



South Burlington School District
Board Budget Development
For FY22 School Budget

January 6, 2021

SBSD FY22 Proposed Budget

Priorities: Support students to Meet District ENDS- The Budget needs to support the necessary course work and experiences for students to meet the below District ENDS:

- a. Disposition for Lifelong Learning
- b. Academic Proficiency
- c. Personal Development
- d. Citizenship

Notes: The FY21 Budget that passed on the third vote had significant program reductions specifically at the HS and some at the MS that also affected the three Elementary schools. These programs will be considered along with others based on the school/district Continuous Improvement Plan (CIP), Student Enrollments and corresponding Staffing allocations.



+6.84%

% increase for SBSD expense budget
from FY21 approved to FY22 proposed budget.

+5.48%

% increase for Net Educational Spending
from FY21 approved to FY22 proposed budget.

What makes up the Expenditure Increase?

Expense Category	Increase	% of \$3,594,630 Increase
Salaries and Wages	\$1,125,114	31.30%
GF and SRF Increases *	\$833,632*	23.19%
Health Insurance	\$688,638	19.16%
Additions to Staff	\$562,644	15.65%
Other Employee Benefits	\$271,476	7.55%
Facilities	\$113,127	3.15%
Totals	\$3,594,630	100%

* GF= General Fund SRF= Special Revenue Fund - \$833,632 represents the combined net increase for a multitude of items and both funds combined. Details of increases on next slide

Major Contributors to GF / SRF Increase

General Fund Expense	Increase from FY21	Cumulative Impact
Equip Repair and Maint	\$74,686	\$74,686
Purchased Services	\$59,193	\$133,879
Preschool Expenses	\$80,145	\$214,024
Program Supplies	\$49,333	\$263,357
Computers	\$65,417	\$328,774
Interest	\$26,079	\$354,853
Telephone Service	\$22,986	\$377,839
Conferences	\$34,188	\$412,027
Equipment Replacement	\$61,376	\$473,404
Special Revenue Expense	Increase from FY21	Cumulative Impact
Purchased Services	\$432,321	\$905,724

▶ Enrollment- Executive Summary

1. The resident total fertility rate for the South Burlington School District over the life of the forecasts is below replacement level. (1.75 vs. the theoretical replacement level of 2.1)
2. Most in-migration to the district continues to occur in the 0-to-9 and 25-to-44 year old age groups.
3. The local 18-to-24 year old population continues to leave the district, going to college or moving to other urbanized areas. This population group accounts for the largest segment of the district's out migration flow and will increase steadily over the next 10 years. Households aged 70+ that are downsizing constitutes the second largest out migration flow.
4. The primary factors causing the district's enrollment to increase over the next five years is the number of new housing units being constructed, a steady existing homes sales market in the district coupled with a consistent rate of in migration of young families.
5. Changes in year-to-year enrollment over the next five years will primarily be due to large residential cohorts entering and moving through the school system in conjunction with smaller cohorts leaving the system.
6. The elementary enrollments will begin to stabilize after the 2025-26 school year.
7. The median age of the population will increase from 40.6 in 2010 to 43.8 in 2030.
8. Even if the district continues to have some level of annual new home construction over the next 10 years, the rate, magnitude and price of existing home sales will become the increasingly dominant factor affecting the amount of population and enrollment change.
9. Total district enrollment is forecasted to increase by 140 students, or 5.7%, between 2020-21 and 2025-26. Total enrollment will increase by 143 students, or 5.5%, from 2025-26 to 2030-31

