

CALAIS SCHOOL DISTRICT MEETING
March 3, 2015
Unapproved

The meeting was called to order at 8:35am at the Calais Elementary School by School Moderator Craig Line.

Article 1. To Elect a Moderator.

A motion was made to nominate Craig Line moderator. The motion was seconded and carried by voice vote. Craig remembered Conrad Smith who died this past year and who served on both the Calais Elementary School (CES) and U-32 School Boards as well as other boards in town. Conrad was a dedicated and loving father, Conrad said, and even though he could be cantankerous at times, it was part of his charm and his commitment to doing the best for the town.

Craig reviewed Roberts Rules of Order.

Article 2. To vote to approve the School District total budget in the amount of \$2,013,935.

The article was moved and seconded.

School board chair Charlotte Bassage introduced the school board (Michael Giammusso, Susanna Culver, Chauntelle Eckhaus, and Drew Lamb), Superintendent Bill Kimball and Principal Marissa Myers. Marissa introduced the "6th grade service project" which requires students to complete a service project between March 27 and May 15, providing help to an individual or organization. The school is collecting project ideas and anyone who has a project can fill out a form available at the meeting and send it to the school.

Referring to the table on page 88 of the school report, which shows the tax increase over the previous year, Charlotte said the 16 cent tax increase indicated will not be the actual increase, but is a best guess. The town is currently undergoing a reappraisal which will increase the grand list and affect the tax rate. She thanked the listers (Laura Fillbach, John McCullough and Jan Ohlsson) for their work. The Common Level of Appraisal (CLA) number in the table on page 88 is 11 cents, the same as last year. "We know it will go down due to the reappraisal," Charlotte said, "but we don't know how much." The appraisal will affect the taxes in two ways: As the grand list goes up, the tax rate goes down. A statewide tax is also applied to the assessed property value and will be applied to the new assessed values in town. The page 88 table shows the four categories that influence the education tax rate (Calais and U-32 school budgets, the statewide tax and the CLA). "The CES budget will not contribute to the increase," Charlotte stated. "The U-32 increase is modest."

In November 2014, the school board invited the community to a meeting to better understand people's priorities regarding the elementary school budget. Grouped around three tables, one group said to cut the budget, a second group wanted to hold the line and the third group agreed that necessary increases should be made. The diversity of opinions gave no clear direction to the school board. "We have diversity in town about our school budget," Charlotte said, "so we tried to take the middle ground of holding the line." Charlotte pointed to page 87 which shows the school budget, how it has grown over time and the tax impact. The FY2016 budget shows a 1.7% increase over last year. The budget includes state revenue so one cannot make a straight translation from budget to tax rate, Charlotte said.

Page 90 shows specific changes in the budget from last year. For example, there are changes in payroll, including not hiring a Spanish teacher. The language program is to be reexamined. The small school grant from the state is expected to be reduced from \$26,859 to \$16,700. The small school grant is based on enrollment.

Mac Gardner-Morse asked if staffing was being increased for preschool. Charlotte responded, yes, based on legislation which requires universal pre-kindergarten across the state. Charlotte said the school board predicts there will be an increase in pre-K students so another staff person may have to be added. However, income from the State for preschool will cover the cost of an additional staff person.

Are we going to come back to you next year and ask for more? Charlotte asked rhetorically. Two other elements are driving the tax rate, not spending at the schools, she said. We thank you for your support. Education spending is being discussed at the state, local, and board level. The legislature is looking at comprehensive change. We anticipate legislation that will address school finance and that will affect spending, but we don't know now. Calais has stepped up to the plate year after year and it's time to hold the line, Charlotte stated. We are trying to influence what that policy will be by working with legislators. A part of that conversation is what will benefit Calais and all our schools. We are not just sitting here and taking what comes; we are being agents for change as well.

Enrollment predictions on page 83 are based on the current school population. One family moving in and out can make a difference.

Delinquent tax collector Nedene Martin said she wanted to take a moment to say, "I appreciate all the efforts of controlling the budget. I wish more could be done. People are struggling with taxes. I hope you can find every way possible to spend less."

A question was asked about school consolidation. Charlotte said consolidation would be a townwide discussion and decision. Discussions about CES possibly being closed, that have been publicized in the newspapers and on-line, came from an efficiency study at the state level; it didn't come from the Calais school board. If we closed the school today and tuitioned our students, we'd pay more, Charlotte stated. Our cost now is more reasonable than where we might send our students. Our building is in good shape. Other schools have added additions and have debt. The Calais school board has no plans to consolidate. We did have a successful relationship with East Montpelier when their kindergarten came to Calais during the remodel of the East Montpelier Elementary School. We should be talking to other schools; we can be doing things more efficiently.

Rod Buck said that, thinking about school consolidation more broadly, it might make sense that Calais is the school to consolidate into.

Rick Kehne said that significant, thoughtful cost cutting is done right here with the school board. We have consolidation now, he said: U-32. Rick expressed his concern that more consolidation would dilute the school boards. The more diluted, the more control we lose, Rick said. (Rick served on the Calais school board for six years.) Marianne Miller asked if the board had talked with the state regarding funding for pre-k education for four-year-olds at the poverty level. Charlotte said federal money is available to help with universal pre-k requirements. Superintendent Bill Kimball said there has been no conversation at the school board level because the rules are not yet available. "But we are well aware of it," he said. Charlotte pointed out that CES has the highest accreditation rating for pre-k.

Jack Russell asked how the school is working with daycares that are accredited. Bill said the schools will now be working with pre-k services outside the school. Parents have choices outside of public education and will receive vouchers. Schools now partner with Community Connections for before and after school care. There will be one year to implement this program.

