

# *It's About Learning*

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### **From Alice Angney Superintendent of Schools**

Alas, we are approaching that time of year when your locally elected Board of School Directors must complete their year long budget process and come before the voters to seek your support for their proposed school budget for fiscal year 2008. As you well know, the Board of School Directors has a vitally important and challenging task ahead of them. They have a dual responsibility to develop an educational program that meets the instructional needs of all students tempered by a solid and respectful understanding of the need to propose a responsible spending plan that the community can afford and embrace. In support of that noble purpose, I will utilize this edition of *It's About Learning* as an opportunity to do my part as Superintendent to help communicate to the public the context for the budget proposal that you will be asked to consider at your annual Town Meeting in March.

Enclosed you will find two pages of budget information for each member town in the Lamoille South Supervisory Union. The two-page summary outlines the 2007-2008 school year budget request for Elmore, Morristown and Stowe. As you will see while reviewing the material, Act 68 continues to be the most significant variable that affects the budget development process. While Act 68 has been applied uniformly to each proposed budget, you will also note that it has a different impact on each community. We can all agree that the Act 68 funding formula has many nuances that are difficult to comprehend and sometimes painful to apply to a local budget. What you may not realize is that Act 68 also contains a set of School Quality Standards (SQS) that must also be adhered to and they all have financial implications for local school budgets.

To further illustrate the planning and budget challenges faced by School Directors, I would like to highlight a few additional pressures that local Boards have had to contend with as they developed their budget proposal this year. Some of these external pressures are related to mandates outlined in federal legislation such as the No Child Left Behind Act (NCLBA) and the Individuals with Disability Education Act (IDEA). Much like our Vermont School Quality Standards (SQS) these federal and state laws, while well intended, come with several requirements for specific forms of school services and woefully insufficient funding to support their successful implementation. While we staunchly support the need to provide access to a quality educational program for all students and we are proud of our efforts to do so, we are stretched to our limits with respect to access to sufficient resources to get the job done. Prescribed requirements for participation in extensive state testing, mandates to provide supplemental services for students who do not meet the state academic standards (including all students with disabilities), federal requirements for highly qualified teachers

*(continued on page eight)*



# Elmore School District FY08 Budget Development Tax Rate Worksheet

<u>LINE</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FORMULA</u>
1) Budgeted Expenditures	\$1,488,625	\$1,553,725	
2) Budgeted Available Revenues	\$359,850	\$400,600	
3) Capital Debt Service Aid	\$0	\$0	
4) Education Spending	\$1,128,775	\$1,153,125	= Line 1 – Line 2 – Line 3
5) Equalized Pupils	148.05	142.87	
6) Education Spending per Equalized Pupil	\$7,624	\$8,071	= Line 4 / Line 5
7) Base Amount	\$7,330	\$7,736	
8) District Spending Adjustment	104.01%	104.33%	= Line 6 / Line 7 (minimum of 100%)
9) Statewide Homestead Tax Rate	\$0.95	\$0.90	
10) Adjusted Equalized Tax Rate	\$0.9881	\$0.9390	= Line 9 x Line 8
11) Common Level of Appraisal	106.83%	99.60%	
12) <b>Local Homestead Tax Rate</b>	<b>\$0.9250</b>	<b>\$0.9428</b>	= Line 10 / Line 11
13) Statewide Non-Homestead Tax Rate	\$1.44	\$1.39	
14) <b>Local Non-Homestead Tax Rate</b>	<b>\$1.3479</b>	<b>\$1.3956</b>	= Line 13 / Line 11
15) Income Sensitivity Statewide Percent	1.80%	1.71%	
16) <b>Local Percent for Income Sensitivity</b>	<b>1.87%</b>	<b>1.78%</b>	= Line 15 x Line 8



