

LAMOILLE UNION DISTRICT #18 ANNUAL MEETING MINUTES
CAMBRIDGE ELEMENTARY SCHOOL
TUESDAY, FEBRUARY 16, 2010

Board members present: Beth Bailey, Debra Baker, John Eisenhardt, Sue Hamlyn-Prescott, Peter Ingvoldstad, Diana Osborn, Becky Penberthy, Steve Reber, Kalee Roberts, William Sander, David Whitcomb. Absent: Terri O'Hear. Administration present: Debra Taylor, Chris Hindes, Marty Spaulding, Joe Teegarden, Brian Schaffer, Marilyn Frederick. Others: about 16 citizens.

Note: All votes taken are unanimous unless otherwise noted.

S. Reber called the meeting to order at 7:06. He said, with permission, he would run the meeting until a moderator was elected. There were no objections. He read the warning for the meeting.

Article I:

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

MOTION: W. Sander moved that Robert's Rules (Revised) should govern the parliamentary procedures of the meeting, seconded by K. Roberts. A citizen asked, what is Robert's Rules? S. Reber explained that it is a standard set of rules for how meetings are run, which spells out how motions are made, seconded, amended, etc. **The motion was passed.**

Article II:

To review and approve the minutes of the February 17, 2009 Annual Meeting.

Copies of the minutes were distributed. Shirley Brown asked, is it necessary to show the names of board members present? Board members are just citizens like everyone else. S. Reber said he didn't know if it is needed; it is just for the record.

MOTION: Jan Sander moved to approve the minutes of the February 17, 2009 Annual Meeting, J. Eisenhardt seconded, and the motion was passed.

Jeff Coslett asked if we need to identify if anyone is here who is not a resident and not eligible to vote. S. Reber said yes, and asked if any non-residents were present. M. Frederick, B. Schaffer, C. Hindes, D. Taylor, and J. Teegarden raised their hands. S. Reber said non-residents are allowed to speak only with the consensus of the group. There was consensus that the non-residents be allowed to speak.

Article III:

To elect by ballot the following officers: a) Moderator; b) Clerk; c) Treasurer; and d) Auditor (for 3 years).

B. Penberthy nominated Paul Rogers for the position of Moderator. Hearing no further nominations:

MOTION: W. Sander moved that nominations cease and that the clerk be instructed to cast one unanimous ballot for Paul Rogers as Moderator, and the motion was seconded and passed.

Paul Rogers took over as moderator.

B. Bailey nominated Donna Griffiths for the position of Clerk. Hearing no further nominations:
MOTION: D. Whitcomb moved that nominations cease and that Steve Reber be instructed to cast one ballot for Donna Griffiths as Clerk, K. Roberts seconded, and the motion was passed.

K. Roberts nominated Stephen Desrosiers for the position of treasurer. Hearing no further nominations:
MOTION: W. Sander moved that nominations cease and that the clerk be instructed to cast one unanimous ballot for Stephen Desrosiers as Treasurer, seconded by J. Eisenhardt.
A citizen asked who the people are who were being elected. D. Griffiths introduced herself. Stephen Desrosiers was not present. **The motion was passed.**

Candace Vear was nominated for the position of Auditor. Hearing no further nominations:
MOTION: J. Eisenhardt moved that nominations cease and that the clerk be instructed to cast one unanimous ballot for Candace Vear as Auditor, seconded by B. Bailey, and the motion was passed.

Article IV:

To establish compensation for the elected officers of said Union School District.

MOTION: J. Eisenhardt moved that compensation for elected officers be as follows: \$800 per year for Directors, \$1000 per year for the Board Chair, \$5500 per year for the Treasurer, and \$300 per year plus mileage for the Clerk. The motion was seconded. It was noted that the Auditor receives no compensation. D. Whitcomb suggested that at future meetings we not elect an Auditor. He said we don't need one, as we have an outside auditor. A citizen asked why the Treasurer gets paid more than anyone else. What does the Treasurer do? M. Frederick said he signs checks and reconciles statements. Central office does this too, but the Treasurer provides a check and control. He puts in 10-15 hours per week. Another citizen asked what the difference is between the \$15/hour the Treasurer has been paid in the past and the proposed flat fee. M. Frederick said in the past year the Treasurer was paid around \$4K. In the previous year he was paid around \$7900. We have a new accounting system so he doesn't need to put in as many hours, but he does come every week now. It used to be every 2 weeks. S. Reber said making his compensation a flat fee will make it more predictable. Also, the \$15/hour amount hadn't been raised in 4 years. **The motion was passed.**

Article V:

To hear and act upon the reports of the Union School District.

