

# District Spending Analysis in H.454 As Passed by the House

Senate Committee on Education  
Julia Richter, Senior Fiscal Analyst, JFO  
April 17, 2025



**JFO**

1 Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • <https://ljfo.vermont.gov>

The Joint Fiscal Office (JFO) is a nonpartisan legislative office dedicated to producing unbiased fiscal analysis – this presentation is meant to provide information for legislative consideration, not to provide policy recommendations



# Outline of Talk

- Review of underlying pieces of analysis
- Calculation of the Education Opportunity Payment and sparsity and small school grants
- Comparison analysis across different district configurations



# Vermont's Education Spending

- “Education spending” is a technical term used in Vermont education finance
  - Refers to all funds a school district has in its local budget, net of offsetting revenues (e.g., State and federal categorical aid, prior year surplus or deficit, district reserves, etc.)
- Statewide aggregate education spending is referred to as the “Education Payment”
- In fiscal year 2025, the Education Payment is approximately \$1.88 billion



# Vermont's Long-term Average Daily Membership (LT ADM)

- Long-term Average Daily Membership (LT ADM) is the average of a district's Average Daily Membership (ADM) over two years, plus the full-time equivalent of State-placed students for the past two years
- Fiscal year 2025 LT ADM is 83,368
- LT ADM has declined over time



# Estimated Overall Cost of the Education Opportunity Payment and Sparsity and Small School Grants

- The following **preliminary** analysis estimates the Education Opportunity Payment and sparsity and small school grants in fiscal year 2025
- Due to data constraints, the analysis neither estimates the weights of Special Education **nor** tiered English Learners
- The analysis assumes different district boundaries
  - District boundaries will significantly impact funding allocation and the relative change between current law and the proposed funding formula



# Calculation of the Education Opportunity Payment and Sparsity and Small School Grants



# Calculation of the Education Opportunity Payment and Sparsity and Small School Grants

- H.454 as passed by the House uses cost adjustments and weights outlined in Kolbe's April 3, 2025, memo for the purposes of calculating a district's Education Opportunity Payment
- If a district qualifies, it would also receive sparsity and small school grants corresponding with the cost adjustments in the memo





# Calculation of a District's Education Opportunity Payment

- The Education Opportunity Payment would be calculated by multiplying the base amount of \$15,033 by the district's LT WADM<sup>1</sup>
- Weighting categories would include students experiencing economic disadvantage and English Learners

Exhibit 2. Base Cost Per Student, Cost Adjustments, and Student Weights for Vermont (FY2025)

	Cost Adjustments Identified in 2019 Pupil Weighting Study	FY2025 Dollars/ <sup>1</sup>	Student Weights
Base cost per student/ <sup>2</sup>		\$15,033	
Cost adjustments			
Student Needs	Students experiencing economic disadvantage/ <sup>3</sup>	\$15,334	1.02
	English Learners/ <sup>4</sup>	\$20,896	1.39
School Enrollment/ <sup>5</sup>	<100 students	\$3,157	0.21
	101-250 students*	\$0	No weight
Population Density	<36 persons per square mile/ <sup>6</sup>		
	36 to <55	\$1,954	0.13
	55 to <100*	\$0	No weight
Grade Range	% Middle grades enrollment (grades 6-8) *	\$0	No weight
	% Secondary grades enrollment (grades 9-12) *	\$0	No weight

\*Notes a cost adjustment that is weighted in Vermont's current education funding formula, but for which a weight is no longer needed based on the updated analyses.



# Calculation of a District's Sparsity and Small School Grants

- If a district had a population of less than 55 people per square mile, it would be eligible for a sparsity grant
  - This would be calculated by multiplying the two-year average enrollment of all public schools in the district by \$1,954
- Based on rules still to be determined, if a small school is deemed "small by necessity," the district is eligible for a small school grant applied only to its students enrolled in the small school
  - This would be calculated by multiplying the enrollment in district schools with fewer than 100 students by \$3,157

Exhibit 2. Base Cost Per Student, Cost Adjustments, and Student Weights for Vermont (FY2025)

	Cost Adjustments Identified in 2019 Pupil Weighting Study	FY2025 Dollars/ <sup>1</sup>	Student Weights
Base cost per student/ <sup>2</sup>		\$15,033	
Cost adjustments			
Student Needs	Students experiencing economic disadvantage/ <sup>3</sup>	\$15,334	1.02
	English Learners/ <sup>4</sup>	\$20,896	1.39
School Enrollment/ <sup>5</sup>	<100 students	\$3,157	0.21
	101-250 students*	\$0	No weight
Population Density	<36 persons per square mile/ <sup>6</sup>		
	36 to <55	\$1,954	0.13
	55 to <100*	\$0	No weight
Grade Range	% Middle grades enrollment (grades 6-8) *	\$0	No weight
	% Secondary grades enrollment (grades 9-12) *	\$0	No weight

\*Notes a cost adjustment that is weighted in Vermont's current education funding formula, but for which a weight is no longer needed based on the updated analyses.