SBSD Enrollment Projections 2021-2031

School Year	K	1	2	3	4	5	6	7	8	9	10	11	12	Total
2020-21	171	175	169	174	176	159	146	172	188	237	221	242	207	2437
2021-22	173	181	180	173	180	184	156	156	179	220	244	224	247	2497
2022-23	174	176	185	185	179	188	177	167	162	211	227	246	228	2505
2023-24	175	178	182	192	193	188	179	189	174	191	217	229	251	2538
2024-25	178	179	185	188	200	199	179	190	197	205	197	219	234	2550
2025-26	176	181	186	191	195	207	189	190	199	232	210	199	222	2577
2026-27	177	179	185	191	198	201	195	199	198	235	238	212	202	2610
2027-28	175	180	183	190	197	205	189	206	207	234	241	240	215	2662
2028-29	175	178	186	188	196	202	193	199	214	244	240	243	244	2707
2029-30	174	179	184	191	194	201	190	204	207	253	250	242	247	2716
2030-31	171	177	185	189	197	198	189	200	212	244	259	253	246	2720

Source: Cropper/Mckibben SBSD Enrollment Projection Study

FY21 District Enrollment Compared to Proposed

FY2022 Enrollment estimates provided by McKibben.

Rick Marcotte Central School

Enrollment		Dec. 15 2020 (FY 2021)				Enrollment				Fall Proposed (FY 2022)			
Grade	Students	Teachers	Avg Cls	Size	Avg For Block	Grade	Students	Teachers	Avg Cls	Size	Avg For Block		
Pre-K	24					Pre-K	25						
K	70	4	17.5	18.1	K	67	4	16.8	18.7				
1	61	4	15.3		1	72	4	18.0					
2	61	3	20.3		2	61	3	20.3					
3	61	3	20.3		3	62	3	20.7					
4	67	3	22.3		4	63	3	21.0					
5	54	3	19.0	20.2	5	70	4	17.5	19.0				
Pre K-5	398	20	19.7		Pre K-5	420	21	19.8					
K-5	374				K-5	395							
													+21 vs FY 2021

Chamberlin School

Enrollment		Dec. 15 2020 (FY 2021)				Enrollment		Fall Proposed (FY 2022)					
Grade	Students	Teachers	Avg Cls	Size	Avg For Block	Grade	Students	Teachers	Avg Cls	Size	Avg For Block		
Pre-K	26					Pre-K	27						
K	41	3	13.7	15.4	K	48	3	15.3	16.6				
1	40	3	13.3		1	44	3	14.7					
2	49	3	16.3		2	42	2	21.0					
3	39	2	19.5		3	51	3	17.0					
4	42	2	21.0		22.3	4	41	2		20.5	17.6		
5	47	2	23.5		5	47	3	15.7					
Pre K-5	284	15	19		Pre K-5	298	16	18.9					
K-5	258				K-5	271							
													+13 vs FY 2021

Orchard School

Enrollment		Dec. 15 2020 (FY 2021)				Enrollment		Fall Proposed (FY 2022)					
Grade	Students	Teachers	Avg Cls	Size	Avg For Block	Grade	Students	Teachers	Avg Cls	Size	Avg For Block		
Pre-K	24					Pre-K	25						
K	61	4	15.3	17.1	K	60	4	15.0	17.5				
1	76	4	19.0		1	65	4	16.3					
2	59	4	14.8		2	77	4	19.3					
3	77	4	19.3		3	60	3	20.0					
4	62	3	20.7		19.8	4	76	4		19.0	20.4		
5	57	3	19.0		5	67	3	22.3					
Pre K-5	416	22	17.8		Pre K-5	430	22	18.4					
K-5	392				K-5	405							
													+13 vs FY 2021

Elementary District

Enrollment		Dec. 15 2020 (FY 2021)				Enrollment		Fall Proposed (FY 2022)				G6 Policy Guidelines		
Grade	Students	Teachers	Avg Cls	Size	Avg For Block	Grade	Students	Teachers	Avg Cls	Size	Avg For Block			
Pre-K	74					Pre-K	77							
K	172	11	15.6	17.0	K	173	11	15.7	17.7	16-18, not to exceed 20				
1	177	11	16.1		1	181	11	16.5						
2	169	10	16.9		2	180	9	20.0						
3	177	9	19.7		3	173	9	19.2						
4	171	8	21.4		4	180	9	20.0						
5	158	8	19.8	20.6	5	184	10	18.4	19.2		16-20, not to exceed 25			
Pre K-5	1098	57	19.0		Pre K-5	1148	59	18.2						
K-5	1024				K-5	1071								+47 vs FY 2021

