

**Lamoille North Supervisory Union and  
Lamoille North Modified Unified Union School District Board  
Minutes of Special Meeting  
January 9, 2023**

**Board Members Present:** Belvidere: Stephanie Sweet; Cambridge: Denise Webster, Mark Stebbins; Eden: Jeff Hunsberger, David Whitcomb (phone); Hyde Park: Lisa Barry, Tina Lowe, Patty Hayford, Chasity Fagnant; Johnson: Mark Nielsen, Angela Lamell, Katie Orost, Allen Audette; Waterville: Bart Bezio

**Board Members Absent:** Cambridge: Tommy O'Connor, Sue Prescott, Jan Sander; Johnson: Bobbi Moulton

**Administrators Present:** Catherine Gallagher, Deborah Clark, Michele Aumand, Rene Thibault, Erik Remmers, Valerie Sullivan, Rachel Crawford, Brian Pena, David Manning, Melinda Mascolino, Wendy Savery, Denise Maurice, Betzi Goodman, Jan Epstein, Jennifer Hulse, Diane Reilly, Bethann Pirie, Dylan Laflam

**Others:** Teachers; Student Representatives: Sophie Hunsberger, Jessica Orost, Alyx West, Ellie Neckers

**Minute Taker:** Sue Trainor

**Call to Order, Approval of the Agenda, Announcements and Public Comment:** Nielsen called the meeting to order at 6:30 p.m. The agenda was amended by removing the Central Office and Principal/Director Updates. Stebbins made a motion, seconded by Hunsberger, to approve the amended agenda. The motion passed unanimously. There were no announcements or public comment.

**LNSU/LNEMUUSD Routine Business - Consent Agenda Items**

**Minutes of December 19, 2022, Special Meeting; Minutes of Finance & Capital Committee Meeting:**

Orost made a motion, seconded by Bezio, to approve the minutes. The motion passed unanimously.

**Board Orders:** Fagnant made a motion to approve all Board Orders as reflected on the back of the agenda, seconded by Stebbins. The motion passed unanimously.

**Appoint New CES Member to the LNSU/LNEMUUSD Boards:** Orost made a motion, seconded by Stebbins, to appoint Christy Liddy as the Cambridge representative to both Boards. The motion passed unanimously.

**Agreement to Join Winooski Valley and Statewide Choice of Public High School Collaborative for the 2023-2024 School Year under Act 129:** Gallagher stated this agreement was something that the Board requested the Chair sign every year. This agreement states that LNEMUUSD would accept up to ten students and would allow up to 40 students to go to other schools. For the first time, last year students accepted at their first and second school of choice decided to stay at Lamoille. That said a lot about the school and the school's leadership. Stebbins made a motion to allow Chair Nielsen to sign the School Choice Agreement, seconded by Barry. The motion passed unanimously.

**Announce 2023-2024 Tuition:** Clark stated that every year the District could announce tuition or let it roll over to the current rate. They had been running at \$15,500 to \$16,000 per year for the secondary. The elementary schools had very few tuition students. Clark suggested charging \$15,500 for both the elementary and secondary levels. Stebbins made a motion to announce tuition at \$15,500 for both the elementary and secondary schools. Hunsberger seconded the motion. The motion passed unanimously.

In response to a question from Orost, Clark explained the risk of overcharging for tuition was that at the end of the year any overcharge of more than 3% would require the District return the funds to the sending schools and vice versa. The motion then passed unanimously.

**LNSU Board & LNUEA MOU:** Orost made a motion to go into Executive Session, as the premature knowledge of the discussion could place the District at a disadvantage. Hayford seconded the motion. The Board and Administration was invited to participate. The motion passed unanimously and the Board went into Executive Session at 6:41 p.m.

The Board came out of Executive Session at 7:03 p.m. Orost made a motion that in order to honor the original scope of work, the Board looked at the realignment of teachers impacted by the consolidation of the contract. The Board wanted to remedy that now by adding an addendum to the existing contract. This would not be a retroactive action. Effective January 9, 2023, the 19 teachers affected would be moved to a new pay rate at a cost of \$96,768. Per legal advice the District would not be doing an MOU. Fagnant seconded the motion. The motion passed unanimously.

