

Current Realities 2010:

*A Snapshot of Management & Policy Issues in
Vermont Public Schools*

Presented by the

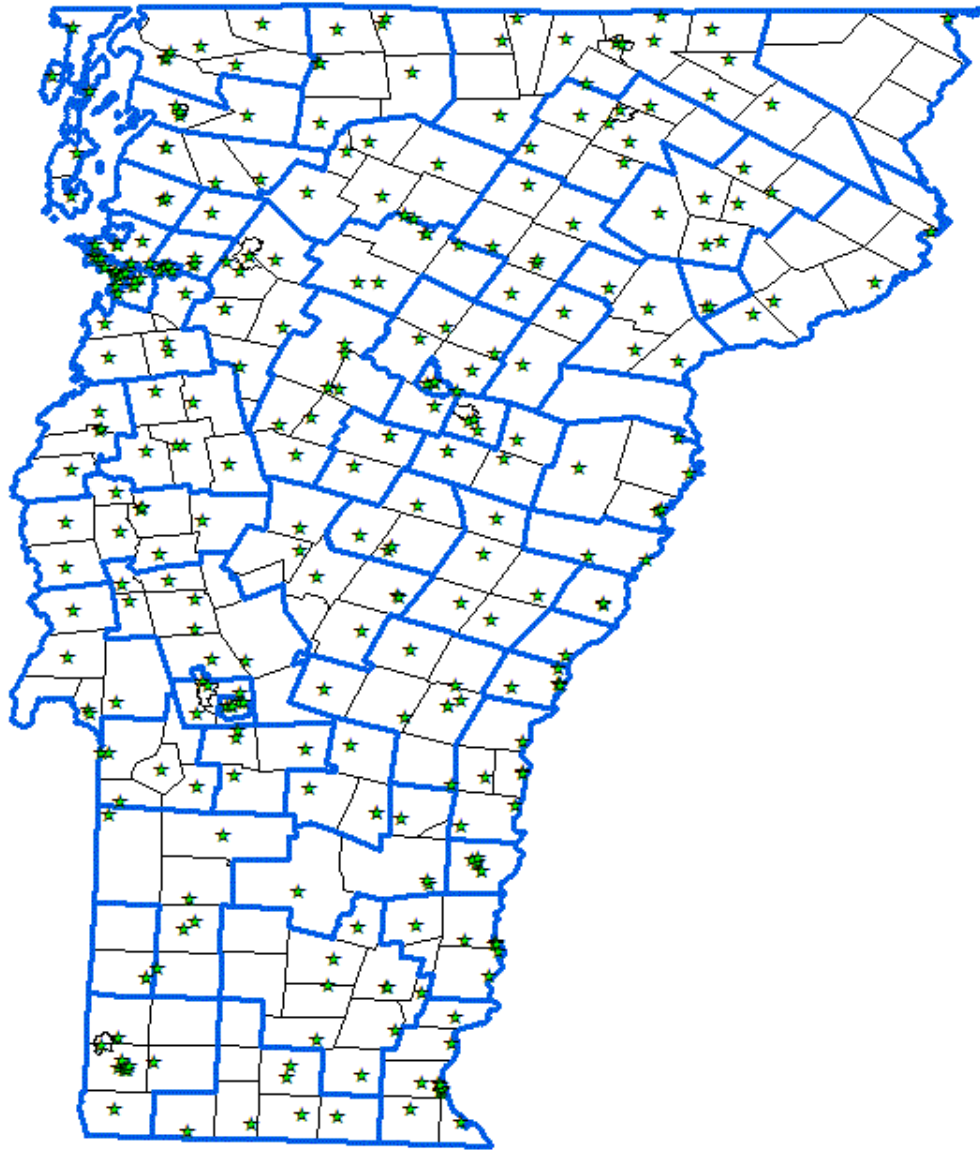
Vermont School Boards Association

Vermont Superintendents Association

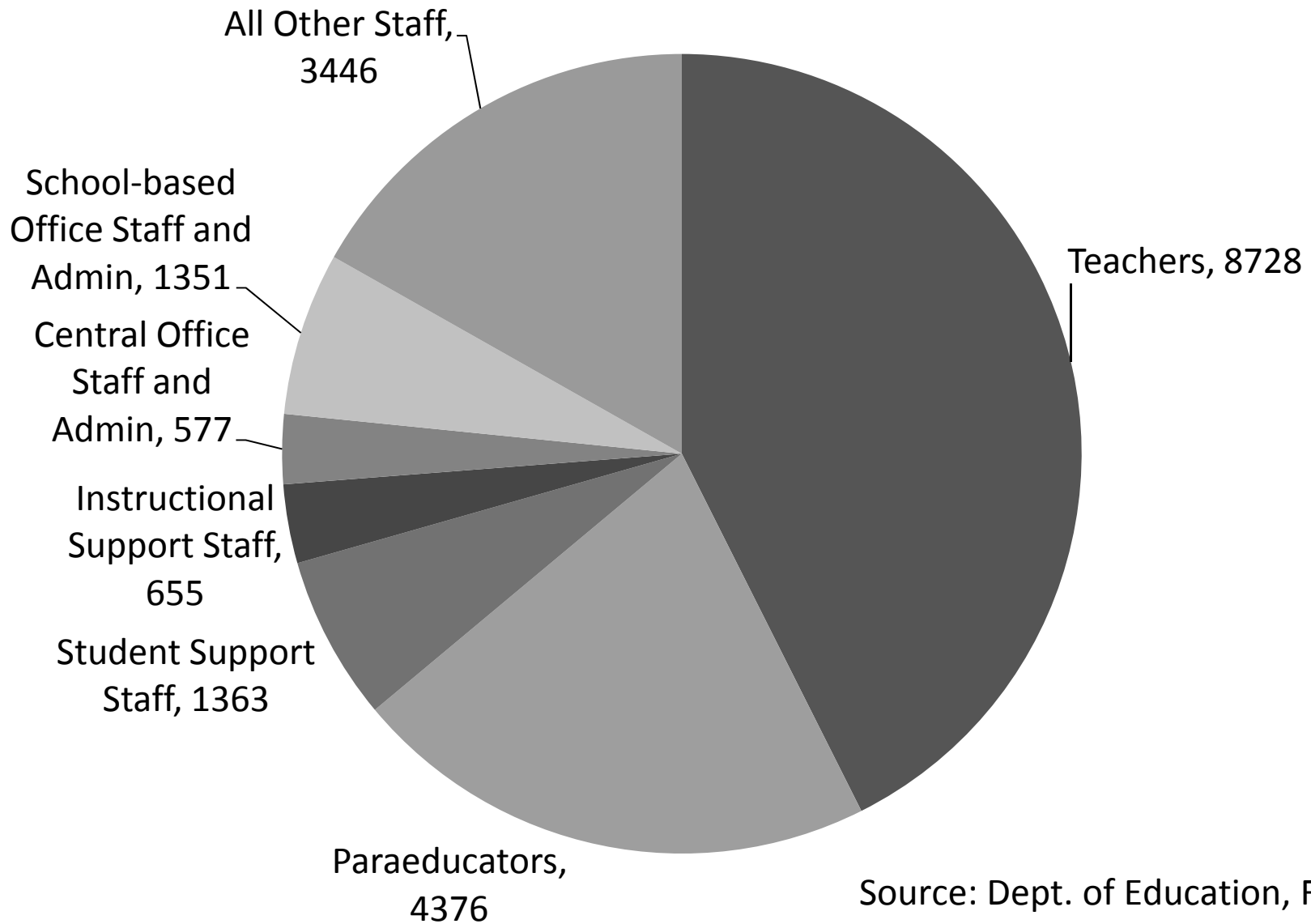
Vermont Principals' Association

September, 2009

Part I: Overview



Public School Staff FTEs by Category (19,145 total)

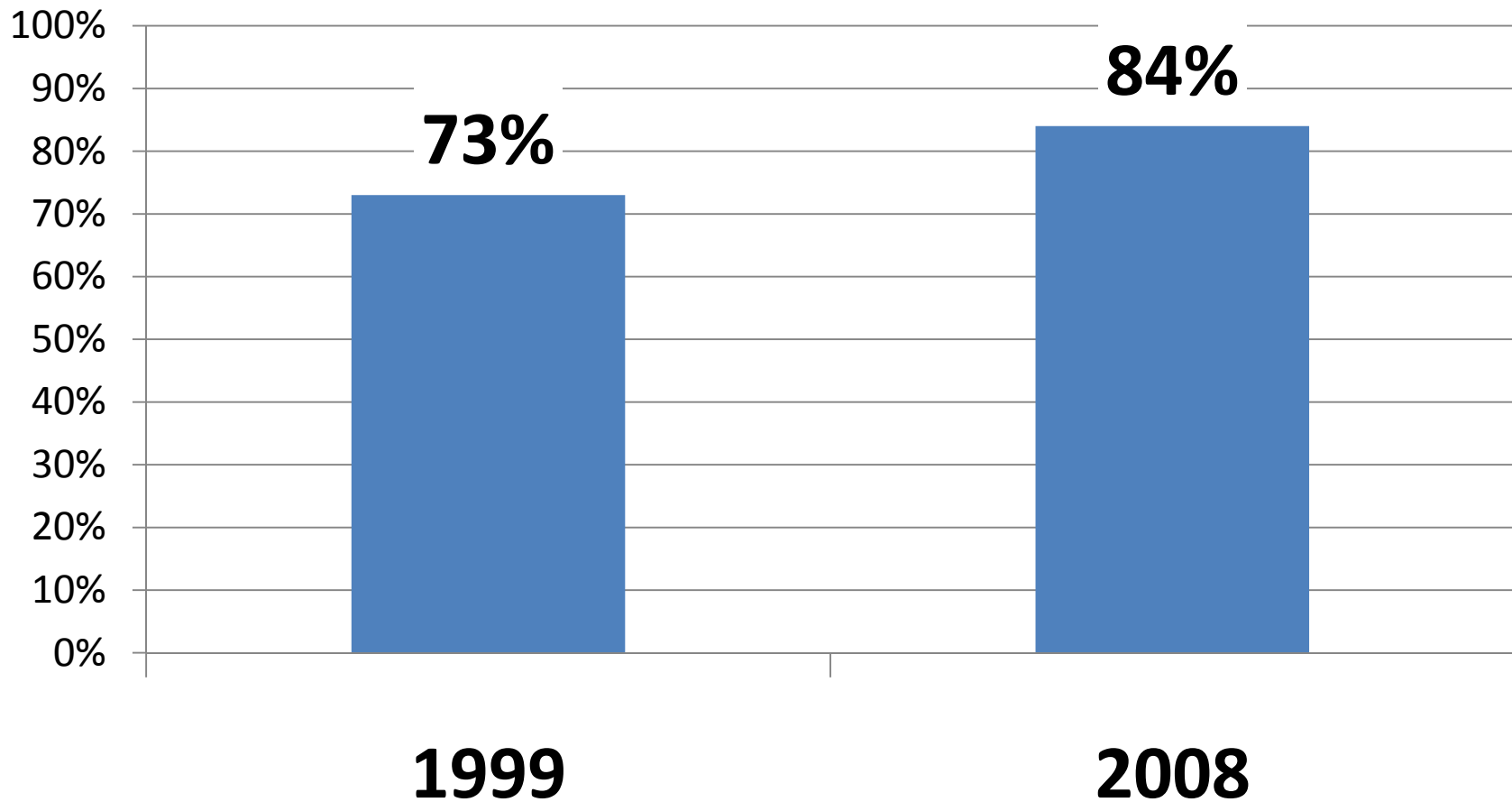


Source: Dept. of Education, FY08

Vermont Public Schools: State Rankings

- 4th best four-year graduation rate
- 4th or better in reading (NAEP)
- 6th or better in math (NAEP)
- Best AP achievement gains (College Board)

Percentage of 2nd Graders Meeting or Exceeding the Reading Standard



Rank	State	Current Expenditure Per Pupil (FY07)
1	New Jersey	\$16,163
2	New York	\$15,546
3	Washington D.C.	\$15,511
4	Connecticut	\$13,659
5	Vermont	\$13,629
6	Rhode Island	\$13,453
7	Wyoming	\$13,266
8	Massachusetts	\$12,857
9	Alaska	\$12,324
10	Maryland	\$11,975
	U.S.	\$9,683

State	Income per Capita (FY07)	Rank
New Jersey	\$49,149	3
New York	\$47,385	5
Washington D.C.	\$61,092	1
Connecticut	\$54,117	2
Vermont	\$36,670	24
Rhode Island	\$39,463	18
Wyoming	\$43,226	7
Massachusetts	\$49,082	4
Alaska	\$40,352	16
Maryland	\$46,021	6
U.S.	\$38,611	

Student and Staff Ratios (FY07)