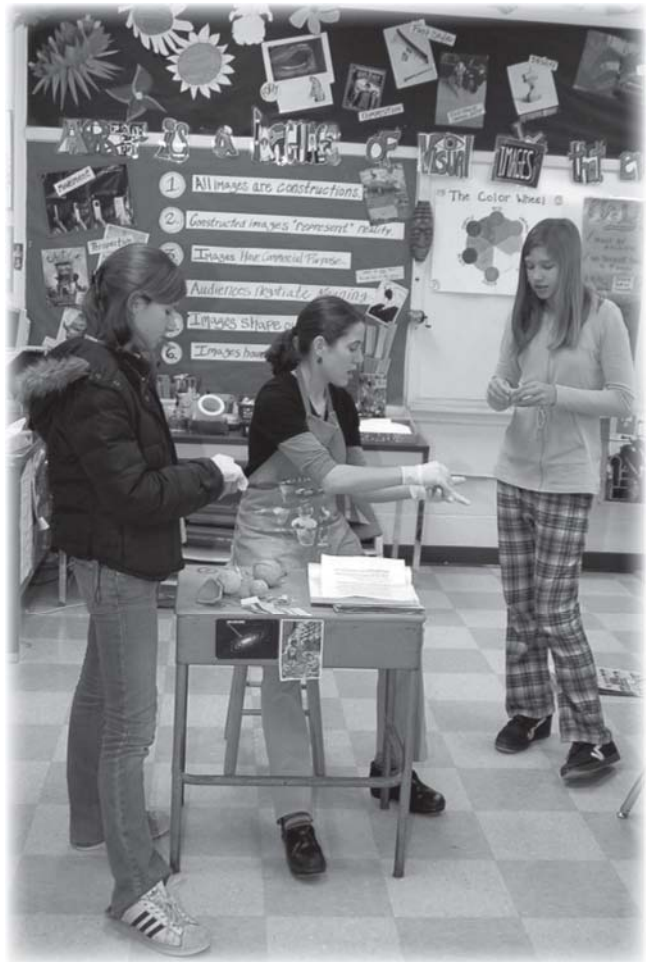
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# Elmore School District

## FY08 Budget Development Highlights

### General Information

- The Elmore School District's overall budget growth is \$65,100, a 4.37% growth in the budget. Revenue increases in special education funding of \$58,975 offset approximately 91% of the budget increase.
- The cost to tuition students to other school districts has decreased by \$12,225. Students in grades 1 and 2 will attend the Lake Elmore School next year. Kindergarten and grades 3, 4, 5, and 6 attend school in Morristown. Students in grades 7 through 12 may choose, within legal guidelines, the school they wish to attend. The vast majority of students and their families select Peoples Academy Middle Level, Stowe Middle School, Peoples Academy High School and Stowe High School.
- Approximately 23% or \$356,275 of Elmore's budget for FY08 is designated to meet the needs of students that qualify for special education. This is an increase of \$61,200 and accounts for the vast majority of Elmore's overall budget increase. Please note that the Elmore School District anticipates receiving \$197,600 in state funding to offset a significant portion of these costs.
- Transportation to and from school amounts to about 5% or \$71,600 of the proposed Elmore School District budget. This cost is partially offset by anticipated funding in state transportation aid in the amount of \$30,000.
- Vocational education costs amount to approximately 1% of the proposed FY08 budget. The budgeted expenditures of \$13,600 are offset by anticipated revenues from the Vocational Education Grant in the amount of \$6,750.



### Tax Information

- The FY08 homestead education tax rate for the Elmore School District is based on a district spending adjustment of 104.33% as defined by Act 68 (See line 8 on the previous page). The adjusted equalized tax rate for the upcoming year is \$0.9390, a slightly less than five cent decrease in the adjusted equalized education tax rate from the current year.
- By decreasing the FY08 proposed equalized education tax rate from the FY07 rate, the Elmore School Board insured that no part of the local homestead tax rate increase was the result of budgetary decisions. The increase in the local homestead tax rate is caused entirely by the change in the Common Level of Appraisal (CLA).
- The FY07 district spending adjustment for Elmore was 104.01% or 245<sup>th</sup> out of 251 Vermont school districts, placing Elmore's spending in the lowest 3% of districts statewide. In FY08, the district spending adjustment is proposed to increase from 104.01% to 104.33%.

# Morristown School District FY08 Budget Development Tax Rate Worksheet

<u>LINE</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FORMULA</u>
1) Budgeted Expenditures	\$10,873,450	\$11,412,150	
2) Budgeted Available Revenues	\$3,315,275	\$3,472,350	
3) Capital Debt Service Aid	\$0	\$0	
4) Education Spending	\$7,558,175	\$7,939,800	= Line 1 – Line 2 – Line 3
5) Equalized Pupils	838.75	839.84	
6) Education Spending per Equalized Pupil	\$9,011	\$9,454	= Line 4 / Line 5
7) Base Amount	\$7,330	\$7,736	
8) District Spending Adjustment	122.94%	122.21%	= Line 6 / Line 7 (minimum of 100%)
9) Statewide Homestead Tax Rate	\$0.95	\$0.90	
10) Adjusted Equalized Tax Rate	\$1.1679	\$1.0999	= Line 9 x Line 8
11) Common Level of Appraisal	87.59%	74.15%	
12) <b>Local Homestead Tax Rate</b>	<b>\$1.3334</b>	<b>\$1.4833</b>	= Line 10 / Line 11
13) Statewide Non-Homestead Tax Rate	\$1.44	\$1.39	
14) <b>Local Non-Homestead Tax Rate</b>	<b>\$1.6440</b>	<b>\$1.8746</b>	= Line 13 / Line 11
15) Income Sensitivity Statewide Percent	1.80%	1.80%	
16) <b>Local Percent for Income Sensitivity</b>	<b>2.21%</b>	<b>2.20%</b>	= Line 15 x Line 8



