

Otter Valley unified school district

Otter Valley budget sees slight increase

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BRANDON — Expenses and per-pupil spending may be up, but tax rates are projected to be down by 4% in the Otter Valley Unified Union School District.

The OV School Board recently approved a budget of \$22,710,955 for fiscal year 2023 — up nearly 8% over the current year.

Education spending per equalized student is up 9.72% to \$17,048, but still below the projected state average of \$18,023.

Brenda Fleming, business and finance director for Rutland Northeast Supervisory Union, said that while per-pupil spending has increased, district estimates for the coming fiscal year still fall below the projected state averages for the tax rate and average per-pupil spending.

“I think sometimes it’s just catching up and staying competitive” she said Tuesday.

Like most school budgets, Fleming said the majority of total expenses in the OVUUSD budget are in salaries and benefits — amounting to just over \$14 million — which has resulted in an increase of about \$1.5 million.

The budget reflects the promotion of several part-time para-educator positions to full-time status at Neshobe Elementary School and Otter Creek Academy.

Otter Valley Union High School will also add a full-time para-educator, as well as a vocational educator position to support students in job placements.

Fleming reported that student enrollment has been steady across the district. She noted modest growth in some of the district’s smaller schools, as well as a projected increase of about 20 students at OVUHS next year.

The budget does anticipate a decrease in special education revenue as a result of the implementation of Act 173.

Passed by the Legislature in 2018 to enhance the delivery of special education services, the new law shifts special education funding from a reimbursement model to a census block grant.

Implementation of the law has been deferred in recent years, and may be again this year, but Fleming budgeted for the lost revenue just in case.

Fortunately, she said, the favorable tax yield forecasted by the state has compensated for revenue lost as a result of Act 173.

That favorable yield will also benefit property tax payers, Fleming said.

The projected district tax rate before the application of the common level of appraisal (CLA) is \$1.38 — a decrease of 4%.

Superintendent Jeanne Collins called the tax rate estimates “conservative,” noting they do not assume any of the \$90 million Education Fund surplus.

Gov. Phil Scott has proposed using half of the total surplus to lower taxes and reinvesting the other half in workforce development and career technical education programs around the state. The Legislature ultimately will decide how to apply those funds.

Some school districts based their tax rate calculations off of the application of \$45 million of the surplus, per Agency of Education recommendations. OVUUSD opted not to apply any of it; instead, sticking to the low-end of the tax department’s proposed tax yield of \$12,939.

“We’re not assuming any of it,” said Collins. “So that means that if we get any of it, it’s an even better picture.”

Fleming noted the CLA — a metric used by the state to equalize education property tax rates — is declining across Vermont due to the current state of the housing market.

“We are no exception to that,” she said.

CLAs for district towns have dropped on average around 6%, according to Fleming.

After applying the current year’s CLA, Brandon is projected to see a 2-cent increase to \$1.41. Goshen tax rates will drop by more than 3%, or 5 cents, to \$1.42. In Leicester, tax rates will stay flat at \$1.41. Pittsford will see a slight drop of nearly 1% to \$1.43. Sudbury’s tax rate will tick up 2 cents to \$1.25. Whiting, meanwhile, will see a 9-cent increase to about \$1.39.

“We have been successful in maintaining the efficiencies that the (Act 46) merger brought on with steady enrollment we’re still able to maintain the programs and opportunities that our students have enjoyed in recent years. And this budget maintains all of that,” Collins said.

