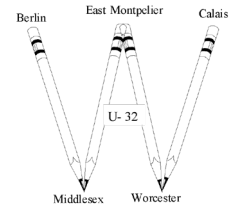


Washington Central Unified Union School District

WCUUSD exists to nurture and inspire in all students the passion, creativity and power to contribute to their local and global communities.

1130 Gallison Hill Road
Montpelier, VT 05602
Phone (802) 229-0553
Fax (802) 229-2761



WCUUSD Finance Committee Meeting Agenda 2.13.24 8:30-9:30 AM Central Office, 1130 Gallison Hill Rd. Montpelier Via Video Conference

Virtual Meeting Information

<https://tinyurl.com/449rut5b>

Meeting ID: 867 7331 3223

Password: 017920

Dial by Your Location: 1-929-205-6099

1. Call to Order
2. Approve Minutes of 1.9.24 – pg. 3
3. Informational Reports
 - 3.1. Monthly Reflections – pg. 4
4. Discussion/Action
 - 4.1. Review & Approve Project Manager Contract - pg. 6
 - 4.2. Budget Communication & Outreach Plan
 - 4.3. Act 127 Discussion – pg. 8
 - 4.4. Reorganization & Committee Assignments
5. Future Agenda Items
 - 5.1. Next Regular Meeting: March 12, 2024

WCUUSD Board Norms - Adopted November 18, 2020

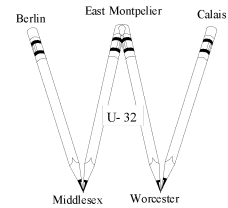
- **Public input** – Notify the community about public forums and opportunities for public comment at board meetings.
- **Community involvement during regular meetings of the board** – Every meeting will include at least one opportunity for public comment. Public comment is an opportunity for board members to listen and ask clarifying questions. If a board member feels a concern raised in public comment warrants further board discussion, they may request that the issue be added to a future agenda.
- **Community dialogue** – The board may periodically schedule community forums that allow for dialogue, questions and answers from the board or the district leadership team.
- **Stay on time** – Start and end on time. The chair may appoint a time-keeper.
- **All voices will be heard** – Every board member gets a chance to speak. Some topics warrant having each board member speak in turn to ensure full representation.
- **Reflection** – To allow time for reflection, the chair and agenda steering committee will plan time for complex or contentious issues to be discussed at more than one meeting before the board votes, except where a decision is urgent.
- **Announcements in reports** – Announcements from the administration will appear in the reports and not as discussion items.
- **Role of the board** – At the end of each board meeting reflect on whether the board remained focused on its policy-making and oversight role during the meeting, rather than operational details that are the responsibility of leadership team.
- **Respect each other** – Listen, allow others to be heard, share concerns, assume positive intentions, be present, celebrate successes.

Washington Central Unified Union School District

WCUUSD exists to nurture and inspire in all students the passion, creativity and power to contribute to their local and global communities.

1130 Gallison Hill Road
Montpelier, VT 05602
Phone (802) 229-0553
Fax (802) 229-2761

Meagan Roy
Superintendent



WCUUSD Finance Committee

Minutes

1.9.24

Virtual

8:30-9:30 AM

Present: Flor Diaz Smith, Meagan Roy, Susanne Gann, Daniel Keeney, Zach Sullivan, Mark Kline, Kari Bradley, Steven Dellinger-Pate, Ursula Stanley

