

FY 2020 Budget Presentation



**South Burlington
School District**

January 16, 2019

Recommended Budget Objectives

The South Burlington School District Recommended Budget will allow us to:

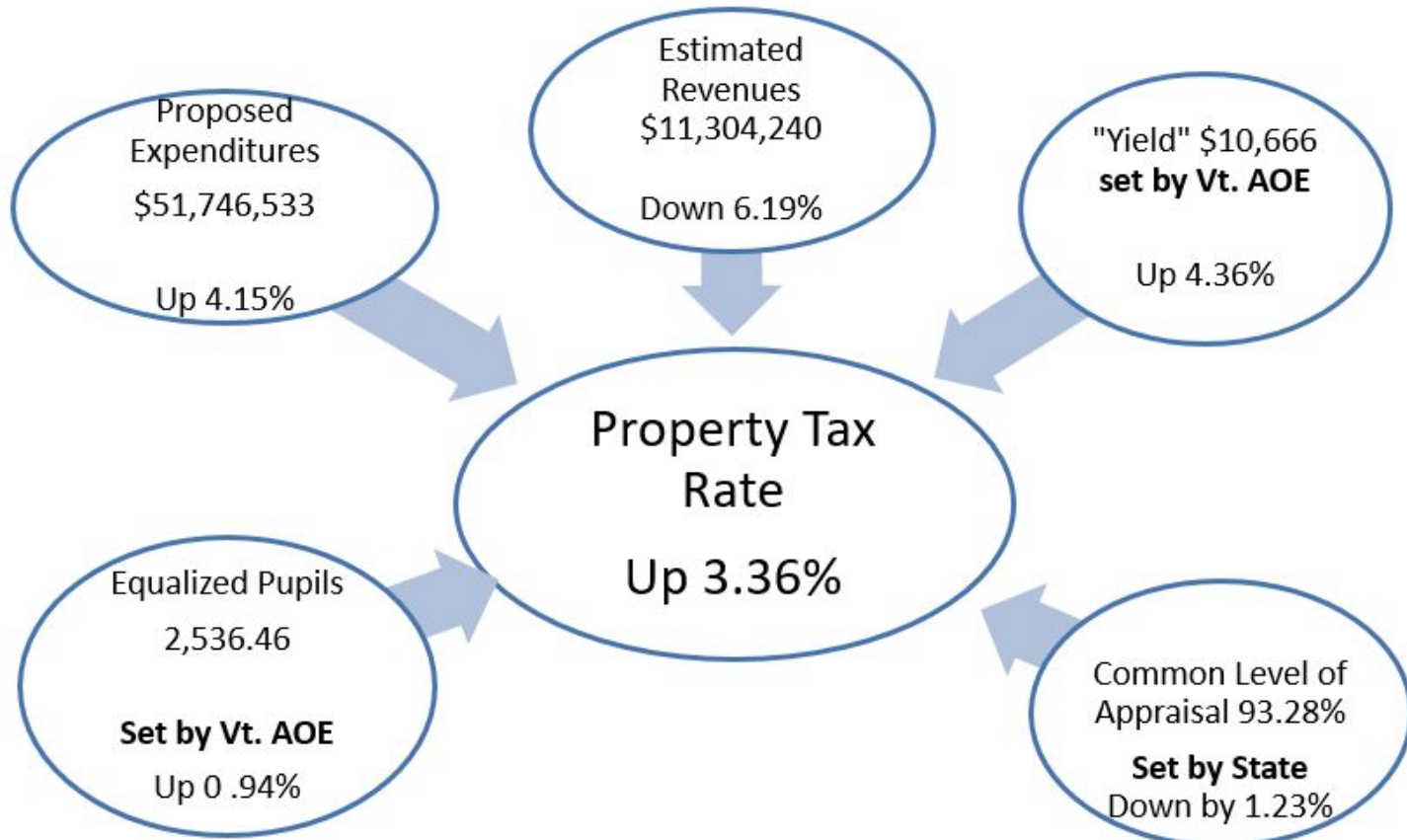
- Provide student opportunities and programs that are essential for students to achieve desired educational goals outlined in our District's Ends Policy.
- Continue work on our Continuous Improvement Plan (CIP).
- Continue to develop a co-teaching model between classroom teachers and special educators that responds to best practice.
- Provide staff necessary to meet the needs of students with disabilities in Early Essential Education (EEE).
- Continue to utilize student assessment data to adjust and deploy resources in the identified areas of need.
- Provide professional development that ensures high-quality learning opportunities for all students as defined by our District's Ends Policy.
- Continue to add improved safety upgrades to each of the five buildings in both staffing and physical building changes. Safeguard well-being of students and staff through maintenance of all five school buildings.

