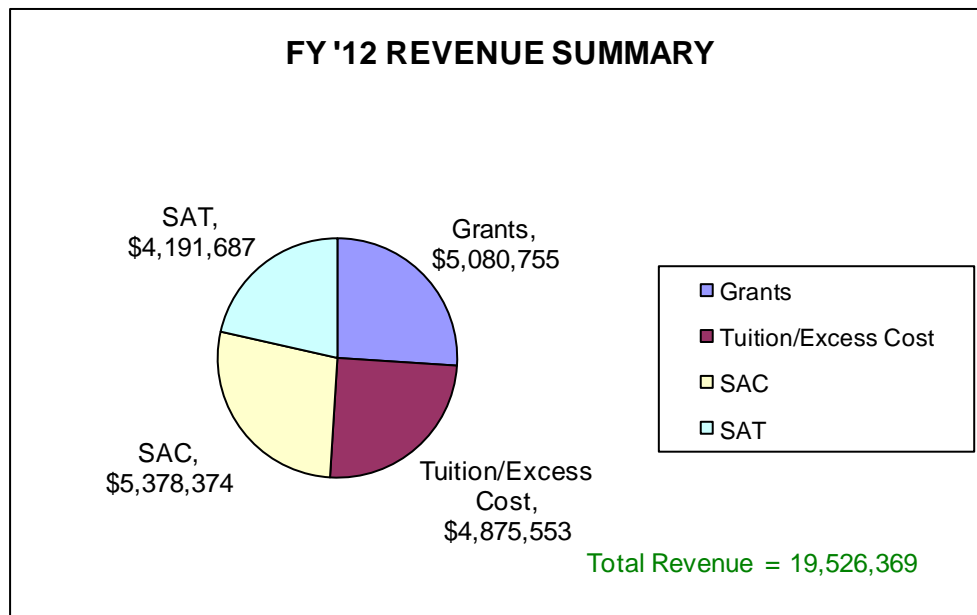


BFA FY '12 REVENUE ANALYSIS AND SUMMARY

Our final article on the BFA proposed school budget centers on revenues. BFA's revenue budget is divided in three parts: funds received through grants, funds received through students choosing to attend BFA as tuition students and funds received from St. Albans City and St. Albans Town residents. It is very important for our community to know that \$9,956,307 of our revenue for our operating budget is generated outside of the property taxes assessed to the City and town residents. For the proposed budget, 49% of the BFA revenue is generated by the St. Albans City and St. Albans Town residents (with some adjustments made for low income). First, we are able to maintain strong academic rigor in our curriculum, and secondly, we are able to maintain our educational spending at rates that are the same from year to year. The proposed St. Albans City K-12 educational portion of the school tax rate over the past years has been \$1.36 (FY '06), \$1.27 (FY '07), \$1.16 (FY'08), \$1.11(FY'09), \$1.18 (FY '10), \$1.22 (FY '11) and we project \$1.23 for FY'12. This is the educational spending tax before the common level of appraisal is applied to the tax rate. The K-12 educational portion of the school tax rate for St. Albans Town for the past years has been \$1.32 (FY '06), \$1.27 (FY '07), \$1.20 (FY '08), \$1.11(FY '09), \$1.15 (FY '10), \$1.19 (FY'11) and we project \$1.18 for FY '12 proposed budget before the common level of appraisal is applied to the tax rate. As our expenses increase in order to meet the needs of our students, the Board has been able to offset these costs with increased revenues generated mainly by grants and tuition students. This has enabled to Board to keep the tax burden relatively level.



General Operating Income

Collins Perley Trust Fund Income – The Collins Perley Trust Fund provides revenue for BFA to pay the interest on the debt service for the replacement of the roof. This bond will be finished December 1, 2023 and the Trust will pay the interest on this note until the debt is closed. This portion of the bond will not be funded with taxpayer's dollars.

FY '11 budget = \$50,000 FY '12 proposed budget = \$50,000

Investment Income – As noted under our Short Term debt service, BFA will take out a Tax Anticipation note to cover expenses until local and state taxes are received at the school. This note is invested and earns interest which we estimate will be \$60,000

FY '11 budget = \$60,000 FY '12 proposed budget = \$60,000

Driver Education Reimbursement – The Vermont Department of Education supplements the cost of school Driver Education programs. We anticipate this will be the reimbursement for the coming school year.

FY '11 budget = \$15,000 FY '12 proposed budget = \$15,000

Adult Education Income – As noted under our expenditure budget, BFA, working with the Northwest Technical Center, accommodates adult students who wish to advance their career, earn a diploma, or improve specific skills. Adults who have earned their diploma are paying tuition to attend the Center and we anticipate this as revenue for the coming year.

