

TOWN OF PEACHAM, VERMONT

Minutes of the 2024 Annual Peacham School District Meeting

The legal voters of the Town of Peacham met at the Peacham Meetinghouse in Peacham, Vermont on Tuesday, March 5, 2024 at 10:00am.

School Moderator Tim McKay opened the meeting and turned Article 1 over to School Board Chair Mark Clough.

Article 1: To elect a School Moderator to conduct and govern the meeting.

Dick Browne nominated Tim McKay. There were no other nominations. Adam Kane moved to close nominations. Tim McKay was elected as School Moderator by a voice vote.

Article 2: To hear and act upon the report of the Board.

School Board Chair Mark Clough explained that Principal Sam Mcleod and the School Board would be giving a presentation on the state of the school.

Principal Sam Mcleod shared his appreciation for the attendance at the taco night/informational meeting the night before. He is planning on holding regular community dinners every two months at the school and encouraged all community members to attend. Mcleod then described the mission of the school and what they attempt to instill in the students, including responsibility for their own actions, understanding that actions have consequences, the power to make their own choices, and responsibility for their own academic pathways and for more than just themselves. He thanked Rick Witt and Bruce Maclean for going through the process of getting their CDL licenses to serve the community by driving the bus. Mcleod thanked the Peacham PTF for fundraising efforts which support activities such as the ski program, supplemental science program, and gymnastics program. He thanked the teachers for tirelessly and selflessly working with the students to provide a supportive school environment and childhood and thanked outgoing Superintendent Mark Tucker for his support of the Peacham community, teachers, and his mentorship.

Mark Clough expressed how fortunate the community is to have Mcleod as a leader at the school and pointed out that Mcleod also got his CDL license to help drive the bus. He thanked School Director Cornelia Hasenfuss for her seven years of service on the School Board and thanked Mark Tucker, who is retiring, for being a great resource and support.

Cornelia Hasenfuss explained that she has served on the CCSU board, along with Mark Clough, for the past three years. The Caledonia Central Supervisory Union (CCSU) is made up of seven towns and five school districts. She thanked Mark Tucker for his five years of service and welcomed incoming Superintendent Matt Foster and the incoming Assistant Superintendent. The budget would not be possible without the work of the team in the business office at the CCSU, led by Mike Concessi, who help find fiscally-responsible ways to support our small school. So much is centralized through state mandates with very little control over much of the shared costs of the CCSU. The majority of Peacham's share of the CCSU budget is derived from special ed costs, tech and curriculum development support, the nursing director, managing the busing contract, facilities management, and food service. Small schools have to collaborate and the CCSU team works tirelessly to provide guidance for staff development and help with the delivery of an outstanding education. A more equitable division of CCSU costs was put into place a few years ago. Hasenfuss thanked the rest of the current School Board and thanked previous School Directors that she worked with as well.

Article 3: To elect one School Director for a term of 3 years.

Katherine Siner nominated Andra Hibbert. There were no other nominations. Dick Browne moved to close nominations and have the Clerk cast one ballot for Andra Hibbert. Seconded by

TOWN OF PEACHAM, VERMONT

Rick Scholes. Andra Hibbert was elected as School Director for a term of 3 years by a ballot vote.

Article 4: To elect one School Director for a term of 2 years.

Adam Kane nominated Diana Senturia. There were no other nominations. Dick Browne moved to close nominations and have the Clerk cast one ballot for Diana Senturia. Seconded by Peter Craig. Diana Senturia was elected as School Director for a term of 2 years by a ballot vote.

Article 5: To elect a School District Clerk.

Peter Craig nominated Rebecca Washington. There were no other nominations. Rebecca Washington was elected as School District Clerk by a voice vote.

Article 6: To elect a School District Treasurer.

Barry Lawson nominated Rebecca Washington. Rebecca Washington declined the nomination.

E Kaufman nominated Jen Surat. Jen Surat declined the nomination.

Mark Tucker explained that the Treasurer is responsible for interfacing with the CCSU in Danville and reviewing warrants and invoices as prepared for the School District by the CCSU. It needs to be someone who is available on a scheduled basis, but it is not a major time commitment.

Jock Gill nominated Morgan Gold. Sam Mcleod nominated E Kaufman.

Ballot results: 94 total votes, Morgan Gold-60 votes, E Kaufman-34 votes.

Morgan Gold was elected as School District Treasurer by a ballot vote.

Article 7: Shall the voters of the Peacham School District authorize the Peacham School Board to expend two million six hundred twelve thousand five hundred ninety-four dollars (\$2,612,594.00), which is the amount the school board has determined to be necessary for the ensuing fiscal year?

Dick Browne moved the article. Seconded by Betsy Mckay.

Alex Maclean moved to amend article 7 to increase the warned expenditure amount by \$63,000, for a new total of \$2,675,594.00. Jerry Senturia seconded.