Paul Rose asked what is the state-mandated per pupil spending amount? Charlotte referred to the state penalty amount on page 89 of the school report. It's not a mandated amount, she explained. If you go over \$15,500 you pay more. CES is below that amount.

Chuck Davin asked to speak to student privacy issues. The moderator ruled Article 2 was not an appropriate place for discussion of this topic as it is not part of the budget article, but Chuck could bring it up under Article 5. Andrew Nemethy pointed out that, as a journalist, he saw shipping school and medical records to The Cloud as a super privacy issue. Jackie Weyrauch, Calais resident who works for Orca, asked why Montpelier and U-32 didn't merge their schools.

Chuck referred to a letter he had sent to everyone in town regarding privacy of student records. He said he is a strong supporter of public education. This board does a pretty good job, he said, and I'm not here to filibuster. I just want to ask questions that can be answered "yes" or "no" by the board. Craig Line again stated that Chuck's questions were not germane to the budget article and asked Chuck to bring up his questions under "Article 5 to transact any other business that may legally come before the meeting." Craig called for a vote to sustain his ruling. A "yes" vote sustains the moderator's ruling. A "no" vote is a vote against the moderator's ruling. The vote was taken. Craig ruled that the ayes have it, that the required two-thirds vote was met, and the ruling was sustained.

The vote, to approve the school district total budget in the amount of \$2,013,935, was taken and passed.

Article 3. To authorize the Board of School directors to hold any audited fund balance in a reserve fund.

The article was moved and seconded. Referring to page 97 "Fund Balance History by Fiscal Year," Charlotte said there is a positive fund balance, which is spent on things such as the school roof, funding the capital fund and tax reduction.

Paul Rose asked the moderator to reconsider the vote on Article 2. Craig said the article was already voted and the meeting had moved on to Article 3.

Dot Naylor said she is unhappy with the reserve fund article every year. We never know what that money is spent on, she said. It's not listed anywhere. We trust the school board. They do a good job, but where does that money go? Charlotte said the board would put it on a separate page in next year's town report.

Mac Gardner-Morse asked if the reserve fund can be used to reduce taxes. Charlotte responded "yes," that \$20,000 has been put in the budget annually, approximately one cent on the tax rate. If a whole lot is put in the budget for tax reduction in one year, we would only have to make up that amount in taxes in the next year, she explained.

Concern was raised about the amount of money in the reserve fund and Charlotte explained there is about \$120,000 in the fund now since some of the money was spent in FY2014. Some of that money is earmarked for this year, some for next year, and some for the following year. Charlotte said 5% of the budget is about \$80,000. The board thinks \$50,000 is a good amount to have in the reserve fund. "We are spending down to that point," she explained. Chuck Davin asked what would happen if Article 3 was not approved. Charlotte said the school board must approve spending from either the general fund or the capital fund. Paul Hannan asked what happens to a surplus if the school board is not given this authority. Charlotte said she didn't know, but she could look at the statute and post it on Front Porch Forum.

Linda Gray called for a division of the house. Sixty-nine voted yes to halt discussion and 21 voted no.

The vote was called and Article 3 passed by voice vote.

Article 4. To authorize the Board to borrow money in anticipation of taxes.

Article 4 was moved and seconded. Charlotte said bids are put out to banks for borrowing. Ginny Kern asked wouldn't the school make money if it didn't borrow? Charlotte explained the school invests the surplus, collects interest and goes out to bid at local banks for the best rate. We make money, we don't lose money, she said. Paul Rose asked if this authorization gives the board the authority to engage in arbitrage. Rod Buck said arbitrage is legal by statute, and that all schools do it.

The article, to authorize the board to borrow money in anticipation of taxes, passed by voice vote.

Article 5. To transact any other business that may legally come before the meeting.

Mac Gardner-Morse questioned the \$908,000 figure in last year's school meeting minutes on page 73. It is an incorrect figure.

Doug Lilley asked why the school board voted against Australian ballot when 247 people came out for the special meeting in November. Susanna Culver said it is important to have discussion and something important is lost by not having a discussion like what is taking place today. The board looked at the research which shows that attendee numbers go down when meetings are held on Saturdays. Donna Fitch explained that a committee was formed after last year's town meeting and met over the summer to discuss the time, place and date of future town meetings. A survey asking for input was developed and is available to be filled out today. Survey copies will also be put in the stores so people who did not attend town meeting can fill it out. She corrected Doug's attendance number for last fall's special meeting: 227 people were in attendance.

Chuck Davin said it is important to know where the leadership stands on privacy and began asking questions of the school board. Chauntelle Eckhaus said the board had not voted on any of these topics. The board did not answer Chuck's questions.

Mary Alice Lamb thanked the board for her children (ages 8, 6, 3) having such a positive experience at CES. I appreciate how open your discussions are, and I respect the time and hours that go into being on board, she said. Her comments were met with applause.

School board member Chauntelle Eckhaus spoke saying, "I feel like there's confusion about the mailing from Mr. Davin. We are quite limited in how we can answer. We have been advised by an attorney not to speak as Mr. Davin is suing U-32. Litigation closes down discussion. Much time has gone into the current policy. I am on the policy committee. I want to assure you, we have spent a lot of time looking into the safety of our children. The process is slow and deliberate due to the litigation. The new policy is in draft form here in the room for you to pick up."

A motion was made, seconded and passed to adjourn the meeting. The meeting adjourned at 10:00am.

Respectfully submitted,

Donna Fitch
Town Clerk and Treasurer

Draft unapproved 3/12/15