

LAMOILLE UNION DISTRICT #18 BOARD MEETING MINUTES  
LAMOILLE UNION LIBRARY  
TUESDAY, DECEMBER 11, 2007

Board members present: B. Bailey, D. Baker, J. Eisenhardt, S. Hamlyn-Prescott, P. Ingvoldstad, C. Mann, T. O'Hear, D. Osborn, S. Reber, K. Roberts, W. Sander, D. Whitcomb. Absent: K. Roberts. Others: T. Bailey, C. Hindes, B. Schaffer, J. Teegarden, M. Spaulding, M. Frederick (via speaker phone – 5:39), J. Hulse (5:54), A. Raymond (6:10).

**Note: All votes taken are unanimous unless otherwise noted.**

**1. *Call to Order, Introductions, Announcements and Public Input***

**Call to Order – 5:33**

**2. *Refinancing of 1997 Bond Discussion and Action***

**W. Sander moved to approve the Municipality Certificate as to Municipal Bond in order to refund the 1997 Series I bond from past construction projects, seconded by J. Eisenhardt, and the motion was passed.**

**3. *Budget Presentation and Discussion***

*(M. Frederick joined the meeting via speaker phone at 5:39.)*

T. Bailey started the budget presentation, showing the assumptions and considerations (health care, insurance and utility cost changes) and calculation data (base education amount, tech amount, penalty threshold, etc.) W. Sander asked why utility costs are predicted to go up 10-15% with the wood boiler working. M. Spaulding said that is based on electricity costs, which typically go up 10% every year. Also, we have more square footage now. T. Bailey said he hasn't gotten the idea from talking to legislators that there is much support among them for repealing or changing Act 82. So the board should remember that our budget for this year will be the base for next year.

**GMTCC**

J. Teegarden presented the GMTCC budget. Because the state has declared summer school expenses not allowable, those expenses have been shifted to instruction. GMTCC has a new guidance director who is more expensive than the old one. Network services will be going up 86%. GMTCC used to contract out services, at a cost of about \$24K. It was decided to create team to work at all the schools on the LU campus, and hire another technician for that team. All schools will share the cost of the team. GMTCC's share of the cost is about \$39K. Part of the increase in instruction is the 2 sections of algebra that are being added.

Projected revenue is up 2.52%. Budget expenses are up 4.91%, but it is not always bad for the budget to go up. W. Sander asked how shifting summer school to instruction helps us get around the disallowance. J. Teegarden said they have allowable function codes and disallowable function codes, and we are not going to use any disallowable function codes. *(J. Hulse arrived at 5:54.)* M. Frederick explained that this is all right as long as all the sending schools agree that tuition will cover those expenses.

The A-B package increase is about 3.93% (maybe a little less in the latest budget version.) The C package increase is 1.35%. The total change is 4.91%. The budget includes a proposed change not reflected in cost changes. An instructor resigned last year and hasn't been replaced. J. Teegarden is proposing a new program next year with a different instructor. In answer to P. Ingvaldstad's question, J. Teegarden said the comparison to past years is to the budgeted amount of past years, not actual expenditures.

#### Middle School

C. Hindes presented the middle school budget. The increase for the A-B packages is 4.5%. The C package increase is 2.37%. C package items are a new math (and/or science)/reading instructor (\$48,064), increased operations and maintenance costs (\$33,499), and \$11,460 for network technology services. D. Osborn asked, shouldn't the middle school increase for the new network technology person be more than \$11K, since the middle school wasn't already spending \$24K on contracted services like GMTCC? M. Frederick said the middle school was already paying part of the cost for the existing network technicians. The total increase for all packages is 6.87%.

#### High school

B. Schaffer presented the high school budget. The increase in A-B packages is 2.7%. The total increase is 5.00%. C package changes are: .5 Spanish teacher (\$21,637), .5 Art teacher (\$21,637), hall monitor (\$29,725), student management software (\$40,000), attendance secretary (\$13,676), operations & maintenance ((\$76,803), and network technology services (\$22,919.) The student management software is shown under the HS budget, but the cost will eventually be shared among the schools. The combined MS and HS budget increase – what voters will be seeing – is 3.22%.

P. Ingvaldstad asked what the \$50K increase in co-curricular covers. B. Schaffer said he doesn't know how this cost was calculated in the past, but he figured out the cost to run every offering listed in the master agreement. C. Hindes said the same is true for the middle school. This year's figure also reflects some shifting of codes and dollars, so it is now more accurate than in the past. (*A. Raymond arrived at 6:10.*) W. Sander asked which other areas were being reduced because of coding changes. M. Frederick said some might have been under office of the principal. P. Ingvaldstad said he's hearing that money is moving from one place to another, but also that we're budgeting for positions that weren't filled last year. He feels it's dangerous to budget for every possible offering, because if everything is not offered, the money gets spent somewhere else, and the budget goes up artificially. B. Schaffer said this year's figure is probably more accurate than in the past. He feels it's more dangerous to just stick with a number from the past. What if every co-curricular is filled? W. Sander said hopefully we are prepared to offer each co-curricular each year, so it makes sense to budget for it. S. Hamlyn-PreScott asked how many co-curricular groups are not functioning this year.