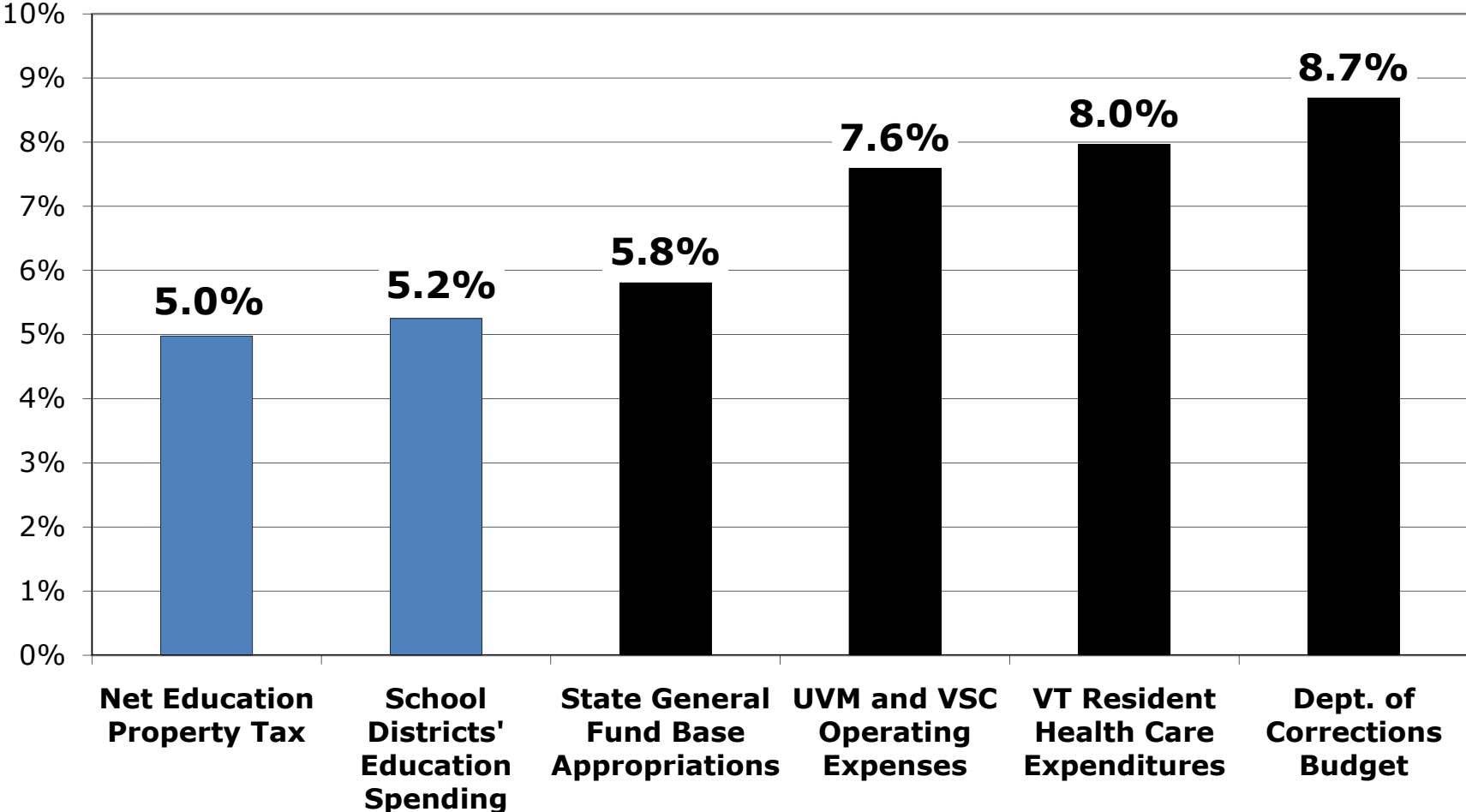
	Vermont	U.S.
Student : Adult	5.0 : 1	8.0 : 1
Student : Teacher	10.8 : 1	15.5 : 1
Student : Board Member	67 : 1	
Student : Superintendent	1558 : 1	
Board Member : Superintendent	23 : 1	

“Act 60 and Act 68 are fundamentally broken and beyond repair.”

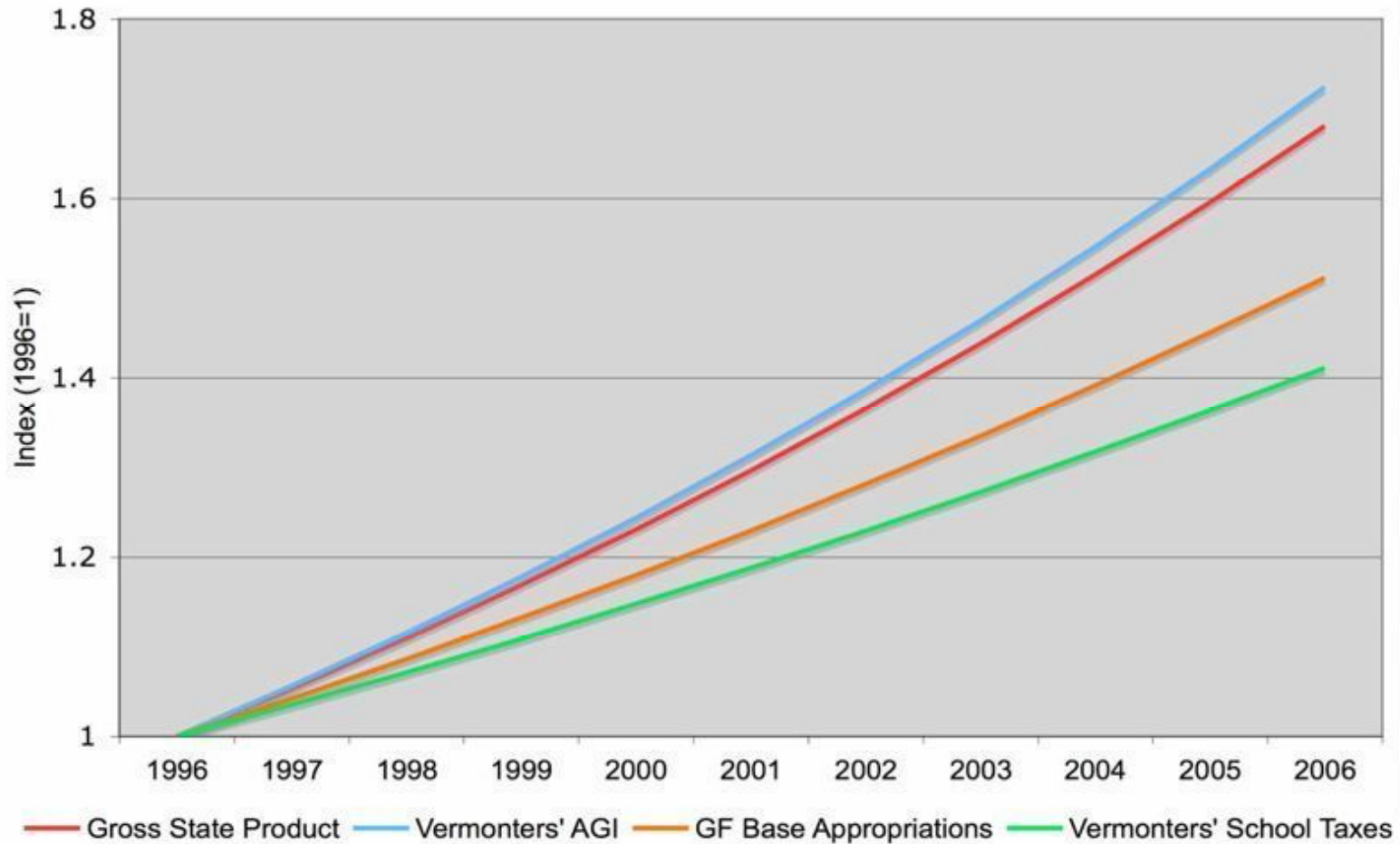
*Governor Douglas, Inaugural Address
January 8, 2009*

Courtesy of Vermont Public Radio

Annual Rates of Increase in Vermont FY03 - FY08

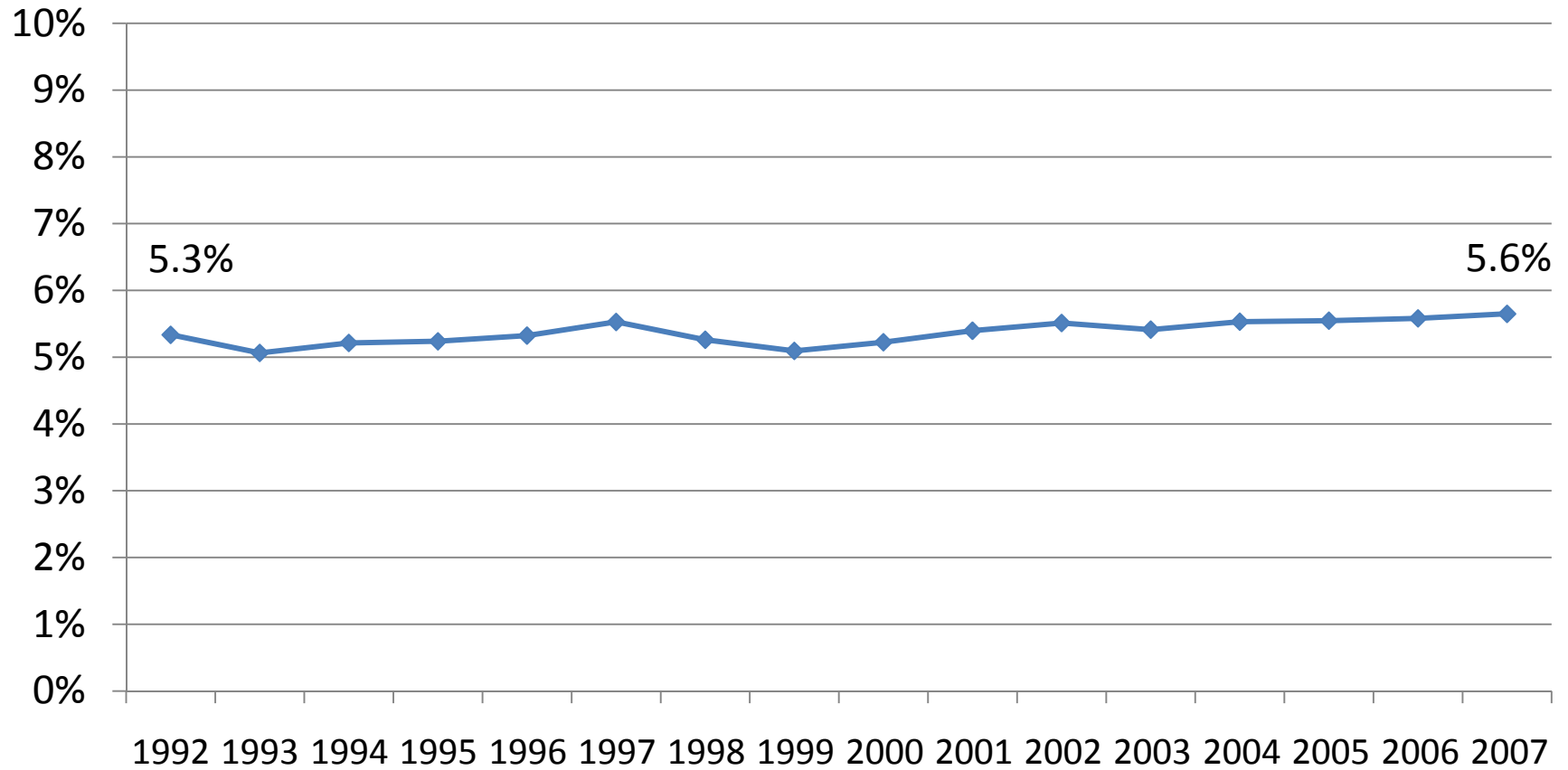


GSP, VTrs AGI, GF Base, VTrs School Taxes
Compound Average Annual Growth -- Vermont (1996-2006)
(not inflation adjusted)
Data Sources: VT Tax Dept., JFO, Economy.com

