



Barre Unified Union School District

**Spaulding High School
Central Vermont Career Center
Barre City Elementary and Middle School
Barre Town Middle and Elementary School**

Chris Hennessey, M.Ed.
Superintendent of Schools

A rock solid education for a lifetime of discovery.

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MEMORANDUM

TO: **Barre Unified Union School District Finance Committee**
Sarah Pregent - Chair, Renee Badeau - V. Chair, Chris Parker, Gina Akley

DATE: December 3, 2021

RE: BUUSD Finance Committee Meeting
December 7, 2021 @ 5:30 p.m.
In-Person Option: BUUSD Central Office, 120 Ayers Street, Barre
Remote Options: Google Meet - Meeting ID: meet.google.com/xsm-kaba-zzj
Phone Number: [\(US\)+1 269-718-3149](tel:+12697183149); PIN: 682 130 412#

Please Note: If you attend the meeting remotely you must state your name for the record to satisfy the Open Meeting Law

AGENDA

1. Call to Order
2. Additions/Changes to Agenda
3. Public Comment
4. Review/Approval of Meeting Minutes
 - 4.1. Meeting Minutes November 2, 2021
5. New Business
 - 5.1. FY23 Budget Draft 2
 - 5.2. SEA Building - Cost Savings Analysis
6. Old Business
 - 6.1. FY21 Audit Update
 - 6.2. FY22 Expenditure Report
7. Other Business
8. Items for Future Agenda
9. Next Meeting Date: January 4, 2022 at 5:30 pm.
10. Adjournment

PARKING LOT OF FUTURE ITEMS

- ARP ESSER Conceptual Applications
- Vermont Green Schools Initiatives - Phase I
- Breakage Report
- Procedure Review

BOARD/COMMITTEE MEETING NORMS

- Keep the best interest of the school and children in mind, while balancing the needs of the taxpayers
- Make decisions based on clear information
- Honor the board's decisions
- Keep meetings short and on time
- Stick to the agenda
- Keep remarks short and to the point
- Everyone gets a chance to talk before people take a second turn
- Respect others and their ideas

DRAFT**BARRE UNIFIED UNION SCHOOL DISTRICT
FINANCE COMMITTEE MEETING**

BUUSD Central Office and Via Video Conference – Google Meet
November 2, 2021 - 5:30 p.m.

MINUTES**COMMITTEE MEMBERS PRESENT:**

Sarah Pregent (BC) - Chair
Renee Badeau (BT) – Vice Chair – arrived at 6:04 p.m.
Gina Akley (BT)
Chris Parker (BT)

COMMITTEE MEMBERS ABSENT:**OTHER BOARD MEMBERS PRESENT:**

Sonya Spaulding

ADMINISTRATORS PRESENT:

Chris Hennessey, Superintendent

PUBLIC MEMBERS PRESENT:

David Delcore, Times Argus Josh Howard Diane Solomon

1. Call to Order

The Chair, Mrs. Pregent, called the Tuesday, November 2, 2021 BUUSD Finance Committee meeting to order at 5:39 p.m., which was held at the BUUSD Central Office and via video conference.

2. Additions and/or Deletions to the Agenda

None.

3. Public Comment

None.

4. Approval of Minutes**4.1 Meeting Minutes From October 5, 2021**

On a motion by Mrs. Akley, seconded by Ms. Parker, the Committee unanimously voted to approve the Minutes of the October 5, 2021 BUUSD Finance Committee meeting.

5. New Business**5.1FY23 Budget Development**

A document titled 'Budget Development Considerations/Highlights – November 2, 2021' was distributed.

It was noted that Mrs. Perreault will not be attendance this evening. Mr. Hennessey will provide a brief overview of the considerations and highlights for budget draft #1. A copy of the document was displayed on screen. Budget draft #1 for the BUUSD is \$46,941,657, an overall budget increase of 1.27%, or \$589,156. The CVCC budget draft #1 is \$3,489,727, an increase of 4.75%, or \$158,285. Mr. Hennessey provided a brief overview of the budget development schedule, and noted that the budget aligns with the Strategic Plan. Mr. Hennessey advised of the 'Beliefs' associated with the Strategic Plan. Mrs. Akley queried regarding a possible adjustment to the fund balance. Mrs. Perreault will be consulted regarding this issue. Mrs. Akley would like documentation relating to how much of the increase is due to salary and benefit increases. It was noted that although salaries are negotiable, health insurance benefits are negotiated by the State and the District has no control. Mrs. Spaulding advised regarding information that is provided by the State, which includes the number of equalized pupils. Mr. Hennessey advised regarding the shortage of substitutes and para-educators, noting a planned change in the model, which includes hiring additional permanent substitutes. Mr. Hennessey advised regarding some of the 'considerations' and advised that increases at the individual schools are very limited in this draft. The sole 'big ticket' item for SHS is funding for assistant coaches, which includes compensation for all assistant coaches. In the past, only specified assistant coaching positions were paid positions. Ms. Parker queried regarding possible reinstatement of the PSTL Program at BTMES, and implementation of a PSTL Program at BCEMS (an equity issue). Ms. Parker also queried regarding the increase to full time support in the Principal's Office. In response to a query regarding possible cuts to staff due to smaller pupil counts, it was noted that the drop in pupil counts is across grade levels, which makes it difficult to cut staff. Mrs. Spaulding advised that combining the elementary and middle schools (BC and BT) might result in the ability to cut staff, but she does not believe that approach would be

