

LNSU/LNMMUUSD Finance & Capital Committee Meeting
November 4, 2024

Board members Present: Johnson: Mark Nielsen, Waterville: Bart Bezio; Cambridge: Mark Stebbins, Susan Prescott; Hyde Park: Lisa Jones, Patti Hayford

Administrators Present: Catherine Gallagher, Deborah Clark, Rene Thibault, Dylan Laflam, Betzi Goodman, David Manning, Diane Reilly, Jan Epstein, Paula Beattie, Carrie Bullard, Kim Hunt, Jennifer Hulse

Other Present: Eric Hutchins

Minute Taker: Savannah Droney

Call to order: Stebbins called meeting to order at 6:00 pm

Approval of Agenda: Nielsen made the motion to approve the agenda, Jones seconded the motion, the motion passed unanimously.

Public Comment: No comment

Discuss FY26 Budget Development – Possible Action, Possible Executive Session

Gallagher reminder the committee that budget discussions should be open to the public and to limit executive sessions.

Clark shared slides for LNSU estimated FY26 assessment. The committee is about a week ahead of schedule. There is no information about what the yield will look like. LNSU general education is looking at -1.84% change in expenditures, for SPED expenses the change is -.82%. Hulse has done a lot of work to bring services in-house to improve the services provided to the students. This will also save money as in-house delivery of services is significantly less costly than contracted out services. For the general fund, General Ed assessment, the change is 2.36% and the General Fund Special Ed Assessment is a change of -1.54%. Slide 3 is a breakout of student count.

For the LNSU Preliminary FY2026 budget analysis salaries have a change of 5.53%, benefits 6.67%, health insurance 13.38%, purchase services -1.72%, facilities & safety 18.76%, information technology 30.58%, instruction & principals -34.19%, transportation -1.13%, board & treasurer 4.38%, all other -29.13%. The numbers will continue to be fine-tuned.

Clark mentioned the special ed work that Hulse has done. The changes for LNSU Special Education are salaries 21.28% (teachers -1.51%, paras 47.73%, benefits 8.48%, health insurance 13.04%, purchased services -48.58%, supplies -24.16%, equipment -58.18%, transportation up 32%. The big change for purchased services is a BI change in the schools. Hulse suggests hiring two Board-Certified Behavioral Analysts that would oversee behavioral interventionists. These salaries would come from Federal grants. It is a needed shift; and these services need to be in-house. This brings the control into the school instead of being contracted. There continue to be students on the waitlist for a BI. The BI will be an increase in FTEs.

MUUUSD – Elementary schools preliminary FY26 budget shows revenue down \$7,022, expenses up 6.47%. Estimated education spending up 6.73%. Class-size realignment work is on-going in response to new policy and procedures. There must be consideration for specialized training if teachers are going to be

using a different methodology. Gallagher stated July 1st, class-size recommendations are basically the same with a few exceptions. Lamoille Union has the most robust AP classes.

Secondary schools – at this time, assuming all FY24 surplus will be applied and anticipating strong interest earnings, the change in education spending is .50%, salaries is 2.77%, benefits 2.07%. There was only a 12% hike to the health insurance this year, not the originally planned increase of 17%. There seems to be some changes in usage. Purchased services is -2.37%, supplies -2.82%, equipment .69%.

For GMTCC, the estimated tuition and State aid change is 4.19%. There is an increase of 30 students along with a new engineering program. The changes are salaries 6.10%, benefits 7.19%, purchased services 5.62%, supplies 4.68%, equipment -24.14%, miscellaneous -.50%, debt -5.95%. The assessment (Gen Ed) change is 29.08% because of the significant increase in students.

Dylan is working to keep facility costs low. He was able to cut 50% of summer help. He is trying to keep level funded.

Gallagher stated everything is student-need driven.

Clark will have data for the board next Monday that had been asked for. Clark stated these numbers above are still in-process. Stebbins said the elementary has the biggest jump. Bezio asked why the line item of supplies on the elementary school preliminary FY26 budget increased \$179,444; that cost is due to the required phone system upgrades. The system at two of the elementary schools are currently not e911 compliant. Cole is having more success with centralized purchasing.

Bezio asked what is the ramification of cutting summer help? Laflam stated he restructured how he does the summer programs. This doesn't affect any services.

Clark announced that Nicole Lee is leaving the AOE Finance team. Nicole is the main support for education Business Managers in the State. Nielsen asked how does the AOE operate with a single point of failure like this. Clark stated the AOE Finance department has a lot of talented individuals that will step up and help. Clark's concern is new legislation and how it is turned into applicable calculations. Gallagher and Clark stressed the need to focus on student outcomes and needs, as we need to disconnect budgeting from the tax rate. There is so much pressure to make changes.

December 2, 2024, could be a community meeting and then a board meeting. We need to get this budget information out early. Nielsen asked if the website budget pages that we had last year are ready for this year. Rene is set with the shell, we just need to populate the FY26 budget data when it is ready.

Other business:

Clark mentioned at the last board meeting that we need to clean up the central office. This will be done with funds that were set aside for relocation and supervisory union rent to MUUSD. Once the building is brought back up, maybe we could at increasing the rent to compensate for the investment in upgrades.

The next meeting could possibly be November 18, 2024, at 6:00 pm. Clark will work with Stebbins to coordinate.

Stebbins made motion to adjourn at 7:10 pm and Nielson seconded. Unanimous vote.