# Current Law Districts – Comparison Analysis



# Current Law School Districts

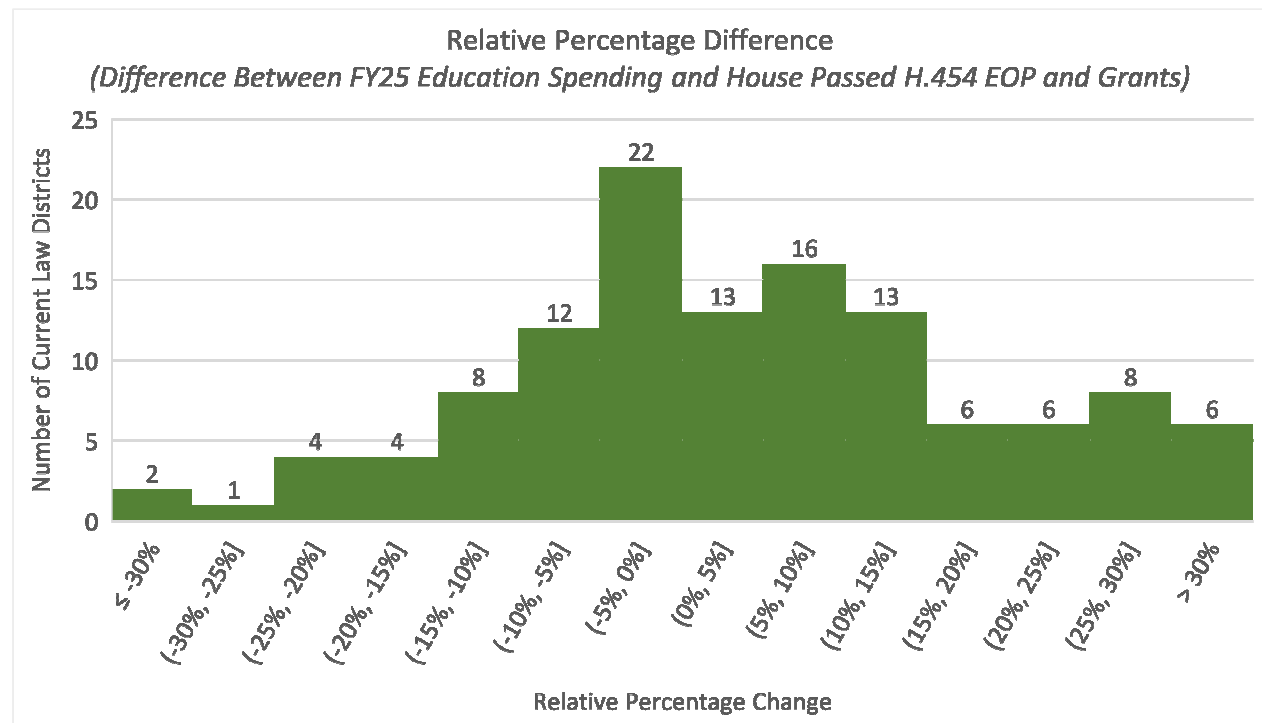
- Under current law, Vermont has 119 school districts with varied student counts, demographics, and operating status
- No school district has more than 5% of Vermont's students



# Current Law School Districts

*Comparison of Relative Percentage Differences for Fiscal Year 2025 Education Spending and Fiscal Year 2025 Total Education Opportunity Payment and Sparsity Grant and Small School Grants*

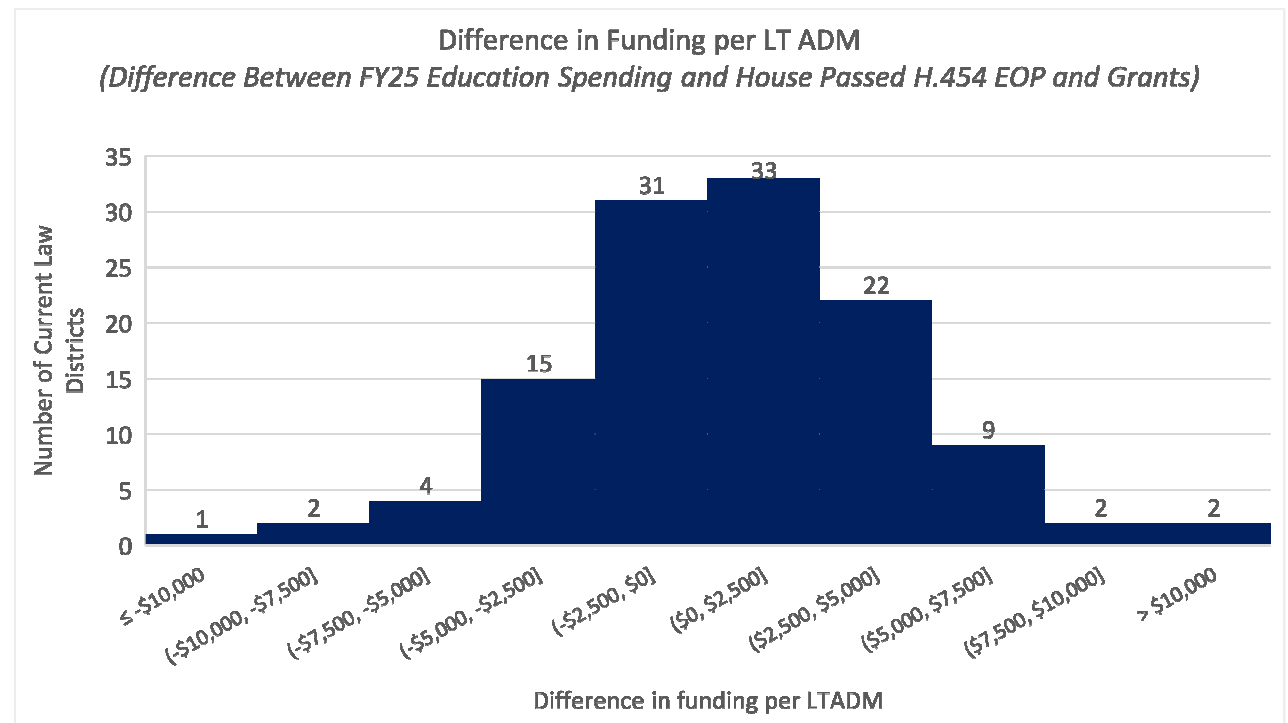
- 68 districts would experience an estimated *increase* in funding compared to education spending, while 53 would experience an estimated *decrease*
- Overall, spending would increase by an estimated 2%



# Current Law School Districts

*Comparison of Difference in Funding per LT ADM for Fiscal Year 2025 Education Spending and Fiscal Year 2025 Total Education Opportunity Payment and Sparsity and Small School Grants*

- 64 districts would experience an estimated absolute difference in funding per pupil of less than \$2,500



# VSBA Regions – Comparison Analysis



# VSBA Regions

- The Vermont School Boards Association (VSBA) divides the state into 11 regions “for organization and administrative purposes, [...] generally organized around the following counties”

## ADDISON

Addison Central SD  
Addison Northwest SD  
Lincoln SD  
Mt. Abraham USD  
Patricia Hannaford Car. Ctr.