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very popular. The Committee would like additional information regarding when and why the PSTL Program was cut at BTMES. A community member lauded the recent video related to Work Based Learning, and queried regarding a staffing cut to that Program. Mrs. Spaulding advised that the cut was due to COVID restrictions, and it is thought that the program will need to go through some 're-building' years. A community member queried regarding possible cuts to administrative positions. Mr. Hennessey clarified that there are not 40 administrator positions in the District, as one community member had believed. Mr. Hennessey advised that there are currently 17 open para-educator positions, and there are no applications for these positions. It is hoped that ESSER funding can be used to expand services in the SEA Program, and it is hoped that the SEA Program can be expanded to serve some of the younger students. It was noted that if the CVCC Governance change is approved by voters, the BUUSD would become a 'sending' school, and would no longer be responsible for budget creation. The District would continue to lease space to CVCC, and continue providing additional services (for a fee). If the Governance structure changes, all 'sending' districts would vote on the CVCC budget. It was noted that the positions listed under 'Special Education/SEA', are current budgeted, unfilled positions. These positions are necessary to provide legally required services to students. Mrs. Spaulding advised regarding progress being made (by a task force) relative to a possible change in weighting for student counts. The BUUSD has a higher population of students living in poverty as well as students with intensive needs. Mrs. Poulin went on record to state that although all employees in the District (except substitutes) receive increases every year, substitutes have not had an increase in 5 years, noting that minimum wage has increased substantially over the past five years and that there are many entry level jobs that are paying more than the substitute wage. Though the Substitute Policy states that there can be a different level of pay for substitutes with longevity, the District has never implemented differing pay scales (entry level subs, and those with many years of experience receive the same wage). The District only provides increases for substitutes when they 'hit rock bottom', and does not show substitutes that they are valued. Substitutes are leaving the BUUSD District to work in other districts that have higher compensation. Mrs. Poulin believes the District needs to take a serious look at how substitutes are compensated. Mrs. Poulin believes the cost of wages and benefits for full time substitutes is very costly, and that increasing the daily sub rate, could help reduce the substitute shortage and do so at less cost to the District. The current hourly rate for substitutes is \$14.00 per hour. Mrs. Spaulding requested that discussion be held (outside of this meeting) regarding substitute pay for the current year, in addition to any discussion that may be held during budget development. Additional discussion was held, including; a community member's request that the Board look for additional cuts to the budget, tax rates, property values, equalized pupil numbers, the CLA, and the tax rate.

5.2 FY22 Expense Report

The BUUSD FY22 Expense Report (dated 11/02/2021) was distributed.

Mrs. Pregent advised of an anticipated surplus of approximately \$200,000 (due mainly to unfilled positions), but noted that it is very early in the year to make end-of-year projections. A community member queried regarding what happens to the budgeted funds if the vacant positions are not filled. A community member expressed thanks to administrators and staff for working under the current difficult conditions, and also expressed that she believes small class sizes are the best way to support students' learning and social/emotional development. It was noted that at this time, it is premature to discuss surplus funds for FY22.

5.3 FY21 Audit Update

Mrs. Pregent advised that auditors have been in the Central Office working on the audit. Mrs. Pregent believes that the auditors have not found any adverse findings or material weaknesses. The draft audit will be presented to the Board in December.

5.4 ARP ESSER Conceptual Applications

A document titled 'ARP ESSER HVAC Conceptual Applications have been submitted for:' (SHS, BCEMS & BTMES) was distributed. In Mr. Evan's absence from the meeting, Mr. Hennessey advised that he would provide an overview.

Mr. Hennessey displayed the document that was included in the meeting packet, and provided a brief overview of the cost for upgrades at each school. Mr. Hennessey noted that HVAC upgrades were a popular item for discussion at the community forum. Mrs. Pregent advised that the ESSER Conceptual Applications for BCEMS and BTMES should be submitted by the end of the week. The application for SHS has been submitted and does include the addition of the sprinkler system, which is most likely required if the HVAC system is to be upgraded. Mr. Hennessey hopes to have a response (for the SHS application) within a week.

5.5 Vermont Green School Initiatives – Phase I

A document titled 'Vermont Green Schools Initiative' was distributed.

In Mr. Evans absence, Mr. Hennessey advised that this initiative is to help impacted schools access funding to pay for green storm water infrastructure design. The District is looking to see what it might qualify for. This will be a long term process. The District hopes to hear what it may qualify for, by this winter or next spring. Mrs. Spaulding provided additional information regarding the storm water legislation and its requirements for infrastructure enhancements. There was a brief overview of previous discussions/work that occurred in Barre Town (under the BTMES Board) relative to possible infrastructure improvements at BTMES. The organization 'Friends of the Winooski' was instrumental in the initial work at BTMES. This item will be discussed further at Facilities Committee meetings.