B. Schaffer said at least half a dozen, possibly more. S. Hamlyn-Prescott asked, is the hall monitor going to be under this item? B. Schaffer and M. Frederick said the hall monitor is under regular instruction, but M. Frederick said perhaps it should go into a different category. S. Hamlyn-Prescott asked, if those co-curricular positions are not filled, how do we make sure that money doesn't get used somewhere else instead of going toward a fund balance? Others agreed that is their concern.

S. Reber asked how much the last two budget increases were. M. Frederick said last year the increase was closer to 12%, because of debt service. Prior to that there was a big increase due to deficit reduction. Budget increases have been much higher the last few years than this year, but under very different circumstances. W. Sander said that with some of the previous budgets, even with large increases, we still ran deficits. We have more confidence that this will be the real amount spent. D. Baker asked, does the 5.53% combined LUSD #18 increase include the fund balance we currently have? M. Frederick said no. We still haven't decided what to do with the fund balance.

#### Operations and maintenance

M. Spaulding presented the operations and maintenance budget. The C package increase is 12.19%.

C Package items are:

- Full-time grounds position to take care of athletic fields and ski trails (\$8,052 MS, \$16,104 HS.) M. Spaulding distributed a list of the current grounds maintenance and additional maintenance needed, with the amount of time each would take. D. Osborn asked, is some of the work now done by volunteers in exchange for use of the facilities? M. Spaulding said no, people donate their time to help the school. S. Reber asked, are volunteers going to be told we no longer need their help? Some of them probably like to do the work. S. Hamlyn-Prescott said volunteers have actually encouraged us to take over the work.
- Summer (\$1,897 MS, \$949 HS)
- Control Technologies preventative maintenance agreement (\$4,750 MS, \$7,750 HS.) We have been having a lot of problems with the heating system. CTI is having a hard time troubleshooting because they haven't been servicing the system regularly and so are not very familiar with it. Having a preventive maintenance plan would enable them to stay on top of problems and remain familiar with our system. This preventive maintenance cost will not cover all the work they will need to do. W. Sander asked how much it would cost for an all inclusive contract. M. Spaulding said they don't provide that. D. Baker asked, is this the heat distribution system? M. Spaulding described how the system works – each heating unit has a digital controller. It does distribute the heat. D. Baker asked, when the wood boiler comes on line, will it be integrated into this system? Yes, said M. Spaulding. The tech center will need to be included in the maintenance agreement after next year. (For the first year,

their system will still be under warranty.) D. Baker asked if M. Spaulding foresees this contract saving us money in the future. M. Spaulding said he doesn't know, but we need this to have the system run properly. W. Sander said if the system is malfunctioning, we may be wasting money.

- Power to the athletic fields and concession stand (\$6,500 MS, \$9,000 HS.) There is a new concession stand by the upper athletic field, and we need power for it, and for a future scoreboard and any other power needs. S. Reber asked, isn't there a scoreboard there now? M. Spaulding said there is a battery powered one.
- Accordion wall for middle school world language classroom (\$9,000.) D. Osborn asked, will there be other expenses for this classroom, like desks? C. Hinder and M. Spaulding said we have enough equipment or available money to provide for the room.
- Athletic field maintenance and fencing (\$1200 MS, \$1,800 HS)
- Equipment to maintain athletic fields and ski trails (\$2,100 MS, \$3,200 HS)
- HS gymnasium divider (\$12,000.) The current divider is on its last legs and it is impossible to get parts for it. He has budgeted for a new soft wall like the one in the middle school gym. The gym teachers would prefer another hard wall, but a new hard wall would cost \$65K. With the additional work that would need to be done to install it, it would probably cost \$80+K to replace. C. Hinder said the soft wall in the MS is quite durable.
- Replace ceiling tiles and grid in HS science labs (\$22,000.) The tiles are in bad shape and could pose an air quality threat.
- Additional HS gym lights (\$4,000.) The athletic dept. told M. Spaulding that referees complain about the amount of lighting we have in the gym.

