

**Lamoille North Supervisory Union and  
Lamoille North Modified Unified Union District Board Meeting  
Minutes of Meeting  
January 14, 2019**

**Board Members Present:** Belvidere: Angie Evans; Cambridge: Bill Sander, Jan Sander, Mark Stebbins, Laura Miller, Bernard Barnes, Sue Prescott (arrived at 7:28 p.m.); Eden: Jeff Hunsberger; Hyde Park: Tina Lowe, Lisa Barry, Patti Hayford, Chasity Fagnant; Johnson: Katie Orost, Bobbie Moulton, Mark Nielsen, Angela Lamell, Eve Gagne; Waterville: Amanda Tilton-Martin

**Board Members Absent:** Eden: David Whitcomb

**Others Present:** Catherine Gallagher, Deborah Clark, Michele Aumand, Charleen McFarlane, Sherry Lussier, Jade Hazard, Chris Damato, Melinda Mascolino, Brian Schaffer, Jan Epstein, Janet Murray, Diane Reilly, Jeremy Scannell, Jennifer Stevens, Dylan Laflam, Brian Pena, Mary Anderson

**Minute Taker:** Sue Trainor

**Call to Order, Approval of Agenda and Public Comment:** Acting Chair Nielsen called the meeting to order at 6:04 p.m. Nielsen amended the agenda, stating they would move past the school administrator reports unless the administrators had special items to discuss. Tilton-Martin made a motion, seconded by J. Sander, to approve the amended agenda. The motion passed unanimously.

**LNSU/LNMUUSD Routine Business: Consent Agenda Items**

**Minutes of the December 10, 2018, meeting:** J. Sander made a motion, seconded by Tilton-Martin, to approve the minutes. J. Sander noted an error on page 3 in the second paragraph. A word should be changed from 'nothing' to 'noting'. The motion to approve the corrected minutes then passed unanimously.

**Minutes of December 19, 2018, Personnel Committee Meeting:** Tilton-Martin made a motion, seconded by Stebbins, to approve the minutes. The motion passed unanimously.

**Board Orders:** Tilton-Martin made a motion to accept the Board Orders, seconded by Stebbins. The motion passed unanimously.

**Superintendent's Contract:** Orost informed the Board the Personnel Committee was making a recommendation to the full Board for the renewal of Catherine Gallagher's contract for five years. J. Sander made a motion, seconded by Hunsberger, to approve a five year contract for Gallagher.

Nielsen noted that David Whitcomb fully supported this action and was extremely happy with the work that Gallagher was doing. B. Sander stated he had been on the Board for over twenty years. There had been a succession of superintendents over that period of time. Gallagher was by far the best. B. Sander heartily endorsed the motion. He believed continuity of outstanding leadership was needed in a district and that was what Gallagher provided. Gallagher stated she appreciated the sentiment and she noted the strong team that was in place. She noted her relationship with principals was second to none and the Central Office was unified when presenting information to the public. Additionally, the Board was in sync and very supportive of what the administrators were trying to accomplish within the District. Work being done by staff on safety, access, equity and opportunities were having results including less truancy and an increase in reporting on bullying. Confirmations of bullying were down and this highlighted the fact that people were taking seriously their commitment to each other by reporting. Gallagher stated she could not do her job without the help of all and she appreciated the support.

Schaffer stated that from a principal's perspective, many personalities had come and gone from one of the most important administrative positions in the District. Gallagher provided principals the skills, encouragement, and direction to improve practices. She was always responsive and constantly problem-solving. Gallagher was improving the outcomes for students in all District schools, while also improving the climate and things were getting done because of her investment in the system. Janet Murray agreed

with what had been said, noting that under Gallagher's leadership there had been a lot of positive outcomes. Murray also stated that a lot could happen with continuity and consistency over a five year period of time. J. Sander agreed with the previous comments and stated she had worked for each superintendent of this District. Gallagher was the most competent and skilled superintendent the District had ever had. McFarlane stated the Central Office was at a place she had not seen in the last fifteen years and she said they owed that to Gallagher. The motion to approve a five year contract to Gallagher was unanimously approved.