6. Old Business

None.

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7. Other Business

Mr. Hennessey reiterated how difficult it is for staff to work in the current environment, noting that everyone is going to need to learn how to work with less and really focus on retention of staff. It is believed that the difficulty in hiring for positions will continue and the District will need to build capacity from within. These issues are statewide.

8. Items for Future Agendas

- FY23 Budget
- FY22 Expenditure Report
- FY21 Audit Update

Add two items to the Parking Lot:

- ARP ESSER Conceptual Applications
- Vermont Green Schools Initiatives – Phase I

9. Next Meeting Date

The next meeting will be held on Tuesday, December 7, 2021 at 5:30 p.m., at the BUUSD Central Office and via video conference.

10. Adjournment

On a motion by Mrs. Akley, seconded by Ms. Parker, the Committee unanimously agreed to adjourn at 6:50 p.m.

Respectfully submitted,
Andrea Poulin

	FY21 BUDGET	FY21 AMENDED BUDGET	FY21 ACTUALS	FY22 BUDGET	FY23 PROPOSED BUDGET-DRFT 2
BUUSD CURRICULUM	\$351,921	\$251,921	\$171,504	\$417,293	\$300,001
BUUSD TECHNOLOGY	\$1,246,572	\$1,246,572	\$1,295,146	\$1,175,947	\$1,277,010
BUUSD BOARD	\$366,640	\$366,640	\$332,166	\$366,594	\$364,894
BUUSD SUPERINTENDENT	\$274,951	\$274,951	\$373,889	\$295,505	\$304,492
BUUSD BUSINESS OFFICE	\$498,605	\$498,605	\$425,874	\$440,379	\$457,655
BUUSD COPIERS	\$90,000	\$90,000	\$75,901	\$90,000	\$90,000
BUUSD COMMUNICATIONS	\$84,804	\$84,804	\$83,490	\$97,538	\$106,380
BUUSD HUMAN RESOURCES	\$246,862	\$246,862	\$234,800	\$240,440	\$282,499
BUUSD FACILITIES	\$242,693	\$242,693	\$239,184	\$244,408	\$261,428
BUUSD TRANSP - LEASE	\$47,500	\$47,500	\$33,262	\$42,500	\$42,500
BCEMS PRESCHOOL	\$498,130	\$498,130	\$482,251	\$529,806	\$556,708
BTMES PRESCHOOL	\$458,156	\$458,156	\$372,214	\$543,554	\$529,504
BCEMS DIRECT INSTRUCT	\$5,357,272	\$5,078,252	\$4,883,686	\$5,617,755	\$5,475,113
BTMES DIRECT INSTRUCT	\$5,315,864	\$4,994,866	\$4,974,165	\$5,532,496	\$5,665,842
SHS DIRECT INSTRUCT	\$4,486,653	\$4,186,671	\$4,016,113	\$4,357,603	\$4,449,745
BCEMS EXTRA CURRIC	\$47,220	\$47,220	\$40,492	\$64,450	\$64,450
BTMES EXTRA CURRIC	\$76,600	\$76,600	\$48,725	\$75,200	\$74,600
SHS EXTRA CURRIC	\$79,200	\$79,200	\$56,210	\$79,350	\$79,550
BCEMS BEHAVIOR SUPPORT	\$547,295	\$547,295	\$530,533	\$536,145	\$575,266
BTMES BEHAVIOR SUPPORT	\$82,542	\$82,542	\$131,667	\$105,532	\$99,643
SHS BEHAVIOR SUPPORT	\$0	\$0	\$55,762	\$57,518	\$59,170
BCEMS GUIDANCE	\$360,667	\$360,667	\$311,642	\$289,292	\$339,906
BTMES GUIDANCE	\$148,920	\$148,920	\$156,967	\$169,304	\$170,296
SHS GUIDANCE	\$478,327	\$478,327	\$520,898	\$508,414	\$543,122
BCEMS HEALTH	\$128,371	\$128,371	\$113,377	\$138,637	\$141,007
BTMES HEALTH	\$167,724	\$167,724	\$163,554	\$186,504	\$184,521
SHS HEALTH	\$125,100	\$125,100	\$114,069	\$133,110	\$138,668
BCEMS PSYCHOLOGICAL	\$50,000	\$50,000	\$0	\$50,000	\$50,000
BCEMS LIBRARY	\$143,290	\$143,290	\$102,206	\$122,439	\$117,351
BTMES LIBRARY	\$185,498	\$185,498	\$149,009	\$167,152	\$170,699
SHS LIBRARY	\$172,772	\$172,772	\$125,629	\$151,504	\$148,690
BCEMS TECH EQUIP	\$95,000	\$95,000	\$100,609	\$95,000	\$95,000
BTMES TECH EQUIP	\$95,000	\$95,000	\$96,118	\$95,000	\$95,000
SHS TECH EQUIP	\$115,000	\$115,000	\$117,250	\$115,000	\$115,000
EARLY EDUCATION ADMIN	\$123,460	\$123,460	\$114,280	\$126,760	\$129,769
BCEMS PRINCIPALS' OFFICE	\$532,675	\$532,675	\$523,395	\$621,495	\$563,699
BTMES PRINCIPALS' OFFICE	\$690,298	\$690,298	\$584,366	\$695,196	\$717,223
SHS PRINCIPALS' OFFICE	\$684,553	\$684,553	\$657,298	\$715,357	\$735,979
BCEMS SRO	\$78,000	\$78,000	\$58,085	\$80,000	\$85,000
BTMES SRO	\$50,000	\$50,000	\$20,189	\$50,000	\$50,000
SHS SRO	\$50,184	\$50,184	\$33,043	\$0	\$0
BUUSD RAN INTEREST	\$100,000	\$100,000	\$72,807	\$105,000	\$90,000
BTMES DUPLICATING	\$50,851	\$50,851	\$45,936	\$0	\$0