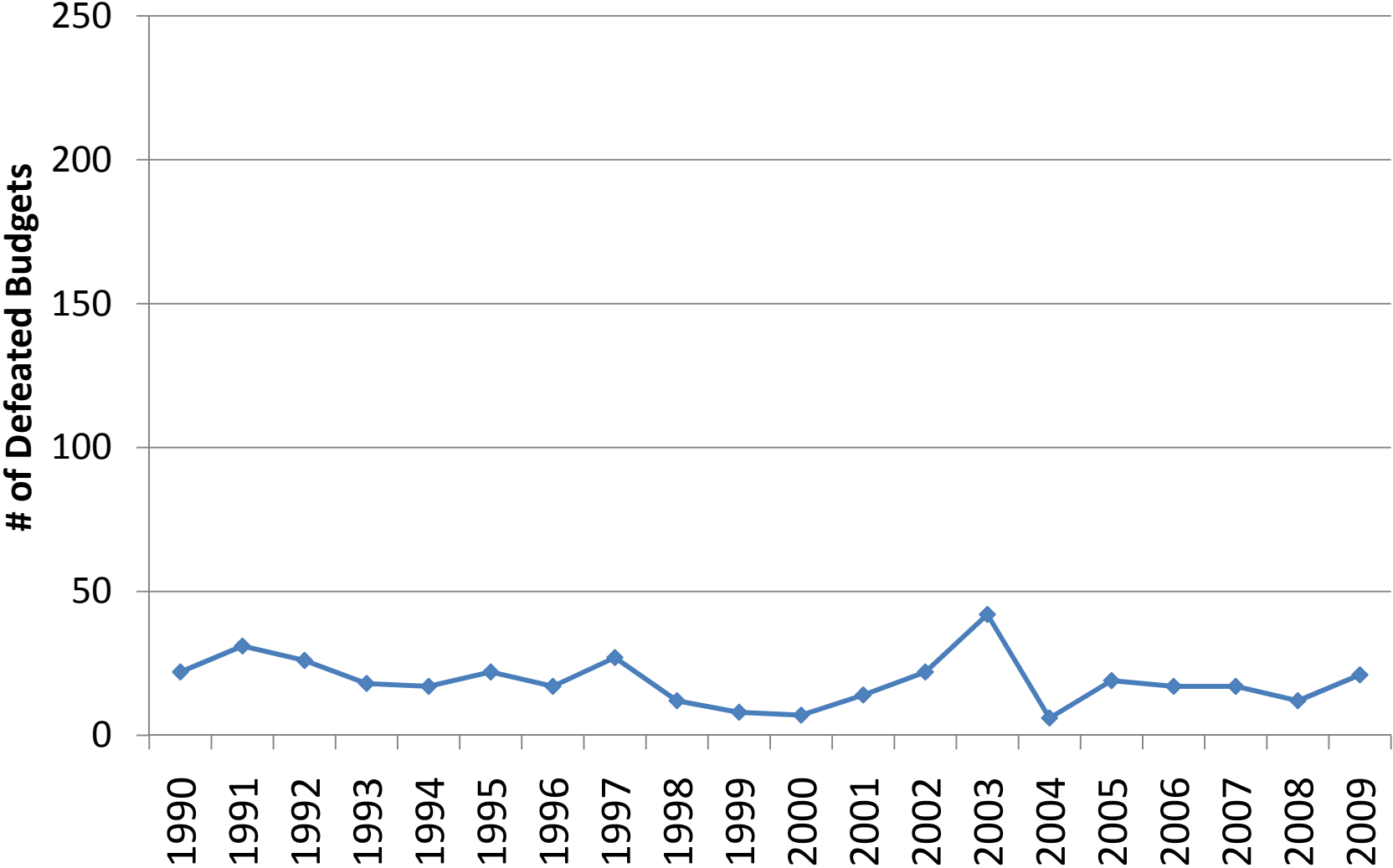


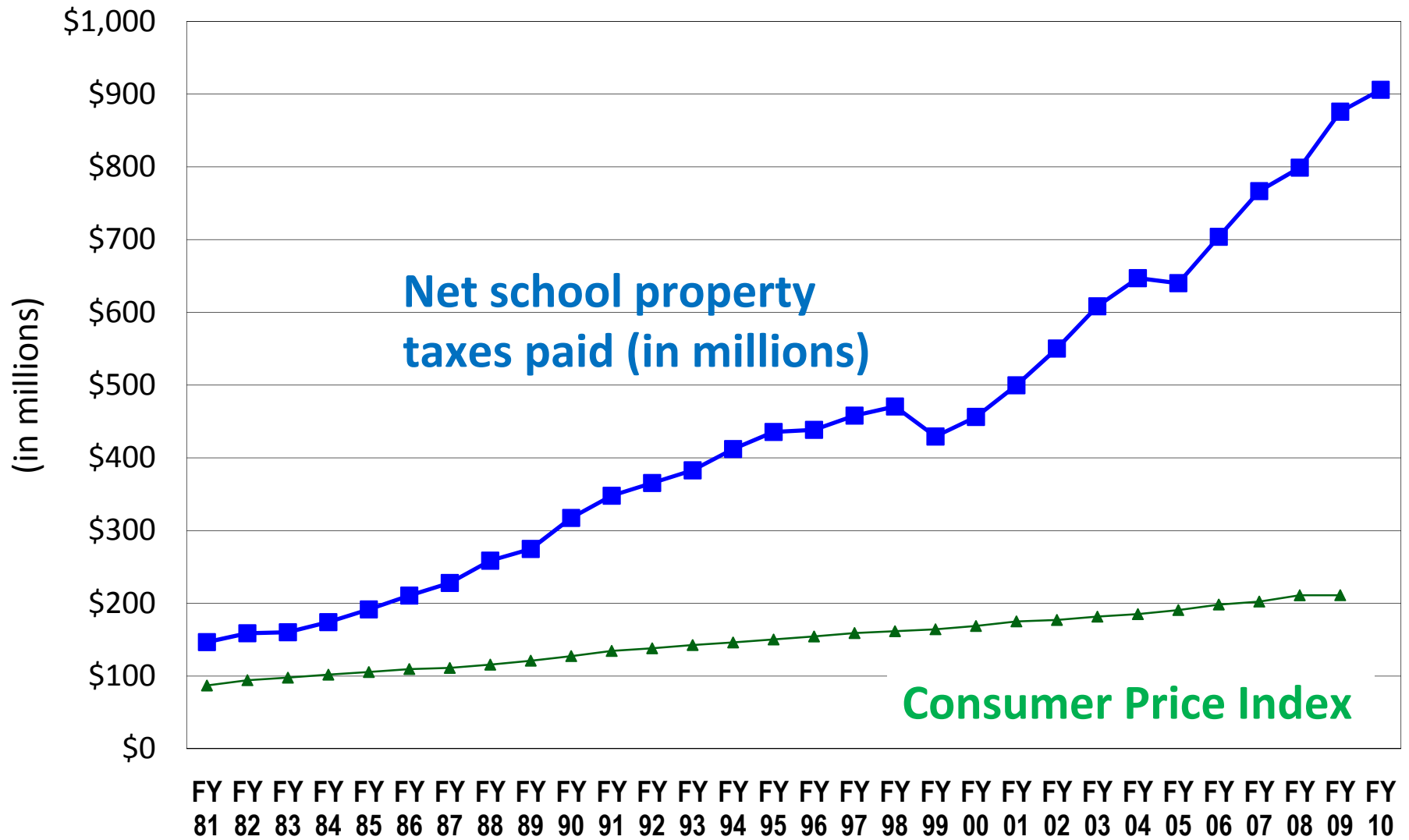
Source: Public Assets Institute

Total Education Expenditures as a Percentage of VT GSP



Defeated School Budgets as of Town Meeting Day





Source: VLCT, Joint Fiscal Office

“Way Forward”

Gov. Douglas: Cut spending

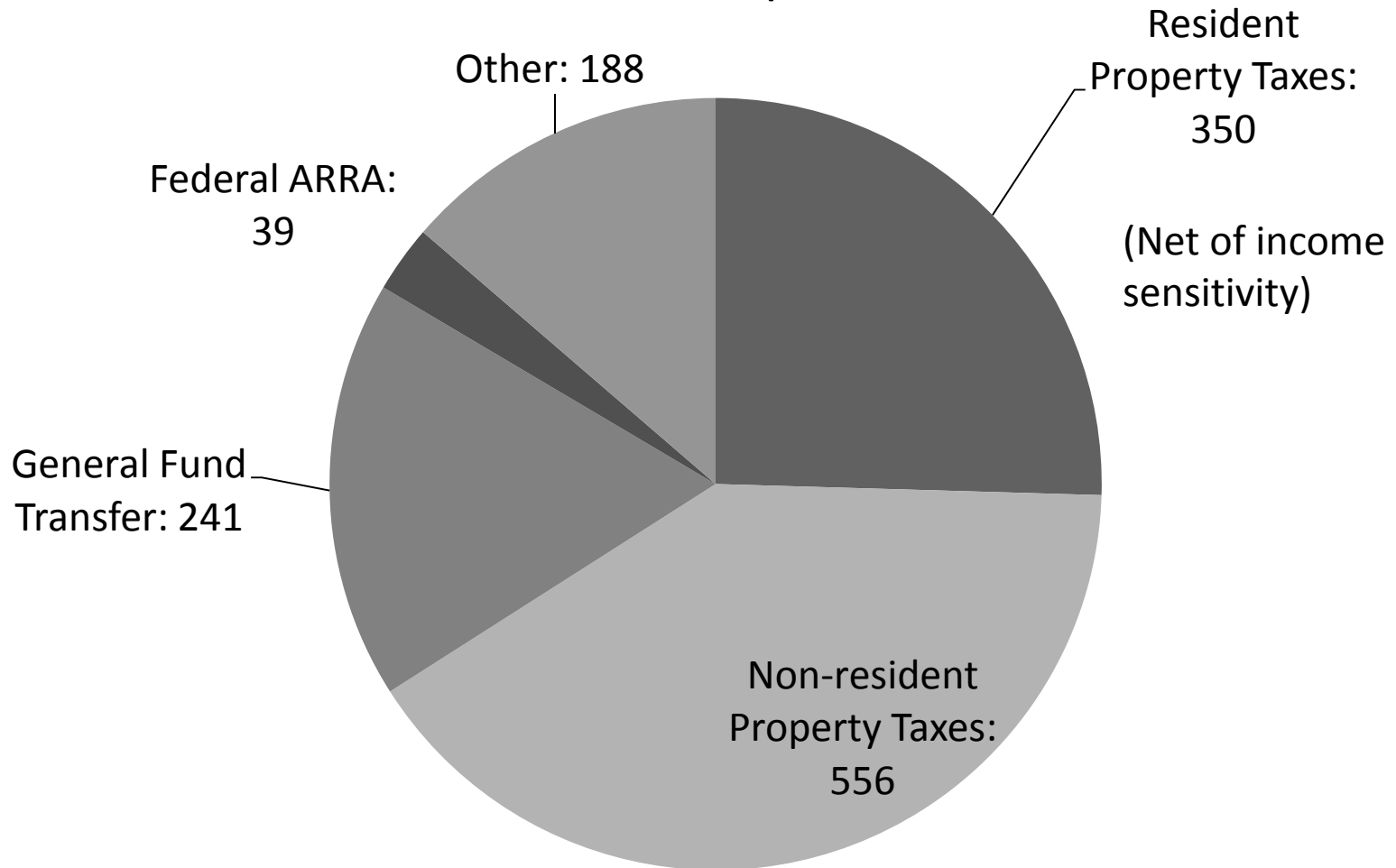
Legislature: Discourage spending increases

“Way Forward” continued

- Commissioner Vilaseca, former Commissioner Cate, Vermont Superintendents Association:
K-12 District Alignment
- Vermont School Boards Association:
Respect local authority

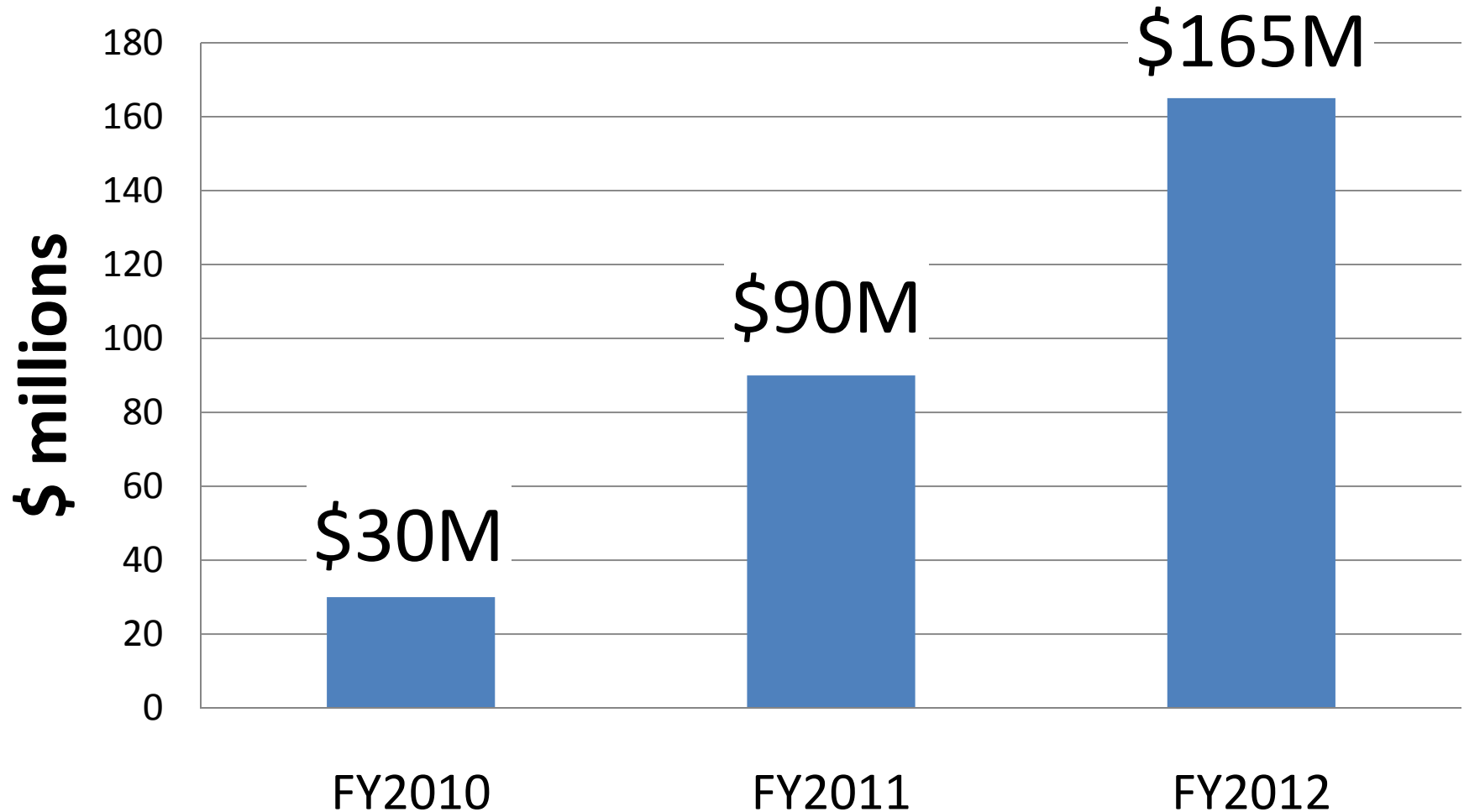
Part II: Education Funding Realities

Education Fund Revenue Sources, FY2010
(projection, in millions)
Total Revenue: \$1.3 billion



