

LAMOILLE NORTH MODIFIED UNIFIED UNION SCHOOL DISTRICT  
ANNUAL MEETING MINUTES  
GMTCC COMMUNITY EDUCATION CENTER  
MONDAY, FEBRUARY 19, 2018

Board members present: Belvidere – none; Cambridge – Bill Sander, Laura Miller, Mark Stebbins, Sue Hamlyn-Prescott, Heather Hobart; Eden – David Whitcomb; Hyde Park – Lisa Barry, Andrew Beaupre, Patti Hayford; Johnson – Katie Orost, Mark Nielsen, Angela Lamell; Waterville – Amanda Tilton-Martin. Others: Catherine Gallagher, Michele Aumand, Deborah Clark, Sherry Lussier, Brian Schaffer, Dylan Laflam, Thad Tallman, Jodi Tallman, Candace Vear, Kim Moulton, Mark Schilling, Nancy LaRose, Rosemary Audibert, Jan Perkins, representative from Belvidere town clerk's office, Lois Frey, Linda Hill, Jeff Corey, Kyle Nuse, Jan Sander

David Whitcomb called the meeting to order at 7:00. He said the moderator elected last year could not be here. He asked if there was any objection to Catherine Gallagher and Deb Clark, who are not voters from the district, presenting. There was no objection. He said if there was no objection he would dispense with reading the warning and move election of a moderator to be the first item. There was no objection.

**Election of Moderator:**

Bill Sander was nominated for moderator. Hearing no further nominations, **Mark Stebbins moved that nominations cease and that the clerk be directed to cast one unanimous ballot for Bill Sander as moderator, Mark Nielsen seconded and the motion was passed.**

C. Gallagher thanked everyone for attending. She asked for a moment of silence to pay respect to those impacted by the recent Parkland, Florida incident. She said it is important for us to take care of each other, empower each other and ensure students have the best opportunities, equity and access.

B. Sander echoed C. Gallagher's sentiments on recent events in Florida and said he is proud of the surviving kids' reactions.

**Article I:**

**To determine whether Roberts Rules (Revised) or other rules of order shall govern the parliamentary procedures of the meeting**

**D. Whitcomb moved that the parliamentary procedures of the meeting be governed by Robert's Rules (Revised) and the motion was seconded and passed.**

**Article II:**

**To review and approve the minutes of the February 20, 2017 Annual Meeting**

**Lois Frey moved to approve the minutes of the February 20, 2017 Annual Meeting, Jan Sander seconded and the motion was passed.**

**Article III:**

**To elect by ballot the following officers: a) Moderator; b) Clerk; c) Treasurer**

Kim Moulton nominated Donna Griffiths for clerk. Hearing no further nominations, **Jan Sander moved that nominations cease and that the clerk be directed to cast one unanimous ballot for Donna Griffiths as clerk, Lois Frey seconded and the motion was passed.**

Donna Griffiths nominated Kim Moulton for treasurer. Hearing no further nominations, **Mark Stebbins moved that nominations cease and that the clerk be directed to cast one unanimous ballot for Kim Moulton as treasurer, and the motion was seconded and passed.**

**Article IV:**

**To establish compensation for the duly constituted officers and the Board of Directors of said Modified Unified Union School District**

**Kim Moulton moved that the clerk receive compensation of \$500 per year plus mileage and the motion was seconded and passed.**

**Donna Griffiths moved that the treasurer receive compensation of \$8,000 per year and the motion was seconded.**

Linda Hill asked how the treasurer does her job. Does she come to the superintendent's office to work? Kim Moulton said she goes back and forth between the town clerk's office in Hyde Park and the supervisory union office as needed. She does payroll and accounts payable every 2 weeks and balances the bank statement once a month. Deposits come in from multiple schools and central office contacts her to pick them up and take them to the bank for deposit.

L. Hill said it sounds like she is working at one job and getting paid for doing the treasurer job here. K. Moulton said she does her school district treasurer work at the end of her work day. It is not part of her regular day.