	FY21 BUDGET	FY21 AMENDED BUDGET	FY21 ACTUALS	FY22 BUDGET	FY23 PROPOSED BUDGET
BCEMS FACILITIES	\$1,184,236	\$1,184,236	\$1,177,381	\$1,135,532	\$1,185,422
BTMES FACILITIES	\$1,285,927	\$1,285,927	\$1,257,642	\$1,272,173	\$1,296,742
SHS FACILITIES	\$1,222,362	\$1,222,362	\$1,230,291	\$1,187,171	\$1,259,289
BUUSD TRANSPORTATION	\$1,333,376	\$1,333,376	\$1,122,029	\$1,413,512	\$1,483,577
BTMES TRANSP - FIELD TRIP	\$25,000	\$25,000	\$0	\$0	\$0
SHS TECHNICAL ED TUITION	\$915,645	\$915,645	\$893,414	\$955,000	\$960,000
SHS ATHLETICS	\$464,723	\$464,723	\$402,280	\$456,038	\$487,863
SHS JROTC	\$118,633	\$118,633	\$166,435	\$122,092	\$125,364
SHS TRANSP - WORK BASED	\$37,000	\$37,000	\$52	\$2,000	\$2,000
SHS TRANSP - ATHLETICS	\$95,000	\$95,000	\$47,787	\$85,000	\$85,000
BUUSD LONG TERM DEBT	\$297,480	\$297,480	\$294,513	\$425,840	\$522,997
BUUSD SPEC ED INSTRUCTION	\$9,342,504	\$9,342,504	\$8,900,456	\$9,666,322	\$9,657,389
BUUSD ESY SERVICES	\$80,000	\$80,000	\$29,970	\$57,200	\$61,100
BUUSD SEA PROGRAM	\$552,104	\$552,104	\$481,174	\$900,463	\$875,009
BUUSD PHYSICAL THERAPY	\$40,151	\$40,151	\$37,597	\$42,776	\$43,825
BUUSD PSYCHOLOGICAL SERVICES	\$558,196	\$558,196	\$406,120	\$476,735	\$526,434
BUUSD SPEECH LANGUAGE	\$878,409	\$878,409	\$830,831	\$924,544	\$899,531
BUUSD OCCUPATIONAL THERAPY	\$246,155	\$246,155	\$202,127	\$256,444	\$258,913
BUUSD DIRECTORS - SPECIAL	\$647,634	\$647,634	\$489,578	\$534,410	\$519,266
BUUSD TRANSP - SPECIAL	\$314,950	\$314,950	\$369,950	\$279,050	\$282,750
BUUSD SEA NON REIMBURSE	\$103,525	\$103,525	\$102,434	\$131,360	\$119,841
BUUSD EARLY CHILD SPECIAL	\$242,273	\$242,273	\$232,523	\$236,582	\$329,409
BUUSD EARLY CHILD ESY	\$9,025	\$9,025	\$5,946	\$11,080	\$11,100
BUUSD SEA FACILITY	\$10,500	\$10,500	\$5,602	\$216,000	\$236,104
BUUSD SEA TRANSPORTATION	\$0	\$0	\$0	\$40,000	\$40,000
TRANSFER INTO SEA CAPITAL	\$0	\$1,000,000	\$1,000,000	\$0	\$0
TOTAL	\$45,029,978	\$45,029,978	\$42,723,893	\$46,352,501	\$47,065,319
FEDERAL & STATE GRANTS	\$3,450,000	\$3,450,000	\$5,557,037	\$3,595,002	\$6,000,000
TOTAL BUUSD EXPENSES	\$48,479,978	\$48,479,978	\$48,280,930	\$49,947,503	\$53,065,319

BUUSD FY23 BUDGET INFORMATION -- 12/2/21

**BUUSD DRAFT 2: \$47,065,319, 1.54% or \$712,817
ADD \$6,000,000 in state and federal grants: \$53,065,319**

Shall the voters of the Barre Unified Union School District approve the school board to expend \$53,065,319, (includes grants) which is the amount the school board has determined to be necessary for the ensuing fiscal year? It is estimated that this proposed budget, if approved, will result in education spending of \$????? per equalized pupil. This projected spending per equalized pupil is ???% higher than spending for the current year.

