

**Lamoille North Supervisory Union and  
Lamoille North Modified Unified School District  
Finance and Capital and Technology Committee  
Minutes of Meeting  
December 14, 2020**

**Board Members in Attendance:** Mark Stebbins, Patti Hayford, Bart Bezio, Sue Prescott, Laura Miller (arrived at 5:28 p.m.) Lisa Barry, Katie Orost

**Others in Attendance:** Deborah Clark, Dylan LaFlam, Brian Pena, Jeremy LaClair

**Minute Taker:** Sue Trainor

**Call to Order, Approval of Agenda and Public Comment:** Stebbins called the meeting to order at 5:20 p.m. Orost made a motion, seconded by Bezio, to approve the agenda. The motion passed unanimously. There was no public comment.

**Review E-Rate Related Network Switches Bids:** Pena informed the Committee that LNMUUSD had participated in the Universal Service Administrative Company (USAC) E-Rate program bid process to procure seven network switches supporting Phase 1 of the District-wide Wireless Access Point (WAP) upgrade. Three companies responded. WCA responded with an incorrect product. CMS and First Light provided a bid for six switches for the Lamoille Union campus and one switch for Hyde Park. CMS provided the low bid of \$26,530. The LUSD Technology Capital Reserves had \$24,797 available. The funding allocation being requested was to use \$22,740 from the LUSD Technology Capital Reserve and \$3,790 from the Hyde Park operational account. Because this was an e-rate purchase, they would be eligible to receive 70% of the purchase price, which totaled \$18,571. The administration recommended the Committee move to accept the bid of \$26,530 from CMS. Administration also requested approving an additional \$265.30 to cover shipping costs, bringing the total request to \$26,795.30. Pena anticipated the District would receive the reimbursement at the end of March or beginning of April.

In response to a question from Stebbins, Pena stated they had not worked with CMS in the past. Bezio asked what the anticipated life was of the product. Pena stated they had switches that had been in operation approximately twelve years. They had high-end internal parts and were designed to run constantly. Stebbins stated they would move this forward to the Board.

**FY22 Budget Review Possible Updates:** Clark informed the Committee that she had met with the Vermont Association of School Business Officials and were told that the equalized pupil numbers were expected to be delayed. The ADM numbers had not yet been shared with AOE Finance. The state hoped to be able to run an estimate for the SU. Clark explained that the FY21 equalized pupils had been based on Fall 2018 and Fall 2019 ADM. This year the FY22 equalized pupils would be based on Fall 2019 and Fall 2019 instead of Fall 2019 and Fall 2020. This was because the Fall 2020 numbers had plummeted due to a lot of homeschooling and younger ages not attending Pre-K.

The group was also informed by the State that the state tax increase would be 9 cents. 3.5 cents of that was due to increases in the teacher retirement fund, going from a \$7 million to a \$39 million contribution necessary for FY22. This was required to meet their minimum statutory requirements. 4.5 cents of the 9 cents was due to the loss of non-property tax revenues that supported the general education fund. Clark stated the 9-cent increase was all at the state level before any school started making any increases.

Clark noted the elementary schools were bumping up against the threshold spending. She was trying to find a way to drop elementary spending by \$65,500. That would drop the per pupil threshold spending by \$100 and the estimated tax by \$5 per \$100,000 property value. Additionally, dropping \$80,500 from the secondary level would reduce the per pupil spending by \$100 and would drop the

estimated tax by \$4 per \$100,000 property value. A 1% change in personnel costs at the SU would drop about \$18,000 overall for costs on the assessment through the MUUSD. At the MUUSD, a 1% change in personnel costs could save the elementary level \$68,500 and at the secondary level it could save \$71,690. Education spending would then go from 2.02% at the elementary level to 1.38% and from a 0.50% to level funding at the secondary level. Clark stated this was something to consider for the next meeting.

Prescott asked if they could look at getting the threshold to be similar to what they had last year. Clark stated the gap between the threshold and the per pupil spending was a little bigger, but agreed she could review that further. Prescott stated that as an exercise she would like to get to the same threshold numbers as the current fiscal year. Stebbins agreed with that. However, he was concerned that Clark would do a lot of work and then the tax rate would come along and change everything. He stated it was hard not knowing some of the numbers from the state. Clark said the exercise of per pupil spending was probably more meaningful from a pure budgeting standpoint versus budgeting to the tax rate itself.

Miller agreed with Prescott. Miller was concerned about going over the threshold and having everyone know that the District was spending more than the State allowed. Clark explained that if the per equalized pupil spending was above the threshold, every tax dollar raised above that amount was a penalty and none of that money would go to education or operations. It was a waste of taxpayer money. In response to a question, Clark stated that the per pupil spending would not be affected by the number of students being homeschooled.

Clark noted that the elementary school had \$369,000 available in reserves and they were going to be using \$300,000. Therefore \$69,000 could be used to reduce the budget further or it could be put in capital reserves. The education spending, without making any changes from what was presented last week, for the elementary school was 2.02%. If they reduced personnel by 1%, it would drop education spending to a 1.38% increase. These figures included using the \$300,000 in reserves. Without that reserve the increase to education spending would be 4.5%.

Miller asked about the funds that were left over and why they were now available to use. Clark stated those funds were available as a result of the COVID response and everything they had to stop doing in March. LaFlam noted that facilities also put a hold on everything that was not an emergency from March through June 30<sup>th</sup>.

Miller then asked if remote teaching cost more than in-person instruction. Clark stated it didn't change salaries, and they still needed to heat and clean the facilities. Some fees were paid for some of the Vermont Learning Initiatives that the District had joined. It was level or slightly more. If it were a long-term solution, they would need to look at facilities that were no longer being used.

**Other Business:** There was no other business.

**Adjourn:** Orost made a motion, seconded by Miller, to adjourn the meeting at 5:51 p.m. The motion passed unanimously.