**Budget Presentation and Annual Meeting Warning Creation:** Clark's presentation to the Board on the LNSU budget was as follows:

The LNSU Central Office budget included the continuation of transportation costs being accumulated at the SU level, the continued consolidation of special education costs, a reduction in general/non-special education expenditures, and \$190,000 of the FY 2018 audited undesignated reserves being applied to reduce the general assessment.

The FY20 non-special education budget was \$3,668,339. Minus grant funds of \$88,510, minus transportation and services to schools of \$1,909,238 and minus miscellaneous revenues of \$61,169, this totaled an assessment expense of \$1,609,422. Applying the \$190,000 in reserve funds resulted in a FY20 non-special education assessment cost of \$1,419,422. These costs were split between the merged District and Cambridge.

The FY20 special education costs had increased to \$6,374,945. The estimated special education revenue of \$3,947,674 reduced the special education assessment to \$2,427,271. Adding the non-special education assessment of \$1,419,433 to that amount brought the total FY20 assessment to \$3,846,693.

The expenditures of FY20 assessment budget were budgeted at \$10,043,284, an increase of 2.64%. Minus the revenues, the total assessment was \$3,846,693, an increase of 10.39%.

The centralized transportation costs for FY20 were \$1,766,799. The state offset was \$725,000, resulting in a total budget of \$1,041,799. This amount was spread over the District and Cambridge.

The non-special education assessment to Cambridge at 17.15% was \$243,393. The LNMUUSD elementary schools assessment was \$560,474 at 39.49%. The LNMUUSD secondary schools, at 36.29%, was \$513,585. The GMTCC at 7.08% was \$101,970. The special education assessment to Cambridge was \$432,544 at 17.82%. The LNMUUSD elementary schools was \$996,041 at 41.04%. The LNMUUSD secondary schools assessment was \$998,686 at 41.14%. GMTCC did not share in this assessment.

B. Sander made a motion to approve the FY20 Lamoille North Supervisory Union budget of \$10,043,284 and to hold \$4,772 of the unassigned fund balance as of June 30, 2018 for future capital expenditures. Stebbins seconded the motion. The motion passed unanimously.

Prior to outlining the figures for the LNMUUSD budget, Clark noted that there had been a number of Finance/Budget Committee meetings to review the budget, with a great deal of participation from administrators. This was a comprehensive budget. Clark's presentation to the Board on the LNMUUSD FY20 Budget was as follows:

There was an increase to the CLA Homestead Rate of .0043 cents, a comprehensive increase to education spending of 3.32%, and the proposed elementary schools budget, before assessment, was \$7,711,914, up 5.53%. The proposed secondary schools budget, before assessment, was \$10,035,806, up 4.02%. The special education budget, before assessment, was \$1,555,725, down 33.61%. The Operations and Maintenance budget was increasing 8.06% to \$2,423,770 and the Information Technology budget was

increasing 7.25% to \$495,441. The Board and Treasurer budget was increasing 13.89% to \$50,212. This was due to increased fees from groups that supported all the Boards across the State. Long Term Debt was down 1.53% to \$901,122 and the total assessment from LNSU was up 10.96% to \$3,068,785.

The following were factors in building the FY20 budget: The State property yield increased from \$10,220 to \$10,666. That helped to hold the tax rate down. The State income yield increased from \$12,380 to \$13,104. The non-residential property tax rate was steady at \$1.58. The excess spending threshold increased from \$17,816 to \$18,311. Clark noted that the District had not come close to excess spending for some time. Income sensitivity had been fixed at 2% and about 75% of the population of the District's towns benefitted from some type of income sensitivity calculation on their property tax. As of June 30, 2018 there was an unassigned fund balance of \$374,295. This figure excluded GMTCC's portion. This proposed budget applied \$250,000 of those funds to hold the tax rate down.

The proposed FY20 combined education spending was \$24,342,419, a 3.432% increase over the prior year. Proposed elementary school expenses were \$12,243,146, an increase of \$71,305 or .586%. Without the special education savings, elementary school expenditures were increasing 5.30%, or \$518,029, totaling \$10,292,795. The Union school expenses being proposed, including the savings from special education, were \$13,999,629, an increase of \$404,376 or 2.97%. Excluding the special education savings, the increase being proposed was \$412,754 or 3.44%, totaling \$12,399,528.