Pending currently are the Dec. 1 tax rate calculation components:

- Tax Commissioners announced YIELD-See letter dated 12/1/21
- AOE Calculation-Equalized Pupil Count
- CLA-Common Level of Appraisal

BUUSD DRAFT 1: \$46,941,657, 1.27% or \$589,156

CVCC DRAFT 2: \$3,512,050, 5.42%, \$180,608

CVCC DRAFT 1: \$3,489,727, 4.75% or \$158,285

There have been significant variances over the past 2 years in salary/benefit lines. Based on these actuals, we have made adjustments in salary schedule placements, wages, and benefit plan options (HRA/HSA/CASH IN LIEU).

DRAFT 2 Adjustments:

- 1) Dental Premiums-increase 4%, \$8,850
- 2) Add 2 SEA BIs for additional support/student enrollment, \$50,000
- 3) Add Special Education contracted services and tuition to independent schools, added \$144,000 (4%) to account for annual contract increases
- 4) Add \$7,000 to SHS Athletic helpers
- 5) Reduce SHS athletic coach line to \$165,000, \$34,000
- 6) Reduce SEA supply line, \$10,000
- 7) Reduce SHS Guidance contracted services, \$24,000
- 8) Reduce SHS Travel/Conf. Lines, \$5,900
- 9) Reduce miscellaneous benefit lines based on actuals, \$12,289

DRAFT 1- DISTRICT-WIDE, increase 1.27%, \$589,156

- 1) Salary/Wage increases, 3%-5%
- 2) Increase to wood chips/heating fuel based on market value
- 3) Increase permanent substitute positions across the district, this model has proven to be beneficial to students and staff
- 4) Health Ins. premiums, 10% increase (VEHI reports this is a "safe" assumption) and adjustment for HRA/HSA based on actual utilization

BARRE CITY ELEMENTARY & MIDDLE SCHOOL

- 1) Increased ESL teacher to full time, \$20,000
- 2) Reduced Reading Recovery teacher, \$35,000
- 3) Add 1 FTE Behavior Specialist, using ESSER II

BARRE TOWN MIDDLE & ELEMENTARY SCHOOL

- 1) No additions

SPAULDING HIGH SCHOOL

- 1) Add assistant coaches for all sports, ~~\$199,000~~ \$65,000
- 2) Add .25 FTE ELL, based on student needs, using ESSER II
- 3) New kiln in art, \$10,000
- 4) Increase from school-year to full-time support in Principal office, \$15,000
- 5) Add annual revitalization of Auditorium, \$10,000

SPECIAL EDUCATION/SEA

- 1) TBH 10 Paras, 3 BIs, 2 SLPs
- 2) Use ESSER funding to expand services at SEA to 7th & 8th grade students-1 special educator, 1 counselor, 2 support staff, consider lease of a bus

CVCC

- 1) Misc. adjustments to supplies to accommodate clothing allowance in each program
- 2) Increase Supplies for Pre-tech \$20,000, Cosmo \$7,000, HVAC \$5,000, ACA&ASMT \$7,000



State of Vermont
Department of Taxes
133 State Street
Montpelier, VT 05633-1401

Agency of Administration

December 1, 2021

Rep. Krowinski, Speaker of the House
Sen. Balint, President Pro Tempore
Vermont State House
115 State Street
Montpelier, VT 05633-0004

Dear Speaker Krowinski and President Pro Tempore Balint:

The Commissioner of the Vermont Department of Taxes, after consultation with the Agency of Education, the Secretary of Administration, and the Joint Fiscal Office, is required by 32 V.S.A. § 5402b to calculate and forecast a property dollar equivalent yield, an income dollar equivalent yield, and a non-homestead tax rate by December 1. This letter is submitted in fulfillment of the statutory obligation. The Department of Taxes, Department of Finance and Management, Agency of Education, and the Joint Fiscal Office prepared consensus forecasts on various components of the Education Fund Operating Statement for Fiscal Year (FY)2023 so that the required analysis could be performed. Many thanks go to these dedicated staff for demonstrating the collaboration and meticulousness necessary to publish this forecast.

5402b(a)(2) Mandated Forecast

In the statutorily mandated calculation and recommendation under 32 V.S.A. 5402b, the Commissioner must assume the following:

1. The homestead base tax rate is \$1.00 per \$100.00 of equalized education property value;
2. The applicable percentage under 32 V.S.A. 6066(a)(2) is 2.0;
3. The statutory reserves under 16 V.S.A. § 4026 are maintained at five percent; and
4. The percentage change in the average education tax bill applied to homestead property, non-homestead property, and taxpayers who claim a property tax credit is the same.



The FY23 columns in the table below would satisfy the statutorily mandated parameters of the recommendation. As required by statute, the second column labeled “Scenario A” assumes the roughly \$90 million in forecasted unreserved/unallocated funds from FY22 are applied towards lowering FY23 property tax rates, “Scenario B” assumes those funds are not applied.