**Review and Adopt LNSU FY24 Budget:** Gallagher introduced the review of the budget by outlining the fact that there would be an Annual Meeting on February 20<sup>th</sup>. The meeting would be held much like the Community Forum, with a meal and child care available in the hopes that more people would attend. Gallagher then provided Vermont statistics that worried her: the percentage of people aged 50 or older was 47.7%. Vermont was aging faster than in other states. In 2015 the median age was 43 compared to the national median of 38. This meant this was a state where the residents were getting to the end of their work life and things would be hard to maintain and sustain if things weren't done differently with the students. The District was on track to do great things.

The District always spoke about equity, access, and opportunity. Currently there was a recovery plan covering three areas: academic rigor, social-emotional and physical wellbeing, and student engagement. Those were the three target areas that the AOE wanted the District to address. The District navigated these goals by reviewing the following:

The District knew that if students were experiencing hunger, cold, or living in unstable housing, they came to school not ready to learn. When the District provided food to students, this was what the District meant by access to education. Maintaining a strong nutritional program, professional development for staff in literacy and math, strong instructional leadership, curriculum alignment to ensure best teaching practices, consistency in assessment of student progress and adjustment to instruction as needed were all necessary and important. When the curriculum was aligned, new teachers knew what they needed to teach. Well-defined support systems for students who learn differently were required. Students might require accommodations, modifications or enhancements in order for students to thrive.

More than ever, schools were being tasked with things they hadn't had to deal with two decades ago. DCF, being short staffed, now often asked what the schools could do or what they could do together with the school to address student needs. Students and teachers would rise to the occasion to help any student.

For the first time the District would be showcasing project-based learning, AP courses and student achievement in the annual report. Counseling, intervention services, mentors for students in life/career choices, and restorative practices were available in all schools.

Gallagher then spoke about the investments needed to support all of the above: meals for students, ongoing training, professional development in literacy and math, interventionists, coaches, counseling, and competitive salaries and enticements for teachers so that teachers can afford to live and remain in Lamoille County. Enticements could be a child care center for teachers or assistance with housing. Gallagher asked that people remember that taxes would always go up and down, but the need that students had remained the same.

While the visuals of the budget presentation were being prepared, several student representatives outlined a number of exciting student events that had recently taken place. The Lancer Dancers traveled to North Country Union High School, participated in several dance competitions, and placed very well in the competitions. The choir at Lamoille auditioned for three music festivals. A number of students were accepted. The Student Council would be selling candy grams for Valentines Day. There would also be a Spirit Week the week before February break. The JV boys just won on Friday by at least 20 points. Semester 2 would be coming up and people would be moving to new classes.

Clark then began her presentation on the budget. Clark reported that the Finance Committee had recommended that Proposal B be approved for both the LNSU and LNNUUSD budget. Proposal B used all of the surplus from FY22. Some of the budget considerations were as follows:

- The Common Level of Appraisal (CLA) was dropping dramatically for Lamoille North towns, creating upward pressure on tax rates. This budget saw between 8- and 20-point drops. Belvidere had just performed a reappraisal in August and their CLA dropped 20 points.
- The yield had gone up to \$15,479.
- A 12.6% increase for health insurance and a property insurance increase.
- Under the Vermont State Teachers Retirement System (VSTRS), any licensed position on a federally funded initiative needed to pay 25.64% of the grant to the VSTRS.
- VSTRS was increasing the mandatory OPEB (Other Post-Employment Benefits) contribution by \$107 per “new” teacher to \$1,509, an \$11,770 increase SU-wide.
- Universal Meals: It was expected that the State would make this program permanent, causing upward pressure on statewide education spending.
- Act 173: Special Education funding was now a block grant instead of a reimbursement.
- ESSER Cliff: This related to the Recovery Funds. The District could see expenses shift over to the General in FY25 but there was very little impact on the FY24 budget.
- Act 127: Changes to the student weighting formula effective FY25 seemed to shift taxing capacity towards MUUSD. Clark was still waiting on additional information from the AOE.
- Inflation: Causing general upward pressure on the cost of utilities, food, supplies and personnel.

Clark provided information on the expenditures of the ongoing and completed ESSER academic recovery investments of \$5,090,766. These funds were being spent primarily on students.