Student Outcomes

- A top ranked Vermont school by U. S. News and World Reports.
- Ranked among the Best Public High School in Vermont by Niche.com.
- High school presently offers supportive, accelerated honors programs in english, social studies, mathematics, world language, visual and performing arts, and science.
- Approximately 80% of students will continue their education immediately following graduation.
- Approximately 70 junior and senior students have participated in dual enrollment college courses.
- High school maintains only Big Picture Program in the state.
- Standardized test scores consistently rank among the top in the state.
- 67 students enrolled in Vermont Virtual Learning Collaborative (VTVLC) online classes in 2018-19
- 487 AP course enrollments in various classes in math, science, english and social studies.
- 136 enrollments in college level mathematics (Calculus or AP Stats).

Components of the Tax Rate Calculation

The tax rate can vary – and has over the years – as a result of any one of these five factors.



SBSD Budget Development--"Recommended 1/16/2019"

SBSD Budget FY 2019-20 Status	Actual FY19 Budget	FY20 Proposed Budget	Change	% Chg	Version: # 4	1/16/2019																						
Expenditure Budget Funds 01 & 03:	\$49,686,166	\$51,746,533	\$2,060,367	4.15%	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">State Level Factors FY20</th> <th style="text-align: right;">FY19 Factors</th> </tr> </thead> <tbody> <tr> <td>Property Yield:</td> <td style="text-align: right;">\$10,666</td> <td style="text-align: right;">\$10,220</td> </tr> <tr> <td>* CLA:</td> <td style="text-align: right;">93.28%</td> <td style="text-align: right;">94.51%</td> </tr> <tr> <td>Equalized Pupils:</td> <td style="text-align: right;">2,536.46</td> <td style="text-align: right;">2,512.79</td> </tr> <tr> <td>Non-Resid Tax Rate:</td> <td style="text-align: right;">\$1.5800</td> <td style="text-align: right;">\$1.5800</td> </tr> </tbody> </table>		State Level Factors FY20		FY19 Factors	Property Yield:	\$10,666	\$10,220	* CLA:	93.28%	94.51%	Equalized Pupils:	2,536.46	2,512.79	Non-Resid Tax Rate:	\$1.5800	\$1.5800							
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Non-Resid Tax Rate:	\$1.5800	\$1.5800																										
Assumed level of changes:		\$0																										
Adjusted Expenditure Budget:	\$49,686,166	\$51,746,533 (1)	\$2,060,367	4.15%																								
Less "Other" Revenue Funds 01 & 03:	\$12,050,394	\$11,304,240 (2)	(\$746,154)	-6.19%	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">Residential Property Tax Impact</th> </tr> </thead> <tbody> <tr> <td colspan="2">Before income sensitivity and with the CLA the residential property tax per \$100,000 homestead value is estimated as:</td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">\$1,495</td> </tr> <tr> <td style="text-align: right;">Change from FY19</td> <td style="text-align: right;">\$52</td> </tr> <tr> <td style="text-align: right;">monthly change</td> <td style="text-align: right;">\$4.34</td> </tr> <tr> <td style="text-align: right;">Tax on a \$231,356 condo</td> <td style="text-align: right;">\$3,708</td> </tr> <tr> <td style="text-align: right;">Change from FY19</td> <td style="text-align: right;">\$120</td> </tr> <tr> <td style="text-align: right;">monthly change</td> <td style="text-align: right;">\$10.03</td> </tr> <tr> <td style="text-align: right;">Tax on a \$336,110 home</td> <td style="text-align: right;">\$5,386</td> </tr> <tr> <td style="text-align: right;">Change from FY19</td> <td style="text-align: right;">\$175</td> </tr> <tr> <td style="text-align: right;">monthly change</td> <td style="text-align: right;">\$14.58</td> </tr> </tbody> </table>		Residential Property Tax Impact		Before income sensitivity and with the CLA the residential property tax per \$100,000 homestead value is estimated as:		Total	\$1,495	Change from FY19	\$52	monthly change	\$4.34	Tax on a \$231,356 condo	\$3,708	Change from FY19	\$120	monthly change	\$10.03	Tax on a \$336,110 home	\$5,386	Change from FY19	\$175	monthly change	\$14.58
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possible revenue budget changes:		\$0																										
Adjusted Revenue Budget:	\$12,050,394	\$11,304,240	(\$746,154)	-6.19%																								
(Net) State Education Fund:	\$37,635,772	\$40,442,293	\$2,806,521	7.46%																								
Equalized Pupils:	2,512.79	2,536.46 (3)	23.67	0.94%																								
Net "Ed Spending" Per Equalized Pupil:	\$14,977.68	\$15,944.38	\$966.70	6.45%																								
Property "Yield":	\$10,220	\$10,666 (4)	\$446.00	4.36%																								
<i>S.B. Residential Tax Rate (w/o CLA):</i>	\$1.4655	\$1.4949	\$0.0294	2.00%																								
Residential Tax Rate w/ CLA:	\$1.5506	\$1.6026 (5)	\$0.0520	3.36%																								
<i>Non-Residential Tax Rate (w/o CLA):</i>	\$1.5800	\$1.5800	\$0.0000	0.00%																								
Non-Residential Tax Rate w/ CLA:	\$1.6718	\$1.6938	\$0.0220	1.32%																								