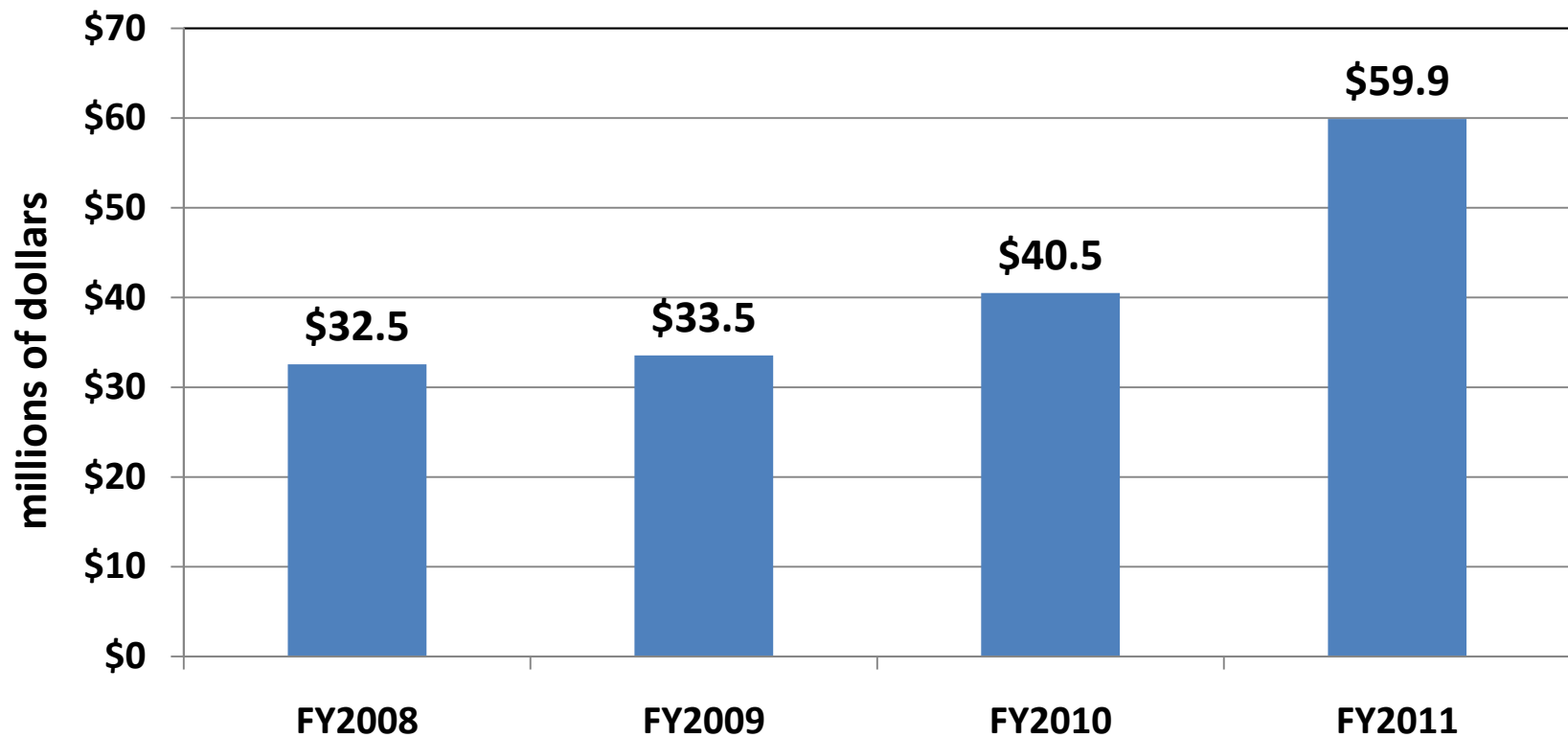
Source: Joint Fiscal Office

State General Fund: Projected Budget Deficits



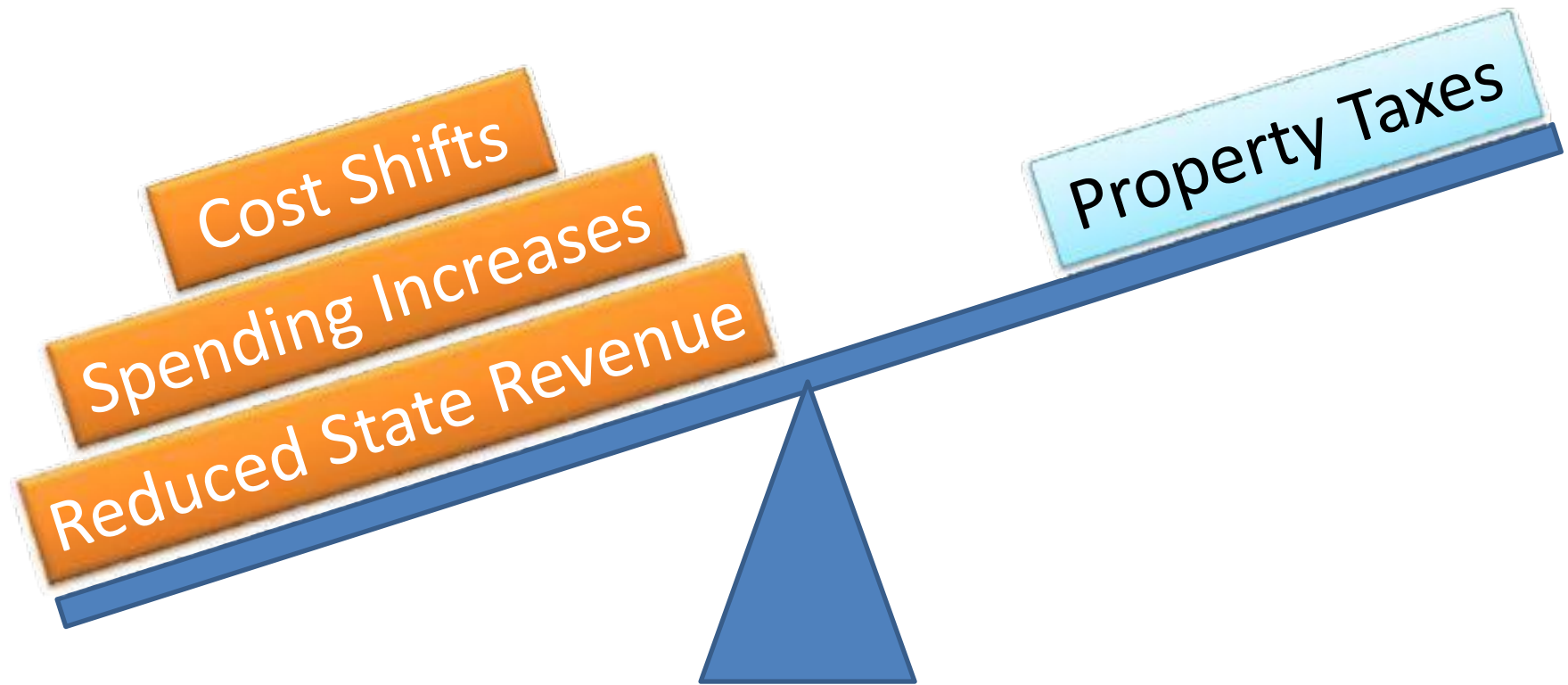
Source: Joint Fiscal Office. Figures are approximations.

State Teachers' Retirement System: State Appropriation

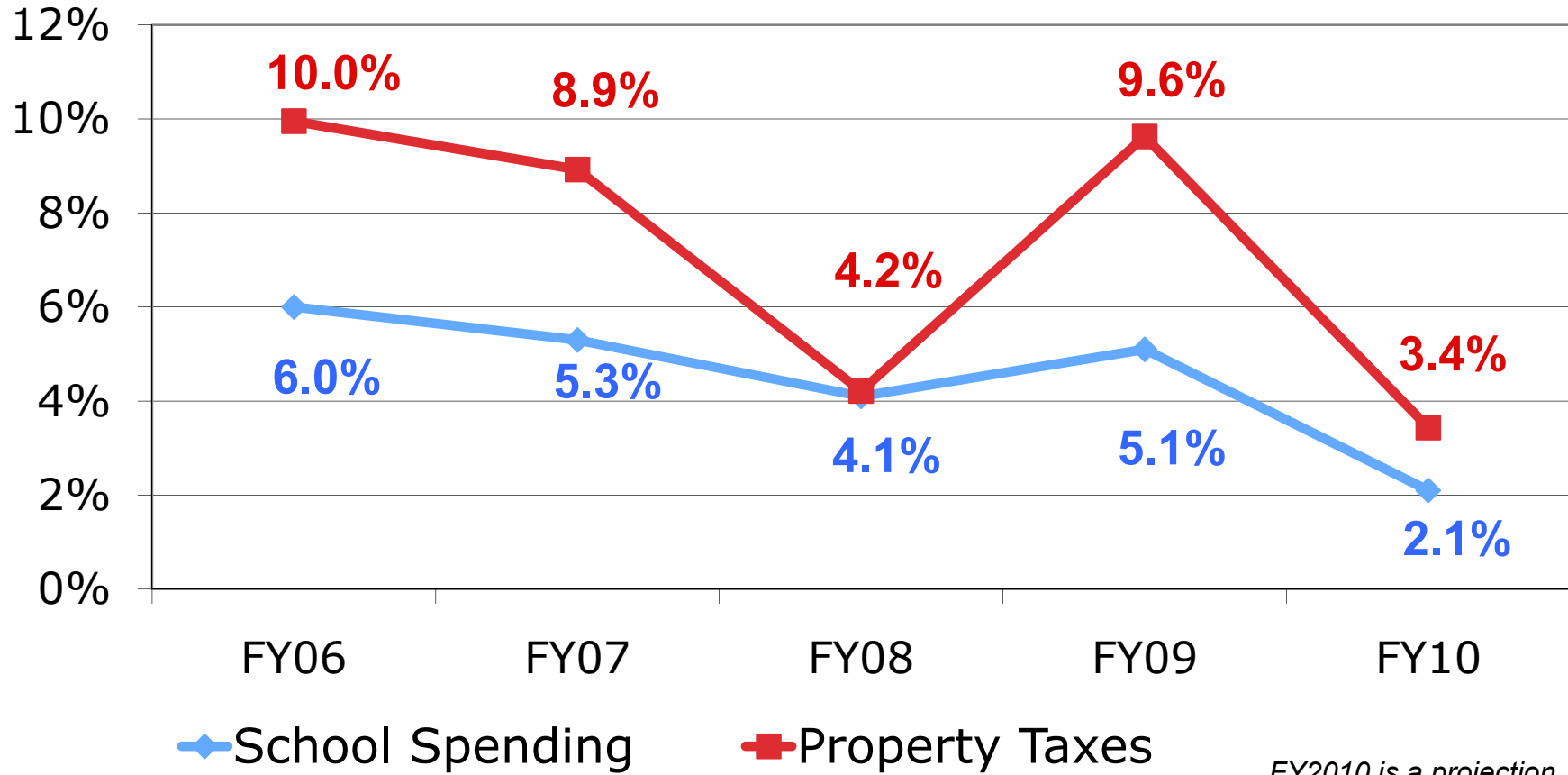


Source: Vermont General Assembly, Joint Fiscal Office. FY2011 is the actuarial recommendation.