MOTION: Jan Sander moved to bring the matter to the floor, seconded by B. Penberthy.
M. Frederick gave the Treasurer's report Stephen Desrosiers would have given if he had been

able to attend, showing beginning and ending balances and activity for the year ending June 30, 2009. M. Frederick said S. Desrosiers felt he had had to borrow less this year, and that the district is in sound financial health. A citizen asked about something in the Treasurer's Report included in the Annual Report – the note saying “A transfer of \$600,000 from LUHS Investment Account to LUHS Cash Account was posted on 7/1/08 making the LUHS Cash Account ending balance \$315,469.57 and the LUHS Investment Account ending balance \$1,918,896.43 as of July 1, 2008.” She said those figures didn't seem to match up with the other figures in the report. M. Frederick said he made this note because of the timing of when he got it to the bank.

MOTION: S. Reber moved to accept the report, and the motion was seconded and passed.

Article VI:

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

MOTION: It was moved and seconded to bring the matter to the floor.

S. Reber said the board had asked M. Frederick to present the information. M. Frederick gave a budget presentation. She said this year the recommendation to the board from administration was to not add new programs for the board to consider. They wanted to maintain those programs that were in place. The budget was designed to maintain quality, needed improvements, and financial sustainability and efficiency. A zero increase budget was initially proposed, and the final budget was a decrease.

The board's goals support the LNSU mission and goals, which she discussed. One thing mentioned in the Goals section of the presentation was “specialized student supports to close achievement gap.” A citizen asked, have we identified gaps at this point? C. Hindes said this past year the middle school instituted the AIMSweb assessment program. The elementary schools have started using it too. It provides information on student proficiency and helps us identify gaps between subgroups. For example, this last year the middle school was in need of improvement because of students in the poverty subgroup. With AIMSweb we can see where all students are and monitor their progress as required by the state. As students enter middle school, that information will be available from the sending schools. The middle school has been able to identify subgroups, and they are addressing their needs.

M. Frederick discussed some of the things we do to manage resources and keep costs down, including effective use of capital reserve. This year, the board is electing not to put any of the fund balance in capital reserve, but instead is applying it all to offset operating expenses. This reflects in budget revenues. The proposed LUHS/MS budget is down 0.621%. The high school offers 110 classes and provides strong student engagement. The budget maintains existing programs but reduces expenditures by efficiencies in coordination of transport and reduction in technical center tuition. A citizen asked, do the 110 classes contribute to student engagement? B. Schaffer said he thinks so. We also offer classes off our campus. There are a wide variety of classes for students, depending on their interest and skill level.

Shirley Brown asked about the \$95K cut in guidance she saw on p. 11 of the budget in the Annual Report. M. Frederick said some services for adult basic education are now reflected in another line; it is mostly a difference in coding. S. Brown asked, is the same true for the \$84K cut in health services? M. Frederick said yes, that also reflects differences in coding due to the way we set up the new accounting system. B. Schaffer said there were a couple of programs originally brought on with a grant that he found could be duplicated in-house to provide the same services for less.

The budget includes a 3% increase in health care costs and a 2% decrease in categorical revenues. The number of pupils is down 1.3%. The cost per pupil is up 2.75%. Education spending is up 1.4%. The budget was developed within the Act 82 provision, and does not need a second vote. The prior year fund balance of \$229,000 is being returned to soften the impact of property taxes.

M. Frederick showed the budget broken down into operating budget, state and federal budget, GMTCC tuition transfer, and debt service, comparing FY10 to FY11. She showed a pie chart of budget revenues. She showed the 5 year capital reserve plan. M. Spaulding said it is fortunate that we developed a capital reserve fund two years ago and added to it last year, or we wouldn't be in as good a shape this year for the budget.

Jeff Coslett asked about the enrollment trend and where we see it going over the next few years. B. Schaffer said generally there is a decrease statewide, but it fluctuates across the state. We have fluctuated from 585 to 630 year to year. Statewide projections are for a gentle decline, then an increase in 2-3 years. M. Frederick said at the elementary level we are seeing pockets of increase that won't hit the high school for 5 years or so, but no super spikes. We expect some decline until it levels off and then goes up again. C. Hindes said this year there are about 2-3 fewer students at the middle school, out of about 270. LUMS enrollment fluctuates between 268 and 275.

M. Frederick showed tax rates for each district.

Article VII:

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.)

M. Frederick presented budget information for GMTCC. The tech center has twelve career programs. The proposed budget is even – calling for zero increase. Tuition will increase 1.8%. The prior year fund balance is used as offsetting revenue. GMTCC is home to GMATV and radio station WYTC. J. Teegarden said this year the new electrical technology program concentrated on alternative energy. They put a solar voltaic system they built on the building. He hopes to add to it in the future. There is a 7.5% increase in enrollment. M. Frederick showed pie charts of budget revenues and expenditures. She described ways resources are managed effectively, including grants, purchasing contracts, transportation savings, staff utilization sharing, cash management, distance learning initiatives, joint school licensing, and E-rate funds.