There was no objection to letting Superintendent Mark Tucker, who is not a registered voter of Peacham, speak.

Mark Tucker explained that the board and the administration understand that the budget is a big ask for the community with a significant impact on the homestead tax rate. The impact on the homestead tax rate will hit differently based on income sensitivities. On a positive note, an adjustment to the method of calculating pupil weighting went into effect this year. The new formula takes into account school size, rurality, and the poverty level in the community. Peacham has benefited from the new pupil weighting. However, the legislation was written in such a way that it unintentionally created a loophole that allowed any school district to take advantage of a 5% tax cap, which was only intended for the school districts that were losing students with the new weighting formula. The 5% tax cap was initially available to any district that kept the increase to its per pupil education spending under 10% since last year. In the initial draft of its budget, the Peacham School Board made the difficult decision to remove funding for the Peacham Afterschool Learning (PAL) program to remain under the 10% increase and benefit

TOWN OF PEACHAM, VERMONT

from the 5% tax cap. PAL had previously been funded by federal grants that are no longer going to be available as of the end of September. The board planned to look for other means of funding the afterschool program. To correct the loophole that was allowing districts to add up to 10% to their budgets without homestead tax rate implications, the legislature rescinded the part of Act 127 that created the 5% tax cap and replaced it with more targeted assistance to districts that were losing pupils. Since the tax cap was no longer available to the Peacham School District, the School Board would like to put back in the budget \$45,000 for PAL and an additional \$18,000 as an adjustment to what was originally projected for secondary tuition costs. The Peacham budget is up 16.7% since last year, which is under the statewide average of 22%-23%. Most of the increase is due to inflationary factors such the cost of health insurance, negotiated teacher contracts, and tuition costs for grades 7-12. Secondary tuition costs, which are out of the School Board's control, make up over 40% of the school's budgeted expenditures. Another thing that's happening in the legislature is changes to the property yield rate, which may or may not affect the final tax rates. Peacham is the highest performing school in the CCSU and the students benefit from a high quality of education as well as a safe, supportive learning environment.

School Board Chair Mark Clough explained that the budget does not include any additional expenses other than inflationary increases. There are no new teachers or staff members being added. Shutting down the school and paying tuition for all of the students would not save significant money. The School Board recognizes the value of having a school in town.

Becky Jensen asked how many students currently use the afterschool program. Sam Mcleod answered that the consistent average this year is 20 and it has been 30 in some years past. This is anywhere from one-third to one-half of the current student population of 66 students. The older students don't tend to utilize the program.

Becky Jensen asked what the potential homestead tax rate was with the article amendment. Mark Clough answered that the homestead tax rate would go from \$1.96 to \$2.00 with the amendment.

Rose Dedam asked about the excess spending threshold and penalty. Mark Clough answered that the excess spending threshold has gone away with the new act.

Adam Kane asked about school budgets being delayed due to the work being done in the legislature. Tucker responded that the recommendation for delaying school votes was intended for those districts that had loaded up their budgets under the Act 127 tax cap to adjust their budgets downward. Because Peacham took the fiscally responsible road and did not try to leverage the loophole in Act 127, there is no need to delay the budget vote. There is no fat in the budget and, in fact, the School Board decided to spend \$43,000 in reserves from prior years' surpluses to keep expenditures down.

Bruce Westcott asked about the future of changes and increases in budgets due to costs like healthcare and tuition. Mark Clough answered that budgets are being driven by inflationary pressures and that the legislature is struggling with how education is funded long-term.

David Farnham explained that he lives on Peacham Pond, that there are no services in that area, and that it's hard to live here. However, he appreciates the school and the community that is precious to him and asked about the cost per pupil. Mark Clough answered that, due to the new formula, the cost per pupil has dropped to \$16,221 and explained that Peacham's CLA is off which affects the tax rate. The School Board tries to make the school as cost effective as possible.

Joel Wright asked about how the tax rate is set once the budget is voted on. Mark Clough answered that the property yield, the town's CLA, and a number of other factors affect the tax rate, which won't be known until the legislature is out of session.

TOWN OF PEACHAM, VERMONT

Beatrice Ring asked if there is any grant money available that could be used for the afterschool program. Mark Tucker explained that the current grant funding for the afterschool program would no longer be available, that Peacham would not qualify for the 21st Century grant, and that money from the cannabis tax that was originally set aside in the ed fund for after-school and summer programs was taken out of the ed fund so that private programs could access it as well. However, they are constantly looking for grant opportunities.

Mark Clough pointed out the Income Tax Grid on page 19 of the Town Report which shows that 70% of Peacham residents will be eligible for a discount off of the full homestead tax. The discount is based on homestead value and household income and only 30% of Peacham residents will pay the full \$2.00 tax rate.

Moderator Tim McKay re-read the motion, to amend article 7 to increase the amount by \$63,000. The amendment passed by voice vote.