FHTMS

Resident & tuition		Dec. 15 2020 (FY 2021)				Resident & tuition		Fall Proposed (FY 2022)		G6 Policy Guidelines	
Grade	Students	Teachers	Stu/Teacher		Grade	Students	Teachers	Stu/Teacher			
6	148	8			6	156	8			19.64	
7	173	17	20.32		7	156	17				
8	187				8	179					
FY 2021	508		25		FY 2022	491		25			
FY 2022	491				-17 vs FY 2021						

SBHS

Resident & tuition		Dec. 15 2020 (FY 2021)				Resident & tuition		Fall Proposed (FY 2022)		G6 Policy Guidelines	
Grade	Students	Department	Teachers	Stu/Teacher	Grade	Students	Department	Teachers	Stu/Teacher		
9	242	Lang Arts	10	92.1	9	220	Lang Arts	10	93.5	100 Students/Teacher	
10	219	Lang Arts	10.26	89.8	10	244	Math	10.26	91.1	150 Students/Teacher	
11	248	Lang Arts	10.16	90.6	11	224	Science	10.16	92.0	150 Students/Teacher	
12	214	Lang Arts	7.75	118.8	12	247	Soc Studies	7.75	120.6	150 Students/Teacher	
FY 2021	924		38.17		FY 2022	935		38.17			
FY 2022	935				+14 vs FY 2021						

District Enrollment

FY 2021 Pre K-5	2527
FY 2022 Pre K-5	2574
FY 2021 K-5	2453
FY 2022 K-5	2497
	+44 vs FY 2021 K-5

▶ Equalized Pupil (Version 1)

	FY21	FY22 (projected)	# DIFF	% DIFF
Equalized Pupil Data	2579.74	?	?	?%

Equalized Pupil Count is the two year average of our Average Daily Membership (ADM). The calculation uses weighting for poverty, ELL students, and students enrolled in secondary grades. A decline in Equalized Pupil Count will have the effect of raising Net Educational Spending Per Pupil and the final tax rate.

► SBSD Instructional Leadership

Gertrude Chamberlin

1 Principal

Enrollment = 284/+13

Classroom Teachers = 16/+1

Rick Marcotte Central

1 Principal

.5 Assistant Principal

Enrollment = 420/+21

Classroom Teachers = 22/+1

Orchard School

1 Principal

.5 Assistant Principal

Enrollment = 430/+13

Classroom Teachers = 22

F.H. Tuttle Middle School

1 Principal

1 Assistant Principal

Enrollment = 491/-17

Classroom Teachers = 25

South Burlington High School

1 Principal

2 Assistant Principals

1 Student Activities Director

Enrollment = 935/+14

Classroom Teachers = 38

FY22 Change

Projected Tax Impacts

School districts can only project the tax impact on their communities. Since moving to a Statewide property tax for education, the tax rate is not finalized until the Vermont State Legislature and Governor approve the State's FY22 budget.



SBSD Proposed Budget - Net Educational Spending

	FY21	FY22	\$ DIFF	% DIFF
FY22 Proposed Expense Budget	\$52,532,248	\$56,126,878	\$3,594,630	6.84%
Minus Offsetting Revenue	\$11,291,856	\$12,163,803	\$871,947	7.72%
Net Educational Spending	\$41,677,659	\$43,963,075	\$2,285,416	5.48%

SBSD Proposed Budget - Homestead Tax Rate

	FY21	FY22	\$ DIFF	% DIFF
Net Educational Spending	\$41,677,659	\$43,963,075	\$2,285,416	5.48%
Ed Spending/Equalized Pupil	\$16,155.76	\$17,041.67	\$885.91	5.48%
State Calculated Yield	\$10,998	\$10,763	-\$235	-2.14%
Homestead Tax Rate	\$1.6336	\$1.5834	-\$0.0502	-3.07%
Non-Homestead Tax Rate	\$1.8394	\$1.7300	-\$0.1094	-5.95%