Article VIII:

To see if the voters of said District will authorize its Board of Directors to borrow money to be used for payment of expenses of the District, pending receipt of payments from member districts, by issuance of its notes or orders, payable not later than one year from the date of issuance.

MOTION: Jan Sander moved to authorize the Board of Directors to borrow money to be used for payment of expenses of the District, pending receipt of payments from member districts, by issuance of its notes or orders, payable not later than one year from the date of issuance. The motion was seconded. A citizen asked for an explanation of what this means. M. Frederick said we are talking about tax anticipation notes. The money that is received for the LU campus through the education fund is a combination of local property taxes and other funding sources. After property taxes are collected, we have to wait for the money to get to our bank accounts, but we have bills that must be paid while we wait. The citizen asked about the interest rate. M. Frederick said we can earn interest, and we use that as offsetting revenue. **The motion was passed.**

Article IX:

To discuss:

- A) the time and location of future annual meetings and budget informational meetings**
- B) which financial matters should be voted on by Australian ballot.**

MOTION: It was moved and seconded to bring the matter to the floor.

S. Reber explained that the board is looking for guidance. By statute we must have an annual meeting every year. Up until about 5 years ago, it used to be large, because the annual budget vote took place then. The practice was to alternate between Hyde Park and Cambridge. We also would have a budget informational meeting the week before in the alternate location. Now the budget is voted by Australian ballot. Does the practice of having two meetings still make sense? Should we condense them into one? Should it still move back and forth, or just always be at the tech center? The board is asking for input.

Shirley Brown said she would like to have the budget voted on at the annual meeting. Now the people who come to the annual meeting have nothing to say about the budget. In the past, they could make suggestions about it – for instance, about something they might like to see cut. Several people pointed out that the law has changed and the budget can now be discussed at town meeting. But it can't be changed at town meeting.

W. Sander said in order to reverse the previous decision to vote by Australian ballot, it would have to be warned for an annual meeting. It can't be brought up from the floor and voted on now. It couldn't be put into effect until 2 years from now. The group could vote to have it warned for next year's meeting. S. Reber asked, couldn't the board decide to put that on the ballot? D. Whitcomb said there would have to be a petition. S. Reber said he agrees with S. Brown. But there was a big movement for Australian ballot voting, and a lot of participation in the decision. It was no small thing when it happened, and it will be no small thing to change it. Jan Sander said she likes the idea of voting the budget at the annual meeting, but people wanted it changed because not everyone could get to the annual meeting. There was often bad weather.

By moving the vote to town meeting day, now people have all day to vote. It gives everyone a chance to vote on the budget. Before, a small group of people were controlling the vote. People can vote by absentee ballot, too.

P. Ingvaldstad said by law there has to be an informational meeting within 10 days of the vote, so if we had just one meeting, the annual meeting would have to move to when the informational meeting is. A citizen asked, the reason we have a second informational meeting is to fall within the 10 day time frame? P. Ingvaldstad said yes. He said when this union was created, there was a desire to allow people from the other end of the SU an opportunity to hear about decisions closer to home. The citizen suggested keeping it as it is. She said she likes the pattern we're using. It's fair to all voters in the district. P. Ingvaldstad said it is kind of frustrating that the board comes out to the second informational meeting, and they are lucky if two people are at it. J. Eisenhardt said that's why we went to Australian ballot. P. Ingvaldstad said in a good year there used to be 175 people at the annual meeting. In a bad year there would be 40-50 people. D. Whitcomb said there was a big push for the Australian ballot. He was against it at first, then was talked into it. The budget has never been defeated since moving to Australian ballot, but it was defeated a couple of times when it was voted at the annual meeting. People complained that they didn't have a chance to vote because they had to work. People seem to be comfortable with the Australian ballot.

S. Reber said there are two alternatives. We can leave things the same, or move the annual meeting forward to the date we currently hold the informational meeting and have it serve both purposes. D. Osborn commented that it is nice to have input in the budget development process. She is in favor of combining the annual and informational meetings, but would encourage people to be more involved in the budget development process along the way, and provide feedback early enough that the board can incorporate it. P. Ingvaldstad said maybe the informational meeting could be well advertised and held in January when the board is actually deciding on the budget, so we can ask for input. And we could switch the location back and forth to follow tradition. D. Whitcomb said our board meetings are always open to the public. People can talk to board members and let them know how they feel.

The moderator polled those present. The results were roughly as follows:

- in favor of keeping the meetings the same: 3
- in favor of (or not opposed to) moving the annual meeting up to within 10 days of the vote: 1
- in favor of holding an informational meeting in January and the annual meeting within 10 days of the vote: 4.