Homestead Yields and NHS Rate	FY2022 (for comparison)	FY2023 (Scenario A)	FY2023 (Scenario B)
Homestead Property	\$11,317	\$13,846	\$12,937
Income	\$13,770	\$16,705	\$15,484
Non-homestead Property	\$1.612	\$1.385	\$1,482

Average Rates

If the forecasted yields and rate in the table above were adopted, the average 2022-2023 (FY2023) equalized property tax rates would be as indicated in the table below.

	FY2022 (for comparison)	FY2023 (Scenario A)	FY2023 (Scenario B)
Homestead Property	\$1.523	\$1.308	\$1.400
Income	2.50%	2.19%	2.35%
Non-homestead Property	\$1.612	\$1.385	\$1.482

The Scenario A rates would lead to an average bill decrease of 8.9% for all payers, the Scenario B rates would lead to an average bill decrease of 2.5%.

Education Spending Growth

On a per-pupil basis, the expected growth in spending is forecast to be 4.74% on average.

	FY2022 (for comparison)	FY2023	Rate of Growth
Total Education Spending (\$Millions) ¹	\$1,496.6	\$1,560.7	4.28%
Equalized Pupil Count	86,975	86,596 ²	-0.4%
Average Equalized Per Pupil Spending	\$17,207	\$18,023	4.74%

¹ Projected total education spending for property tax rate purposes as defined by 16 V.S.A. § 4001 (6)

² FY23 equalized pupils are calculated in accordance with Act 154 (2020) limitation on average daily membership (ADM) declines

Key Considerations from the Administration's Point of View

This forecast is calculated as prescribed in statute and with the information that is available to date. Because of this, there are always variables or uncertainties that might result in a different outcome than what is forecasted. For instance, the December 1 letter last year predicted an average nine percent increase in education property tax bills, in large part due to a forecasted decline in non-property tax revenues in the Education Fund that did not materialize. This year, we find ourselves in a very different situation, where if the full \$90 million was applied to lowering rates, we could lower bills by an average of nearly nine percent. This illustrates the high degree of uncertainty in the Education Fund and the economy as a whole because of the pandemic.

It's important to remember the property tax rate is only one piece of the property tax bill formula. Another important factor is the Common Level of Appraisal (CLA). The CLA is a mechanism that helps ensure uniform property values across the state. When fair market property values increase in a town, it decreases the town's CLA, which causes the town's tax rate on bills to increase. Given the increased value in real estate in Vermont this year, the CLA is expected to go down in many communities which means actual tax rates in those towns could be much higher than the forecasted statewide rate. Districts should be especially mindful this year when considering the potential tax impacts that lower CLAs may have on their member towns. Other variations from the forecasted statewide rate can also be expected because locally voted per pupil spending is still the primary driver of a town's tax rate.

The \$90 million in forecasted unreserved/unallocated funds from FY22 is primarily a result of higher-than-expected performance of the non-property tax revenues, the FY22 education property tax credits costing less than anticipated, enhanced surplus from FY21, and other prior year reversions. This forecasted surplus is one time money, which means we must be careful not to use it in ways that build ongoing costs which would need to be covered by future property taxes.

While school district budgeting is well underway, the Administration would also encourage school boards to be strategic in how they deploy the nearly \$400 million they received directly through federal Elementary and Secondary School Emergency Relief (ESSER) funds. This funding can be used for impactful initiatives like universal afterschool and summer programming, improving our education infrastructure and addressing learning loss – all critical priorities to give our kids the best possible education and opportunities from cradle to career. These short-term federal funds will not replace ongoing revenue needs, and we must be cautious, regardless of the funding source, to not create budget cliffs in one to three years when these surpluses and federal dollars are depleted.

With these factors in mind, and in consideration of this extremely rare opportunity to provide relief to Vermonters who have put so much into this system, the Governor and Administration would like to see half of the surplus, \$45 million, returned to property taxpayers. There is also an opportunity to address some of the ongoing and upcoming education and workforce pipeline issues with the remaining \$45 million, an opportunity that will likely have a positive effect on student experiences and outcomes into the future. Given our workforce shortage across all

sectors, the Governor would like to see the other \$45 million reinvested into our students and used for one time school capital construction costs that will directly enhance workforce development programs, such as enhancements to CTE centers. The Administration would welcome the opportunity to work with the Legislature and school boards to achieve these two objectives.

While the pandemic has created upheaval in so many areas of our society, the impact on our students – from an educational, social, and emotional perspective – has been among the most significant. That is why it remains so critical to help Vermont’s children and families recover so they can thrive long into the future. I extend my thanks to the families, students, teachers, school boards, and support staff who have navigated this landscape with grace and a focus on the health and wellbeing of children.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Bolio". The signature is fluid and cursive, with the first name "Craig" written in a larger, more prominent script than the last name "Bolio".