## BENNINGTON

Bennington-Rutland SU  
Southwest Vt Reg. Tech Ctr.  
Southwest Vermont SU

## CENTRAL VT

Barre UUSD  
Central Vermont SU  
Central Vermont Career Center  
Harwood UUSD  
Lamoille North SU  
Lamoille South SU  
Montpelier-Roxbury SD  
Orange Southwest SD  
Washington Central UUSD

## EASTERN CHITTENDEN

Champlain Valley SD  
Essex-Westford SD  
Mt Mansfield UUSD

## FRANKLIN/GRAND ISLE

Franklin Northeast SU  
Franklin West SU  
Grand Isle SU  
Maple Run USD  
Missisquoi Valley SD

## KINGDOM NORTH

Essex North SU  
North Country SU  
Orleans Central SU

## KINGDOM SOUTH

Caledonia Central SU  
Kingdom East SD  
Orange East SU  
Orleans Southwest SU  
St. Johnsbury SD  
Rivendell Interstate SD

## RUTLAND

Greater Rutland County SU  
Mill River UUSD  
Rutland City SD  
Rutland Northeast SU  
Slate Valley USD

## WESTERN CHITTENDEN

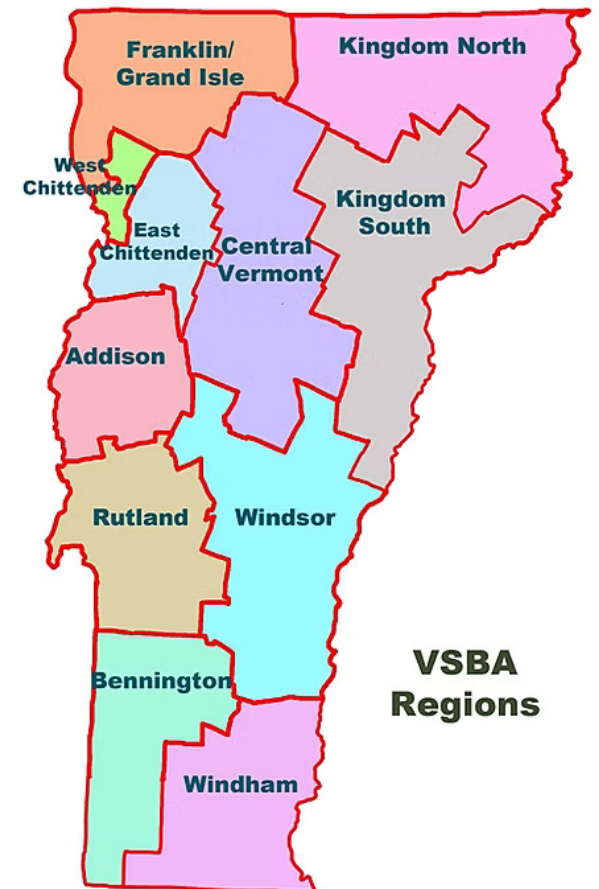
Burlington SD  
Colchester SD  
Milton SD  
South Burlington SD  
Winooski SD

## WINDHAM

Windham Central SU  
Windham Northeast SU  
Windham Southeast SU  
Windham Southwest SU

## WINDSOR

Hartford SD  
Mountain Views SU  
River Valley Tech Ctr  
SAU 70  
Springfield SD  
Two Rivers SU  
White River Valley SU  
Windsor Southeast SU





# VSBA Regions' Total LT ADM

- The share of the State's LT ADM varies across VSBA's Regions
  - "Addison" has the lowest percentage of total LT ADM at 5%
  - "Central Vermont" has the highest percentage of total LT ADM at 14%

VSBA Regions	FY25 LT ADM	Percentage of State's LT ADM
Addison	4,044	5%
Bennington	5,467	7%
Central Vermont	11,936	14%
Eastern Chittenden	10,347	12%
Franklin/Grand Isle	9,122	11%
Kingdom North	4,117	5%
Kingdom South	7,372	9%
Rutland	7,112	9%
Western Chittenden	10,591	13%
Windham	5,121	6%
Windsor	8,138	10%
<b>Total</b>	<b>83,368</b>	<b>100%</b>



## VSBA Regions

### *Comparison of Fiscal Year 2025 Education Spending and Fiscal Year 2025 Total Education Opportunity Payment and Sparsity and Small School Grants*

- 8 of the regions would experience an estimated increase in funding compared to education spending, while 3 would experience an estimated decrease
- Overall, spending would increase by an estimated 2%

