

## ***Ideas for Tangible Property Tax Relief***

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### ***Discourage high equalized per-pupil spending—***

Current spending per equalized pupil ranges from less than \$10,000 to over \$20,000. If “phantom students” are not considered, the highest per-pupil spending is far greater. The most important decision of local boards is the number of adults to be hired. The size of the district and ability to manage staff flexibility are critical factors in managing staff size—central to the current discussion around H 361. Slightly larger size and scope of our “education systems” can help with that challenge. In addition, the following should be considered:

- Tighten the Excess Spending Threshold for the 2017 budget.
- Provide a small incentive for districts that actually increase their student-to-staff ratios by more than xx students.

### ***Address rising personnel costs—***

The current collective bargaining environment is not balanced. We face ongoing increases in health care and salary costs that will substantially exceed cost of living indices, and boards are not positioned to do much about them.

- Address Health Care costs on a statewide level in a way that will be guaranteed to reduce costs over the next 2-3 years. We cannot tighten the level of overall spending and leave in place a system which guarantees that we will have those costs rising uncontrollably each year.
- Alter criteria for Fact-Finding to make it more possible to base salary increases on the ability of a community to pay or on increases being received by other professionals in the community. We cannot tighten down spending and leave in place a system that all but guarantees salary cost-of-living increases of 3-4%.

### ***Reduce demands on the education fund—***

Over the past decade, the General Assembly has placed upward pressure on property tax rates in the following ways:

Increased mandates

Decreased the General Fund transfer

Moving of programs from the general fund into the education fund

- Pull several cost items out of the education fund—items that are not overseen by a local school board.

- Retired Teacher Healthcare

- Community High School of Vermont

- Adult Basic Education

- (This puts only a very small added burden on the stressed General Fund, but is an important gesture to acknowledge that both state and local decisions impact the Ed Fund.)

- Approve the moratorium on unfunded mandates.
- Consider ways to create a general fund/property tax balance that is closer to 40%/60%.