

LAMOILLE NORTH MODIFIED UNIFIED UNION SCHOOL DISTRICT  
ANNUAL MEETING MINUTES  
GMTCC COMMUNITY EDUCATION CENTER  
MONDAY, FEBRUARY 19, 2024

Present: Mark Nielsen, Lisa Barry, Katie Orost, Allen Audette, Jeff Hunsberger, Patty Hayford, Philip Kiely, Amy Listenik, Monica Stearns, Bart Bezio, Catherine Gallagher, Deb Clark, Michele Aumand, Paula Beattie, Betzi Goodman, Diane Reilly, Blake Nemeth, Rene Thibault, Dylan Laflam, Denise Maurice, Jennifer Hulse, Rich Westman, Dan Noyes, Chris Turner, about 30 town clerks and community members.

Mark Nielsen called the meeting to order at 7:00.

**Article I:**

**To determine whether Roberts Rules (Revised) or other rules of order shall govern the parliamentary procedures of the meeting**

**It was moved and seconded that the parliamentary procedures of the meeting be governed by Robert's Rules (Revised) and the motion passed by a voice vote.**

**Article II:**

**To review and approve the minutes of the February 20, 2023 Annual Meeting**

**It was moved and seconded to approve the minutes of the February 20, 2023 Annual Meeting and the motion was passed by a voice vote.**

**Article III:**

**To elect by ballot the following officers: a) Moderator; b) Clerk; c) Treasurer**

Rene Thibault nominated Chris Turner for moderator. **Chris Turner was elected moderator.**

Chris Turner introduced himself. He lives in Johnson and has 3 children in the school district – 2 at Johnson Elementary and one at Lamoille Union. He is also a school resource officer.

Kim Moulton nominated Donna Griffiths for clerk. **Donna Griffiths was elected clerk.**

Donna Griffiths nominated Kim Moulton for treasurer.

Katie Orost nominated Chasity Fagnant for treasurer.

The moderator called for voting to be by paper ballot.

**It was moved and seconded to allow voters to use initials (KM or CF) rather than full names on ballots. The motion was passed by a voice vote.**

**It was moved and seconded to proceed with the remaining articles while ballots were collected. The motion was passed by a voice vote.**

**Article IV:**

**To establish compensation for the duly constituted officers and the Board of Directors of said Modified Unified Union School District**

A slide with current compensation and proposed increases was shown. Current compensation is \$500/year plus mileage for the clerk, \$8,000/year for the treasurer, \$1800/year for the board chair and \$1500/year for other board members. Increases of \$100 per year are proposed for the board chair and the other board member.

Donna Griffiths said in past years compensation for the clerk has included an additional \$150 for each additional vote that takes place after town meeting day. In most years the town meeting day vote is the only one the clerk is responsible for, but occasionally there may be more than one vote in a year and it seems fair to compensate for the additional work.

**It was moved and seconded to give the clerk additional compensation of \$150 per additional vote. The motion was passed by a voice vote.**

**Lois Frey moved and Katie Orost seconded to set compensation for the clerk at \$500 per year plus mileage, with an additional \$150 for each additional vote. The motion was passed by a voice vote.**

**It was moved and seconded to set compensation for the treasurer at \$8000 per year. The motion was passed by a voice vote.**

**It was moved and seconded to increase compensation for the board chair to \$1900 per year. The motion was passed by a voice vote.**

**It was moved and seconded to increase compensation for the board directors other than the chair to \$1600 per year. The motion was passed by a voice vote.**

**Article V:**

**To hear and act upon the reports of the Modified Unified Union School District**

The moderator invited superintendent Cat Gallagher and business manager Deb Clark to speak. C. Gallagher said 95% of the districts in Vermont are losing students but we saw an increase of more than 60 students this last year. The students who spoke tonight before the meeting showed how our district is providing equity, access and opportunity. We heard about art, music, and history. Students in Sara Reed's AP Human Geography class got the highest scores in the United States. Academic rigor, health and wellness and student engagement are our goals. Under Val Sullivan, our curriculum director, we have an aligned curriculum so it does not matter which elementary school students come to Lamoille Union from. Everyone is learning the same things. Teachers have creative flexibility to teach in different ways but it levels the playing field. That is

one way to talk about equity. We have a new assessment that is in its first year. Student performance is measured in fall, winter and spring.