There would be an increase in the non-special education revenues at the elementary schools of 4.63% or \$11,173, with a proposed total of \$252,575. The elementary schools' special education revenues would experience a decrease of \$416,490 or 46.44%, resulting in a total of \$480,264. This would result in a decrease in total revenue of \$405,317 or 35.61%, resulting in a total of \$732,839. Reserve funds of \$107,551 would be applied, an increase over last year of \$14,956. This would result in a decrease in elementary school revenues of \$390,361 or 31.72%, resulting in a proposed revenue budget of \$840,390.

There would be an increase in non-special education revenues to the Union school of \$47,463 or 9.31%, totaling \$557,263. Special education revenues would decrease \$49,538 or 12.09%, totaling 3260,254. This would result in a decrease of \$2,075 or .226% in total revenues, with a proposed budget total of \$917,517. Applying reserve funds of \$142,449, an increase of \$85,044 from FY19, the final total for Union school revenues would be \$1,059,966, an increase from FY19 of \$82,969 or 8.49%. The proposed combined education spending was increasing \$783,073, or 3.32%, to a total of \$23,342,419.

Clark informed the Board that the estimated equalized incentive rate for the elementary schools was \$.8359. The estimated equalized incentive rate for the Union School was \$.6728. The pre-CLA blended rate after the \$.04 incentive was 1.5088. Clark noted that if the common level of appraisal stayed the same there would be a \$4.30 increase per \$100,000 on the tax bill. Eden and Waterville recently had a reappraisal and their common level of appraisal increased. Therefore, their school tax rates would decrease. The other towns would see an increase.

A. Tilton-Martin made a motion to approve the FY20 elementary budget of \$12,243,146, with an estimated per equalized pupil spending of \$17,199, which was 6.97% higher than the per pupil spending for the current year. Hunsberger seconded the motion. The motion passed unanimously, with Cambridge Board members abstaining.

Stebbins then made a motion, seconded by B. Sander, to approve the FY20 Union School budget of \$13,999,629, with an estimated per equalized pupil spending of \$15,747, which was .83% less than the per pupil spending for the current year. The motion passed unanimously.

Orost expressed concern that those members not on the Budget Committee hadn't asked questions about the budget before approving it. Orost wanted it reflected in the minutes that the Budget Committee did a

great deal of work to create this budget. Clark agreed that the Committee had done a lot of work and suggested the Board read the minutes from those meetings in order to review the issues addressed. Fagnant stated she had not asked questions because she fully trusted the Budget Committee. Miller stated that Gallagher and Clark had instructed the administrators on what was expected as far as budget requests. Miller was pleased that school administrators were at most meetings and questions could be answered immediately at those meetings. She believed the process had worked very well. B. Sander noted that real concerns were brought up at the Committee meeting and some increased spending was approved. It was by no means a rubber stamp situation. The budget requests were refined and taken very seriously.

Moving on to the Annual Meeting Warning, Clark stated they were looking at holding the Annual Meeting on Monday, February 18 at 7:00 p.m. Clark then read the articles within the Annual Meeting Warning aloud to the Board members. Article X was new and changed the way the Annual District Report was distributed. A public information hearing on the budget would be held on Monday, February 25, 2019 at 6:30 p.m. at the GMTCC Community Education Center.

**CES Act 46 Merger Warning Creation:** Clark then read the Special Vote Warning for the Cambridge Merger aloud to the Board. The warning called for the towns of Cambridge, Belvidere, Eden, Hyde Park, Johnson, and Waterville to meet at the usual polling places on Monday, February 18, 2019 to vote on whether the LNMUUSD accept Cambridge Elementary School District as a full member of LNMUUSD effective July 1, 2019. A public information hearing would be held on Monday, February 11, 2019 at 6:00 p.m. at GMTCC Community Education Center.

Clark asked for the Board's opinion on whether the vote should be on Monday, as votes were traditionally held on a Tuesday. Additionally, she noted the Annual Meeting was scheduled to be held on the 18<sup>th</sup>. Town Meeting would be held only a few weeks later, but waiting that long would make it difficult to satisfy all legal requirements before bringing Cambridge into the District as of July 1. Stebbins asked if administrative work could begin before the vote. Clark stated the legal work on property transfers was costly. In response to a question from Miller, Clark informed the Board that a new budget vote would need to take place after the merger was approved. Tilton-Martin asked whether town clerks had been notified yet of these votes. Clark said they had not.

