

Information Meeting for the FY 2023 Proposed Budget

SOUTH HERO SCHOOL DISTRICT

February 24 , 2022



Thank you to our Community

The board would like to acknowledge the commitment of staff, parents, students, administration and the broader community that has kept Folsom open for learning. We would like to extend a sincere thank you to everyone for the important role they continue to play in order to have teachers and students together in the classroom. The Board would also like to acknowledge the dedication of our staff as they constantly prioritize both the education and the social & emotional health of our Folsom students.

South Hero Board Mission:

The South Hero School Board will provide an environment where all Folsom students engage in their education, preparing them for any future they choose. We will make efficient use of South Hero's financial investment in our school. We will engage the community with regular communication and academic information, and invite the community to share their talents with the school.





Folsom Vision

At Folsom Education and Community Center, we nurture the future. We believe that effectively educating the children of South Hero is a long-term investment in our community. We develop academically prepared, civic-minded and socially conscious students who are committed to making positive change in the world. Our students will be thinkers, creators and problem-solvers. We will teach them to persist toward goals, grow from challenge, and believe in their potential. We prepare students for our complex, diverse world.

Budget Highlights

- Maintains High Quality Education for Folsom Students.
- Increases Cost Per Equalized Pupil 4% from \$17,653 to \$18,735.
- Increased number of High School Tuition Students.
- Common Level of Appraisal Decreased 8.96% (97.28 to 88.32). If the CLA had remained the same, the tax rate would have decreased.
- Folsom enrollment trending upward with CIUUSD tuition students.
- Federal Grant money covering some General Expenses.
- Increase Art Teacher FTE from .8 to 1.0 through savings in General Expenses.
- Added Theater Director stipend through savings in General Expenses.



Budget Financial Highlights

FY 2023 South Hero				
	2023 Budget	2022 Budget	Change	% Change
PreK & Folsom Operational	\$2,831,754	\$2,684,313	\$147,441	5.5%
High School Tuition	\$978,084	\$925,197	\$52,887	5.7%
Special Ed/EEE/Title 1 (net)	\$464,013	\$388,390	\$75,623	19.5%
Total Revenues	(\$516,478)	(\$401,693)	\$114,785	28.6%
NET EDUCATION SPENDING	\$3,757,373	\$3,596,207	\$161,166	4.5%
NET COST PER PUPIL	\$18,735	\$17,653	\$1,082	6.1%
Total Expenses	\$4,273,851	\$3,997,900	\$275,951	6.9%

Pandemic Impact Based on Folsom Fall Report Card Comparison

MATH

Grades	% At or Above Grade Level Standards Fall 2019	% At or Above Grade Level Standards Fall 2020	% At or Above Grade Level Standards Fall 2021
1-2	72%	61%	81%
3-4	77%	84%	78%
5-8 (Middle School)	61%	73%	62%

LITERACY

Grades	% At or Above Grade Level Standards Fall 2019	% At or Above Grade Level Standards Fall 2020	% At or Above Grade Level Standards Fall 2021
1-2	65%	52%	45%
3-4	71%	58%	54%
5-8 (Middle School)	65%	65%	43%

The impact of interrupted school, stress, and anxiety on children is challenging to measure. Our academic data shows what we already know as we work with children every day- in person learning, consistency and positive relationships with caring adults and peers is critical to the development of each child. Our path forward focuses on supporting each individual child to grow, learn, and experience success in a warm and nurturing school community.

EQUALIZED PUPILS*

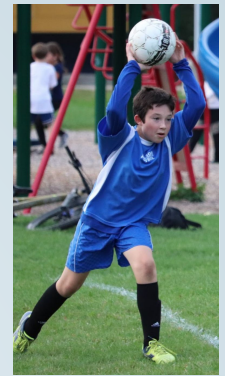


Not to be confused with the number of students in the school district or the enrollment at Folsom, the Equalized Pupil count is the weighted average number of pupils PreK-12. This number is determined by the state. It is the number used for the Homestead Tax rate calculation.

FY2023	FY2022	FY2021
200.55	203.72	199.19

* Equalized pupils are based on two years of Average Daily Membership data(ADM). The ADM is the full-time equivalent of resident students whose education is paid for by the district of residence, from the 11th day through the 30th day of the school year. A two year average is used to smooth out annual student population fluctuations in school districts.

COMMON LEVEL OF APPRAISAL (CLA)



This is the ratio applied by the state to equalize local grand lists to reflect market conditions for property value. It is established annually by the Vermont Department of Taxes. This is necessary because we start with a statewide tax rate and that rate is modified to reflect the local housing market. A value of less than 100 indicates that on average properties are being sold for more than the local assessment. A reduction in the CLA results in an increase in the actual tax rate.