Physical safety is a small part of health and safety concerns. We have approved safety plans for every school and we have district and school teams. We have two school resource officers who are community members. They know the communities and families. SROs today are not like those from two decades ago. They come in to engage with students and families. They are part of the school community. Ninety-nine percent of all safety has to do with a feeling of connection and belonging. All the students who spoke tonight talked about how they felt cared for and felt like they belonged. When we hear about a horrible incident at a school we always hear that the student had no connection and no one to talk to. We espouse connection and belonging. At the high school there are forms that go to everyone once a week asking if they are worried about anyone. We know our students. Our school system is in the fourth year of work in restorative practices. Part of the work in classrooms is to know how to respond to our students. There is a difference between students with behaviors and students with traumas. When you know the students you know how to address those things differently. The district has community partners like Healthy Lamoille Valley, Lamoille Family Center, Lamoille Restorative Center, and the sheriff's department. We have families who volunteer, students on leadership committees and peer-to-peer counseling. We are starting to see the fruits of our labor.

Three years ago we had 63 students referred to the courts for truancy. Two years ago there were 43. Last year there were 25. We have engaged with 24 of those 25 families and are working to bring those students back into the school system. Our ESSER funds paid for much of this. Those funds are going away but the work is continued in the budget because it is important. We provide professional development for staff, flexible pathways, dual enrollment and mentoring. Part of our student engagement work has to do with mentors coming in from the community to work with students. Universal access to nutritious meals is important for students. We provide restorative practices, athletic offerings and education in the trades. We have strengthened home-school connections with opportunities like Coffee and Conversations or the fall Harvest Dinner. We use various media for communications, thanks to communications director Rene Thibault.

Our budgets include costs we have no control over. Healthcare is up 16.4% in the state. We have to provide competitive wages in line with the collective bargaining agreement. One factor is Act 127. The premise of Act 127 is a good one. It seeks to redistribute resources to historically underserved districts. Lamoille North has sparsity, students with greater needs and increasing poverty and under Act 127 we could benefit from that. We gained student numbers from the new long-term weighting formula. But some districts sought to use this opportunity to budget \$1-6 million for huge capital improvements. Lamoille North did not do that. We put off our bond indefinitely and we put off most capital repairs indefinitely because we knew what was happening with taxes. We know there is one pot of money for the state. This board wanted to develop a budget that was sound and responsible with or without Act 127 and the 5% tax rate increase cap. Upwards of 75% of our budgets are for student needs. Other pieces are fixed costs we can't change. There are changes coming. Districts may be allowed to change and rewarn their budgets. We have nothing to change. Lamoille North budgets are responsible, sound and conservative.

D. Clark said the intention of Act 127 is to spread statewide resources to historically underserved populations. To do that they changed the way students were counted from equalized pupils to long-term weighted average daily membership – a 2-year count that is weighted for things like poverty, sparsity and English language learners. They built in a limit of 10% on per-student spending. AOE converted our current year equalized pupil spending to long-term weighted average daily spending so we could compare this year to next year. Districts exceeding a 10% increase in per-student spending would be subject to tax review. Those keeping the increase under 10% would be eligible for a cap of no more than a 5% increase in the district tax rate. Some districts gained huge numbers of students and saw an opportunity to spend millions on capital projects and keep tax rate increase to no more than 5%. That was a surprise to the finances at the state level. To keep all those budgets at 5% would have blown the state out of the water. There is a lot of support for an amendment to Act 127. It is still working its way through the legislature. It is causing quite a bit of confusion, including questions about whether we are going to or should postpone our vote. Our boards worked diligently with all stakeholders to develop reasonable, necessary budgets to benefit students. These proposed changes would eliminate the 10% growth limit and the tax rate review and replace the 5% cap with a 5-year tapered district tax rate for disadvantaged districts (those who have lost a certain percentage of ADM.) They will allow districts to postpone already warned budget votes as long as the vote happens by April 15. We know of 3 nearby districts considering postponing their votes. The impact of this change for Lamoille North is that the yield is estimated to increase. That means the district tax rate increase would drop from the previous maximum 5% increase to a 2.65% increase.