Laura Miller asked if K. Moulton has any idea how many hours she works as treasurer. K. Moulton said she started keeping track in July. She was getting \$6-8/hour at \$5500 per year. In weeks where there are accounts payable and payroll she may work 5-6 hours and she handles deposits as needed.

D. Clark said the treasurer for the merged district is doing the job 4 clerks were doing before. She handles all schools' payroll and accounts payable. L. Miller asked, payroll and accounts payable are run at central office, right? D. Clark said yes, but the treasurer signs the checks. L. Miller asked if accounts payable go through the treasurer. D. Clark said yes.

L. Hill said she thought all the schools had one treasurer even when the districts were separate. D. Clark said no, each had its own treasurer.

L. Miller asked why what the treasurer does is not part of the business manager's job. D. Clark said it is to assure segregation of duties. She can't sign checks or transfer funds because if she could she could steal easily. No one in the office can sign checks.

L. Hill asked, are there still directors' orders? D. Clark said yes.

L. Miller said it sounds like a big job. Eight thousand dollars seems reasonable.

B. Sander said administration has checked around and this proposed salary is within the range of comparable districts. He is told administration is very happy with K. Moulton's performance of her duties.

**The motion was passed.**

**Donna Griffiths moved that the school board chair receive compensation of \$1800 per year and that other school board members receive compensation of \$1500 per year, seconded by Jan Sander.**

L. Frey asked if there is an explanation for the increase. C. Gallagher said most of the board members previously attended meetings once a month. The LNMUUSD board meets twice a month and there are subcommittee meetings as well. There is a greater expectation for participation and greater time spent on board duties. She talks to board members daily about business. The proposed compensation is well within the range of what is considered appropriate.

B. Sander said board members don't just go to meetings. They often do additional things. When he was on the high school board in the past there were many weeks he would be here 5 days a week. A lot of work and expertise gets utilized in operation of the schools. Most board members are extremely dedicated. The school board has been his primary focus since he retired.

At Jan Sander's request, board members introduced themselves and said what town they were from.

L. Frey said we never hear much about what school board members do. It would be helpful if information were put out about what the role is.

L. Hill said this meeting was not advertised in places like Front Porch Forum. She feels it should have been. She did get the report in the mail. C. Gallagher said this was in the paper for the last 2 publications and it was on the website and it was legally warned. L. Hill said it should be on Front Porch Forum. That is what local people really read. She feels this meeting was not publicized well.

D. Whitcomb said the law says we have to put a warning in the newspaper of record. Facebook and Front Porch Forum are not that. A notice could be put in those places. But it has been in the newspaper. The News & Citizen has had articles. In the past with smaller boards we had to be

careful about posting on Facebook in case two members (a quorum for a three person board) both posted.

B. Sander said the point is that we should do more than meet our legal requirements. C. Gallagher said we will do more than meet the legal requirements. She will never post on Front Porch Forum or Facebook. She will send letters to the community. L. Hill said selectboards post to Front Porch Forum or Facebook. C. Gallagher said she is held to a different standard. L. Hill said it is a community service. Amanda Tilton-Martin said a notice about this meeting was posted on Cambridge's Front Porch Forum through the Waterville Elementary School principal.

**The motion was passed with Sue Hamlyn-Prescott and Andrew Beaupre abstaining.**

**Article V:**

**To hear and act upon the reports of the Modified Unified Union School District**

Deb Clark said the treasurer's report is included in the annual report. It shows audited cash balances as of June 30, 2017. The combined balances for all schools totaled \$5,851,260 as of June 30, 2016. The combined total as of June 30, 2017 was \$14,498,361.

D. Clark reviewed FY19 budget figures for LNMUUSD. The proposed combined elementary budget is \$12,901,392 with combined ed spending of \$10,941,090 and per equalized pupil spending of \$16,082. The proposed combined secondary budget is \$13,595,253 with combined ed spending of 12,618,256 and per equalized pupil spending of \$15,877. The tech center budget is \$413,955.