Tipping the Scales



Percent Increase from Prior Year: School Spending and Property Taxes



Base Education Amount Frozen

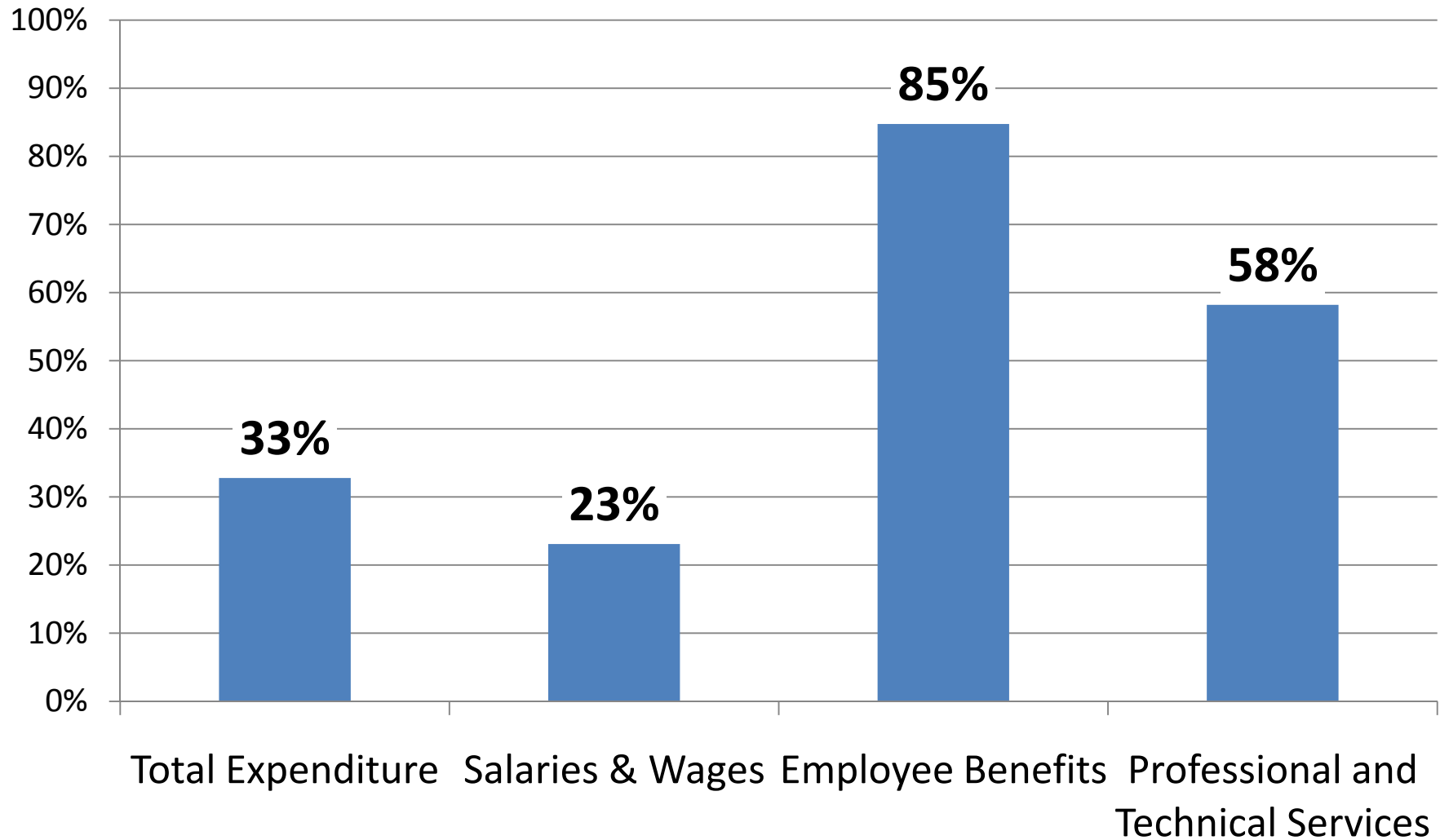
- *Base Education Payment* renamed
Base Education Amount (BEA)
- BEA will not increase from FY10 to FY11 (\$8544)
- **Freezing the BEA compounds the effect of increased per pupil spending on residential taxpayers**

$$\frac{\textit{Education Spending per Equalized Pupil}}{\textit{Base Education Amount}} = \text{District Spending Adjustment}$$



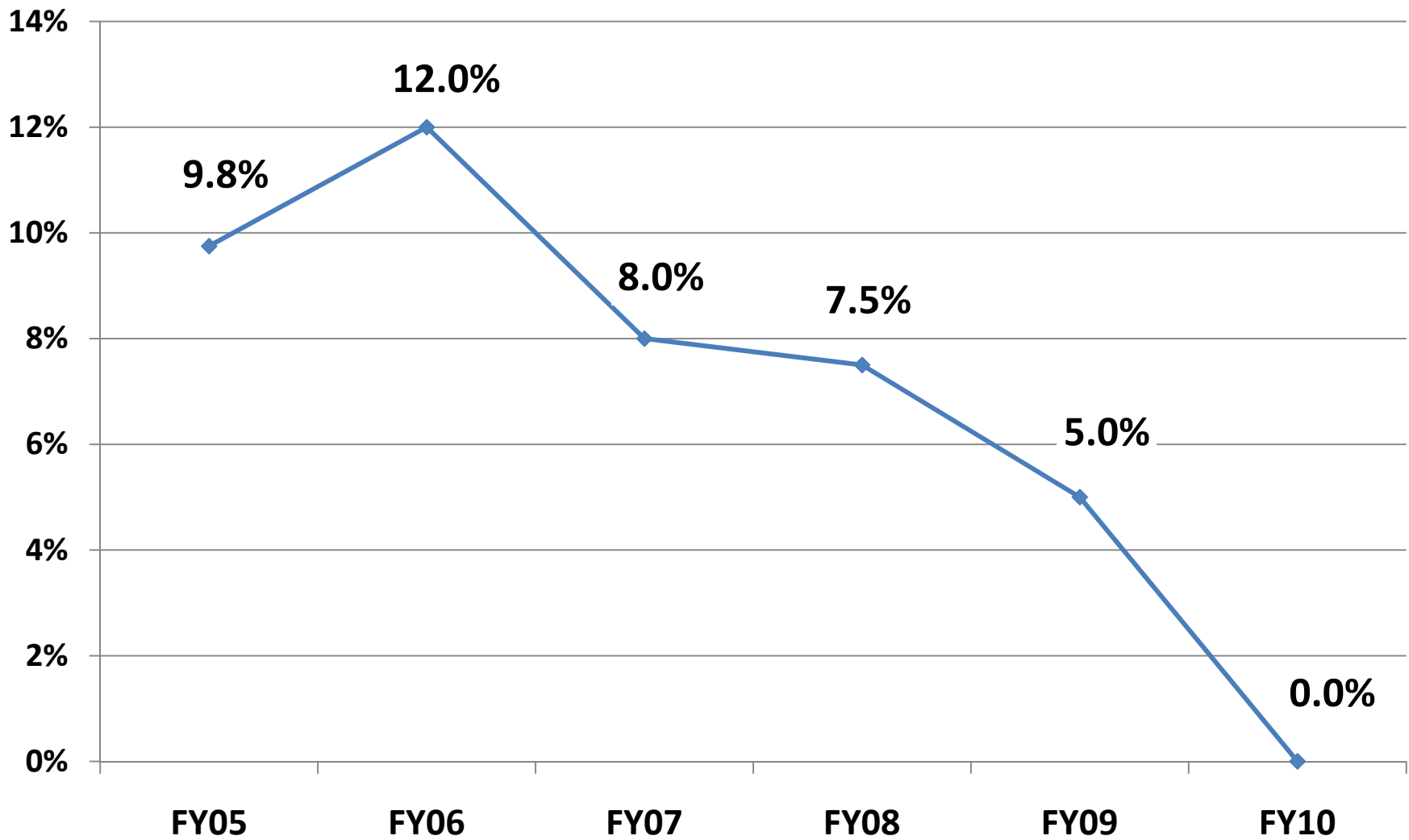
Inflation-adjusted change FY1998 - FY2008

(Student membership declined 10% during same period)

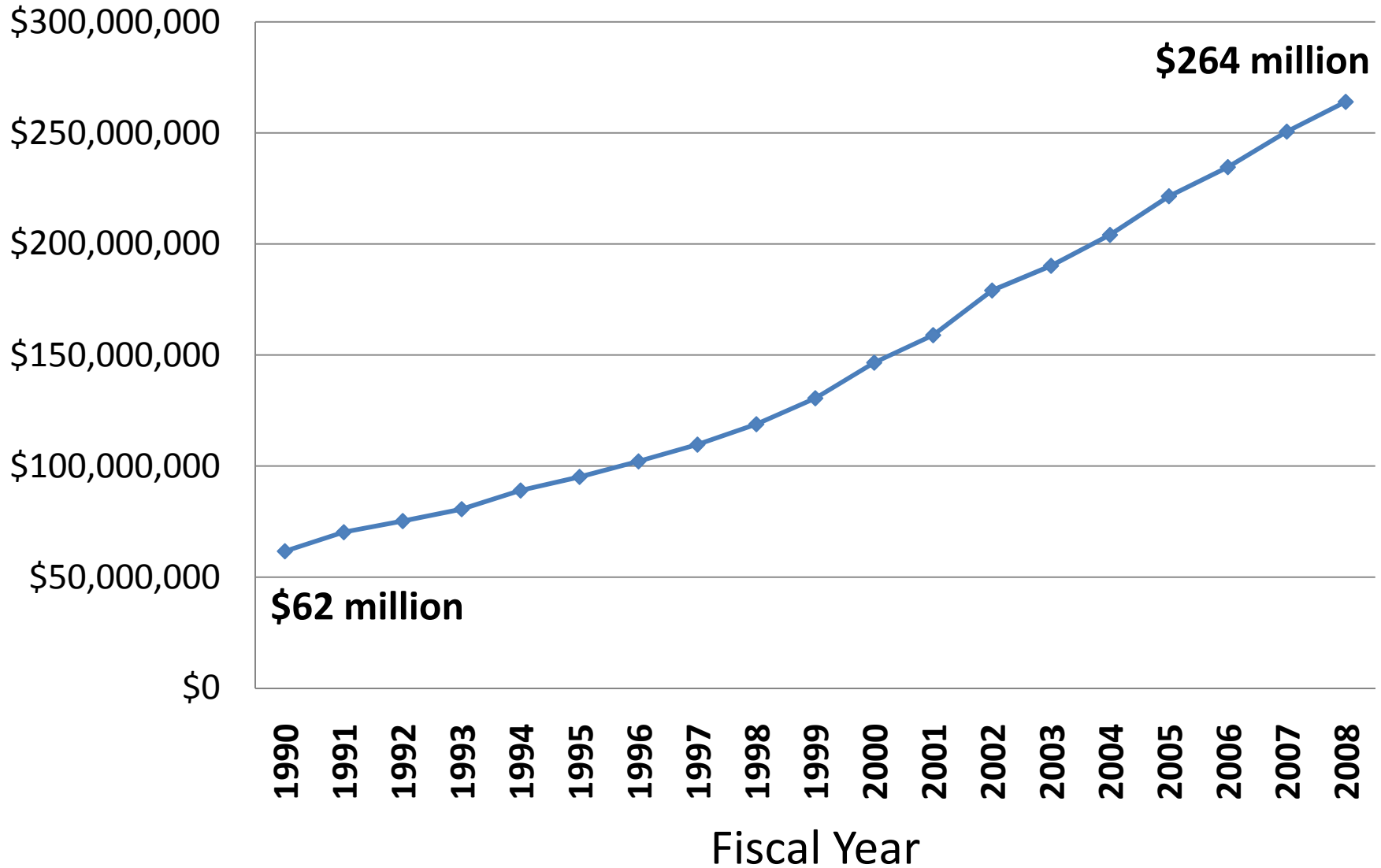


Source: Department of Education

VEHI Health Insurance Premium Increase from Prior Year

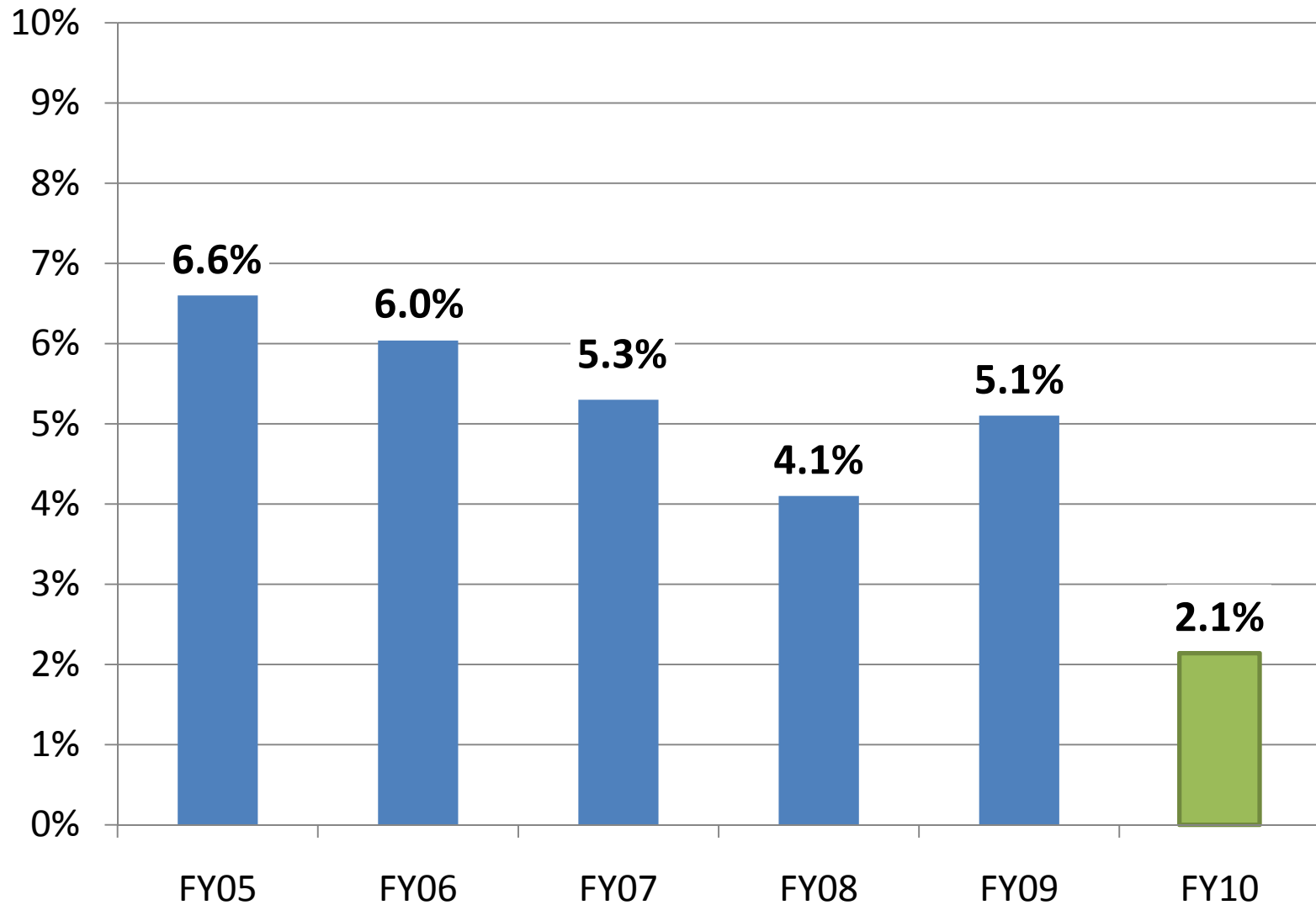


Pk-12 Special Education Expenditure in Vermont



Includes federal, state, and local expenditure. Source: VT DOE

Statewide Education Spending Increase from Prior Year



Source: Joint Fiscal Office. FY10 is a projection.