Craig Bolio
Commissioner, Department of Taxes

cc: Kristin Clouser, Interim Secretary, Agency of Administration
Daniel French, Secretary, Agency of Education
Adam Greshin, Commissioner, Department of Finance and Management
Rep. Janet Ancel
Sen. Ann Cummings
Rep. Kathryn Webb
Sen. Brian Champion
Catherine Benham, Joint Fiscal Office
Jennifer Carbee, Office of Legislative Counsel

December 1 Tax Commissioner letter for FY2023

1 message

James, Brad <Brad.James@vermont.gov>

Thu, Dec 2, 2021 at 9:13 AM

To: Floyd Davison <floyd.davison@mausd.org>, "tammy.crossman@mausd.org" <tammy.crossman@mausd.org>, ejennings <ejennings@anwsd.org>, ajennings <ajennings@anwsd.org>, lprice <lprice@acsdvt.org>, "kroberts@acsdvt.org" <kroberts@acsdvt.org>, cscarzello <cscarzello@svvvt.org>, "renee.gordon@svsu.org" <renee.gordon@svsu.org>, Susan Wilborn <sue.wilborn@brsu.org>, "Trieb, George" <george.trieb@colchestersd.org>, "michael.concessi" <michael.concessi@ccsuvt.net>, bouellette <bouellette@mymtsd-vt.org>, "joliver@stjdsd.org" <joliver@stjdsd.org>, Chris Sumner <chris.sumner@mmuusd.org>, jeanne jensen <jjensen@cvsdvt.org>, "nlavery@bsdvt.org" <nlavery@bsdvt.org>, kglover <kglover@bsdvt.org>, Krista Chadwick <kchadwick@sbschools.net>, "gmarckres@sbschools.net" <gmarckres@sbschools.net>, Annette Harton <aharton@sbschools.net>, nmace <nmace@wsdvt.org>, Bridget Cross <bcross@ensuvt.org>, Morgan Daybell <mdaybell@fnesu.net>, Lora McAllister <lmcallister@fnwsu.org>, "rebecca.hart" <rebecca.hart@mvdschools.org>, Randall Morton <rmorton@fwsu.org>, Martha Gagner <mgagner@maplerun.org>, Rob Gess <rgess@gisu.org>, Deborah Clark <dclark@lnsd.org>, "andrew.lundeen" <andrew.lundeen@lsuu.org>, "linda.metcalfe" <linda.metcalfe@oesu.org>, "rpembroke@orangesouthwest.org" <rpembroke@orangesouthwest.org>, Tara Weatherell <tweatherell@wrvsu.org>, April Touchette <april.touchette@ncsuvt.org>, sgann <sgann@u32.org>, "spawlaczyk@millriverschools.org" <spawlaczyk@millriverschools.org>, Heather Wright <hwright@ocsu.org>, Brittany Currie <bcurrie@ossu.org>, slacroix <slacroix@ossu.org>, Brenda Fleming <bfleming@rnesu.org>, Theodore Plemenos <ted.plemenos@rcpsvt.org>, mbaker <mbaker@huusd.org>, lgarland <lgarland@windhamcentral.org>, gchaine <gchaine@marlboroschool.net>, Flora Pagan <flora.pagan@wnesu.com>, Frank Rucker <frucker@wsesu.org>, jnutting <jnutting@wsesdvt.org>, Karen Atwood <katwood@wswsu49.org>, jfenn <jfenn@wcsu.net>, Ed Connors <econnors@wsesu.net>, Jim Vezina <vezinaj@hartfordschools.net>, vezinaj1 <vezinaj1@hartfordschools.net>, jamieteague <jamieteague@hanovernorwichschools.org>, "april.veracka@hanovernorwichschools.org" <april.veracka@hanovernorwichschools.org>, "rpembroke@ssdvt.org" <rpembroke@ssdvt.org>, lperrbsu <lperrbsu@buusd.org>, Cheryl Hammond <cheryl.hammond@trsu.org>, Nancy Murphy <nmurphy@rivendellschool.org>, Heather Bushey <hbushey@ewsd.org>, Brian Donahue <bdonahue@ewsd.org>, Louis Milazzo <louis.milazzo@grcsu.org>, Tisha Hankinson <thankinson@kingdomeast.org>, Chris Locarno <clocarno@cvsu.org>, Grant Geisler <grantg@mpsvt.org>, Christina Kimball <christinak@mpsvt.org>
Cc: "Francis, Jeff" <jfrancis@vtvsa.org>, sceglowski <sceglowski@vtvsba.org>, Jay Nichols <jnichols@vpaonline.org>, "Robinson, Julie" <Julie.Robinson@vermont.gov>, "Cousino, Sean" <Sean.Cousino@vermont.gov>

Morning, All.

Attached is the December 1 letter from the Tax Commissioner, recommending property and income yields and the non-homestead tax rate. You care mostly about the property yield. There is an estimated ~90 million potential surplus on the bottom line of the FY22 Ed Fund. Statute says the Tax Commish has to take that into account when determining the yield. Doing so gives a property yield of 13,846.