The % change in the total expenditure budget	4.15%
The % change in ed spending per equalized pupil is:	6.45%
The % change in the estimated residential tax rate is:	3.36%
The % change in the non-residential tax rate from FY19 is:	1.32%
The % change in the income sensitized rate from FY19 is:	0.56%
The % change in draw from the State Education Fund is:	7.46%

Income Sens Impact	2.43%	FY19 Factors
Tax on \$40,000 HH Inc:	\$973	5
Tax on \$60,000 HH Inc:	\$1,460	8
Tax on \$80,000 HH Inc:	\$1,947	11

Sheet Notes:

- (1) The total **adjusted** expenditure budget proposed for the coming year.
- (2) The total amount expected in revenue for the coming year.
- (3) The count of equalized pupils computed by the AOE
- (4) The "property yield, set by the AOE
- (5) The total computed residential tax rate.

Budget Notes:

1. Total expenditure budget, ed spending per equalized pupil, and percent change are, by law, included in the ballot language.
2. This budget recognizes reductions considered to date, as well as finalized CLA and current **estimated Equalized Pupils**.

Budget Development Status:

This version is the "Recommended" budget

** WITH CORRECTED FY19 TAX RATE

Recommended Additions Proposed for FY20:

<u>Request</u>	<u>Rationale</u>	<u>Cost</u> (% above FY19)
EEE PreK Program at R.M. Central total of 3 FTE's	With the start of Universal PreK, more students have been identified with needs currently it has been difficult to meet those needs when the students are outplaced	\$196,380 (0.40%)
Reduction of payment to private PRK providers	Establishing the EEE PreK Program at R.M. Central will eliminate payments to private partners	-\$50,000 (-0.10%)
Reduction of 9 FTE Paraeducators and an addition 5 FTE Special Educators at the elementary level	Act 173 recently passed relates to enhancing the effectiveness, availability, and equity of services provided to students who require additional support. In line with this act, SBSD's Multi Tiered System of Support will shift to use licensed special educators to provide targeted and intensive instruction.	\$160,545 (0.32%)
.5 FTE Guidance at High School	Increased caseloads have necessitated making 2 part-time positions full-time	\$ 41,081 (0.08%)
1 FTE Security Position	Safety continues to be a concern, the addition of 1 FTE to the current 3 FTE's will help address needs Districtwide.	\$ 43,846 (0.09%)

Recommended Additions New Items Proposed for FY20:

<u>Request</u>	<u>Rationale</u>	<u>Cost</u> (% above FY19)
.73 FTE Office of Operations/Finance Position	Increase in State initiatives and mandated requirements such as: Universal Chart of Accounts, New Financial Accounting/HR Software, Grants Management System, Statewide Longitudinal Data System	\$ 46,799 (0.09%)
.12 FTE Assistant Student Mentor Coord.	Previously funded with outside organization funds	\$ 4,374 (0.01%)