Legislature presuming 0% increase in education spending this year (FY2011)

Education Fund Outlook

Preliminary Conference Committee Report with H.17 Adjustments

(billions of dollars)

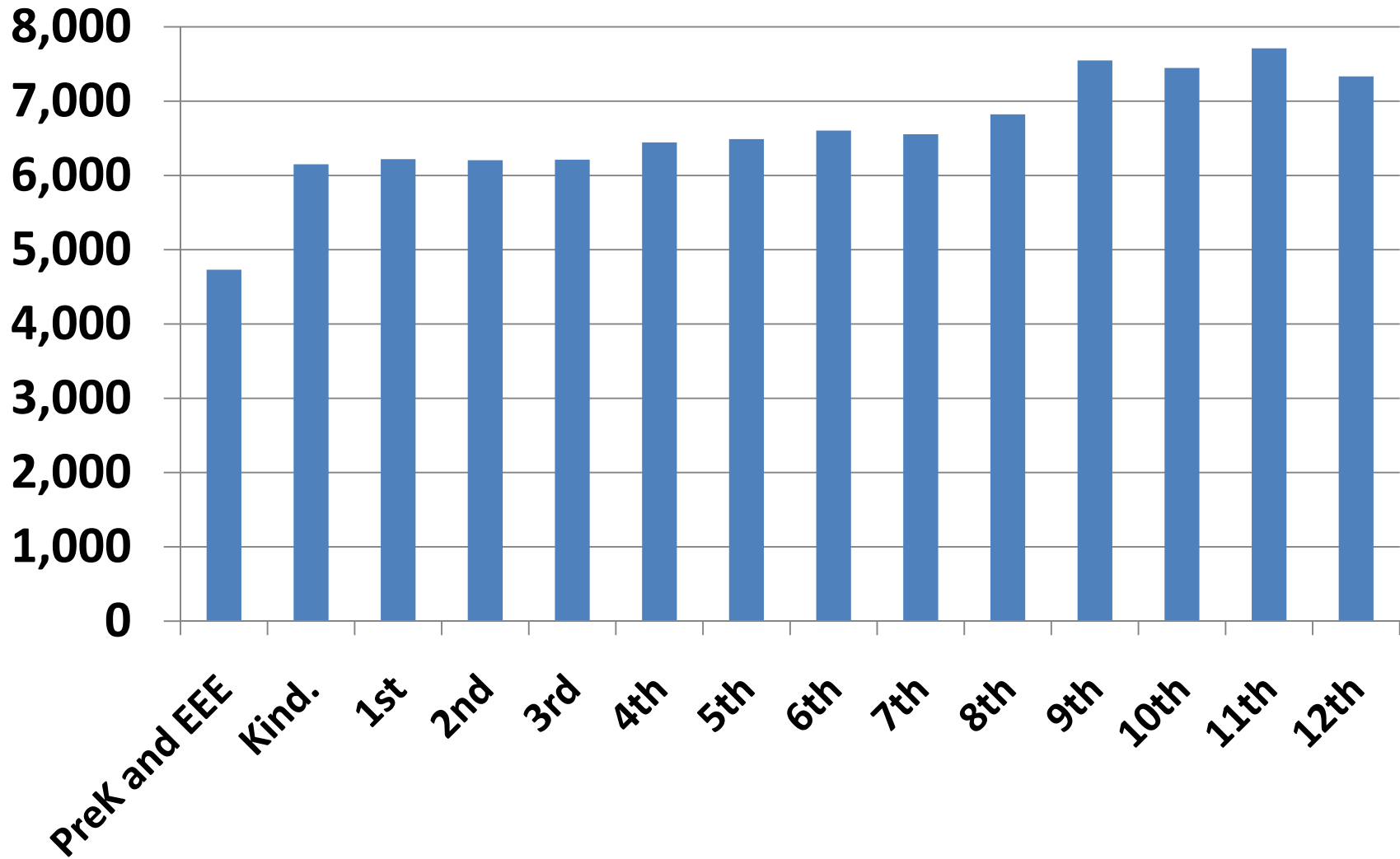
	FY2009	FY2010	FY2011
• Base Homestead Tax Rate ¹	\$0.87	\$0.86	\$0.86
• Uniform Non-Homestead Tax Rate ¹	\$1.36	\$1.35	\$1.35
• Base Rate on Household Income ²	1.80%	1.80%	1.80%
• Household Income Limit	\$90,000	\$90,000	\$90,000
• House-site Value Limit if Over Household Income Limit	\$200,000	\$200,000	\$200,000
• Base Education Amount Per Pupil	\$8,220	\$8,544	\$8,544
• Equalized Pupil Count	85,676	84,307	82,368
• Education Spending Growth Rate	2.7%	2.2%	0.0%

¹The statutory education tax rates are: homestead property - \$1.80 (base tax rate), nonresidential property - \$1.36, and household