Nancy LaRose commented that the option of giving input in January has always been available. Shirley Brown asked D. Whitcomb, wasn't there a law that we had to have our annual meeting on this day? D. Whitcomb said he couldn't remember. Another person said it was because towns couldn't make their budget unless they knew our budget, but that is not true anymore. S. Reber said now town school district budgets don't depend on the high school budget. D. Whitcomb said the budget has to be out for the town report. K. Roberts asked, if a petition is raised to stop voting by Australian ballot, can it be voted sooner than the next annual meeting?

Someone said it could be voted at a special meeting. K. Roberts suggested voters could petition for a special meeting. Paul Rogers said he thought we would need to ask the Secretary of State.

S. Hamlyn-Prescott explained that Part B of this article has to do with capital reserve. In past years, the board has brought a request to put about \$140K from the fund balance into capital reserve. Usually only a handful of people is present to vote. Should it be a separate article for the Australian ballot? Another example of something that could be voted on by Australian ballot would have been the Sweeney House sale. Jan Sander asked, would it tie our hands? S. Reber said it would just mean the vote would take place on town meeting day instead of here; it would only be a 2-3 week delay. Paul Rogers asked, is there anything coming up that this would be applicable to? S. Reber said maybe next year there could be a vote on adding to capital reserve, but he doesn't know specifically. P. Ingvaldstad asked, with something like the Sweeney House, how could we explain that well enough so that people wouldn't be voting on something they couldn't understand? He thinks that kind of vote needs to be in a forum like this. He strongly recommends that such votes stay at the annual meeting. S. Reber asked, when the board has financial matters to be decided other than the budget, should they continue to bring them to the annual meeting? Most said yes. No one indicated they would rather have such votes on the Australian ballot.

Article X:

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

K. Roberts said there is a lot of discussion about changing school governance in Vermont. There are several bills that would combine school districts into supervisory unions. Most would reduce the total number of supervisory unions. Cambridge or Hyde Park would no longer have their own district, but would be part of whatever supervisory union LNSU becomes part of. She wants people to be aware the legislature is moving this idea forward. The idea is that it will create greater cost efficiency. Her concern is that it will remove this kind of interaction. If we get bigger and bigger, people would not have a voice at their local school. She suggested people may want to talk to their board members and ask how they feel about it. W. Sander said the rationale is greater efficiency, but no evidence has been presented that this would be the case. There is one bill talking about larger districts with freedom of enrollment throughout and transportation provided – that would be more expensive. He thinks we have the best system we could have. We have a lot of unpaid folks making sure things are run well. He can see costs going up with consolidation.

D. Taylor said there have been some forums open to the public in the last few weeks – one with the Commissioner of Education, one with the Tax Commissioner, and one with legislators. Turnout was light, but they were taped. By the end of this week, board chairs will have DVD's of the presentations, and bits will be available on the LNSU website. She recommends taking a look at the website or contacting central office or the board chairs to borrow copies of the DVD's.

W. Sander said you hear a lot about how the system is broken and needs reform. But the latest national statistics on AP tests show that we're 9th. We're always in the top 5 or 6 in the country for high school graduation and success in college. We're doing good things in Vermont. We

have an excellent system in place for reasonable cost. We have to be careful when we think of altering it.

Jan Sander said with what's in place now, there is a lot of room for cost savings without a new structure. By working with what we have, we can improve on it and save money. We won't have local control over hiring and firing if we go to a bigger system.

D. Whitcomb asked, have you ever known the state or federal government to operate anything as efficiently as local government can? He also said there is no authorization in the state constitution for the State Board of Education.

S. Reber thanked everyone for coming, and thanked the administrators, the superintendent, central office, and Marty Spaulding.

A citizen said she had a concern about the how the town is operated that is not a school board question. P. Rogers suggested she ask her town clerk. D. Baker suggested bringing it up at town meeting.

MOTION: Jan Sander moved to adjourn at 8:38, and the motion was seconded and passed.

The meeting was then recessed to March 2, 2010 (Town Meeting Day) for the purpose of voting by Australian ballot at the usual polling places in the member districts on the following business and said ballots being brought to the Lamoille Union High School Library following the closing of the polls in the member districts, to be commingled and counted:

Article XI:

Shall the voters of the Lamoille Union School District #18 adopt a budget of \$14,803,400 necessary for the support of the Lamoille Union Middle and High Schools for the fiscal year beginning July 1, 2010?

Article XII:

Shall the voters of the Lamoille Union School District #18 adopt a budget of \$3,354,369 necessary for the support of the Green Mountain Technology & Career Center for the fiscal year beginning July 1, 2010?

The meeting reconvened on March 2, 2010. The number of ballots cast was 1004. Results of the vote for Article XI (the MS/HS budget) were 629 in favor, 369 opposed, and 6 blank, for a total of 1004. Article XI was passed. Results of the vote for Article XII (the GMTCC budget) were 680 in favor, 314 opposed, and 10 blank, for a total of 1004. Article XII was passed.