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# Morristown School District

## FY08 Budget Development Highlights

### *General Information*

- The Morristown School District's overall budget growth is \$538,700, a 4.95% growth in the budget. Increases in revenues of \$46,400 in earned interest, \$44,000 of additional services to other school districts, and \$56,500 of additional special education funding offset more than 27% of the budget increase.
- The proposed Morristown School District budget reduces staffing by one elementary teacher, one middle level teacher, one consulting teacher, and one support staff position.
- Special education costs represent 18% of the proposed Morristown School District budget or \$2,067,900. The \$2,067,900 is partially offset by anticipated funding revenues of \$1,197,000 or 58% of the budgeted expenditures.
- Vocational education costs amount to approximately 2% of the proposed FY08 budget. The budgeted expenditures of \$257,975 are offset by anticipated revenues from the Vocational Education Grant in the amount of \$127,950.

### *Roofing Article*

- The Morristown School District is proposing to replace approximately 71,000 square feet of roofing at Morristown Elementary School and Peoples Academy. This roofing has reached or exceeded its useful life. The Department of Education has estimated that the Morristown School District will receive \$178,000 in school construction aid of the total budgeted cost of \$593,000. The article requests from the voters the authority to utilize up to \$415,000 from the existing reserve fund to finance this project.



### *Tax Information*

- The FY08 homestead education tax rate for the Morristown School District is based on a district spending adjustment of 122.21% as defined by Act 68 (see line 8 on the previous page). The adjusted equalized tax rate for the upcoming year is \$1.0999, or 6.8 cents lower than the current adjusted equalized education tax rate.
- By decreasing the FY08 proposed equalized education tax rate from the FY07 rate, the Morristown School Board insured that no part of the local homestead tax rate increase was the result of budgetary decisions. The increase in the local homestead tax rate is caused entirely by the change in the Common Level of Appraisal (CLA).
- The FY07 district spending adjustment for Morristown was 122.94% or 228<sup>th</sup> out of 251 Vermont school districts, placing Morristown's spending in the lowest 9% of districts statewide. In FY08, the district spending adjustment is proposed to decrease from 122.94% to 122.21%.

# Stowe School District FY08 Budget Development Tax Rate Worksheet

<u>LINE</u>	<u>FY2007</u>	<u>FY2008</u>	<u>FORMULA</u>
1) Budgeted Expenditures	\$8,307,225	\$8,631,100	
2) Budgeted Available Revenues	\$1,332,650	\$1,209,775	
3) Capital Debt Service Aid	\$55,000	\$57,000	
4) Education Spending	\$6,919,575	\$7,364,325	= Line 1 – Line 2 – Line 3
5) Equalized Pupils	637.82	625.62	
6) Education Spending per Equalized Pupil	\$10,849	\$11,771	= Line 4 / Line 5
7) Base Amount	\$7,330	\$7,736	
8) District Spending Adjustment	148.01%	152.16%	= Line 6 / Line 7 (minimum of 100%)
9) Statewide Homestead Tax Rate	\$0.95	\$0.90	
10) Adjusted Equalized Tax Rate	\$1.4061	\$1.3695	= Line 9 x Line 8
11) Common Level of Appraisal	107.67%	96.48%	
12) <b>Local Homestead Tax Rate</b>	<b>\$1.3059</b>	<b>\$1.4194</b>	= Line 10 / Line 11
13) Statewide Non-Homestead Tax Rate	\$1.44	\$1.39	
14) <b>Local Non-Homestead Tax Rate</b>	<b>\$1.3374</b>	<b>\$1.4407</b>	= Line 13 / Line 11
15) Income Sensitivity Statewide Percent	1.80%	1.80%	
16) <b>Local Percent for Income Sensitivity</b>	<b>2.66%</b>	<b>2.74%</b>	= Line 15 x Line 8



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# Stowe School District

## FY08 Budget Development Highlights

### *General Information*

- The Stowe School District's overall budget growth is \$323,875, a 3.89% increase in the budget.
- Special education costs of \$1,207,150 represent 14% of the overall budget. Please note that revenues of \$623,000 offset over 51% of these costs.
- Transportation to and from school amount to about 3% of the proposed Stowe School District budget or \$245,525. This cost is partially offset by anticipated funding in state transportation aid in the amount of \$81,500.
- Vocational education costs amount to approximately 0.4% of the proposed FY08 budget. The budgeted expenditures of \$38,425 are offset by anticipated revenues from the Vocational Education Grant in the amount of \$19,050.
- Long-term debt from the 1991-92 construction and renovation project is approximately 1% of the proposed FY08 budget. The \$127,950 of expense is partially offset by \$57,000 of capital debt service aid.