S. Reber asked, has there ever been a capital fund? S. Hamlyn-Prescott said that will come up next week. M. Spaulding said the items he listed need to happen next year, so they will need to be approved before we know if we will have a capital fund (because the voters need to approve it.) S. Hamlyn-Prescott noted that the budget includes almost \$50K for ceiling tiles and dividers, and suggested administration look at possible alternatives to this much increase. M. Frederick said using capital reserve funds would be a possibility, but what if we take items out of the budget and the capital reserve fund is not approved? Borrowing is possible. Some other approaches could be described, but might not be recommended. The board would have to decide if it wants to take a riskier approach. M. Frederick also brought up the fact that this year's budget is the base for FY09, according to Act 82. So it wouldn't be a good decision to make the budget too low. S. Reber said M. Spaulding's choices are excellent and he feels all should be done, his only question is how best to budget for it. D. Osborn asked, are we generating any revenue from the new facilities use charges? Minimal, said M. Spaulding. That revenue goes to his department. D. Osborn asked, are there any other revenue components for his dept. the board might not know about? He described several small sources of revenue. J. Eisenhardt asked if the quote for an annual CTI contract addressed to Thad Tallman which M. Spaulding had provided

was for the same service he is proposing now. M. Spaulding said that is the contract the board opted not to enter into back in 2004.

D. Baker said we are going to have ask the taxpayers for an increase while we have a fund balance, and then ask them to put part of the fund balance into a capital fund. It might be a good idea to have a beefier budget this year, but we might not be able to pull it off with the taxpayers. W. Sander said the overall increase is justifiable, and this is not the year to lowball. D. Baker said the taxpayers may not understand. D. Osborn said she would have no trouble explaining the rationale behind this budget. S. Reber said D. Baker was making the point that we might have a hard time selling a capital reserve fund.

P. Ingvaldstad said he'd like to get some figures to allow us to compare budgets, ideally going back 10 years – teacher contract increases, regular instruction line item increases, SPED increases, number of pupils, and cost of living increases. That would tell us whether we are increasing and decreasing in response to the students we have in school. S. Hamlyn-Prescott suggested it might be better to get the per pupil cost compared to the state per pupil cost. P. Ingvaldstad said you can't compare using the bottom line – what teachers are costing us is a more real number. T. Bailey said it might not be realistic to get those figures for the next meeting. J. Eisenhardt said we should look at unfunded mandates and what those have cost us per pupil. W. Sander said it's not just cost per student that's important, but what we've accomplished, such as a lower dropout rate and increased graduation requirements. T. Bailey said the public can only digest so many figures. P. Ingvaldstad said every year people ask for that kind of information and we don't give it to them. T. Bailey said very few people will be interested and use the information to influence their vote. D. Osborn said this would be useful for us, but we don't need to present it at the budget meeting. But the public tends to figure out their own ways of crunching numbers that might not be accurate, so we need to discuss the numbers that present the true story. S. Reber said his idea is that this would be useful information for the board to start accumulating. When he was on the Johnson board, every year they were able to see what the last 10 years' increases were, and they could give the average at town meeting. He agrees that deep discussion could be too complicated for people. B. Bailey said she agrees with D. Osborn; if the public doesn't ask for the information, that's okay, but we should be able to respond to requests. D. Baker said it's important to let taxpayers know the core of this building is 40 years old and things are starting to go. We should remind them it's important to have some reserve.

**ACTION: P. Ingvaldstad moved that M. Frederick provide the board with the following information at the next meeting: percent increases for teacher contracts, regular instruction, and SPED for as many years as possible; cost of living increases, and a ten year average of annual budget increases, seconded by B. Bailey.**

S. Reber said it doesn't seem reasonable to ask for that in a week, and he doesn't need the information to vote on the budget. B. Bailey said she doesn't think it's necessary for voting on the budget, and she doesn't need it

in a week. M. Frederick said she will try to get as many years as she can for next week. M. Spaulding said, if we want this mostly for the annual meeting, wouldn't it be better to ask her to provide it for the annual meeting? P. Ingvaldstad said would it help him to have it before the budget vote. P. Ingvaldstad and B. Bailey agreed on a friendly amendment that M. Frederick will make a reasonable attempt to provide the information by next week. W. Sander said the average increase in wages in these same years needs to be looked at, too. CPI goes up less than salaries. P. Ingvaldstad said it would be fine with him to replace cost of living increases with wage increases. **The motion was passed, with S. Reber abstaining.**

M. Spaulding said the line by line budget sheets provided by M. Frederick show a slightly different bottom line amount for operations than the Power Point presentation. The difference is his salary, which he didn't include.

T. Bailey told M. Frederick that, on behalf of the board and administration, he would like to wish her and her mother well.

4. ***Request for Future Agenda Items and Adjourn***

**ACTION: It was moved and seconded to adjourn at 7:33 and the motion passed.**

Respectfully submitted by,  
Donna E. Griffiths

Actions taken at the LU District #18 Board Meeting 12/11/07:

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