Addition of program contingency	The Healthcare recapture over the past two years of \$468,817 and the FY19 budget increase of .83% has left us with minimal fund balance.	\$100,000 (0.20%)
Maintenance & Facility Stewardship projects	Provides required maintenance for facilities pending the results of the 2 year Master Planning and Visioning study	\$134,941 (0.27%)
Lease Purchase of two School Buses	Keeping with the rotation of lifecycle in the Stewardship Plan	\$ 39,335 (0.08%)
Overall total of listed additions		\$717,301 (1.44%)

Budget Recap

- 4.15% Budget Increase. Listed below are **key** contributors to the projected expense increase:
 - \$1,018,993 in benefit increases and salary contingencies for three Collective Bargaining Groups (2.05%)
 - \$538,074 in continuing service expenses (1.08%) which include:
 - Tuition agreements already in place
 - 2019 Bond Principal Payment
 - Contracts with vendors for services already in place
 - Vocational tuition expense increase
 - Lease payment obligations
 - \$717,301 in recommended additions (1.44%)

- -6.19% or \$746,154 in Revenue Reduction. Below are **key** contributors to the reduction in projected revenue:
 - Act 85 healthcare recapture resulted in a \$468,817 loss of revenue over two fiscal years which directly impacted the reduction of the carry-over in Fund Balance -\$386,345 (-3.21%)
 - Correction of prior year anticipated revenue -\$190,000 (-1.58%)
 - Reduction in Special Education revenues largely due to a change in State reimbursement thresholds -\$237,349 (-1.97%)

SBSD Budget Worksheet - Proposed FY 2020 Budget
General Fund and Special Revenue Funds Combined
Revenue and Expenditure Summary

<u>REVENUES</u>	Adopted FY 2019 Budget	Proposed FY 2020 Budget	Budget Difference	% Chg
State Ed Fund	\$37,635,772	\$40,442,293	\$2,806,521	7.46%
Other "Local Revenues"	\$12,050,394	\$11,304,240	(\$746,154)	-6.19%
TOTAL REVENUES	\$49,686,166	\$51,746,533	\$2,060,367	4.15%
<u>EXPENDITURES</u>				
Salaries & Wages	\$31,053,018	\$31,690,290	\$637,272	2.1%
Employee Benefits	\$9,634,557	\$10,199,499	\$564,942	5.9%
Purchased Professional Services	\$1,227,268	\$1,513,216	\$285,948	23.3%
Purchased Technical Services	\$1,228,142	\$1,189,402	(\$38,740)	-3.2%
Purchased Property Services	\$649,639	\$693,306	\$43,667	6.7%
Insurance--Property Liability	\$175,541	\$175,541	\$0	0.0%
Other Purchased Services	\$2,134,495	\$2,287,863	\$153,368	7.2%
Supplies and Materials	\$1,822,828	\$1,770,140	(\$52,688)	-2.9%
Equipment	\$1,170,246	\$1,177,505	\$7,259	0.6%
Miscellaneous, Contingency & Transfers	\$207,500	\$619,904	\$412,404	198.7%
Debt Service - Existing	\$382,932	\$429,867	\$46,935	12.3%
TOTAL EXPENDITURES	\$49,686,166	\$51,746,533	\$2,060,367	4.15%

The Property Tax Formula

EXPENDITURES

\$51,746,533

Expenditures are the total dollars a school district intends to spend.