FY '11 budget = \$175,000 FY '12 proposed budget = \$175,000

Tuition Income – This is revenue BFA receives from non-resident students either from neighboring towns or as private tuition students

FY '11 budget = \$4,598,695 FY '12 proposed budget = \$4,875,553

Education Spending – This line item shows the money generated by the Town and City from their respective tax rates after all other revenue sources have been calculated in the budget to meet expenses for General Operating Income, Special Education Income and Northwest Technical Center Income.

FY '11 budget = \$9,427,108 FY '12 proposed budget = \$9,570,062

Miscellaneous Income – This line item show unanticipated income usually received in the form of grants and special awards.

FY '11 budget = \$5,000 FY '12 proposed budget = \$53,141

Total General Operating Income

FY '11 budget = \$14,330,803 FY '12 proposed budget = \$14,798,756

SPECIAL EDUCATION INCOME

Mainstream Excess Cost Income, CIP Excess Income, Summit Excess Cost Income, and ALP Excess Cost Income – These programs outlined in our expenditure budget provide services for students with special needs. The excess cost of such programs is charged to the student's town of residence and is received as special revenue to off-set expenses in our special education program.

	<u>FY '11 budget:</u>	<u>FY '12 proposed budget:</u>
Mainstream	\$267,859	408,115
CIP	\$446,579	354,856
Summit	\$115,785	117,567

Note: BFA will reorganize the Summit Program next year changing our revenue source.

One-on-One Para-Educator Income – These are funds received by the district from a sending school district obligated to provide funds to support educational services for students with disabilities.

FY '11 budget = \$117,034 FY '12 proposed budget = \$123,099

Mainstream Block Grant – A grant from the Department of Education to supplement the cost of providing special education services. The amount provided to BFA, as well as all schools in Vermont, is calculated on a statewide formula.

FY '11 budget = \$222,453 FY '12 proposed budget = \$229,196

Extraordinary Reimbursement – The Department of Education provides additional support for schools providing special education services and works with a student that has extraordinary needs. BFA anticipates providing these special services and anticipates the additional support for next year.

FY '11 budget = \$191,786 FY '12 proposed budget = \$103,795

Special Education Expenditure Reimbursement – Separate from the Block Grant and the extraordinary revenue, the Department of Education provides additional support for programs serving special needs students through a formula that reimburses the district an average of 57% of the eligible costs for special programs. BFA qualifies for these funds as listed below.

FY '11 budget = \$1,025,238 FY '12 proposed budget = \$934,833

Out-of-District Placement Income – These are funds received by the district from a sending school district obligated to provide funds to support educational services for students with disabilities, which includes expenses for out-of-district placements.

FY '11 budget = \$183,640 FY '12 proposed budget = \$127,117

Total Special Education Revenue

FY '11 budget = \$2,586,648

FY '12 proposed budget = \$2,398,578

NORTHWEST TECHNICAL CENTER

State Basic Education Grant – This state grant is provided to all technical education centers based on a state formula to support general operating revenues for technical centers.

FY '11 budget = \$1,122,500

FY '12 proposed budget = \$1,070,169

State Tuition Assistance Grant – In addition to the state grant provided to technical education centers, the state further supplements (through a formula) income for these schools by providing a separate grant to off set the tuition each school must charge to balance their operation cost.

FY '11 budget = \$451,580

FY '12 proposed budget = \$430,528

Tuition Income – The NWTC sets a separate tuition rate for attending the center which is based on enrollment and makes up the anticipated revenue needed to balance the operating of the NWTC. The tuition rate for FY '12 is \$10,780 per FTE.

FY '11 budget = \$505,343

FY '12 proposed budget = \$646,338

Preschool – The NWTC operates the Curiosity Corners preschool in conjunction with the Human Services Program. This partnership allows Human Services students to have internship opportunities in a preschool setting. Tuition is charged for the preschool children enrolled in this program.

FY '11 budget = \$12,000

FY '12 proposed budget = \$12,000

Other State Grants – The NWTC receives a state Salary Assistance grant (based on a formula) and provides support for the Director, Guidance Coordinator, and Co-op Coordinator.

FY '11 budget = \$163,628

FY '12 proposed budget = \$170,000

Total Technical Center:

FY '11 budget = \$2,255,051

FY '12 proposed budget = \$2,329,035

TOTAL OPERATING REVENUES:

FY '11 BUDGET = \$19,172,502

FY '12 PROPOSED BUDGET = \$19,526,369