1. **Call to Order:** Flor called the meeting to order at 8:30 am.
2. **Approve Minutes of 12.20.23:** Kari motioned to approve the minutes from 12.20.23. Ursula seconded and the minutes were approved unanimously with one correction. Zach stated there should be a correction with his statement and that it should say, "We would want to know if a configuration made it impossible to merge with Montpelier".
3. **Informational Reports**
 - 3.1. **Monthly Reflections:** Susanne provided a memo highlighting the work in the fiscal department over the last month. The Fiscal Services Team has been preparing materials for the FY 25 General Fund Budget and tax rate calculations. HR and payroll have been working on updating contracts, salaries and retroactive pay after the ratification of the ESP and Teacher agreements. The team has processed seven consecutive payrolls between November 24 and January 5. Holly has also been working on enrollment changes and calendar year-end payroll reconciliation which is the first step in preparing quarterly reports and W-2's all due at the end of January. She advised the annual audit report for FY 22-23 would be in the packet for the February 13, 2024 meeting.
4. **Discussion/Action**
 - 4.1. **Review and Discuss FY 2024-25 Budget and Tax Rate Projections:** Susanne shared her screen showing slides with tax rate projections for the five towns with the new Common Level of Appraisal (CLAs). She gave an overview. Meagan spoke about the factors that affect these rates. She advised this is with the 5% cap, without the cap our equalized tax rate increase would be in the 10% range. There was some discussion about clarifying the Cap amount and explaining the CLA further. There was some discussion about how to communicate the budget information effectively and how configuration will play a part in the future of budgeting. The finance committee agreed that the board needs to adopt the budget at the meeting on January 17, 2024. Meagan suggested sending surveys post-budget vote to communities regardless of the outcome so that the board could get an idea of what drives the budget vote outcome.
5. **Future Agenda Items**
 - 5.1. **Next Regular Meeting: February 13, 2024**
 - 5.2. **Next Configuration Meeting: February 21, 2024**
6. **Adjourn:** The meeting adjourned by consensus at 9:30 a.m.

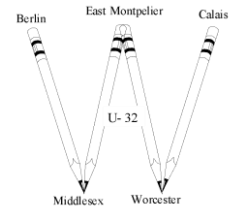
Respectfully Submitted,
Melissa Tuller
Administrative Asst.

Washington Central Unified Union School District

WCUUSD exists to nurture and inspire in all students the passion, creativity and power to contribute to their local and global communities.

1130 Gallison Hill Road
Montpelier, VT 05602
Phone (802) 229-0553
Fax (802) 229-2761

Meagan Roy Ed.D.
Superintendent



TO: WCUUSD Finance Committee & School Board[1]
FROM: Susanne D. Gann, WCUUSD Business Administrator
RE: Monthly Reflections
DATE: February 9, 2024

The rapid changing of tax rate information this past month has required a significant amount of attention to stay informed. Meagan and I receive information from the Agency of Education and the various professional associations that require review, evaluation and sometimes questioning to ensure that we thoroughly understand the information and are able to relay it to the Board. This is a normal part of the budget process, but this year it has been an even more complicated and active process than ever before, particularly in the past few weeks.

The month of February has been active for the Finance Committee and School Board for the budget and bid awards. This requires staff preparation to get packets out to the Board in advance of the meetings. The warning is approved, the annual report is compiled and information is distributed to individual Towns and posted on the website. Thank you to Melissa Tuller for all the support she provides over the course of the year, but especially during this time of budgets and bidding. She has recently stepped into the role of District Clerk, learning all that goes into the preparation of the ballots for Town Meeting and coordination with multiple towns, and the printer for the mailing of those ballots and coordinating with election staff to prepare for the Town Meeting Day vote.

The current fiscal year financial update and fund balance report for the Board will be completed in April. I meet with Building Administrators regularly to review and analyze the current budget to actual numbers. Projections on revenues and expenditures will be adjusted as appropriate, prior to reporting to the Board.

Chris O'Brien worked with building administrators to identify the next capital project needs for the Multi-year Capital Improvement Budget. Chris, Bill and I have begun to prioritize those projects based on the Board approved Capital Improvement Plan, and

Monthly Reflections

anticipate reviewing the prioritized proposals, with rough estimates, with the Superintendent in March, presenting to the Leadership Team in April and Finance Committee and Board in May.

The plans for the U-32 baseball field refurbishment project were sent to contractors on January 19th, with five contractors attending the pre-bid walk-through on January 30th. The bids for this project are due on February 13th, and will be reviewed by Chris O'Brien, Bill Ford and Kevin Worden of Engineering Ventures in preparation for bringing a recommendation to the Board at the February 21st meeting to award the contract. The anticipated timeline for the project based upon the bid documents is a construction start date of June 24th with completion no later than August 16th. It is uncertain how the field will recover at the end of the summer, so Chris has kept the Athletic Director informed of the possible impact to the ability to play on the field in the spring of 2025.

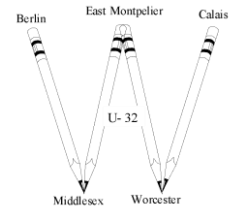
The child nutrition program in all schools receive annual on-site reviews. Thank you to Penny Andrews and Tim Couture for completing the required reviews of all school lunch programs and three of the school breakfasts. Thank you also to the Food Service professionals at each of our schools for all of their hard work delivering nutritious meals to students that also align with the required delivery of services. They clearly take a great deal of pride in the foodservice programs of the District.