The large change taking place in the SU budget was the para educators coming into the SU budget. Before they came in, the special education salaries had increased by 7%. When the CLA's came in, the directors put in a lot of time to find approximately \$118,000 that could be shaved from the preliminary budget.

Today the Finance Committee recommended applying the full \$810,522 of expected surpluses coming out of FY22. The changes moved the tax rate a few dollars but it was returning the taxpayers money to them. There would still be a small reserve of \$174,532 to allow for work to be done on the Central Office capital needs and relocation.

The SU budget before Special Education was \$4,444,692, with an FY24 Non-Special Education assessment cost of \$1,486,182. There was an expected increase of 55% in expected state revenue for transportation. This revenue was two years behind and based on FY22 expenses.

Special education costs before para educators moved to the SU would have been a 7.9% increase. The special education revenue was .26%. The FY total assessment would be \$5,785,006. Overall, with the para educators included, the total assessment would be a 74.38% increase under Plan A and a 71% increase under Plan B. This was because almost \$2.6 million was being moved into LNSU as an expenditure.

Orost made a motion to accept Proposal B of the proposed FY24 LNSU Budget which would place all surplus funds into this budget, seconded by Webster. The motion passed unanimously.

**Review & Adopt LNNUUSD FY24 Budget:** The following factors were used in building the FY24 budget:

- The forecasted increase in education spending statewide was 8.52%
- The forecasted decrease in equalized pupils statewide was -1.08%
- The forecasted growth in equalized per pupil spending statewide was 9.70%

- The yield increased to \$15,479. The yield for FY23 was \$13,314.
- The forecasted average State base property tax rate was \$1.31.
- The forecasted average State announced income sensitivity was 2.31.
- The State income yield was \$17,600. The income yield for FY23 was \$15,948.
- The excess spending threshold was suspended until 2029.
- The combined LNMUUSD reserve funds applied to the FY 24 budget was \$816,539.

The proposed budget resulted in:

- The combined elementary budget was \$14,264,412, a 1.92% increase. The combined education spending was \$13,695,017, a 5.4% increase. The per equalized pupil spending was \$23,389, a 12.34% increase. There was an overall reduction of 54.07% in miscellaneous revenues. \$284,144, or 100% of the FY22 surplus was being applied.
- The combined secondary budget was \$16,529,861, a 7.73% increase. The combined education spending was \$15,479,466, an 11.14% increase. The per equalized pupil spending was \$18,028, a 10.84% increase. \$532,395, or 100% of the FY22 surplus was being applied.
- The FY24 para educators moved to the LNSU budget: \$776,710 salaries and \$424,431 benefits came from the Elementary and \$434,513 salaries and \$251,694 benefits came from the Secondary.
- The FY24 estimated base (pre-CLA) tax rates was a 4.40% decrease. Without the CLA data it would mean a \$61 decrease to the tax rate per \$100,000 home. However, while the yield increased significantly, the sharp increase in property values drove CLA rates down, offsetting some of the tax savings. The CLA decreased dramatically for Lamoille North towns and tax rates increased significantly, especially in Belvidere and Waterville.

The combined education spending increased 8.27%. This was .15% less than the estimated State increase. The elementary expenses increased 1.94%. The elementary revenues decreased by 43.05%. This decrease was larger as a result of the special education funds going to the LNSU. The salaries at the elementary school were almost flat. This was due to Johnson and Eden using less this year than budgeted.

The middle and high school spending increased 7.73%. The secondary revenues would decrease 25.85%. The total combined education spending would be 8.37% across the Modified Unified School District.

The one year estimated FY24 LNMUUSD tax rates per \$100,000 property value after CLA were as follows:

Belvidere: \$159.81  
 Eden: \$75.29  
 Hyde Park: \$130.89  
 Johnson: \$35.06  
 Waterville: \$272.60

Orost made a motion to accept Proposal B of the proposed FY24 LNMUUSD Budget which would place all surplus funds into this budget, seconded by Bezio. The motion passed unanimously.

**Other Business - Warning of Annual Meeting:** The Annual Warning was reviewed by all Board members. The Annual Meeting would take place on February 20<sup>th</sup> at 7:00 p.m. Orost made a motion, seconded by Hunsberger, to approve the Warning. The motion passed unanimously.

**Adjourn:** The meeting adjourned at 8:07 p.m.