I DO NOT EXPECT THAT 90 MILLION TO BE USED TOWARDS THE YIELDS. I could be wrong, but too many people in the Legislature and the Administration are talking about that money. Which leads us to Scenario B on the letter. That calculates the yields and NH rate as if there was zero money on the bottom line of the EF for FY22. That gives a property yield of 12,937.

I am betting that the 12,937 property yield is where the conversations will start during the legislative session. **If you were to ask me for my opinion on what to use as the estimated property yield for FY23, I would suggest you to use the 12,937.** That is the more conservative figure in the letter, but still represents an increase of 14.3% over the FY22 yield.

And here we go. It is an interesting development to have a very healthy Ed Fund projected for the coming year.

Brad

 **2021 Education Tax Rate Letter.pdf**
223K

SEA PROGRAM PRIOR YEAR COSTS (FY21)			FY22		FY2	FY23	FY23
					245	60	General
Rental Wall Street	\$87,000	Increases annually	2.75M Bond Payment-15 Year (interest only on FY22)	\$100,000			\$222,000
Administrator Salary/benefits/etc.	\$101,000	210	Administrator Salary/benefits/etc.	\$110,000	261	261	\$120,000
Teaching Staff Salary/benefits	\$416,018	6	Teaching Staff Salary/benefits	\$585,000	8	10	\$685,000
Support Staff Salary/benefits	\$207,559	3.5	Support Staff Salary/benefits	\$245,000	8.5	12.5	\$300,000
Counseling/Psychological	\$180,500	2	Counseling/Psychological	\$190,000	2	3	\$199,000
Transportation	\$8,000		Transportation	\$30,000			\$40,000
Supplies	\$20,000		Supplies	\$50,000			\$40,000
Misc.	\$2,000		Annual Building Maint. Costs	\$215,000			\$236,000
	\$1,022,077			\$1,525,000			\$1,842,000
	30			45			60
Student Costs/30	\$34,069.23		Student Costs FY22-45/FY23-60	\$33,889			\$30,700
			FY22 Grant Funded-2 BIs	\$100,000			
			FY23-4 BIs, 2 SE, 1 Couns., Bus?				\$425,000

INDEPENDENT PROGRAMS	FY22 STUDENT TUITION* COSTS	High School Students Enrolled	Middle School Students Enrolled	TOTAL FY22 COST	
Bellcate (includes ESY)	\$84,044	1	1	\$168,088	
Choice (Program cost range. No cost for ESY)	\$70,101 to \$120,869	2	5	\$529,912	
Maple Hill (Program cost range. Includes ESY)	\$53,328 to \$102,511	4	2	\$541,817	FY22 SAVINGS \$1,177,064 FY23 SAVINGS \$2,354,129
New School (12 months)	\$122,179	6	3	\$1,099,611	
Stone Path (higher amount includes ESY)	\$102,500 to \$116,000	3	0	\$334,500	
Brookhaven (No ESY)	\$39,788	0	1	\$39,788	
Est. Transportation - 27 students	\$320,000			\$320,000	
TOTAL		16	11	\$3,033,716	
*Increase 4-6% each year					
Per Pupil Out of District				\$112,360	

SEA PROGRAM ESTIMATED COSTS ANALYSIS 3/22/21

NOTES

SEA Program Highlights: Project Based Learning with a real world focus, community based learning, as well as small group and individualized academic instruction to meet the specific needs of all learners. Collaborative and Proactive Solutions- a student support model where adults and students collaborate to remove obstacles to learning. SEA Youth Employment Services Program-a grant funded career preparation program in collaboration with Voc Rehab. Hands on vocational exploration and self expression in Culinary, Carpentry/Woodworking, Automotive, Welding, Art and Music production, and soon Agriculture. Adventure based programing to promote teamwork and individual healthy lifestyle choices.

Local Out of District Placement options continue to be full with waitlists

4% annual inflation increases added to draft 2 budget (\$144,000)

Youth Employment Specialist - Grant Funded, introduced this

BARRE UNIFIED UNION SCHOOL DISTRICT - FY22 EXPENSE REPORT - December 7, 2021

Location	Account Number / Description	Adopted Budget	Y-T-D Expenses	Encumbrances	Year-end Projection	BALANCE
		7/1/2021 - 6/30/2022	12/2/2021	12/2/2021	12/2/2021	7/1/21-6/30/22
1	TOTAL 1020 BARRE TOWN SCHOOL	\$8,797,112	\$2,572,257	\$5,063,724	\$8,750,000	\$47,112
2	TOTAL 1276 SPAULDING HIGH SCHOOL	\$9,038,155	\$2,927,794	\$3,912,695	\$8,965,000	\$73,155
3	TOTAL 1381 BARRE CITY SCHOOL	\$9,258,390	\$2,809,709	\$5,124,945	\$9,200,000	\$58,390
4	TOTAL 3097 BUUSD CENTRAL SERV/SPEC. ED.	\$19,258,846	\$5,775,454	\$10,924,851	\$19,200,000	\$58,846
5	GRAND TOTAL	\$46,352,503	\$14,085,214	\$25,026,215	\$46,115,000	\$237,503