Because of the holiday on February 18<sup>th</sup>, the date of the vote was changed to Tuesday, February 19, 2019.

**Set FY'20 Tuition:** Clark recommended increasing the elementary schools tuition from \$12,500 to \$13,000 and the Union School from \$15,000 to \$15,500 in FY20. Clark explained to the Board that if, after everything was filed with the State, it was determined that the District overcharged by 3%, that amount was required to be refunded. Conversely, if the District undercharged by 3% those funds could be drawn from the sending town. B. Sander asked if this was a change from the past and Clark stated it was not. B. Sander made a motion, seconded by Tilton-Martin, to approve the tuition increase as stated. The motion passed unanimously.

**Set FY'20 Meal Prices:** Clark stated that they needed to raise the meal prices, with elementary school breakfasts across the District being raised to \$2.00 for students and \$2.20 at the secondary level. Adults would be charged \$3.00 for breakfast across the District. Lunch prices would increase to \$3.00 for students across the entire District and \$4 for adults. Eden and Johnson currently participated in the Community Eligibility Program, which meant student meals were free. Stebbins made a motion, seconded by Tilton-Martin, to approve the stated meal prices, which were based on the net calculator.

B. Sander stated he didn't want to price students out of lunch. Stebbins noted that the price for student lunch wasn't going up. Clark explained the District was required to ensure prices were adequate. They were not allowed to go too high. In response to a question from B. Sander, Laflam explained that the free

and reduced figure for meals also calculated the commodities received. Free students brought in more money than paying students when considering the commodities received. J. Sander stated that parents of those students who didn't qualify for free or reduced meals often had trouble being able to pay the lunch bill. Cambridge has lost some money each year because parents didn't pay the lunch bills. For those families with a number of children in the school, this increase was a huge hit on the family's budget. She noted that while the cost of student lunches weren't being raised, breakfast costs were.

Nielsen explained there was a \$160,000 net loss to the school district due to non-payment of student meals. Fagnant asked if there was any way to help families complete the paperwork. Schaffer stated moving towards the online format would help. He stated that outreach had been done in the past, but it wasn't particularly successful. Schaffer recognized the Alchemist Brewery for their outreach and funding to help with food insecurity in Lamoille County. As a result, snacks were now being offered to students. He encouraged the Board to reach out to parents about the free and reduced meal option and also to recognize the community partners who were trying to address this issue. B. Sander stated the Lt. Governor would be at the Hyde Park Town Clerk's Office on February 4<sup>th</sup> and he encouraged Board members to speak with him about issues within their communities. This item was tabled.

**Winooski Lottery:** Gallagher reported that every year they received the agreement to join the Winooski Valley Statewide Choice of Public High Schools Collaborative. This agreement allowed for a maximum of 49 students and a minimum of 40 students to transfer out. This was approximately 10% of the population of the high school. State statutes required that the District choose the less of those two numbers so the District would be agreeing to 40. Gallagher noted that this year 20 students had opted to transfer. Orost made a motion, seconded by Tilton-Martin, to approve 40 students being part of the Collaborative agreement. The motion passed unanimously.

**Approve Space Use Analysis Expenditure:** Clark informed the Board that Eden needed more instructional space. Additionally, Central Office needed work done on their building, but it was possible there was space elsewhere in the District. Clark noted it had been a long time since a space use analysis had been done across the District. Architect Colin Lindberg had provided the District with a proposal to visit all the facilities in order to determine the best use of the facilities and to provide actionable information. The cost of the study would be between \$50,000 and \$60,000. Clark stated the Finance/Budget Committee members had agreed that the analysis needed to be done. Stebbins made a motion, seconded by Moulton, to approve the proposal for architectural services from Colin Lindberg. Orost asked where the money would be coming from. Clark replied it would come from the capital funds. Orost then asked that the motion be amended to allow a maximum of \$50,000 to be spent.

Hunsberger asked for clarification on the timing of any changes resulting from the study. Once determining it would be over a year away, he noted that the space issue at Eden could be remedied with a temporary modular space. He believed the Eden situation required a more immediate remedy. In response to questions as to why staff couldn't do some of the work included in the study, Laflam stated they didn't have the staff or the expertise to accomplish it. Additionally, he believed it was better to have an impartial outside vendor do the work. Clark explained that the study would include population trends and a number of other factors that the district didn't have expertise in.