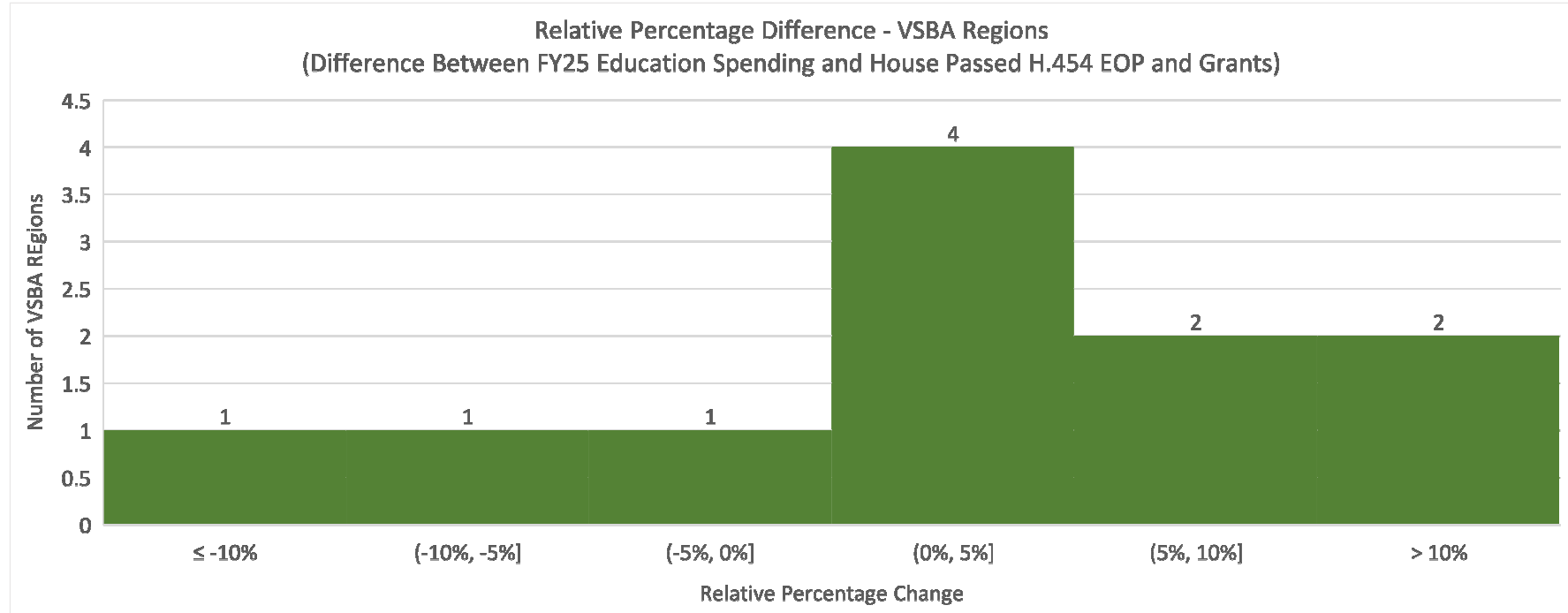
VSBA Regions	FY25 Education Spending	FY25 Estimated Total EOP and Grants	Difference in spending	Relative difference
Addison	\$96,075,639	\$80,341,630	-\$15,734,009	-16%
Bennington*	\$110,166,370	\$136,518,216	\$26,351,846	24%
Central Vermont	\$261,350,574	\$263,341,484	\$1,990,910	1%
Eastern Chittenden	\$212,607,055	\$196,814,637	-\$15,792,418	-7%
Franklin/Grand Isle	\$193,837,581	\$204,631,240	\$10,793,659	6%
Kingdom North*	\$97,536,027	\$109,227,761	\$11,691,734	12%
Kingdom South*	\$180,132,808	\$185,675,047	\$5,542,239	3%
Rutland	\$152,579,010	\$164,560,910	\$11,981,900	8%
Western Chittenden	\$252,515,055	\$247,976,437	-\$4,538,618	-2%
Windham*	\$128,321,639	\$130,332,803	\$2,011,164	2%
Windsor*	\$192,486,470	\$195,335,532	\$2,849,062	1%
<b>Total</b>	<b>\$1,877,608,228</b>	<b>\$1,914,755,697</b>	<b>\$37,147,469</b>	<b>2%</b>

\*Districts marked with an asterisk would qualify for a sparsity grant in H.454.



# VSBA Regions

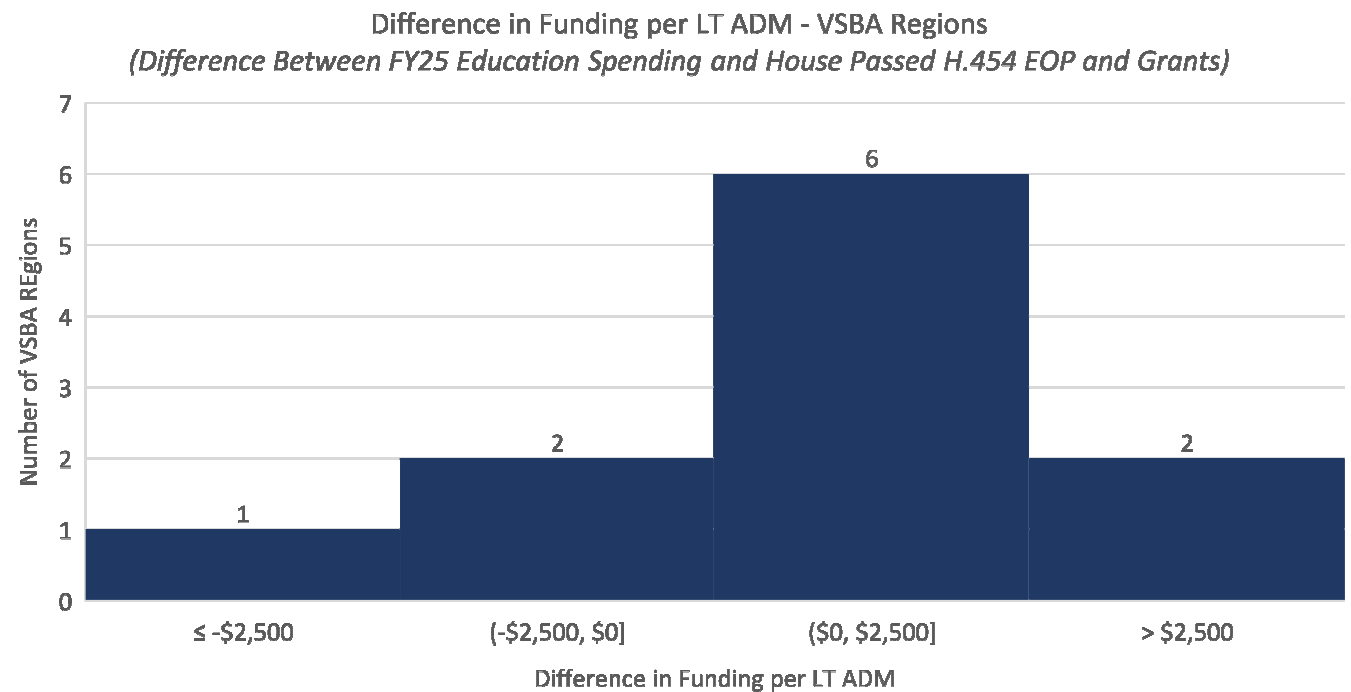
*Comparison of Relative Percentage Differences for Fiscal Year 2025 Education Spending and Fiscal Year 2025 Total Education Opportunity Payment and Sparsity and Small School Grants*