Washington Central Unified Union School District

WCUUSD exists to nurture and inspire in all students the passion, creativity and power to contribute to their local and global communities.

1130 Gallison Hill Road
Montpelier, VT 05602
Phone (802) 229-0553
Fax (802) 229-2761

Meagan Roy Ed.D.
Superintendent



TO: WCUUSD Finance Committee & School Board
FROM: Susanne D. Gann, Business Administrator
RE: Review and Approve Project Manager Contract
DATE: February 8, 2024

Summary: For many years, Bill Ford of WF Project Inspections has provided Owner Project Manager and Clerk of the Works services as an independent contractor for the District. Bill's expertise and knowledge in management of construction projects and coordination of contractors and District needs is extremely important to the successful planning and completion of capital improvement projects. With Bill's guidance and expertise, the District consistently completes capital projects on time and on budget.

Bill's current contract ends this month. A proposed contract not to exceed \$87,500 to cover the period from 2/10/24 through 2/9/25 is included in the packet. The fee schedule confirms OPM/COW duties for the District on proposed 2024 construction projects plus planning for future capital improvements. The proposed hourly rate for his services is \$80 per hour, with an anticipated 855 hours of services, plus reimbursable expenses.

Recommended Board Actions: The Board authorize the superintendent to sign the contract with WF Project Inspections for his services as Owner Project Manager and Clerk of the Works through 2/9/25, not to exceed \$87,500.

February 2, 2024
Owners Project Manager/Clerk of the Works for WCUUSD
Proposed Fee Schedule

This fee schedule is based upon contracted Owners Project Manager (OPM)/Clerk of the Works (COW) services. WF Project Inspections would be providing services as an independent contractor. Confirmation of the OPM/COW duties for the district for the term of one year should be discussed prior to finalizing a total amount for services.

Services:

OPM/COW, Bill Ford invoiced at; \$80.00 per hour
Reimbursables: Mileage & travel at two hours per site visit. Long distance communication, copies, photos, postage and handling at cost plus 10%

Proposed Fee Schedule:

Perform OPM/COW duties for the period February 10, 2024 through February 9, 2025 based on up to 855 hours of services averaging 14.75 hours September through May and 22 hours per week June through August for the "not to exceed" amount of \$87,500.

project budgets	school	Proposed 2024 WCUUSD construction projects plus planning for 2025 projects
600,000	district	Security – card/camera system
95,000	Doty	Generator
100,000	Berlin	Fire alarm
125,000	Calais	Bathrooms
20,000	Calais	Kitchen door
20,000	Calais	Windows
150,000	U32	Baseball field
20,000	Rumeny	Lobby doors
120,000	U32	Event lobby storefront
69,000	U32	Windows
20,000	U32	Atrium stairs
100,000	Doty	ADA canopy and ramp
20,000	Doty	Boiler room
100,000	Doty	Entry lobby
100,000	Doty	Drainage
1,659,000	Total project budgets	

Equipment provided by WFPI for use by the OPM/COW:

Laptop computer

iPad and iPhone for project photos and communication

To be provided by the Owner:

1. Access to workspace with desk, chair, table, and power
2. Access to an internet connection & printer

I suggest the "not to exceed" fee so if the work to be accomplished moves along better than expected the owner can benefit from fewer hours expended by the OPM/COW and a lower cost for those services.

William W Ford



WCUUSD exists to nurture and inspire in all students the passion, creativity and power to contribute to their local and global communities.

To: WCUUSD Finance Committee
From: Meagan Roy, Superintendent
Susanne Gann, WCUUSD Business Administrator
Re: Information for Board on proposed legislation for education funding

As discussed at the February 7th Board meeting, the current dynamic in Vermont's education funding system is highly variable. This reality will continue over the next several weeks, making it challenging as the Board discusses how to act in response to current draft legislation. Our goal is to provide the Finance Committee and Board as much information as possible to support its discussions about responding to potential changes to the system.