The budgets provide educational services, health and wellness services, transportation services and more for 6 campuses, including GMTCC. One thing included is afterschool programming.

D. Clark showed the percentage of elementary students who participate in afterschool programming at the Eden, Johnson, Hyde Park and Waterville schools. She listed some of the extra opportunities available to our students, such as outdoor education or Lego robotics. All our schools go well beyond teaching reading, writing and arithmetic. They have significant community use as well.

**Article VI:**

**To receive from the Board of School Directors of said District its estimate of expenses of the Lamoille North Modified Unified Union Grade Schools for the ensuing year. This is a public information hearing regarding the budget. (See Article XI.)**

D. Clark reviewed elementary budget figures for FY19. Non special ed expenses are proposed to increase by \$136,377 (1.33%.) Special ed expenses are proposed to decrease by \$10,337 (0.42%.) Total expenses increase by \$126,040 (0.99%.) She said special ed expenses went down in 2018 for the first time in several years. Then the state reported that special ed was underfunded, so now we are seeing a 2-year correction. The majority of special ed expenses are now housed at the SU level. The SU had some reserves that could be applied to expenditures to hold assessments as level as possible. All controllable operational expenses were level funded. The budget committee worked for 8 weeks in a row to review budgets, ask questions, and make

adjustments. It was a thorough process. They decided to hold education spending to 2%. The total elementary expenditure increase is 0.99% but unfortunately elementary revenues are down by \$172,428 (8.08%), which made it hard to hold down education spending.

D. Clark reviewed non special ed budget drivers. One is the health care recapture. The legislature knew new health plans were coming and districts would have savings so they decided the state should recapture the savings. They will calculate the amount each district is expected to save and withhold that amount of money from our last payment. Total non special ed elementary expenses are increasing by 1.33%.

Linda Hill said it is confusing that the handout for this meeting shows budget information in a different format than what is in the annual report. The amount for function code 1100, for instance, is totally different in the handout. D. Clark said in the annual report expenses are broken down into finer categories. In the handout, 1100 includes 1101, 1102, etc. In the annual report those finer categories are broken out separately.

L. Hill asked what line item 1130 is. D. Clark said it looks like that code stopped being used in 2017. Some of the schools used functions a little differently and once budgets were combined some expenses went to a different function code. The amount that used to be in 1130 is now rolled up into another line.

L. Hill asked about 2190 (Other support services.) D. Clark said the same thing happened with that one. What used to be under that function code is now rolled up into a different line. Some schools would have had that code and some didn't. To go to unified accounting we had to eliminate some special coding. Coding is dictated by the state, with a little leeway. In 2020 it will all change.

L. Hill asked about the difference between two special ed codes in the elementary budget. D. Clark said they are for different categories of students or different programs.

D. Clark said the only special ed expense remaining local is paras. All the rest is housed at the SU and comes as an assessment. Some expenditures are being moved from local sites for the first time this year, as specified by statute.

**Article VII:**

**To receive from the Board of School Directors of said District its estimate of expenses of the Lamoille North Modified Unified Union Middle & High Schools for the ensuing year. This is a public information hearing regarding the budget. (See Article XII.)**

D. Clark reviewed expenses for the middle school and high school. Total expenses are increasing by \$111,602 (0.83%.) Non special ed expenses have basically been level funded. Special ed is driving most of the increase. Special ed expenses are allocated based on student count. Middle and high school revenues are going down by \$133,828 (12.05%.) D. Clark reviewed middle and high school non special ed budget drivers.

L. Hill asked, when there is a decrease in revenue what happens to staffing and expenses? How is the decreased revenue addressed without increasing taxes? D. Clark said we went through every line we had control over. Special ed expense is set based on the service plan, as required by statute. We have negotiated salary increases to cover. To allow for that people worked on the budget line by line to see where there could be cuts. She thinks our administrators and their teams do a phenomenal job of keeping budgets down without impacting curriculum or services. Some overtime is being cut. That will affect facilities.

