

**Lamoille North Supervisory Union and
Lamoille North Modified Unified Union School District Board
February 12, 2024
Minutes of Meeting**

Board Members Present: Belvidere: Stephanie Sweet; Cambridge: Mark Stebbins, Sue Prescott, Amy Listenik, Jan Sander (phone), Christy Liddy (phone), Eden: David Whitcomb (phone); Hyde Park: Tina Lowe, Philip Kiely; Patty Hayford (phone); Johnson: Mark Nielsen, Allen Audette, Katie Orost; Waterville: Bart Bezio

Board Members Absent: Cambridge: Denise Webster; Eden: Jeff Hunsberger; Hyde Park, Lisa Barry; Johnson: Angela Lamell, Monica Stearns

Administrators Present: Deb Clark, Michele Aumand, Rene Thibault, Blake Nemeth, Betzi Goodman, Valerie Sullivan, Diane Reilly, Denise Maurice, Mary Anderson, Jeremy LaClair

Minute Taker: Sue Trainor

Call to Order, Approval of the Agenda, Announcements and Public Comment: Nielsen called the meeting to order at 6:00 p.m. Prescott made a motion, seconded by Bezio, to approve the agenda. The motion passed unanimously. There were no announcements or public comments.

Act 127 Legislative Updates: Clark stated there was a great deal of discussion taking place throughout the State now as a result of the recent changes being proposed by the Legislature. Last Thursday evening, an email arrived stating that Ways and Means had just put forward suggested legislation allowing Boards to postpone their budget votes.

Clark outlined again Act 127 and how it impacted the FY25 budget process. Act 127 changed the way students were counted for purposes of education spending per student, from Equalized Pupils to Long Term Average Daily Membership (LT ADM). This added new weighting factors for poverty, sparsity, ELL and grade levels. Act 127 provided a hold harmless benefit of capping district tax rate increases to 5% as long as the increase to per LT ADM spending remained under 10%.

A limit on LT ADM spending of 10% was built in to attempt to limit the increase in spending because the State knew some districts would gain a lot of students. Lamoille North's, including Cambridge, growth in LT ADM provided the District with a one-time opportunity to continue pandemic recovery work, absorb some of the economic pressures driving costs upward, and hold the District tax rate to no more than 5%.

As of Thursday evening, the proposed changes would eliminate the 10% growth in education spending limit and eliminate the tax rate review if districts went over 10% in their proposed spending. It would replace the 5% district tax rate increase cap with a five-year tapered tax rate district for the disadvantaged districts. There were 39 districts identified as having lost a relative percentage of the state-wide students. This meant they now had a reduced 'piece of the pie'. All other districts had gained from the changes.

The impact of replacing the current Act 127 structure was that the yield would increase to \$9,769. The yield the District used and reported on December 1, 2023 was \$9,452. At \$9,769, Cambridge's combined district rate would drop from a 5% increase to a 4.87% increase. The MUUSD combined district rate dropped from a 5% increase to a 2.65% increase. The decrease was partially due to the fact that the MUUSD gained 9 more students after January 16th of this year.

Clark reported that the key considerations relative to the budget were that the administrators developed the FY25 budgets based on the needs of their schools. The budgets were shared and

reviewed by the MUUSD Finance and Capital Committee and the Cambridge Board throughout the development process. The Boards met with stakeholders and listened to community input. This proposed budget continued the vital pandemic recovery work in the schools and absorbed continued growth in specialized education supports. It absorbed general economic pressures driving costs upward and supported a move to competitive wages. Based on current law, this budget would hold growth in the district tax rates to no more than 5%.

Clark stated that the Boards had strategically and reasonably, under the intent of Act 127, utilized this one-time opportunity to garner additional State education resources for students and schools. The budgets were reasonable and sound, with three-quarters of the budgets being dedicated to students and student supports. Clark noted that the impact of any of the proposed changes would most likely raise the yield and lower the district tax rates. Clark's recommendation was that the Board not postpone voting for the budget.

Following a question from Prescott, Clark explained that when the additional children with free and reduced eligibility came into the count state-wide, the 10% increase was put in place to keep certain districts from getting out of hand with their budget. Cambridge's spending per LT ADM went negative because their student LT ADM count increased by 24%. With that change they could have spent funds on construction. However, they decided not to because they kept their budget to what was necessary and important to the district.

Orost asked about the community meetings. Clark stated they were well attended. However, no one asked any questions about the budget. There were questions about transportation and community building.

Clark explained to the Board that the information presented in the media was confusing to voters, as the voters primarily heard about 30% increases. However, that increase was not going to be the case in this District.

Other Business: There was no other business.

Adjourn: Orost made a motion, seconded by Sweet, to adjourn the meeting at 6:33 p.m. The motion passed unanimously.