

Burlington School District 2018-2019 Budget FAQ

See below for a list of frequently asked questions. Have a question that hasn't been answered?

Check out the District [website](#) for more info, or send [BSD an email](#).



Don't forget to vote on March 6!

How much are we proposing to spend per student, how much did we spend last year?

The proposed budget equates to spending \$15,111.81 per equalized pupil, which is *less than one percent (0.8%) more than the \$14,991 that we spent per equalized pupil last year*. A 0.8%, or \$120, increase is less than the rate of inflation.

How will my taxes be impacted?

While the investments and reductions presented in the proposed budget result in a very small spending increase, the State's education funding formula means the proposal could raise property taxes by 7.99%.

What does the percentage mean for me in terms of dollars?

Taxes on a \$250,000 home will go up \$358, or about \$30 a month, to \$4,833. Last year taxes on home valued at \$250,000 were \$4,475.

What if I pay on income instead of property tax?

This year's Income Cap Percentage will increase to 2.55%, up 0.05% from last year. This means the tax on a \$50,000 household income will increase by \$25 to \$1,275. A large amount of Burlingtonians pay on income, please ask your tax advisor which category you fall into.

If we are only spending 0.8%, or less than one percent more than last year, why are my taxes going so up much?

Despite efforts to contain spending, the property tax increase associated with this year's budget is projected to be 7.99% due to factors other than school spending. To state this more clearly, less than 1 percentage point of the property tax increase is due to budget increases, and over 7 percentage points are due to statewide education fund decisions made in Montpelier.

Statewide education funding pressures are not new. In 2000, Montpelier covered over 42% of the Education Fund with general fund revenues, leaving 57% to be raised through property taxes. By 2015, the State was covering only 33% of Education Fund with non-property tax revenue, with 67% required from property taxes.

This year, the State is starting out with a \$50 million gap in the Education Fund for a variety of reasons. This means that the Legislature has to make up that \$50M gap before adding the cost of each District's education fund spending amounts (i.e. each District's budget).

Finally, the tax rate is affected by Burlington's Common Level of Appraisal - the "CLA" - which is a component of the statewide Education Funding formula. If the CLA is near 100%, the District's tax impact will be lower. The farther away the CLA is from 100%, the higher the tax impact will be. To keep the CLA near 100%, Burlington must reappraise

property taxes at appropriate intervals. This year, Burlington's CLA fell to 79.42%, which means that, on average, houses in Burlington are being taxed at 79% of their market value. This means there is less money to be used for education each year. The good news is that the City plans to update this assessment, and when Burlington's property is taxed at closer to market value, the education fund tax rates should decrease.

What would a level funded budget look like?

The proposed budget is very close to level funded. A completely level-funded budget would still have resulted in a 7.17% tax increase. This is because of inflation and the fact that utilities, transportation fuels, and staff costs (i.e. contractually-obligated raises) automatically increase each year, the way costs in any business budget would. In order to offer a truly level-funded budget, the School District would have had to have cut about \$380,000 across the board. Again, a level-funded budget would have meant a 7.17% tax increase; the proposed budget represents a 7.99% increase.

What would a budget with no tax increase look like?

In order to achieve a 0% tax impact, the Burlington School District would have had to have cut about \$4.5 million dollars from the budget.

What would a higher or lower tax impact mean for the budget?

Every 2% of tax increase or decrease represents about \$1.1 million dollars in increases or cuts to the budget, respectively.

Why does education cost so much?

Schools across the country and in Vermont are expected to offer more than just education. In Burlington, schools offer social services and counseling, a robust athletic program, transportation, support for students with additional needs, and two-to-three meals per student, each day. The loss of federal and state funding for social services transfers some of the cost onto the schools.

I've heard that this budget is a mix of investments and reductions. What is being cut? What are the investments?

The proposed budget includes reductions of more than \$540,000 from the District's Central Office and operations (which have been cut for the fourth straight year), cuts to property services, and the restructuring of some high school courses.

The budget also represents Investments in multilingual liaison staff, restorative practices work, social/emotional supports, targeted achievement gap strategies, and some instructional enhancements that could return revenue to the District.

Who can I talk to at the state about my concerns with the high cost of education?