TOWN	2021	2020	CHANGE
South Hero	88.32%	97.28%	(8.96%)

How Do We Compare?

- To previous years' tax rates?

South Hero Tax Rates			
	FY2023	FY2022	FY2021
Homestead	1.6397	1.6357	1.6981
Non Homestead	1.6780	1.6571	1.6506

Based on the December Tax Commissioners Yield Letter the PROJECTED TAX RATE INCREASES TAX LIABILITY BY \$8 ON A \$200,000 PROPERTY ASSESSMENT

The Property Tax Formula



- **EXPENDITURES** **\$4,273,850**
 - Expenditures are the total dollars a school district intends to spend.
- **MINUS LOCAL REVENUES** **\$516,478**
 - 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** **\$3,757,373**
 - Education spending is the amount that needs to be raised by education property taxes, augmented by the Education Fund.
- **DIVIDED BY EQUALIZED PUPILS** **200.55**
 - Equalized pupils is a two-year weighted average.
- **ED SPENDING PER EQUALIZED PUPIL** **\$18,735**
 - Ed spending divided by equalized pupils.

Next...



- **PROPERTY TAX YIELD PER \$1 OF TAX RATE \$12,937**

- 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 \$1.4482**

- Ed spending per equalized pupil divided by property tax yield

- **COMMON LEVEL OF APPRAISAL**

- **South Hero 88.32%**

- 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**

- **South Hero \$1.6397**

- 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.

Other situations...



INCOME SENSITIVITY

- **Taxes based on income instead of property value.**
 - Tax liability can be based on taxable income for household income up to \$136,900 for 2021.
- **You must apply for a property tax adjustment.**
 - Download forms at:
<https://tax.vermont.gov/tax-forms-and-publications/individuals>

•ACTUAL NON-HOMESTEAD TAX RATE

•South Hero 1.6780

•Non homestead base rate divided by CLA. The resulting non-homestead rate is multiplied by the assessed value, divided by 100, and added to the municipal tax to determine your non-homestead property tax.

FY 2023 Folsom-Based Significant Budget Changes

	2023 Budget	2022 Budget	Change	Notes
Special Education	\$464,041	\$384,865	\$79,149	Increased number of students requiring services
Spec. Ed Assessment from SU	\$231,823	\$185,757	\$46,066	Increased allocation from the SU due to higher number of South Hero students receiving services
Pre-K and Folsom Instructional	\$2,831,754	\$2,684,313	\$147,441	Increase due to healthcare costs and column movement for professional development
Music AV Equipment	\$0	\$5,500	-\$5,500	Replacement of sound system in FY22
High School Tuition	\$978,084	\$925,197	\$52,877	3 Additional students
Instructional Computer Equipment	\$7,500	\$15,000	-\$7,500	Example of Esser grant funding impact
Library Books	\$0	\$6,000	-\$6,000	Funding available through grants and other sources
Folsom Building Repairs/Maintenance	\$21,000	\$21,000	\$0	Budget flat to FY22 based on historical trends

SH High School Students 2021-2022

School	# of SH Students 9-12	Tuition per pupil 21-22
S. Burlington	33	\$15,987
Essex	7	\$16,500
Colchester	4	\$16,900
Other Public	2	\$16,842
Other Independent	5	\$16,842
Total	51	



Reserve Account

Beginning with the FY 19 Budget the voters of South Hero voted to authorize the School Directors to place unencumbered funds from the previous fiscal year in a Reserve Fund for the purpose of capital improvements to the Folsom facility under the control and direction of the School Directors of the South Hero School District?

With the FY 20 Audit completed, we are pleased to share that the reserved fund has a balance of \$74,200.



Thank you Bentley Vaughan!

A big Community “Thank You!!” to Bentley Vaughan for his 6 years of service on your School Board.

Message from the South Hero Town Clerk

If you have not voted by absentee ballot, you are still able to vote as usual at the South Hero Town Office 333 Rt 2 between the hours of 7:00 am and 7:00 pm on Town Meeting Day, March 1, 2022.

Masks will be required to vote in person.

Questions

- If asking a question, please state your name after the board chair calls on you.
- If you are citing a document in your question, please identify the document, the page, and the line item.



PLEASE VOTE
TUES. MARCH 1

SOUTH HERO TOWN OFFICES 7 A.M. - 7 P.M.