MINUS LOCAL REVENUES

\$11,304,240

Local revenues are money the district has or is owed (e.g., federal dollars, state aid for special education, transportation, tuitions, surplus, interest).

EDUCATION SPENDING

\$40,442,293

Education spending is the amount that needs to be raised by education property taxes, augmented by the Education Fund.

DIVIDED BY EQUALIZED PUPILS

2,536.46 (estimate)

Equalized pupils is a two-year weighted average.

ED SPENDING PER EQUALIZED PUPIL

\$15,944.38

Ed spending divided by equalized pupils.

Next...

PROPERTY TAX YIELD PER \$1 OF TAX RATE **\$10,666**

Formerly referred to as the Base Amount, which is set by the state and used to compare to a district's education spending per equalized pupil.

EQUALIZED TAX RATE TO BE PRORATED **\$1.4949**

Ed spending per equalized pupil divided by property tax yield

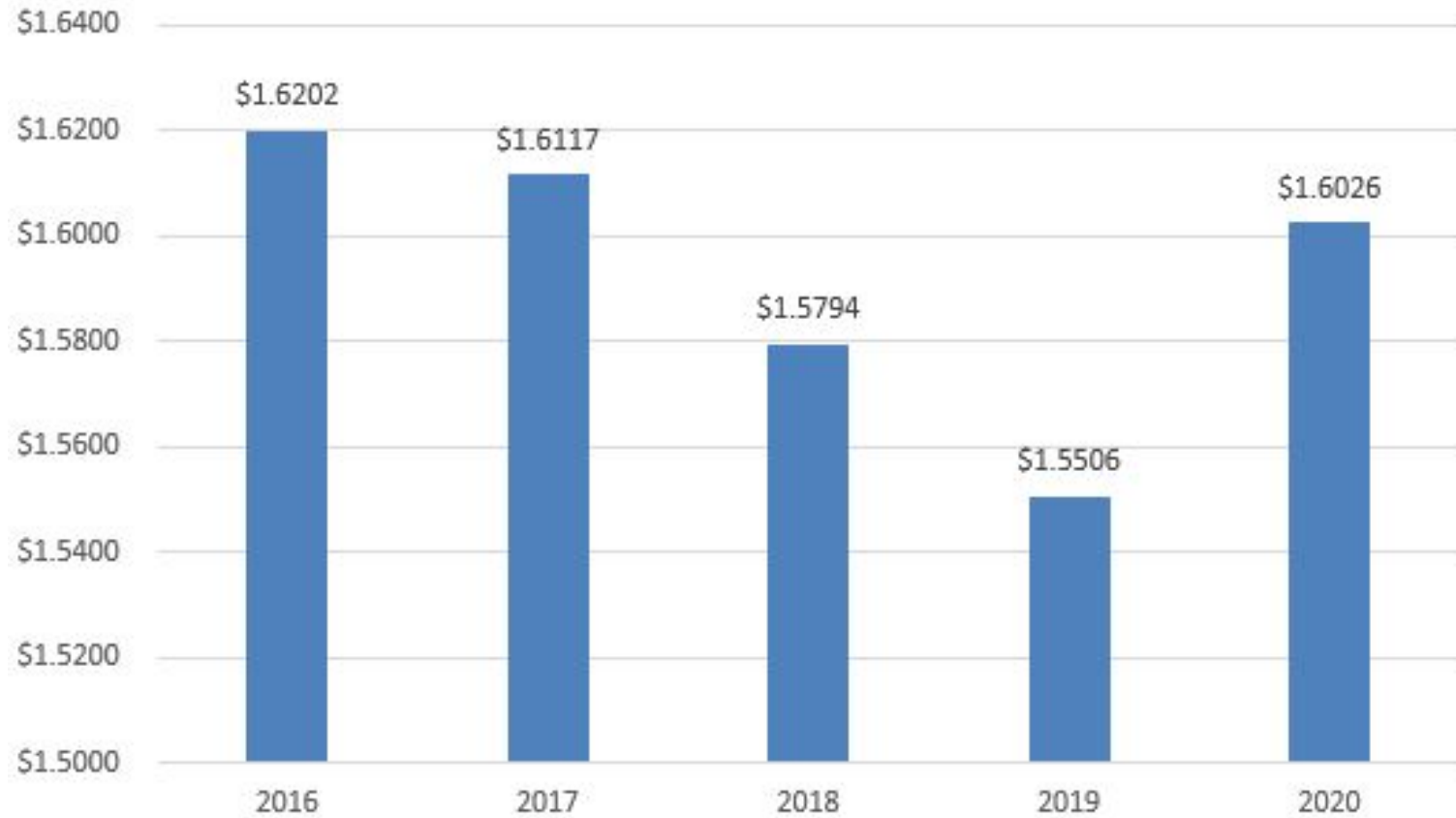
COMMON LEVEL OF APPRAISAL **93.28%**

CLA is the ratio of the town's listed property values versus the state's estimated values. The state's value is set by actual sales averaged over three years.

ACTUAL HOMESTEAD TAX RATE **\$1.6026**

