

# Montpelier Roxbury Public Schools

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*Our schools are caring, creative, and equitable communities that empower all children to build on their talents and passions to grow into engaged citizens and life-long learners.*

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My name is Libby Bonesteel and I am the Superintendent for Montpelier Roxbury School District. Thank you for inviting me to testify today on this year's extraordinary budget development cycle.

While I can talk about the Montpelier Roxbury budget story in depth, I would like to also provide this committee with a statewide perspective in four different areas: pressures on the education fund, human resource needs of Act 173 and Multi-Tiered Systems of Support (MTSS), health care increases, and the impact of the CLA on the public's perception of a school district's budget.

## Pressures on the Education Fund

- Because of the difference between the equalized tax rate capped at 5% and what school districts' needs are in addition to the fact that the new weights are counting more students for the education fund to support, the education fund will be making up the difference as written in Act 127. This type of pressure on the education fund is unprecedented making it hard to predict what such pressures will do to the dollar yield in future years.
  - The various pressures on the ed fund have created a \$6,272 drop in the dollar yield in one year. We can make an educated guess that because the education fund will continue to field pressures, the dollar yield will continue to drop over the next five years. If dollar yield's impact on the equalized tax rate is left unaddressed, it may not matter if you are advantaged or disadvantaged by 127 - both will be facing a significant tax spike in FY30.

## Human Resource Needs for Act 173 Implementation and Effective Multi-Tiered System of Support

- ESSER funding will soon expire. There have been many references to the "extra" positions school districts added using ESSER funding. I argue that referring to these positions as extra is detrimental to what school districts are trying to do. ESSER dollars allowed for districts to increase their human resources needed for an effective MTSS model faster—a model required in Act 173. Those positions are still needed.
  - In addition, the mental health system for children across Vermont is not effective.

As such, nearly every school district is building, from the ground up, our own mental health centers for children.

- Since 2021, MRPS has doubled our spending in this area going from around \$1.4 million to approximately \$3 million in spending in 3 years. We have added 12 positions dedicated to student mental health and SEBL out of necessity.

### Health Care Increases

- The statewide collective bargaining has not had the impact on budgets as was hoped at its passage. Increases have climbed year by year. We are now at a 16.4% one year increase.
  - At MRPS, this equals a nearly \$400,000 increase in our general budget.

### Common Level of Appraisal Impact on School Budgets

- The CLA is a factor that is out of the school districts control, yet it is attached to the education tax calculation and has significant impact. Because reappraisals have not happened in some time across the state, this year's CLA impact has created a perfect storm when combined with Act 127 and the factors I stated earlier. Colchester, for example, has not been reappraised since 2011. This is way beyond the 6-10 years it is supposed to be done. Colchester's CLA is at an all-time low at 66.76%. This drop alone is responsible for over a 15% tax hike for the citizens of Colchester.
  - Montpelier was reappraised last year and yet our CLA dropped 13 points for the FY25 budget. In order to come close to the tax amount from FY24, we would need to cut \$3.4 million to counteract the CLA's influence.
  - Burlington, a city advantaged by Act 127, would have an 8% tax increase if they came in with a level funded budget. This 8% is all due to a decrease in their CLA.
  - Maple Run, in St. Albans, a disadvantaged district, sees a 15% increase in the town and a 24% increase in Fairfield due only to a decreasing CLA.
- If the CLA was applied to the homestead value instead of adjusting the education tax rate, the state would still be producing the same amount of revenue and it would be a more accurate representation of what the CLA is meant to do.

There is nothing about this budget year that is not complicated and there is no one "fix." We are also not in a situation where this challenge is only in FY25. This will continue in future budget cycles. I am eager to be part of the conversation to look for possible solutions and happy to take any questions now that are specific to MPRS or about the statewide perspective.