# VSBA Regions

*Comparison of Difference in Funding per LT ADM for Fiscal Year 2025 Education Spending and Fiscal Year 2025 Total Education Opportunity Payment and Sparsity and Small School Grants*

- 8 of the 11 regions would experience an estimated absolute difference in funding per pupil of less than \$2,500

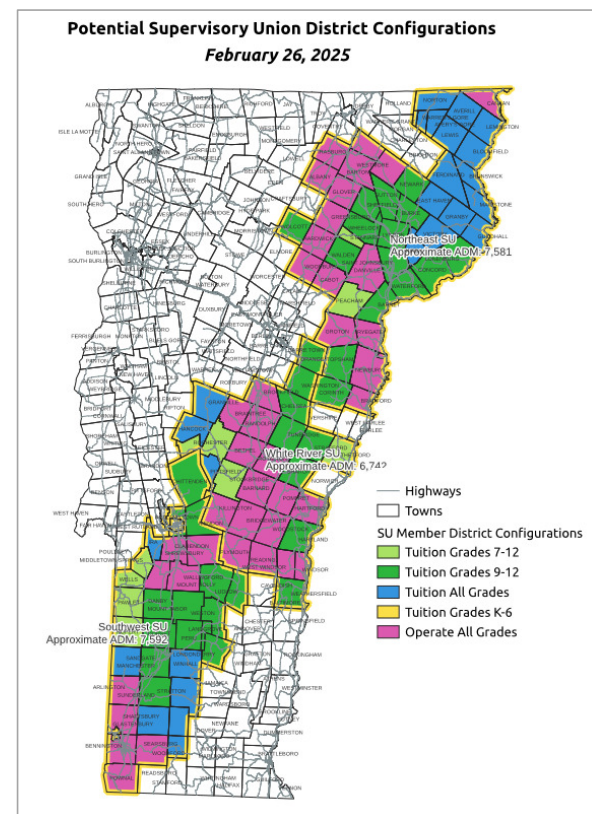
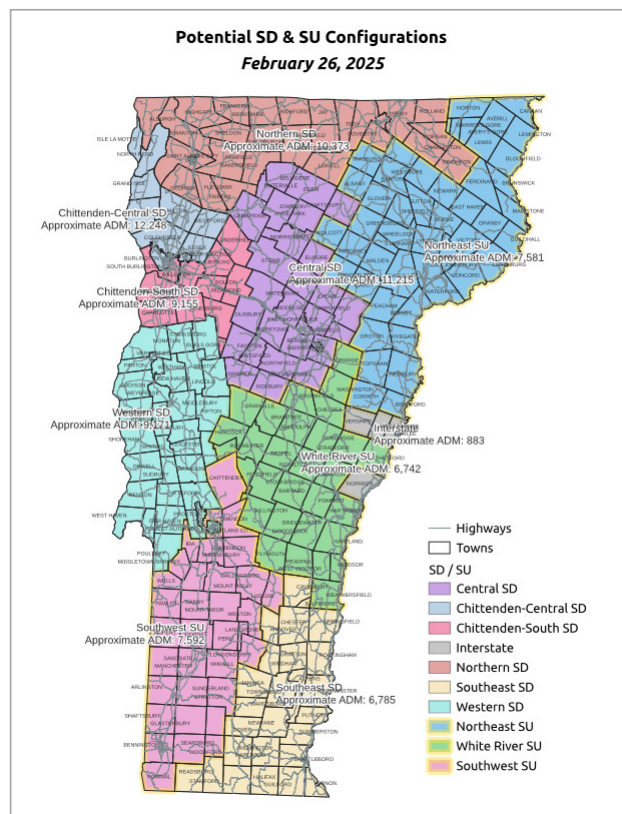


# Bongartz Potential Supervisory District (SD) and Supervisory Union (SU) Configurations – Comparison Analysis



# Bongartz Potential SD and SU Configurations

- The following analysis examines the Bongartz potential SD and SU configurations according to the maps presented in the Senate Committee on Education
- For simplicity, this analysis focuses on the SD/SU level
  - This analysis does not examine districts within SUs



*Note: these configurations and maps were presented to the Senate Committee on Education. Relevant links can be found on the resources slide of this presentation.*



JFO

1 Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • <https://ljfo.vermont.gov>

22

# Bongartz Potential SD and SU Configurations – Total LT ADM

- The share of the State’s LT ADM varies across school districts
  - Aside from “Interstate”, the “White River SU” has the lowest percentage of total LT ADM at 8%
  - “Chittenden-Central SD” has the highest percentage of total LT ADM at 15%

Bongartz Potential SD & SU Configurations	LT ADM Count	Percent of State’s LT ADM
Central SD	11,310	14%
Chittenden-Central SD	12,244	15%
Chittenden-South SD	9,301	11%
Northeast SU	7,710	9%
Northern SD	11,146	13%
Southeast SD	6,916	8%
Southwest SU	7,700	9%
Western SD	9,316	11%
White River SU	6,828	8%
Interstate	898	1%
<b>Total</b>	<b>83,368</b>	<b>100%</b>



# Bongartz Potential SD and SU Configurations

*Comparison of Fiscal Year 2025 Education Spending and Fiscal Year 2025 Total Education Opportunity Payment and Sparsity and Small School Grants*

- 5 of the Bongartz SD/SU configurations would experience an estimated increase in funding compared to education spending, while 5 would experience an estimated decrease
- Overall, spending would increase by an estimated 2%