Equalized tax rate divided by the CLA. This is multiplied by the assessed value of your home and divided by 100. The resulting education tax is added to the municipal tax to calculate your total property tax due.

5 year Tax Rate History



SOUTH BURLINGTON SCHOOL DISTRICT
Budget & Tax Rate Changes
Proposed FY 2020 Budget

Fiscal Year	Budget Request	% Spending		Tax Rate	Change in Tax Rate
			Increase Proposed		
2020	\$51,746,533	4.15%		\$1.6026 *	3.36%
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%
2012	\$40,587,607	-3.61%		\$1.3733	-2.69%
2011	\$40,296,044	0.93%		\$1.3828	-5.98%
Five Year Averages:			3.17%		-0.08%
Ten Year Averages:			2.20%		0.74%

* Estimated, subject to final adjustments by the state legislature & budget adoption

City and School Estimated Tax Rates

Estimated Tax Rates City & School Proposed Budgets			
Year	Estimated City Tax Rate	Estimated School Tax Rate *	Estimated Combined Tax Rate*
2019-20	\$0.5382	\$1.6026	\$2.1408
2018-19	\$0.5084	\$1.5506	\$2.0590
Increase/(Decrease)	\$0.0298	\$0.0520	\$0.0818
Percent Increase/(Decrease)	5.86%	3.35%	3.97%

Estimated Tax on \$100,000 of assessed value		
Year	Value	
	\$100,000	
2019-20		
City	\$538	
School	\$1,603	**
Total	\$2,141	
2018-19		
City	\$508	
School	\$1,551	**
Total	\$2,059	
Increase/(Decrease)		
City	\$30	
School	\$52	**
Total	\$82	