Sue Hamlyn-Prescott asked D. Clark to reiterate how health care recapture affects us and to talk about how LNSU and the LNMUUSD board applied reserves to decrease the effect. D. Clark said LNSU applied a significant amount of unreserved funds from FY17 to keep education spending down, especially in consideration of the healthcare capture expenses. The healthcare recapture amount for the high school for FY19 is \$51,200.

D. Clark reviewed factors in building the FY19 budget – state property yield, state income yield, state tax rates, unassigned fund balance available, etc. She said the legislature is looking at an entirely new education funding calculation. If it is adopted then property taxes would drop and income taxes would go up, because they are looking at funding from income tax.

Jeff Corey said he is still concerned about Act 46. Will we be paying more in construction costs in two years? D. Clark said the obligation for debt is spread across all the towns. She found that our towns are generating a little less than 50% of the education spending we need. The rest is coming from other towns or from the education fund or other funding sources.

Jeff Corey said he heard taxes were going up about \$175K per \$100K. D. Clark said that may all change. The tax estimates are based on the December 1 tax commissioner recommendations. The Agency of Education is saying that budgets that have been approved so far are lower than anticipated so there may be an adjustment to the yield number, driving tax rates down. But the House Ways and Means Committee won't do anything with this until they get a sense of whether the legislature is going to approve the proposed new funding formula.

Jeff Corey asked about the high school tax rate with Cambridge merged at the high school level. D. Clark said we have an elementary rate and a high school rate. They are combined. Cambridge has its own elementary rate.

D. Clark said at the information meeting next week she will have more detail on taxes with and without merging.

**Article VIII:**

**To receive from the Board of School Directors of said District its estimate of expenses of the Green Mountain Technology & Career Center for the ensuing year. This is a public information hearing regarding the budget. (See Article XIII.)**

D. Clark reviewed notables related to the GMTCC budget. The proposed FY19 GMTCC budget is down \$37,928 (1.10%.) Per pupil tuition is increasing significantly. GMTCC is losing some revenue, mostly due to a drop in the 6-semester average enrollment, driving pupil assessment up.

Expenses are down but revenues are also down. She showed pupil assessment history from FY10 through FY19.

**Article IX:**

**Shall the voters of said District hold an amount of the unassigned audited fund balance in the amount of \$76,851 as of June 30, 2017 to establish under the direction of the school directors a Reserve Fund for the purpose of meeting the capital needs of the Lamoille North Modified Unified Union School District #58?**

D. Clark said this will be the first funding going into a new unified capital plan. Each school came into LNMUUSD with some funds.

**Katie Orost moved and Jan Sander seconded to hold an amount of the unassigned audited fund balance in the amount of \$76,851 as of June 30, 2017 to establish under the direction of the school directors a Reserve Fund for the purpose of meeting the capital needs of the Lamoille North Modified Unified Union School District #58.**

D. Clark said there is \$226,850 of unassigned fund balance. Of that, \$150K will be applied to reduce education spending. This \$76,851 is the remainder, which will go into the reserve fund.

**The motion was passed.**

**Article X:**

**To transact any other business to properly come before the meeting.**

No other business was brought up.

**It was moved and seconded to recess the meeting to March 6, 2018 (Town Meeting Day) for the purpose of voting by Australian ballot at the usual polling places in the member districts and the motion was passed.**

The meeting reconvened on March 6, 2018. Ballots were brought to the LUHS library where they were commingled and counted under the supervision of the LNMUUSD clerk. The number of ballots cast for Article XI was 653. Results of the vote for Article XI (the PreK-6<sup>th</sup> grade budget) were 326 in favor, 324 opposed, and 3 blank. **Article XI was passed.**

The number of ballots cast for Articles XII and XIII was 971. Results of the vote for Article XII (the middle school/high school budget) were 584 in favor, 380 opposed, 6 blank and 1 spoiled. **Article XII was passed.** Results of the vote for Article XIII (the GMTCC budget) were 689 in favor, 274 opposed, and 8 blank. **Article XIII was passed.**

*Minutes submitted by Donna Griffiths*