

South Burlington School District
December 28, 2010

To: School Board Members
From: John Everitt

Re: Superintendent Report – January 5, 2011
Policy 2.9 – Communication and Support to the Board

1. Recommended Budget – We have continued to refine the recommended budget so that it includes all the new information that we have. Several factors have gone in our favor this year.
 - a. The \$19M federal jobs grant will be sent to school districts as revenue based on the total amount of money drawn from the VT Education Fund this year. Our grant will be \$529,334. That is more than our voluntary Challenges for Change reduction target.
 - b. Our count of equalized pupils has gone up by 5. This increase, together with the federal jobs grant, results in a lower per pupil cost in the recommended FY12 budget. This is an important factor in computing the residential tax rate and the income sensitivity cap.
 - c. The South Burlington common level of appraisal (CLA) increased slightly as the tax department study of South Burlington property sales showed movement downward toward assessed values. This increase results in a smaller tax increase related to CLA than last year for both residential and non-residential taxpayers.

Governor-elect Shumlin has told school districts that his recommendation to the legislature will be to reduce the general fund transfer to the education fund by \$23.2M. Since districts reported only a \$4M drop in anticipated educational spending for FY12, the difference is to be shifted from the general fund to property taxes. To make this shift, he calculates that the state base rate will remain at \$8,544 for the third year and that the residential statewide tax rate will be increased one cent. (The statewide non-residential tax rate, not controlled by individual school budgets, would be increased one cent. The increased South Burlington CLA counters the statewide rate increase such that the rate will increase two-tenths of a penny.)

If we stick to our plan to meet the Challenges for Change while claiming the federal jobs grant, we would increase our current budget 0.7% to \$40,587,607 for next year and our reserve for FY13 to \$529,334. (I am not recommending program or stewardship changes different than my December 15 budget presentation.) The result is a reduced education fund draw of \$332,796 and a slight reduction in the residential property tax rate. Attached is the budget workshop sheet detailing this recommendation.

If the board adopts the recommended budget, the residential property tax would decrease by \$10 per \$100,000 of homestead value. If the voters do not approve a board adopted budget, the “Charter Budget” would be \$403,583 more than the recommended budget and the residential property tax would increase \$8 per \$100,000 of homestead value.

It is important to remember that the legislature may not follow the Governor-elect’s plan, but we may not know that until near the end of the session.

2. City-School Budget Booklet – Each year the city and school district jointly publish a booklet about the budgets that is sent to each South Burlington household. One of the features that citizens seem to appreciate is “Frequently Asked Questions.” Attached is that section of the booklet from last year. I would appreciate any suggested questions you have for that section that you believe would be important for the citizens.
3. Nutrition services update – David Young will provide the board with an update on the status of the food service program.
4. Chamberlin Principal Search – The search committee has identified five candidates to bring to the district for interviews. The names of the candidates and some of their application information will be posted on the district website early in the new year. The candidates will be interviewed on January 11, 18, and 20.
5. Superintendent Search – Applications close on January 3 and the search committee will select candidates for interviews during that week. The plan calls for the board to develop interview questions at the next meeting. I will have information for you from Ray Proulx at the meeting, but you may want to be thinking about questions. I will also bring materials from your first meeting with Ray.

Please bring your policy manual to the board meeting.