily increased the property yield. That surplus is now depleted, contributing to the current correction.

FY22	FY23	FY24	FY25	FY26	FY27
\$1.4784	\$1.3035	\$1.2066	\$1.2405	\$1.5271	<b>\$1.6716</b>
+0.48%	-11.83%	-7.43%	+2.81%	+23.10%	<b>+9.46%</b>

*Note: FY23-24 decreases were due to state surplus, not district spending reductions.*

## Why Reserves Can't Solve This

MMUUSD reserves are currently well below levels recommended by GFOA, Vermont AOE, VSBA, and ASBO:

Reserve Category	MMUUSD Current	Recommended Range
Operating Margin	<b>0%</b>	1-3%
Fund Balance	<b>1.3%</b>	3-15%
Capital Reserves	<b>1.2%</b>	3-10%

Using remaining reserves now would:

1. Weaken our financial position.
2. Potentially be needed for prior year shortfalls still being resolved.
3. Leave no cushion for emergencies or unexpected costs.

## Enrollment

### Enrollment (PK-12)

Current enrollment: ~2,600 students

Long-term weighted ADM: 3,490

Enrollment has remained stable

## Understanding Vermont's Education Funding

Vermont pools education funding at the state level. Local tax rates are determined by multiple factors beyond district spending:

- Total education spending statewide
- Your town's property values vs. state (CLA)
- Changes in student count relative to state
- State Education Fund balance

*This means a district can hold spending flat and still see tax increases if property values rise faster than the state average or if statewide education costs increase.*

## The Path Forward

### FY26-27 Priorities

- Balance the budget responsibly
- Maintain core educational services
- Develop long-term fund targets
- Create comprehensive capital plan

### FY28 and Beyond

- Implement fund balance targets
- Execute capital improvement plan
- Continue efficiency improvements

**Questions? We're here to help.**

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Budget Vote: Town Meeting Day, March 3, 2026