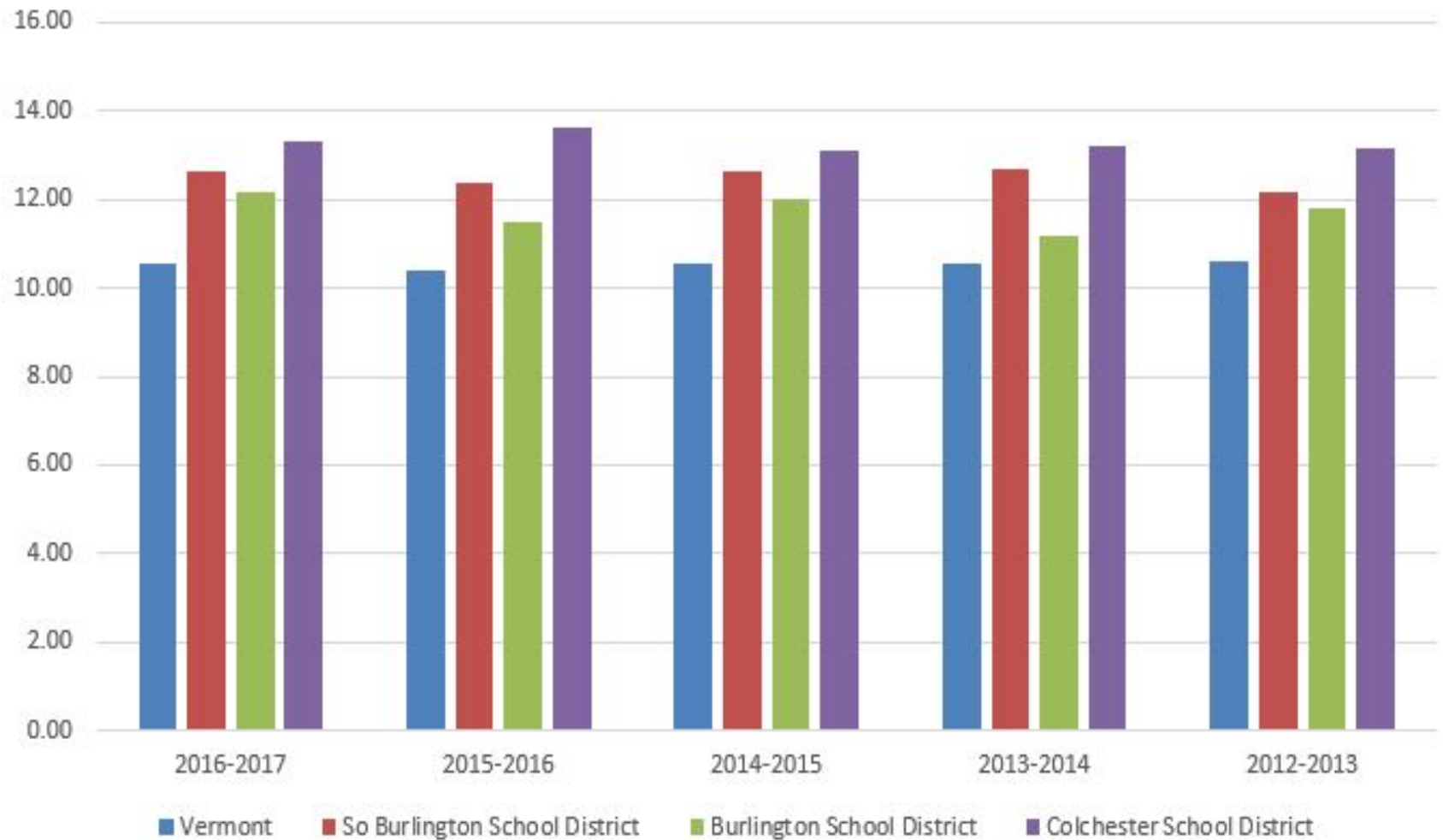
* The School District tax rate is subject to change based on legislative action taken after the budget vote.

** School amounts are listed prior to the impact of income sensitivity.

Staffing

	18-19 Enrollment	Core Staffing	19-20 Enrollment Projected	Core Staffing
Rick <u>Marcotte</u>	339	20	326	20
Chamberlin	249	15	258	15
Orchard	380	22	396	22
Tuttle	568	24	557	24
High School	911	38.17	937	38.17
Totals	2,447	119.17	2,474	119.17

Student : Teacher Ratios as reported by Vermont Agency of Education



VOTE TUESDAY,
MARCH 5, 2019