Please share your concerns with your state senators and representative: Philip Baruth, who is the Senate Education committee Chair; Tim Ashe (also President Pro Tempore of the Senate), Michael Sirotkin, Ginny Lyons, Chris Pearson, Debbie Ingram, are the Chittenden County senators. The senators' emails for easy copy and pasting: tashe@leg.state.vt.us; msirotkin@leg.state.vt.us; vlyons@leg.state.vt.us, cpearson@leg.state.vt.us; dingram@leg.state.vt.us; pbaruth@leg.state.vt.us .

Via phone: Call The Sergeant at Arms Office at the Vermont Legislature at (802) 828-2228 or 1-800-322-5616 and leave a message asking your legislators to call you. Here is where number of calls received matter. Each one will prompt a legislative page to bring a note to the legislator. Of course, when you do receive a call, be prepared to have a dialogue about state funding and what this budget means for you and for our school system.

Governor Scott: [Email](#) or by phone at (802) 828-3333.

Extra Credit:

Speaker of the House Mitzi Johnson

(802) 828-2245

mjohnson@leg.state.vt.us

klevasseur@leg.state.vt.us

In the House, these representatives are working on the Education Fund bill:

House Education Committee Chair Dave Sharpe: dsharpe@leg.state.vt.us

House Ways and Means Committee Chair Janet Ancel: janetancel@gmail.com

Senate Finance Committee Chair Ann Cummings: acummings@leg.state.vt.us

How are schools in Burlington funded, anyway?

Local Sources: These are funds from private sources like grants, rental fees, and a small amount of reimbursement from the City of Burlington.

Federal Sources: The federal government gives us grants for mandated programs under Title I, Title II, IDEA B, ESSA, kids from families living in poverty, and kids with learning disabilities. These sources have been decreasing and we expect the reductions to continue in future years.

The State of Vermont Education Fund which is made up of:

- Funds from the state General Fund and the state lottery (about 33%, down from 40% previously).
- Non-residential property taxes (about 40%).
- Homestead taxes (about 27%) that you pay based on property or income (renters pay through their rent).
- Property taxes used to account for 57% of the Education Fund's revenue sources. Today they account for 67%.

How are my property taxes calculated? (Tell me the nitty gritty!)

Education taxes are based on our spending per equalized pupil. What's an "equalized pupil"? The number of students each community has is weighted to account for additional services needed to education some students, such as those students living in poverty, who are English language learners, or who are in high school (secondary students cost more to educate). In other words, the number of equalized pupils Burlington has is larger than the number of actual students, because the count is weighted this way.

The state determines the amount of funding per equalized pupil that can be supported by a property tax rate of \$1.00. This year, that number is \$9,842. Local communities then decide how much they want to spend per equalized pupil above that, if anything, which might add to the tax rate. This rate is then applied to your property taxes or your income, depending on which method of taxation you choose.

Because the property tax is based the value of your house, and cities and towns do not conduct appraisals every year, a common level of appraisal is used to estimate the current market value of your house, increasing it by a set percentage. This amount is also built in to the tax rate.

In recent years, the legislature has made changes to the Education Fund after Town Meeting Day, when towns vote on their education budgets, which has made it difficult to estimate the impact of budget increases. It is possible that legislative action will result in a tax rate increase that is less than the currently projected 7.99%.

If you would like more detail on how our education taxes are calculated, see this FAQ on the Vermont Department of Taxes website.

Why don't I hear the School District or Superintendent Obeng telling people to vote for this?

Legally, the School District cannot suggest that voters approve the budget. Superintendent Obeng has given many interviews, participated in meet and greets, and written community updates in which he states that he and the district believe the proposed budget will "allow us to stay true to our strategic goals while remaining aware of the challenge rising taxes can put on our community."

What question will be on the ballot in March?

"Shall the voters of the school district approve the school board to expend \$84,997,349 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 \$15,111.81 per equalized pupil. This projected spending per equalized pupil is 0.80% higher than spending for the current year."

Where can I learn more?

The Burlington School District budget website has a lot more [info on the budget](#), as well as notes from [Superintendent Obeng](#) and Board Commissioner and Acting Chair [Stephanie Seguino](#).