SBSD FY22 Proposed Budget - Homestead Tax Rate History

SOUTH BURLINGTON SCHOOL DISTRICT
Budget & Tax Rate Changes
Proposed FY 2022 Budget

Fiscal Year	Budget Request	% Spending		Change in Tax Rate
		Increase Proposed	Tax Rate	
2022*	\$56,126,878	6.84%	\$ 1.5834	-3.07%
2021	\$52,532,248	1.52%	\$ 1.6336	1.91%
2020	\$51,746,533	4.15%	\$ 1.6030	3.38%
2019	\$49,686,166	0.85%	\$ 1.5506	-1.82%
2018	\$49,268,888	4.89%	\$ 1.5794	-2.00%
2017	\$46,973,703	2.68%	\$ 1.6117	-0.52%
2016	\$45,747,228	3.27%	\$ 1.6202	0.61%
2015	\$44,297,297	3.05%	\$ 1.6104	6.15%
2014	\$42,986,751	2.09%	\$ 1.5171	7.50%
2013	\$42,106,183	3.74%	\$ 1.4112	2.76%
Five Year Averages:		3.65%		-0.32%
Ten Year Averages:		3.31%		1.49%

* Estimated, subject to final adjustments by the state legislature & budget adoption
 FY2015 & FY2016 Used \$1,675,000 of repurposed 2005 Bond for Capital Stewardship Projects
 FY2016 & FY2017 Used \$2,500,000 in Bond Proceeds for Capital Stewardship Projects
 FY 2019 Used \$950,500 in Bond Proceeds for Capital Stewardship Projects

▶ SBSD FY22 Proposed Budget - Comparison to Statewide Estimates

	Statewide Estimates	SBSD FY22 Proposed Budget
Growth in Total Educational Spending	3.79%	5.48%
Change in Equalized Pupil Count	0.03%	?%
Growth in Spending Per Equalized Pupil	3.75%	5.48%

- SBSD expenses are projected to be 6.84% greater than the FY21 approved budget.

► Common Level of Appraisal (CLA)

South Burlington	FY19	FY20	FY21	FY22
Common Level of Appraisal	95.44%	93.28%	89.92%	100%
Education Tax Rate	\$1.5506	\$1.6030	\$1.6336	\$1.5861

The common level of appraisal (CLA) is determined by dividing the education grand list by the equalized education grand list (32 V.S.A. § 5401). An increasing CLA will result in a downward adjustment of tax rates, and a decreasing CLA will result in an upward adjustment.

▶ Common Level of Appraisal

CLA (common level of appraisal) is an adjustment to listed property values. The state calculates a CLA annually for each town to adjust the listed value of properties to reflect fair market value as nearly as possible.

- Since it is not practical or affordable to administer a town-wide reappraisal every year, the state has developed a system to adjust the listed values to assure that all properties are listed as close as possible to fair market value every year. This system produces the CLA.
- The CLA adjustment is based on a statistical analysis of recent real estate sales for each town. While not as accurate as a town-wide reappraisal, this statistical analysis provides a reasonable way to ensure that all listed values are adjusted to be as close to fair market value as possible every year.
- The CLA affects only the school tax, and it only applies to property. Any school taxes that are paid based on household income are not affected by the CLA (approximately 68% of Vermonters).
- The CLA is not the cause of taxes rising faster than school budgets. It is simply a mechanism for making sure property is correctly valued. **A declining CLA means the investment homeowners have made in their property is appreciating in value.**

▶ Vermont's income sensitivity program

Analysis by the Department of Taxes showed there are **up to 21 steps necessary** for taxpayers to determine the impact of their district's school budget on their individual homestead property tax bills.

- Vermont's income sensitivity program effectively divides education property taxpayers into four groups:
 - Those whose property taxes are capped by law
 - Those who pay based on their income
 - Those who pay on a combination of income and property value
 - Those who pay purely based on their property value
- **Most homeowners (68%) pay an income-sensitized property tax,** meaning their total property tax bill is reduced by a state payment, called a property tax credit (PTC).

