

## Worksheet B

### What are our challenges?

- After the use of \$500,000 in fund balance and \$700,000 in budget reductions, the district is facing a **\$1.85 million gap** between its expenses and revenue based on the governor’s 2024-25 budget proposal.
- The district’s calculated tax levy limit is **\$4.4%**. This requires a simple majority (50% + 1) to approve the budget proposal.
- If the district proposes an increase over the limit, a supermajority (60%) approval is required.
- Using fund balance is not sustainable. This would be like using a savings account to pay monthly bills. Over time, savings will run out, and there won’t be enough to cover expenses, which continue to rise each year.
- If the district makes cuts, they could impact:
  - Electives
  - Class sizes
  - Maintaining paraprofessional (teaching assistant) support
  - Support for student social-emotional learning
  - Support for students who require academic assistance
  - Rigorous academic programming
  - Offerings in the arts (music, drama, band, etc.)
  - Athletic programs

**What are the options to balance the budget?** \*It is important to note that below are generalized options, the budget process for all school districts is always fluid, and the district is likely to present a combination/adjustment of the numbers shown to the Board of Education for approval.

	Cut from Budget	Additional Fund Balance Use* \$500,000 of Fund Balance Use Already Planned, Below is in Addition*	Tax Levy Each 1% = \$219,975
<b>Option 1</b>	\$0	\$0	12.8% (above the levy limit)
<b>Option 2</b>	\$1.85M (5% cut)	\$0	4.4% (at the levy limit)
<b>Option 3</b>	\$0	\$1.85M	4.4% (at the levy limit)
<b>Option 4</b>	\$925,000 (2.5% cut)	\$925,000	4.4% (at the levy limit)
<b>Option 5</b>	\$0	\$925,000	8.6% (above the levy limit)