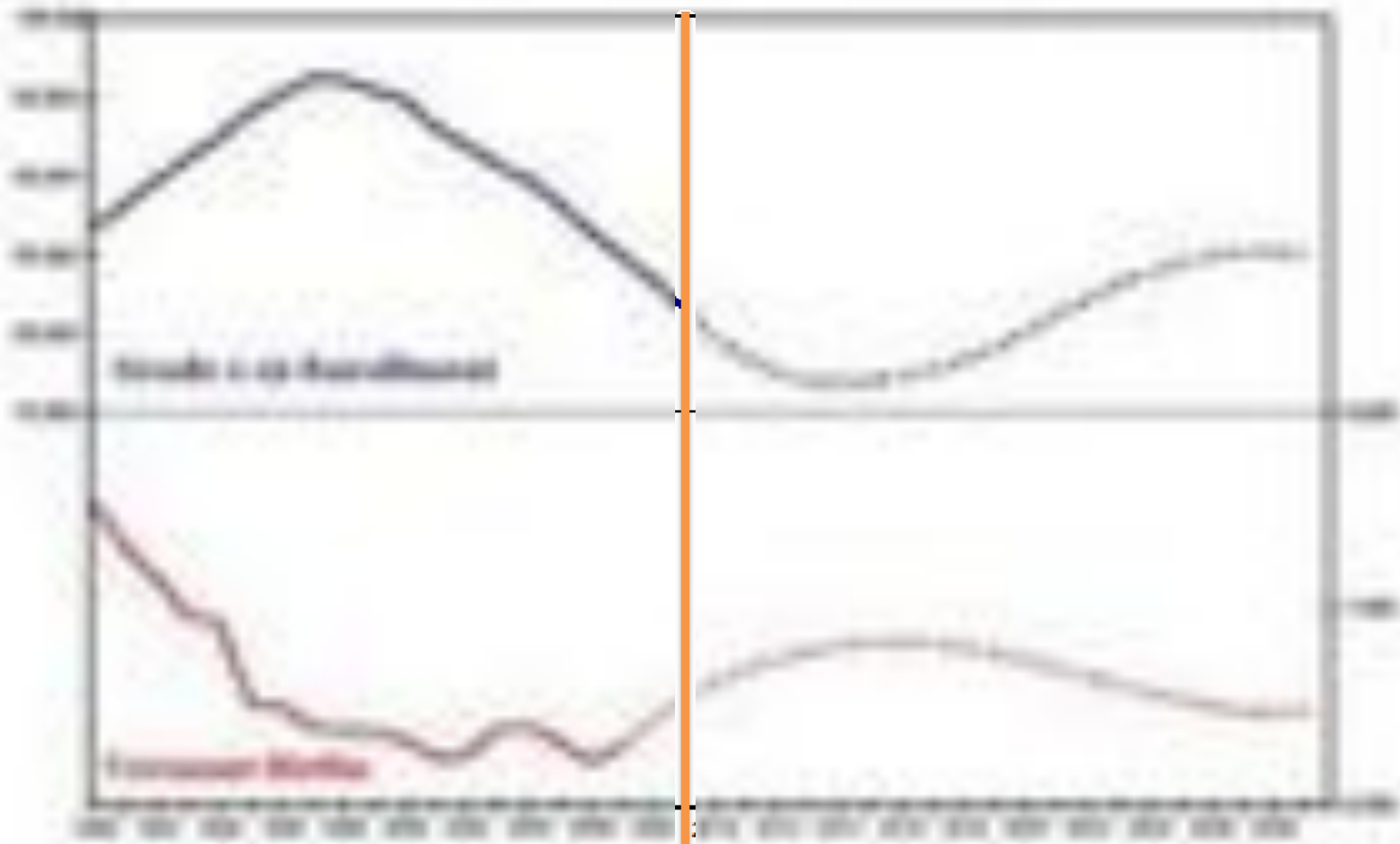
Part III: Demographic Realities

Enrollment by Grade, FY09

Total: 95,272



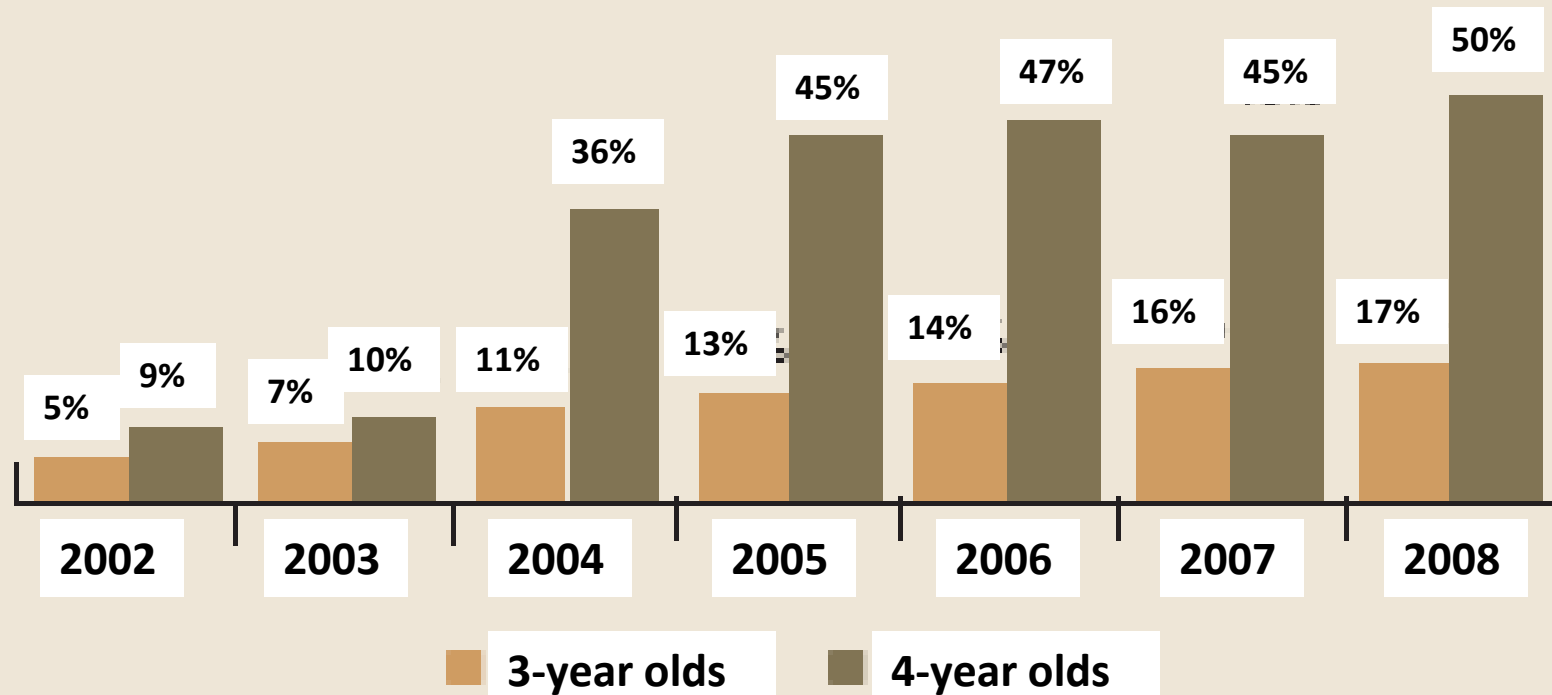
Enrollment and Birth Trends



2009

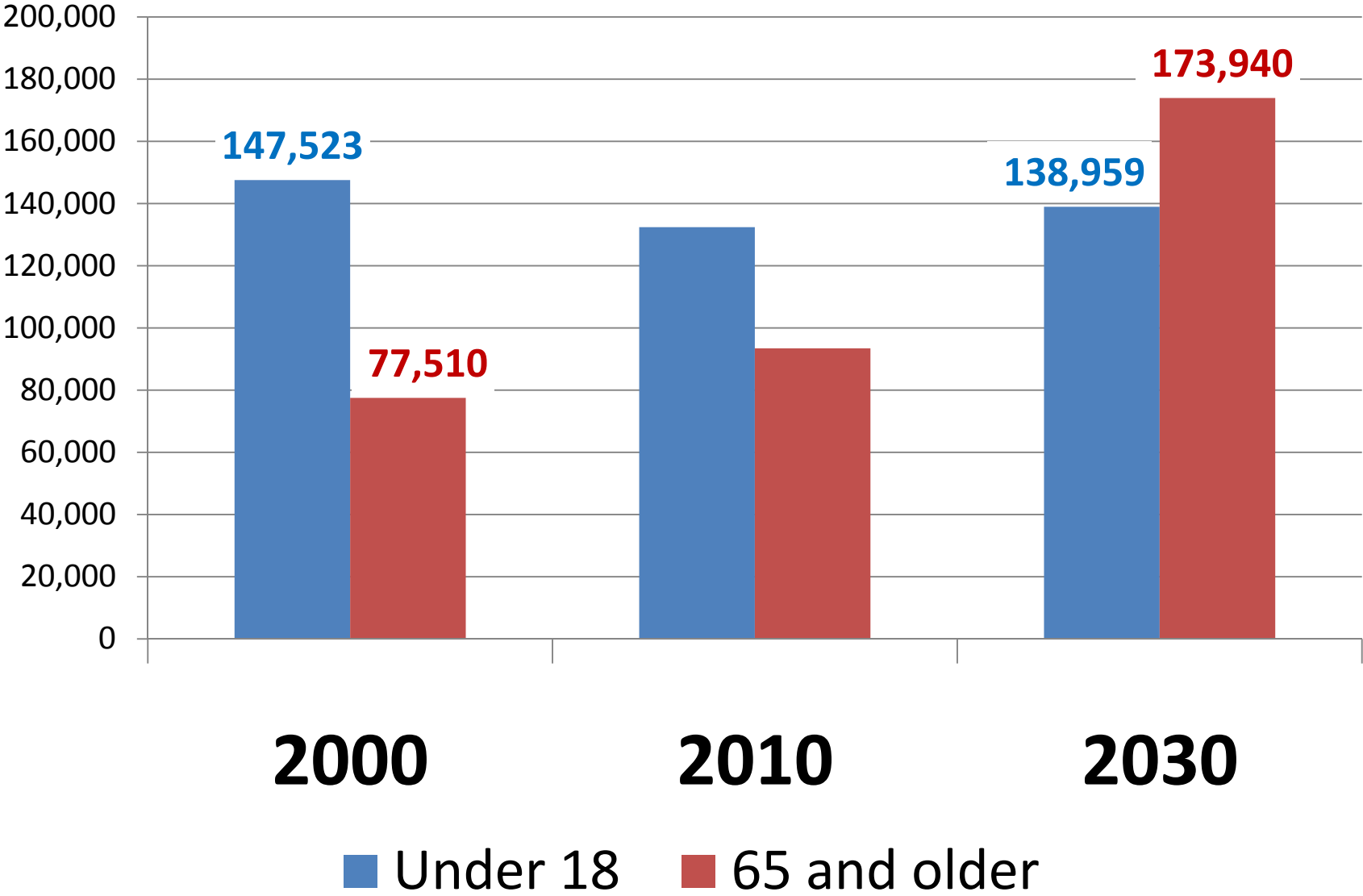
Pre-Kindergarten Enrollment Growing Rapidly

PERCENT OF STATE POPULATION ENROLLED

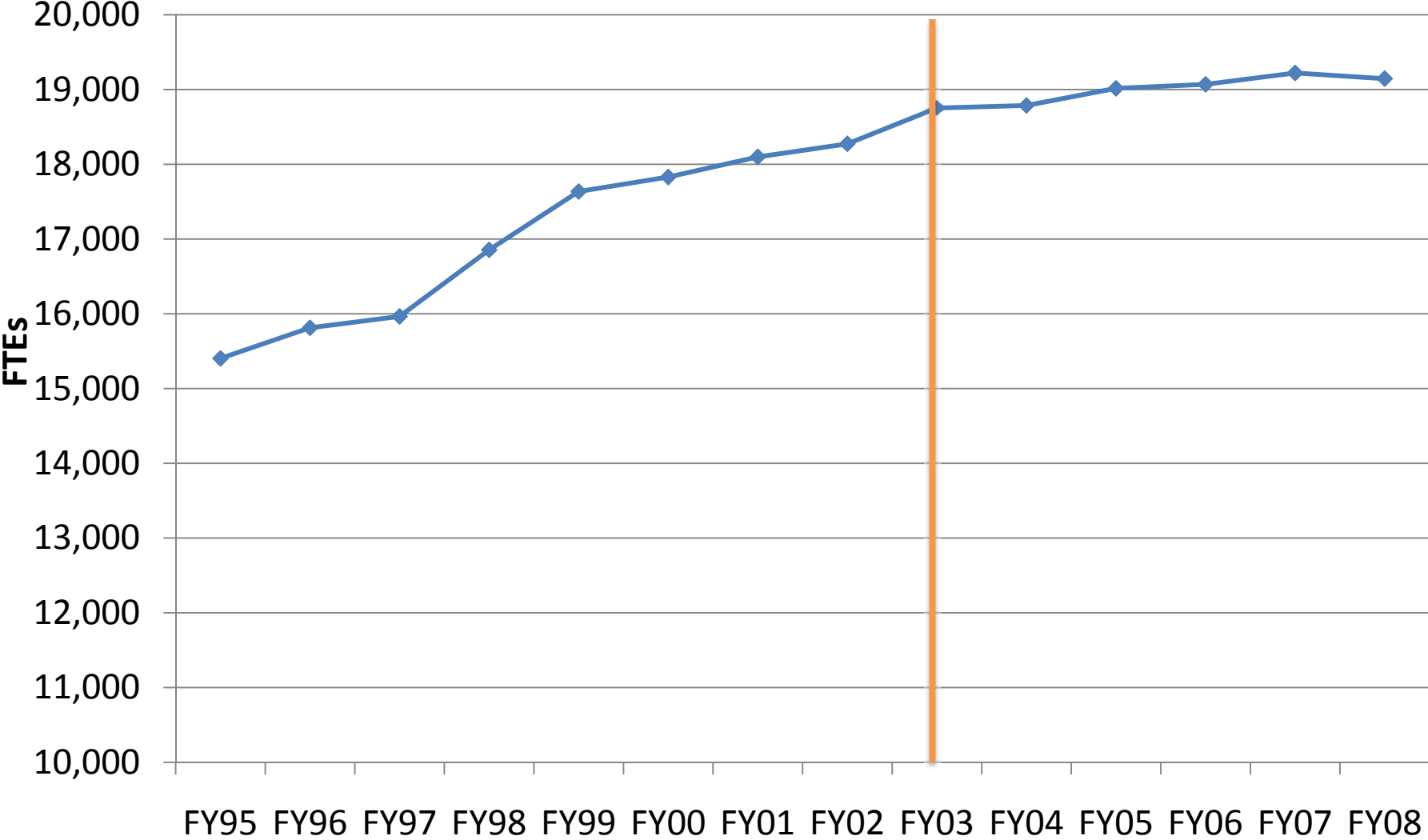


Source: National Institute for Early Education Research

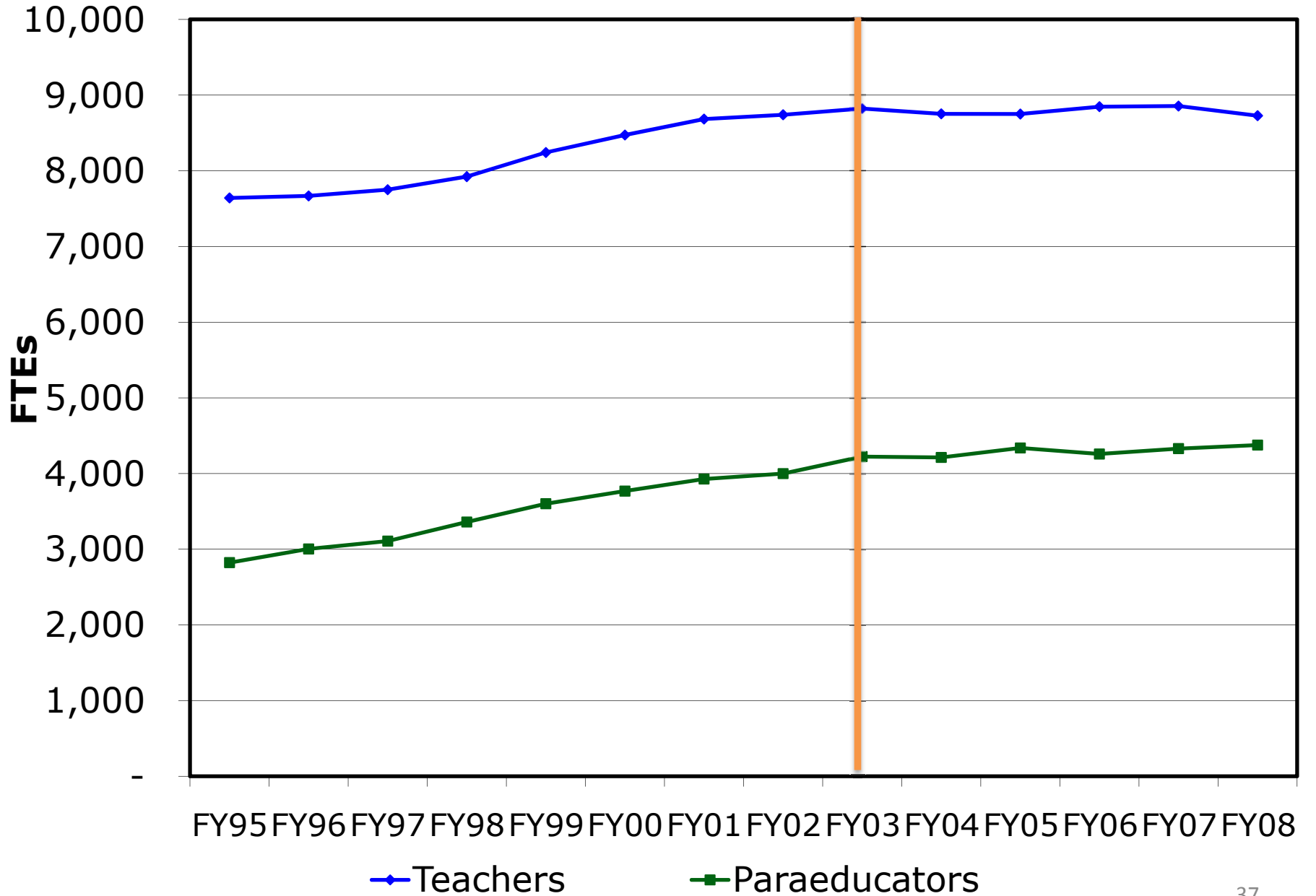
Census Population Estimates: Children and Seniors in VT