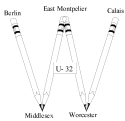
Legislative Status - *Why are we here?*

The General Assembly has concluded that the utilization of the 5% property tax cap by some school districts irrespective of their status (gaining or losing tax capacity) has resulted in a diminishing property yield and resultant increase in property taxes. The House Ways and Means Committee believes that the General Assembly must act to repeal the cap and replace it with a mechanism that presumably meets the legislative intent as originally construed in Act 127. As a result, the committee has been entertaining [draft legislation](#) that would effectively repeal the 5% cap and replace it with a different calculation that would not be available to districts who have gained in Long Term Weighted Average Daily Membership (LTW ADM). Based on this draft, Washington Central would not meet the criteria for transition related tax relief and would not receive any tax rate discount.

It is important to recall that the proposed legislation is just that - proposed. That said, there is a strong feeling on the part of our various education organizations that this legislation will indeed pass and become law. In fact, it passed out of the House Ways and Means committee on Friday the 9th.

What does this mean for us?

The draft legislation gives permission for School Boards to cancel their budget warnings and essentially re-work their budget and re-warn a vote as late as April 15th, 2024. This would allow those districts who are now no longer eligible to receive the cap (this is the case for WCUUSD) to propose a new budget to their communities, since they are no longer protected by the tax rate cap they believed to be in place when they adopted the budget. In this current proposed legislation, the decision to cancel and re-warn the budget is optional. The Board would need to take action to do this; if they choose not to take action, the budget will go to vote as adopted on January 17th.



What should the Board be aware of as you make this decision?

The ongoing variability of this situation

- Tax rate projections are always just that - projections. The part of a budget that a Board can control is spending; the rest, they have little control over. That said, in past years our projections that we provide to communities have been easier to predict than this budget year.
- The volatility of the current state makes tax rates very difficult to project. For example: The original projected property yield that we used to build our budget in November was \$9,452. By the time we voted in January the new yield was projected to be \$9,171. Information shared by the Agency of Education with the Vermont Association of School Business Officials (VASBO) on February 8th was \$9,775, which was modeled with the assumption that the 5% cap was removed. All of this is simply to point out that it is very difficult to accurately estimate property taxes in the current state.

Despite that variability, it is still worth modeling our tax rate impacts

- Below is a chart that illustrates the projected tax rates based on our current adopted budget, without the 5% cap and assuming the most recent property yield projection. This feels like the most “up to the minute” estimate, and indeed is the estimate that has gone into our Annual Report and budget trifold (albeit with a disclaimer that currently proposed legislation may impact this).

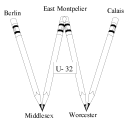
Town	\$100,000 House	\$200,000 House	\$300,000 House
Berlin	\$459.19	\$918.37	\$1,377.56
Calais	\$327.67	\$655.34	\$983.01
East Montpelier	\$457.31	\$914.61	\$1,371.92
Middlesex	\$387.62	\$775.23	\$1,162.85
Worcester	\$260.62	\$521.24	\$781.86

These projections indicate that the tax impact for all of our communities is significant.

- This is the projection with a property yield that assumes all districts keep their existing budgets with the cap removed. Districts that choose to revote are likely only going to spend less, which would cause the yield to go up more, and therefore tax rates could decrease.

Timelines impact the realistic options for the Board

- The proposed legislation provides a mechanism for a School Board to choose to cancel their adopted budget and re-warn a new budget. However, the realistic timeline



associated with this is incredibly constrained, and we want the Board to see a simulation of a possible timeframe if no changes are made to the proposed legislation:

- The legislation does not propose to change the 30 day warning requirement for an initial budget vote. Therefore, the latest we could re-warn a new budget is March 14th (for a vote on April 15th).
- Even expedited passage of this draft reasonably would require 2-3 weeks. An estimate of passage and governor's signature might be Feb 23rd; the Board can't really take action until the legislation is enacted.
- With Town Meeting Day on March 5th, there is a pause in Board operations until reorganization. To account for this, and to make this decision before elections, there would be roughly six business days to:
 - Take action to cancel the vote
 - Give concrete and specific direction for how much the Board is asking the administration to reduce
 - Consider the new administrative budget proposal
 - Vote to adopt the new budget
 - Warn and print ballots

All of those six days are over a school vacation. An informational meeting

House Ways & Means has provided some guidelines about the mechanics of a vote cancellation

- Emily Kornheiser, Chair of House Ways & Means, has provided some guidelines for how Boards would approach a vote cancellation. It's important to be aware that this is unofficial guidance. We've included this in the packet. It is our understanding that the Secretary of State's office may issue more official guidance.