Mascolino asked if the funds would come from everyone's capital funds. Laflam stated it would be broken down into square foot costs. Stebbins stated it was a good idea to have an objective group come in and provide a picture of what the District was looking at and prioritize projects. Miller stated that the Board wasn't aware of the workings of each school and as a Board should have an idea of how many bodies were in each square foot. Barry reported that the Budget Committee had discussed this in detail and she believed it was best to do something sooner rather than later. This information would be necessary if bonds were required. Barry also supported having Colin Lindberg perform the work. Stebbins agreed that this information would provide credibility to voters. Stebbins withdrew his original motion. Orost

then made motion to approve up to \$50,000 of the LNMUUSD capital reserve funds to perform the space use analysis. Tilton-Martin seconded the motion.

J. Sander asked why some of the producibles of the project couldn't be done in-house. Laflam stated he would not be able to maintain his current position and take this project on. Clark stated Lindberg would compile information and provide opinion and analysis beyond Clark's expertise. The study would review bussing routes and population projections and other important details so that when other large project questions arose they could respond to the Board with concrete information. Stebbins thought this analysis probably should have been done when the merger occurred. B. Sander believed that bringing in professionals was necessary. The motion then passed unanimously.

**GMTCC Director Search:** Lussier reported to the Board that she had made the decision to retire. McFarlane stated the position would be posted immediately. McFarlane outlined the timeline for the application and interview process and stated that Gallagher would make her hiring recommendation to the Board at the April 8, 2019 meeting.

**Ratify Personnel Committee Actions:** Orost stated she didn't believe this item needed to be voted on. Nielsen moved to the next agenda item.

**Central Office Report:** Gallagher reported they were getting ready for the Cambridge vote and looking at how best to advertise the information session on the upcoming vote. Teachers were doing some very creative things at the High School. A teacher was now looking at teaming up with a Harvard professor to offer a different AP History class. Gallagher then reported she was asked to be a judge in a culinary class. McFarlane reported that Jan Lyon, the HR specialist, had retired after 19 years. McFarlane was happy to report that Rachel Crawford of Cambridge had taken her place. Janet Murray informed the Board that there had been problems with several Act 166 contracts this year. Act 166 rules required that all contracted centers have certain standards in place. One center in Fairfax did not provide a certified teacher. Therefore, that contract was halted. A problem also occurred at a center in Essex where a 3-year old was found unattended in a parking lot. This was a serious violation under Act 166. That contract was also halted.

**Elementary Principal Updates:** There were no updates.

**Middle School, High School and GMTCC Principal/Director Updates:** Schaffer reported that a program of studies would be available within a month. This program would assist parents and students in addressing graduation proficiencies over time. The high school was moving toward a model that existed in the middle school of creating purposeful links for students to be able to do a deeper dive into their areas of interest. Schaffer noted that a student who was exploring education had proposed weekly scripts for the restorative practice circles. Campus security upgrades were now in place. Faculty would be conducting sessions where they would experience what administrators did during a school crisis. The Youth Risk Assessment Survey would be administered soon. Schaffer reported they were continuing to see issues with vaping and e-cigarettes. The High School had a unique contract with Copley Health Services of Lamoille Valley to provide a cessation group. This group would be targeting those that were already known to use e-cigarettes, but would be expanded to all students. Schaffer stated he thought they would see a very big jump in the number of students who use e-cigarettes on the Youth Risk Assessment Survey. He thanked the Board for approving the budget and noted there was decrease in overall spending from one year to the next, which he believed came at some risk. He hoped to have a conversation with the Board on how to help students receive services they needed. Schaffer thanked the Board for approving Gallagher's contract and stated he was a better principal because of Gallagher.

**Other Business:** Prescott reported they now had a teacher's contract. They were waiting for ratification from the Teachers Association and they would bring forward the contract information to the next full

Board meeting. The goal of both groups was to raise the starting salary for teachers and it would now be in the \$40,000 range. Full information about the contract would be available at the next meeting.

**Adjourn:** Moulton made a motion, seconded by B. Sander, to adjourn the meeting at 7:59 p.m. The motion passed unanimously.