Bongartz Potential SD & SU Configurations	FY25 Education Spending	FY25 Estimated Total EOP and Grants	Difference in spending	Relative difference
Central SD	\$ 247,559,305	\$ 246,940,894	-\$618,411	0%
Chittenden-Central SD	\$ 292,350,977	\$ 279,057,532	-\$13,293,445	-5%
Chittenden-South SD	\$ 187,638,718	\$ 177,448,427	-\$10,190,291	-5%
Northeast SU*	\$ 185,773,364	\$ 196,749,889	\$10,976,525	6%
Northern SD	\$ 240,713,904	\$ 258,266,606	\$17,552,702	7%
Southeast SD	\$ 172,166,166	\$ 163,260,291	-\$8,905,875	-5%
Southwest SU*	\$ 159,652,543	\$ 190,161,787	\$30,509,244	19%
Western SD	\$ 208,739,214	\$ 206,419,614	-\$2,319,600	-1%
White River SU*	\$ 160,722,839	\$ 162,538,372	\$1,815,533	1%
Interstate*	\$ 22,291,198	\$ 18,930,351	-\$3,360,847	-15%
<b>Total</b>	<b>\$ 1,877,608,228</b>	<b>\$ 1,899,773,765</b>	<b>\$ 22,165,537</b>	<b>2%</b>

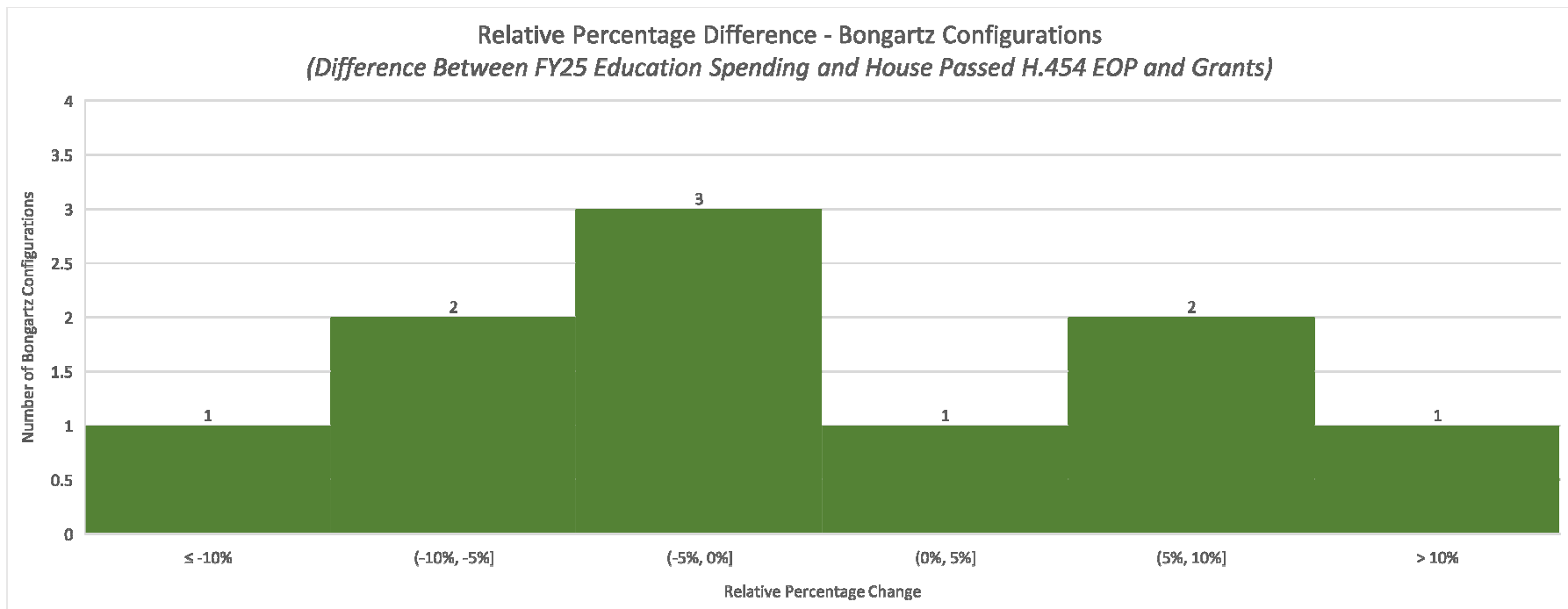
*\*Districts marked with an asterisk would qualify for a sparsity grant in H.454.*





# Bongartz Potential SD and SU Configurations:

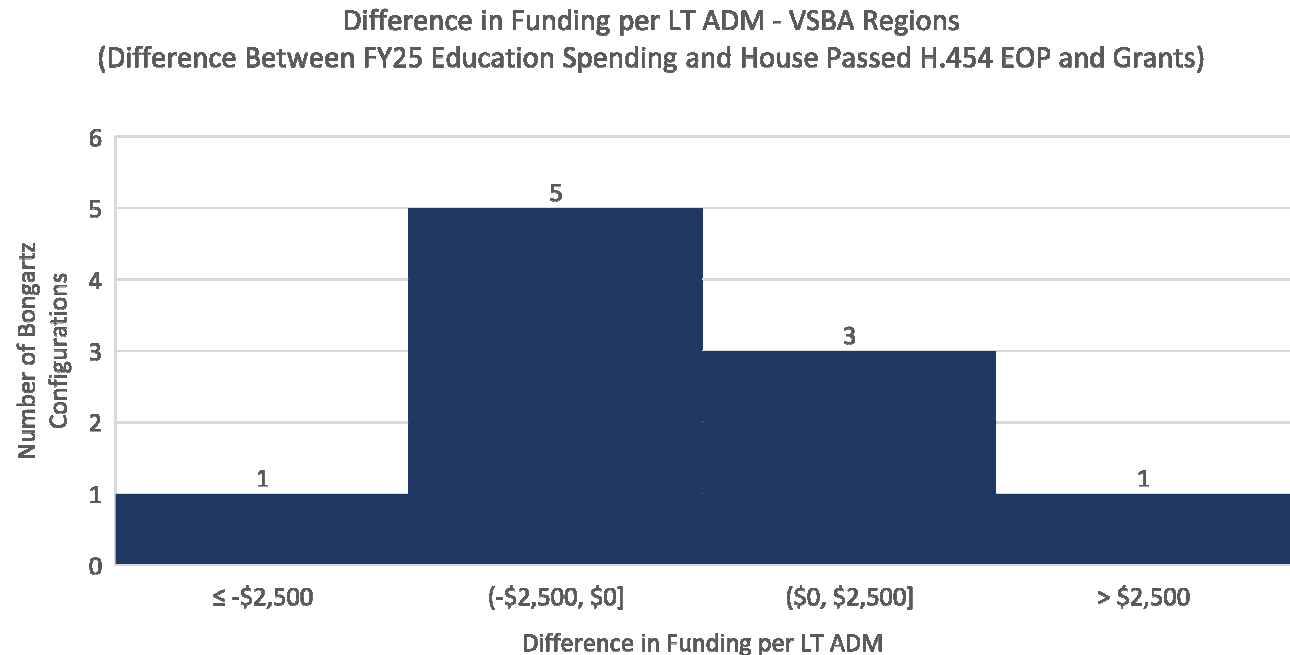
*Comparison of Relative Percentage Differences for Fiscal Year 2025 Education Spending and Fiscal Year 2025 Total Education Opportunity Payment and Sparsity and Small School Grants*