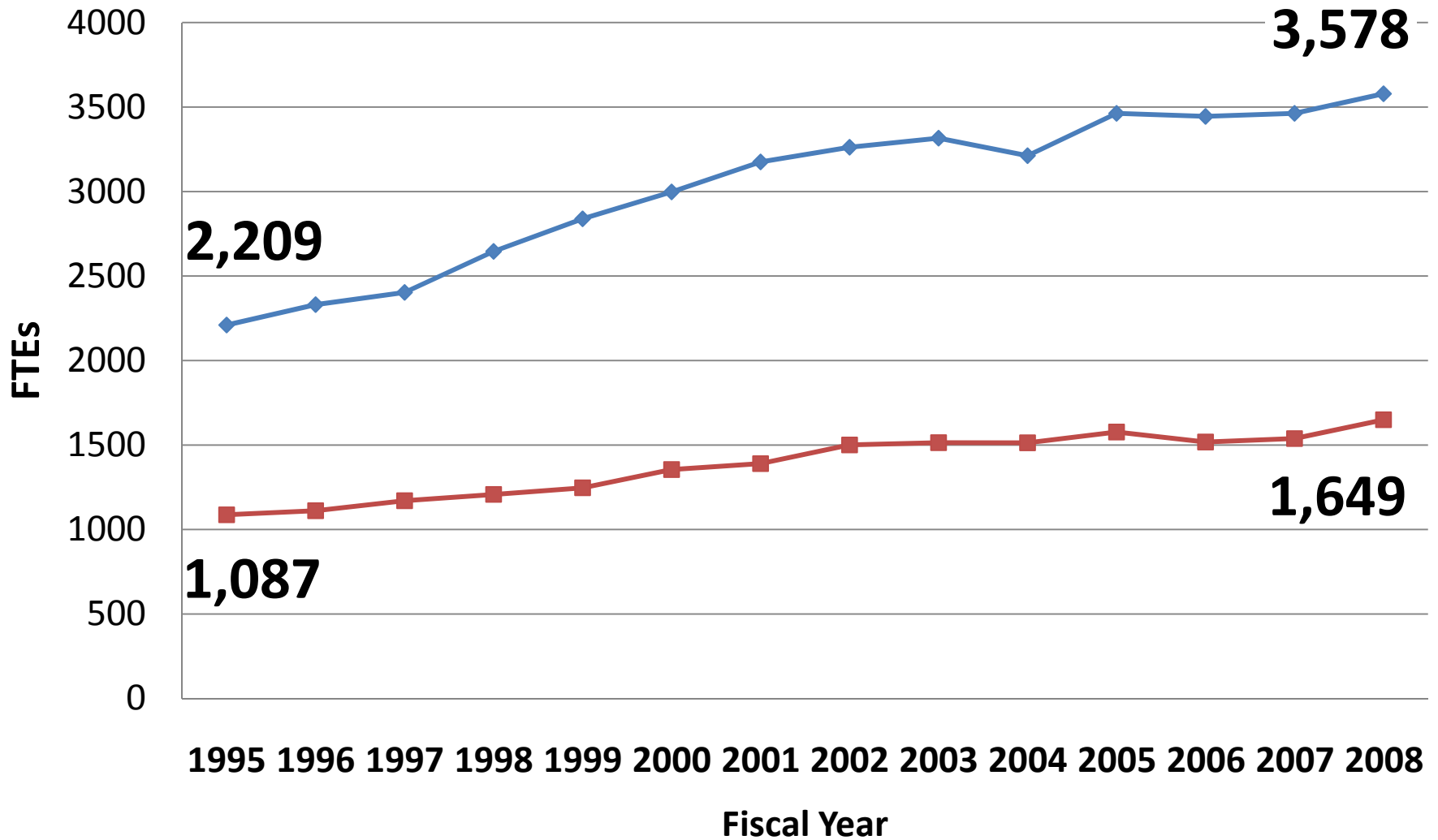
Public School Staff FTEs: FY95 - FY08



Teachers & Paraeducators in VT Public Schools

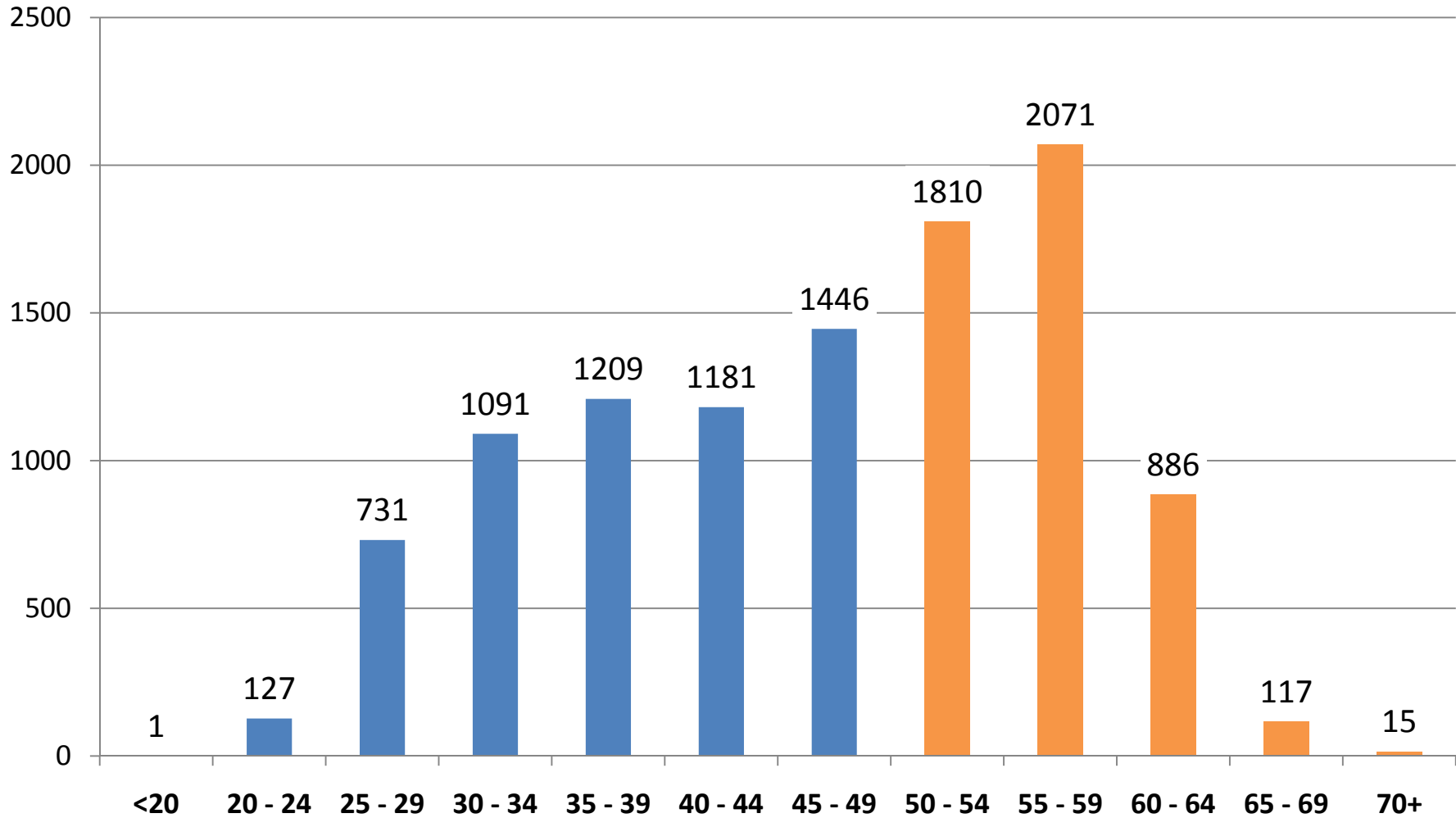


Estimated Special Education Staff in VT



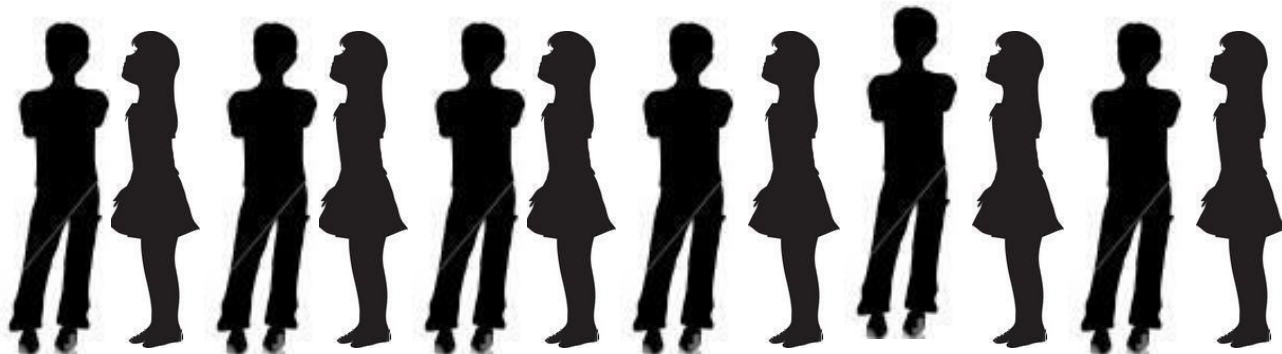
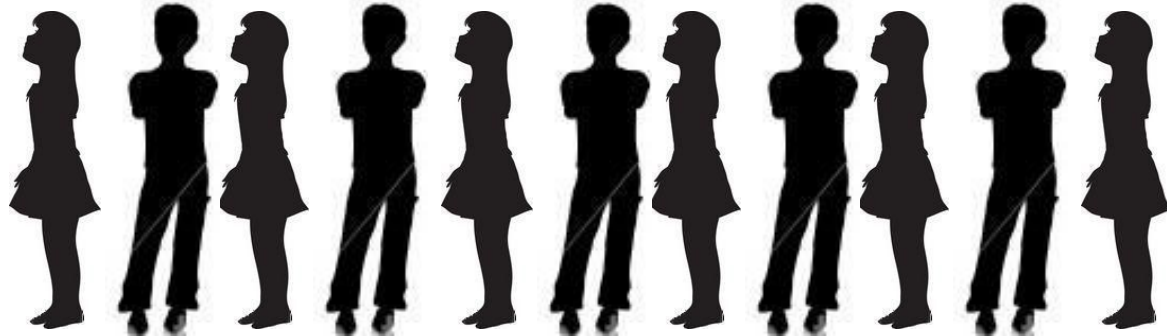
—◆— Est. SpEd Paraeducators —■— Est. SpEd Professionals

Number of Active Teachers by Age (10,685 total)



Source: Office of VT State Treasurer. Data accurate as of June 30, 2008.

Ratio Readjustment = \$40 – \$50 million savings annually



Managing Labor Costs

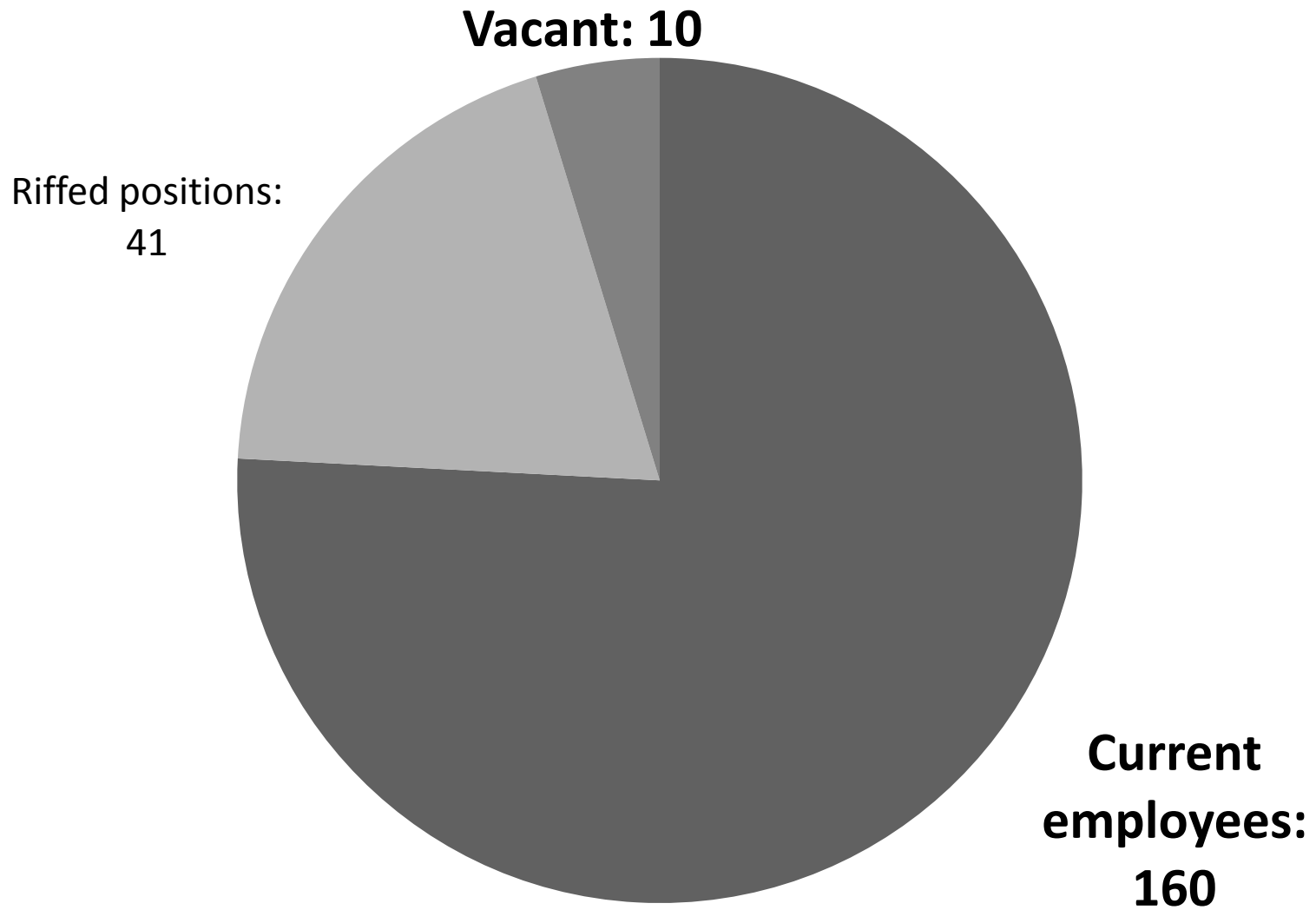
- Review planning time for consistency
- Hire flexible educators to share between content areas and schools/districts
- Early retirement programs / RIF retiree's positions

Vermont-NEA Perspective

Urging members to not:

- Re-open contracts
- Accept salary freezes or benefit reductions
 - “symbolic not substantial”
- Supports Catamount health and national healthcare reform.
- See more: **www.vtnea.org**

Staff FTEs at the Department of Education: Two-year Change



Part IV:
Succeeding in the
Current Climate

Energy Efficiency

- Free energy assessment walk-through (VSA's SEMP program: 802-229-1017)
- Energy managers & Facility Operating Plans encourage best practices
- Policies and efficiency campaigns reduce energy usage

Purchasing: Flexibility!

- State contract
- Local discounts
- Bulk purchasing
- Leasing

Technology

- Utilize multifunction copiers
- Consider using free software
- Share costs with other organizations
- Consider distance and virtual learning

Collaboration

- Build regional collaboratives
- Share staff
- Bulk purchasing and technology
- Collaborate on regional professional development

This presentation will be available
on the VSBA website
www.vtvsba.org
following the final
regional meeting on 9/30/09