Boards do have a mechanism to change the budget if it is voted down by our communities

- Last year, we provided the Board with the existing timeline for budget revotes in the event of a budget failure:

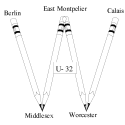
Per [17 VSA 2680\(c\)\(2\)](#):

A budget revote can be warned and held in a condensed time frame.

(2) If a budget voted on by Australian ballot is rejected, the legislative body shall prepare a revised budget.

(A) The legislative body shall establish a date for the vote on the revised budget and shall take appropriate steps to warn a public informational meeting on the budget and the vote. The date of the public informational meeting shall be at least five days following the public notice. The date of the vote shall be at least seven days following the public notice.

(B) The vote on the revised budget shall be by Australian ballot and shall take place in the same locations that the first vote was taken; provided, however, that if that polling place is unavailable, the vote may be held at a



different location, with notice posted of the meeting location at the original location.

(C) The budget shall be established if a majority of all votes cast are in favor. If the revised budget is rejected, the legislative body shall repeat the procedure in this subsection until a budget is adopted.

(D) Once a municipality votes to establish its budget by the Australian ballot system, the vote on the budget shall be taken by Australian ballot until the municipality votes to discontinue use of the system.

The informational hearing may be held by remote means under the temporary provisions extended by the legislature.

Update from House Ways and Means Committee Chair Emilie Kornheiser
As of February 8, 2024

Act 127 represents years of work and deep stakeholder engagement to ensure that all students in Vermont have the underlying funding necessary to support their education equitably. However, we've learned this year that the "5% cap" mechanism has not behaved as expected, preventing us from taking necessary actions to reduce tax rates for Vermonters, across towns.

To align school budgets more closely with the state's ability to financially support them, we are working to eliminate the 5% cap mechanism; understanding that some districts that have a reduced tax capacity under the pupil weighting in Act 127. We are proposing a new mechanism that is more precise. For districts with reduced capacity, this new bill provides one cent relief on the tax rate for each percentage point of negative change to the district's share of the statewide weighted pupil count. This mechanism protects communities while incentivizing all communities to build budgets that align with their community's ability to pay.

We acknowledge that this measure comes at a very challenging time for town clerks, their communities and school districts, and we don't take that difficulty lightly. But as we've received budget information from across the state, we've determined that this change is necessary to ensure property tax rates can support all the budgets approved by communities.

It's important to note that the Legislature knows that this is an immediate and necessary measure, and that there is more work to do. Once this bill is passed, but still this year, we will turn to the work of finding long-term ways to fund education for all of Vermont students.

About Voting and Ballots

Right now, town and school district clerks are fast at work preparing for town meeting. Some are printing and mailing ballots, and some are printing ballots that will be available at polling places. Those ballots may include not only school budgets but other items such as school board elections and other warned items.

We've been working closely with the Secretary of State's office on this bill, and they are prepared to support town clerks and their staff through this process and provide guidance.

If a school district does not opt to cancel and rewarn its budget article, the town should proceed with elections as planned.

On Town Meeting Day, in towns that have chosen to redraw their budget articles, all items beyond the school district budget should be voted on. If ballots have already been printed with the old budget amount on them, it is recommended that towns simply black out the budget information and use those already printed ballots.

For purposes of amending the Warning for the March 5 school meeting, it's recommended that the amended Warning, with the budget article omitted, be posted side-by-side with the original Warning in a manner that clearly shows the budget article has been omitted and a clear indication that the Warning has been amended. When the time comes, a new Warning with the amended budget article will need to be posted no less than 30 days prior to the rescheduled vote on the budget.

If printed ballots have already been mailed, again the town should collect ballots and tabulate all the non-school budget questions. The Secretary of State's office is happy to work with towns to help communicate this particular complexity about the fact that a new ballot will be forthcoming with a new school budget amount. Any voter who had requested an early ballot for the regularly scheduled March 5 annual meeting should be mailed a ballot for the rescheduled vote on the school budget, without having to make an additional request.

There is an appropriation in the bill to reimburse towns for additional costs to administer elections due to the changes in the bill, and that reimbursement will cover any measures that are part of a typical election in that town. So, if a town typically mails ballots, the appropriation would reimburse a town for the second mailing. The reimbursement will also cover costs for any additional printing of ballots and programming required for the vote tabulators.

We thank school boards and town and city clerks and their staff for working through this challenging moment in support of the voting process.