# Bongartz Potential SD and SU Configurations

*Comparison of Difference in Funding per LT ADM for Fiscal Year 2025 Education Spending and Fiscal Year 2025 Total Education Opportunity Payment and Sparsity and Small School Grants*

- 8 of the 10 SD/SU Configurations would experience an estimated absolute difference in funding per pupil of less than \$2,500

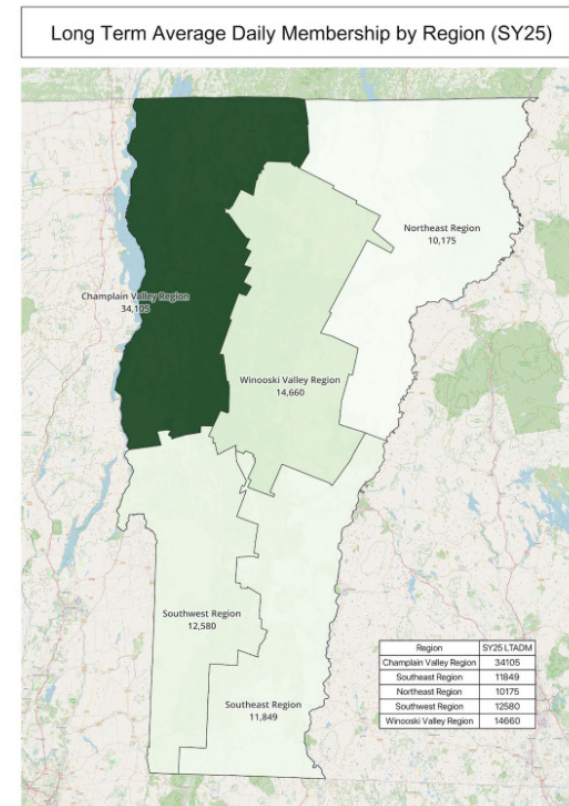


# Administration's Proposed 5 Districts – Comparison Analysis



# Administration's Education Transformation Proposed Districts

- “Governor Scott’s Education Transformation Proposal” proposes to:
  - Eliminate the supervisory union structure
  - Consolidate 119 school districts into 5 regional districts



Source: [Governor Scott's Education Transformation Proposal Governance PowerPoint](#)



JFO

# Administration's Proposed Districts – Total LT ADM

- The share of the State's LT ADM varies across the proposed school districts
  - Champlain Valley Region has the largest percentage of total LT ADM at 41%
  - Northeast Region has the lowest percentage of total LT ADM at 12%

Proposed District	Total LT ADM (FY25)	Percentage of Total LT ADM
Champlain Valley Region	34,105	41%
Northeast Region	10,175	12%
Southeast Region	11,849	14%
Southwest Region	12,580	15%
Winooski Valley Region	14,660	18%
<b>Total</b>	<b>83,368</b>	<b>100%</b>



# Administration's Proposed Districts

## *Comparison of Fiscal Year 2025 Education Spending and Fiscal Year 2025 Total Education Opportunity Payment and Sparsity and Small School Grants*

- 3 of the Administration's proposed districts would experience an estimated increase in funding compared to education spending, while 2 would experience an estimated decrease
- Overall, spending would decrease by an estimated 0.4%