Administrators and their teams developed budgets based on needs of their schools. The board reviewed drafts and information throughout the process. They met with stakeholders and listened to community concerns. The proposed budgets continue vital pandemic recovery work, absorb general economic pressures driving costs up, support a move to competitive wages to attract and retain talent, hold growth in district tax rates to no more than 5% and apply at least 75% of all resources to student instruction and services. It would take almost a \$2 million reduction in education spending to have zero impact on the district tax rate – the tax rate before Common Level of Appraisal is considered. Our boards have strategically and reasonably used this one-time opportunity under Act 127 to get some additional educational resources for our schools.

The forecast increase in education spending statewide is 12.5%. The MUUSD combined increase is 13%. Forecast growth in per-student spending statewide is almost 13%. The MUUSD combined increase in student spending is 9%. The MUUSD FY25 estimated base tax rate is \$1.3828. The MUUSD estimated income sensitivity rate is 2.35%. The state property yield is currently estimated at \$9,452. If the proposed changes go through that will go up, driving the district tax rate down. The excess spending threshold is suspended through 2029. The state non-residential property tax rate is \$1.442. For FY24 it was \$1.391. The MUUSD combined increase in long-term weighted average daily membership is 145.41. As we go from FY24 with the old weighting to FY25 with the new weighting we have a one-time opportunity. The amount of unassigned fund balance as of June 30, 2023 that was applied to the FY25 budget is \$396,460.

**Article VI:**

**To receive from the Board of School Directors of said District its estimate of expenses of the Lamoille North Modified Unified Union Grade Schools for the ensuing year. This is a public information hearing regarding the budget. (See Article X.)**

D. Clark said overall expenses at the elementary level are going up 7.67% after grant changes. We are losing some grant money and some of the grant-funded expenses are being moved into the general fund. Local revenues are declining by 43%. The biggest decline is in grant funds. Prior year surplus declined by about 17%. We had larger surpluses during the pandemic and now they are waning. Seventy-five percent of the budget is for direct instruction and student services. Administration includes instruction team leadership through our principals. Much of the information technology expense is to support students in classrooms. C. Gallagher said you could argue that nutrition and transportation are student services. When we say 75% of the budget is student-focused, it is actually more than that.

**Article VII:**

**To receive from the Board of School Directors of said District its estimate of expenses of the Lamoille North Modified Unified Union Middle & High Schools for the ensuing year. This is a public information hearing regarding the budget. (See Article XI.)**

Lynn Sibley said one concern she has relates to the two floods Johnson has had. She is concerned about how school districts will be able to gather the money they need from taxpayers. She does not know how much tax income Johnson has lost. It lost stores so there are fewer employees and less taxes from the buildings. She would like it recognized that it is a tough year for people facing taxes.

D. Clark said those considerations are why the bond project was put on hold indefinitely. We need to focus on student driven services and instruction. The tax rates will be addressed at the end of the presentation. The elementary school and union school tax rates together generate a combined tax rate.

D. Clark said the middle school/high school budget is increasing by 18.57%. There has been a huge loss of grant funding. ESSER or ARPA grants have covered quite a bit in the last few years. Those investments considered most vital have been shifted into the general fund, driving a 20% general fund increase. There has been a 54% decline in local revenues with the vast majority being grant funds and prior year surplus.

Seventy-five percent of the budget is for direct instruction and student services. It also includes administration, school nutrition, IT, facilities and safety, and capital repair projects – just the most necessary deferred maintenance. IT, transportation, administration and school nutrition are also really services to students.