Article 7 now reads: Shall the voters of the Peacham School District authorize the Peacham School Board to expend two million six hundred seventy-five thousand five hundred ninety-four dollars (\$2,675,594.00), which is the amount the school board has determined to be necessary for the ensuing fiscal year?

Mark Milazzo commented that the School Board says that it doesn't control most of the numbers in the budget but that the state legislators would say that the town votes on the numbers in the budget, which feels like the taxpayers are going around in circles. He will vote no on the budget, which he really struggles with as his mom was a teacher and he's a big believer in education. Vermont is becoming unaffordable for regular people and at some point, the large increases have to stop.

Gretchen Boswell explained that School Director Alex Maclean reached out to her as an organizer of the bike event Peacham Fall Fondo when the School Board was looking into funding for the afterschool program. Boswell feels very strongly about thinking creatively and offered to donate funds from the 2024 Fall Fondo to the afterschool program.

Jenny Mackenzie explained that educating students takes more funds than it used to and spoke in support of the school.

Julie Hansen explained that the time to invest in education is now and that Vermonters can argue, organize, and find a different way to fund education. There are ways to reduce costs without impacting the children being served.

Mark Clough, as a citizen, explained that he knows what goes into a budget and it's unfounded to stop the budget and hurt the Peacham community. The School Board scrubbed the budget really hard and the social services and other services that schools are required to provide are not fair, but there are other ways to handle it than trying to upset the process through Peacham directly.

Jay Hessey explained that he feels torn because he supports public education. Although Peacham can't change the way that schools are funded, he thinks that at some point, something needs to change. He feels frustrated that the voters are left with an either/or and feels that there has to be some effort to make changes and start the ball rolling. He doesn't want to vote no, but he does want to know that there's something coming out of this meeting.

Kathleen Buck asked if there was a discussion by the School Board on making the afterschool program a fee-based program. Alex Maclean answered that it would cost around \$25 per day per child which would be unaffordable for working parents.

TOWN OF PEACHAM, VERMONT

Rose Dedam encouraged the voters not to vote down the school budget as a way to make a point to the legislature. Peacham School is a great school and this is how much it costs to run it.

Jock Gill said that it would be an ineffective gesture to vote the budget down and he encouraged voters to write to elected reps Jane Kitchel and Henry Pearl to express their opinions about school funding.

Rick Scholes explained that he was part of a committee about 20 years ago that looked into closing the school and tuitioning students out to other schools. They discovered that it didn't work then economically and that it wouldn't work now. The problem is the way that education is funded state wide.

Mark Simakaski moved to close the discussion and take a vote. Motion passed by a voice vote.

Moderator Tim McKay re-read the article, as amended. Article 7 passed by a voice vote.

Article 8: Shall the voters of the Peacham School District authorize the School Board to borrow money to pay its lawful debts and expenses for the fiscal year which ends June 30, 2025 in an amount not to exceed 90% of the anticipated collection of taxes and receipts of other funds to be used for those purposes?

Dick Browne moved the article. Seconded by Rick Scholes. Article 8 passed by a voice vote.

Article 9: Shall the voters of the Peacham School District authorize the Board of School Directors to hold any audited fund balance as of June 30, 2024 in a reserve fund to be expended under the control and direction of the Board of School Directors for the purpose of operating the school?

Dick Browne moved the article. Seconded by Diana Senturia. Article 9 passed by a voice vote.

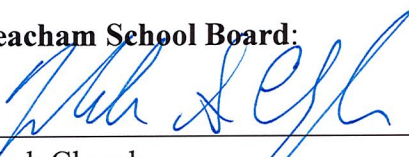
Article 10: To transact any non-binding business that may legally come before the meeting.

Becky Jensen thanked Cornelia Hasenfuss for her seven years of service on the School Board.

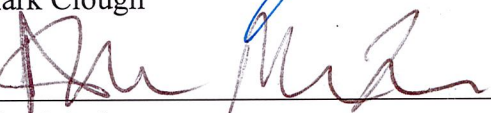
Dick Browne moved to adjourn. Seconded by Peter Craig. Meeting adjourned at 12:02pm.

The foregoing is approved and attested by:

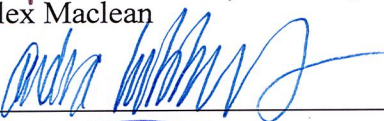
Peacham School Board:



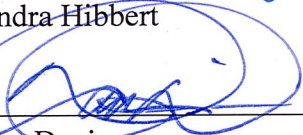
Mark Clough



Alex Maclean



Andra Hibbert



Dan Devine



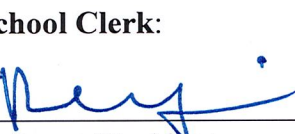
Diana Senturia

Moderator:



Timothy McKay

School Clerk:



Rebecca Washington