SBSD FY22 Proposed Budget - Projected Income Sensitivity Property Tax Rate

	FY21	FY22	\$ DIFF	% DIFF
South Burlington	2.48%	2.66%	0.0018	6.77%

A typical income-sensitized property tax payer (approx. 68% of all taxpayers) is projected to pay 2.66% of their income in education property tax. For instance, a family with household income of \$60,000 (just above the median tax filer income in Vermont) could expect to pay around \$1,595 in annual property tax next year.

Income Yield reduced from \$13,535 in FY21 to a projected \$12,825 in FY22.

The slide features a light blue background with decorative geometric shapes in the corners. The top-left corner has a dark blue triangle pointing towards the center, with a light grey triangle partially visible behind it. The bottom-right corner has a dark blue triangle pointing towards the center, with a medium blue triangle partially visible behind it.

\$56,126,878

SBSD's projected FY22 budget. Increasing by approximately \$3.59 million, or about 6.84%

Facilities Bond Article

The Board is evaluating a 2.5M facilities bond article for consideration by South Burlington voters on the March 2, 2021 ballot.

Proposed Items for Bond Funding:

- FHTMS:
 - Main roof replacement - \$1,800,000
 - Rooftop penthouse wall coating - \$30,000
 - Flooring abatement and replacement - \$125,000
 - Door replacement and hardware - \$12,500
 - Masonry repair- \$15,000
 - Fire Alarm Upgrade- \$15,000
- SBHS:
 - Flooring abatement and replacement - \$70,000
 - Resurface fire road- \$75,000
 - Door and hardware replacement - \$22,500
 - Circulation pumps- \$7,500
 - Masonry repair- \$15,000
 - Fire Alarm Upgrade- \$15,000
- Orchard School
 - Flooring abatement and replacement - \$65,000
 - Door hardware - \$2,500
- Gertrude Chamberlin:
 - Flooring abatement and replacement - \$35,000
 - Door hardware - \$2,500
 - Circulation pumps, controls, expansion tank replacement - \$67,600
- RMCS
 - Flooring abatement and replacement - \$25,000
 - Door and hardware replacement- \$12,500
- District
 - Front end loader - \$80,000

Bond Costs

SOURCES & USES		ANNUAL DEBT SERVICE SCHEDULE			
		Principal	Interest	Series D/S	
<i>Sources</i>	<u>Assumptions</u>				
Par	\$2,500,000	2,500,000	544,706	3,044,706	
Equity	0				
Total	\$2,500,000				
<i>Uses</i>					
Project	\$2,500,000				
COI					
Total	\$2,500,000				
Dated Date	7/31/2021				
Principal Payment Date	11/1/2022				
Term	21 Years				
Amortization Period	20 Years				
Final Maturity	11/1/2041				
Avg Life	10.84 Years				
<i>Statistics</i>					
Net Interest Cost	2.01%				
		6/30/2022	0	32,027	32,027
		6/30/2023	125,000	38,036	163,036
		6/30/2024	125,000	37,486	162,486
		6/30/2025	125,000	36,897	161,897
		6/30/2026	125,000	36,253	161,253
		6/30/2027	125,000	35,555	160,555
		6/30/2028	125,000	34,764	159,764
		6/30/2029	125,000	33,840	158,840
		6/30/2030	125,000	32,784	157,784
		6/30/2031	125,000	31,595	156,595
		6/30/2032	125,000	30,274	155,274
		6/30/2033	125,000	28,673	153,673
		6/30/2034	125,000	26,678	151,678
		6/30/2035	125,000	24,350	149,350
		6/30/2036	125,000	21,734	146,734
		6/30/2037	125,000	18,869	143,869
		6/30/2038	125,000	15,793	140,793
		6/30/2039	125,000	12,537	137,537
		6/30/2040	125,000	9,122	134,122
		6/30/2041	125,000	5,563	130,563
		6/30/2042	125,000	1,875	126,875
		6/30/2043	0	0	0

Tuesday March 2, 2021

Or Sooner Via
Mail or Early
Voting!