### *Additional Article*

- The Stowe School District, based upon the recommendation of a community committee who reviewed the facilities needs over a period of 7 months, is proposing to enter into bonded indebtedness to address facilities needs at both Stowe Elementary School and Stowe Middle/High School. This work needed includes items such as heating and ventilation, roof replacement, high school science lab renovation, window replacement, handicap accessibility upgrades, carpeting replacement, plumbing repairs, lighting retrofit, a dividing curtain for the elementary school gym, and school safety improvements. The total cost of this project has been budgeted at \$3,315,250. It is estimated that state construction aid in the amount \$912,000 will be available to defray the cost to taxpayers. The article requests the authority to obtain general obligation bonds in an amount not to exceed \$2,403,250 from the voters.

### *Tax Information*

- The FY08 homestead education tax rate for the Stowe School District is based on a district spending adjustment of 152.16% as defined by Act 68 (see line 8 on the previous page). The adjusted equalized tax rate for the upcoming year is \$1.3695, or 3.66 cents lower than the adjusted equalized education tax rate for the current year.
- By decreasing the FY08 proposed equalized education tax rate from the FY07 rate, the Stowe School Board insured that no part of the local homestead tax rate increase was the result of budgetary decisions. The increase in the local homestead tax rate is caused entirely by the change in the Common Level of Appraisal (CLA).
- The FY07 district spending adjustment for Stowe is 148.01% or 104<sup>th</sup> out of 251 Vermont school districts. Forty-one percent of school districts in Vermont had a greater district spending adjustment than Stowe. In FY08, the district spending adjustment is proposed to increase 4.15% to 152.16%.

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at all levels, new laws on school safety and harassment, and labor and industry standards for all school facilities begins to showcase just the tip of the iceberg with respect to the budget challenges faced by your Board of School Directors.

National and international trends also have an impact on local school budget development. A decline in birth rates and a correlated drop in student enrollment across the nation create pressure to decrease teaching positions and increase the need to provide additional training and support for fewer staff who will be required to meet the needs of a more diverse student population. Globalization and a desire for international education wet our appetite for new school programs at a time when financial resources are becoming more scarce. Cuts in federal funding, proposed state spending caps for Vermont schools, a graying work force, higher academic standards, increased expectations for school services, rising energy and health care costs all contribute to the complexity involved in long range planning and school local budget development.

With all of that complexity in mind, I am most proud of the work the Board of Directors has done to rise to the challenge to propose thoughtful and balanced local school budgets for your consideration at Town Meeting. While we will continue to do everything we can do to influence state and national policy decisions that affect our local school, we must assume our primary responsibility and act locally to provide a quality education to the students of Elmore, Morrisville, and Stowe. This much we can do and must do. To paraphrase the wise words of an ancient sailor, when the winds of change blow you must adjust your sails while keeping your eye on your intended destination. With your continued financial support we will continue to give our best efforts to meet the needs of all students and sail forward ever mindful of the swirling forces of change that exist on the horizon.

We hope that this information in this newsletter is helpful and we encourage your attendance at the public information sessions. Please see the schedule of meetings on your right. If you have any specific questions about the budget proposals enclosed, Act 68, SQS or any of the other legislation that I have referenced please give our office a call (888-4541) and we will be pleased to answer your questions.

## NOTICE

All children and youth (ages 0-21) who are residents of Elmore, Morristown, or Stowe are eligible to receive an appropriate education at public expense, regardless of any disabilities they have. It is possible that the Lamoille South Supervisory Union may not be aware of all resident children and youth with disabilities. If you know a pre-school aged child (birth-5) who may be delayed developmentally or a school-aged child who may have a disability and may be eligible for special education services and who is not in school or otherwise being educated at public expense, please notify the Lamoille South Supervisory Union by calling or writing to Tracy Wrend, Director of Student Services, Lamoille South Supervisory Union, P. O. Box 340, Morrisville, VT, 05661, (888-4541).

Students with a disability who live in one of the towns listed above and who attend an approved private school or who attend an approved private school in one of the towns listed above may be eligible for limited special education services. Contact Tracy Wrend for more information.

### Public Information Meeting Schedule

The Elmore, Morristown and Stowe School Boards will hold public information meetings to present and discuss their proposed 2007-2008 school year budgets. The schedule for those meetings is as follows:

#### ELMORE

- Monday, February 12, 2007 - 7:00 p.m. in the Elmore Town Hall.

#### STOWE

- Monday, February 26, 2007 - 7:00 p.m. in the Stowe High School Auditorium (joint meeting with the Stowe Select Board)

#### MORRISTOWN

- Tuesday, February 27, 2007 - 7:00 p.m. in the Morristown Elementary School Library (joint meeting with the Morristown Select Board)

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— *Serving* —  
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