The elementary and secondary rates are combined to develop a tax rate. The pre-CLA tax rate is estimated to increase by 4.9 cents (\$49 per \$100,000 of property value or \$73 per \$150K of property value.) The district has been able to pull down additional resources from the state with minimized impact on the base district rate due to the increase in weighted student count. Over

69% of MUUSD households pay taxes based on income. If statewide budgets come in lower than currently reported the yield could go up, driving the district tax rate down. The sharp increase in property values continues to drive the Common Level of Appraisal down. CLA is used to change the district rate into the town tax rate. The blended district tax rate before CLA is 1.3828. That is an increase of .04898 from last year (\$49 per \$100,000 of property value or \$73 per \$150K of property value.) That change is the only change in taxes caused by the budget. The rest is due to property taxes going up and changes at the state level. Estimates of state revenues other than property taxes that affect education are climbing, which will help change the yield. For households with less than \$128K of income, the education tax is an estimated 2.35% of income. For a household with an income of \$60K, the estimated education tax is about \$1400. For a household with an income of \$110K, the estimated education tax is about \$2585.

D. Clark showed the different estimated tax rates for each town based on the Common Level of Appraisal (CLA.) She explained that it is not practical for towns to reappraise every 2 or 3 years. In order to be equitable, education taxes are raised based on market value. The state does a market value assessment and compares each town's grand list to market value. They adjust the district tax rate to account for differences between the grand list and market value.

Our budgets are providing phenomenal opportunities and support services for our students. Next Monday there will be a budget informational meeting. People can also submit questions on cards provided at the tables. Include name and contact information and D. Clark will respond if it is a budget. If the question is about something else the appropriate person will respond.

### **Article VIII:**

**To receive from the Board of School Directors of said District its estimate of expenses of the Green Mountain Technology & Career Center for the ensuing year. This is a public information hearing regarding the budget. (See Article XII.)**

D. Clark reviewed drivers of the GMTCC budget. There is a 10.49% increase in staff salaries in accordance with the master agreement. There are increases to health benefit costs. Increases in program expenses are reflective of current inflation rates for goods and services. The budget includes supply costs for an engineering program that will be operating in 2025. GMTCC will be prioritized for a second and third year of TIME funding to cover the cost of an engineering instructor salary and benefits for FY25 and FY26. Salary and benefits for the engineering instructor will appear in the general fund budget in FY27. The FY25 budget includes \$77,554 of prior year' reserved surplus applied to reduce tuition.

The FY25 expense budget for GMTCC is \$3.9 million, a 10.49% increase. Expected revenues are \$2.4 million, a 5.5% increase. Tuition is about \$1,600,000. That figure is divided by the 6 semester average FTE to arrive at the per pupil tuition for FY25. Tech center expenses and revenues don't affect the tax rate. It flows into the high school through tuition. For FY25 the per pupil sending tuition will be \$12,200, an increase of about 21%. General fund expenditures are increasing 10.67% before grants. Grant expenditures are up 5.6%. A reduction in the 6 semester average FTE plays a part in the tuition increase, as do economic factors pushing up costs. D. Clark showed the state tuition support the tech center receives. She showed how the 6 semester average FTE has fluctuated over time.

**Article III (continued):**

Results of the treasurer election were announced. Chasity Fagnant received 16 votes. Kim Moulton received 27. **Kim Moulton was elected treasurer.**

**Article IX:**

**To transact any other business to properly come before the meeting.**

No other business was brought up.

**Katie Orost moved to recess the meeting to March 5, 2024 (Town Meeting Day) for the purpose of voting by Australian ballot at the usual polling places in the member districts, Mark Nielsen seconded and the motion was passed at 8:02.**

**Articles X, XI, and XII:**

On March 5, 2024, ballots were brought to the LUHS library, where they were commingled and counted under the supervision of the LNMUUSD clerk. The number of ballots cast for Article X was 1348. Results of the vote for Article X (the PreK-6<sup>th</sup> grade budget) were 645 in favor, 682 opposed, 19 blank and 1 spoiled. **Article X failed.**

The number of ballots cast for Articles XI and XII was 2061. Results of the vote for Article XI (the middle school/high school budget) were 1074 in favor, 954 opposed, 32 blank and 1 spoiled. **Article XI was passed.** Results of the vote for Article XII (the GMTCC budget) were 1329 in favor, 692 opposed, 39 blank and 1 spoiled. **Article XII was passed.**

*Minutes submitted by Donna Griffiths*