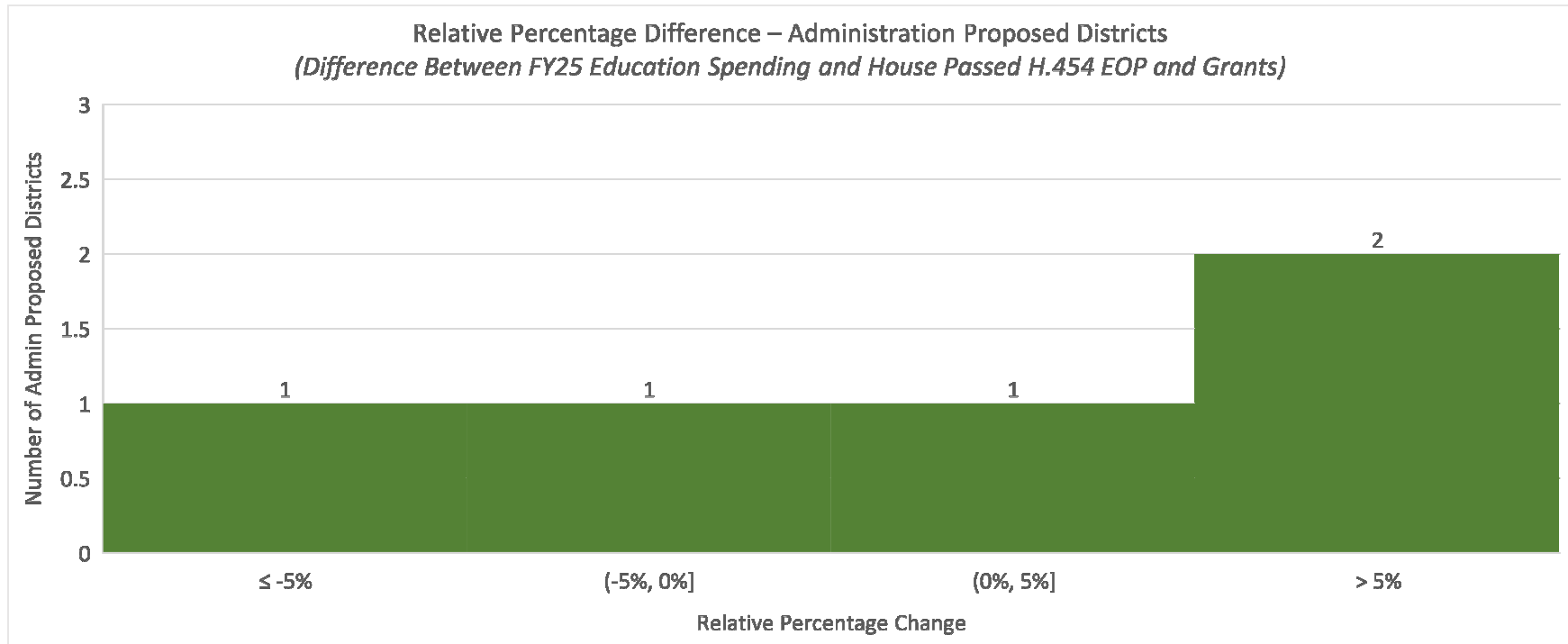
Administration's Proposed Districts	FY25 Education Spending	FY25 Estimated Total EOP and Grants	Difference in spending	Relative difference
Champlain Valley Region	\$ 755,035,330	\$ 729,763,944	-\$25,271,386	-3%
Northeast Region*	\$ 244,136,750	\$ 261,020,435	\$16,883,685	7%
Southeast Region	\$ 291,587,548	\$ 265,579,904	-\$26,007,644	-9%
Southwest Region	\$ 262,745,380	\$ 290,037,362	\$27,291,982	10%
Winooski Valley Region	\$ 324,103,220	\$ 324,155,910	\$52,690	0.02%
<b>Total</b>	<b>\$ 1,877,608,228</b>	<b>\$ 1,870,557,555</b>	<b>-\$7,050,673</b>	<b>0.4%</b>

*\*Districts marked with an asterisk would qualify for a sparsity grant in H.454.*



# Administration's Proposed Districts

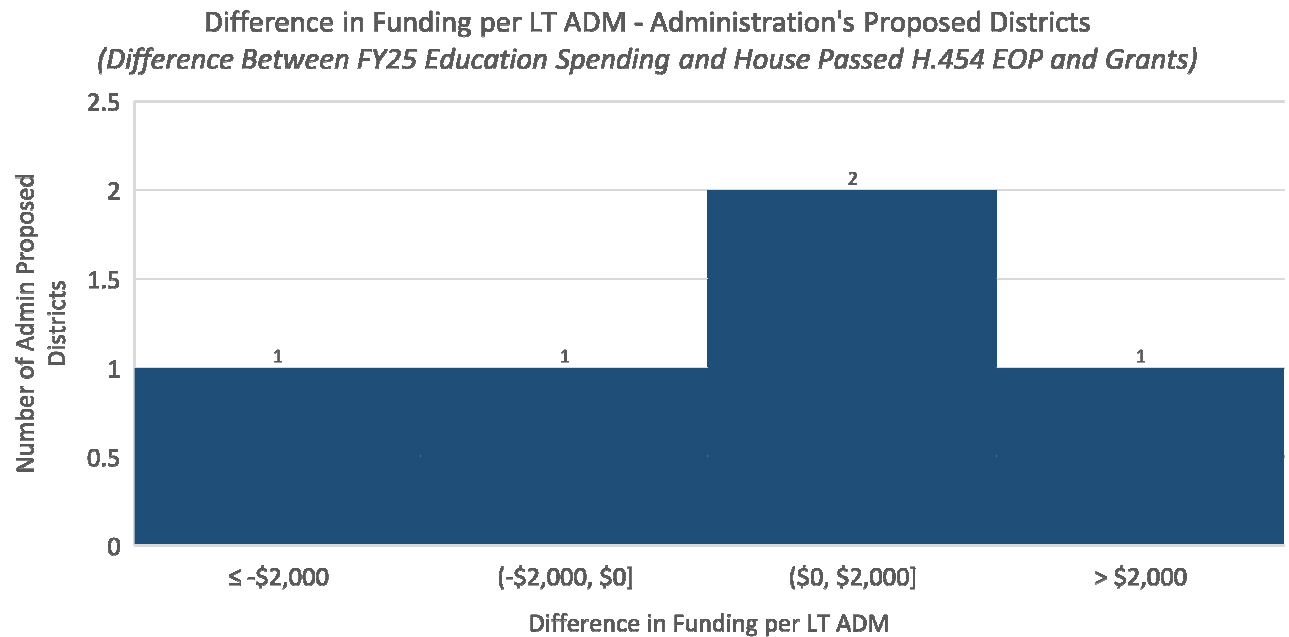
*Comparison of Relative Percentage Differences for Fiscal Year 2025 Education Spending and Fiscal Year 2025 Total Education Opportunity Payment and Sparsity and Small School Grants*



# Administration's Proposed Districts

*Comparison of Difference in Funding per LT ADM for Fiscal Year 2025 Education Spending and Fiscal Year 2025 Total Education Opportunity Payment and Sparsity and Small School Grants*

- Of the Administration's proposed districts, all would experience an estimated absolute difference in funding per pupil of less than \$2,500





# Considerations



# Considerations

- This analysis uses data for fiscal year 2025 and does not address changes to student counts or circumstances in future years
  - Student circumstances and counts will change in future years, and those changes are unlikely to be uniform across the state
- There are multiple ways to examine policy and funding changes
  - School district configurations impact funding and relative differences in funding



# Questions?

