

TOWN OF PEACHAM, VERMONT

Minutes of the 2025 Annual Peacham School District Meeting

The legal voters of the Town of Peacham met at the Peacham Meetinghouse in Peacham, Vermont on Tuesday, March 4, 2025 at 1:03 pm.

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.

Nate Giroux nominated Tim McKay. There were no other 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 the board held a well-attended informational meeting the previous night where the details of the budget were explained in detail.

Principal Sam McLeod thanked the school board for their support of the school, the kids, and the community. He spoke about the school being an integral part of the community which allows the kids to have a sense of place and identity. There are great outcomes for kids in Peacham because they have a great foundation, world-class teachers, community support, and values. He is proud to serve the Peacham School and the Town of Peacham and is thankful that his children have gotten to experience the school.

School Board Chair Mark Clough thanked McLeod and explained that McLeod and three other Peacham residents stepped up to start driving the bus when there was a bus driver shortage. McLeod is also currently splitting his time between the Peacham School and the Barnet School as the Head of School to help out the SU and to help get Peacham School's budget under the excess spending threshold.

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

Emmett Quinn nominated Alex MacLean.

Andra Hibbert moved to cease nominations and have the clerk cast one ballot for Alex MacLean. Seconded by Rick Scholes. The motion was passed by a voice vote and the clerk cast one ballot.

Alex MacLean was elected for a term of three years.

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

Greg Lockhart nominated Mark Clough.

Dick Browne moved to cease nominations and have the clerk cast one ballot for Mark Clough. Seconded by Jess Philippe. The motion was passed by a voice vote and the clerk cast one ballot.

Mark Clough was elected for a term of two years.

Article 5: To elect a School District Clerk.

Peter Craig nominated Rebecca Washington.

Rick Scholes moved to cease nominations and for Rebecca Washington to be elected by acclamation.

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The motion passed by a voice vote and Rebecca Washington was elected as School District Clerk by acclamation.

Article 6: To elect a School District Treasurer.

Andra Hibbert nominated Morgan Gold.

Rick Scholes moved to cease nominations and for Morgan Gold to be elected by acclamation. Seconded by Dick Browne.

The motion passed by a voice vote and Morgan Gold was elected as School District Treasurer by acclamation.

Article 7: Do the voters approve transferring \$15,000 from the capital fund to the general education fund?

Dick Browne moved the article. Seconded by Diana Senturia.

School Board Chair Mark Clough explained that, in discussing ways to get under the excess spending threshold, the school board decided that the school's capital fund is probably overfunded because the school building is in good shape physically. The roof has a long life left and the ventilation system, heating system, and windows are all new. The school board wants to transfer \$15,000 from the capital fund to help stay under the spending threshold.

Nate Giroux explained that he has done work on the school over the past three years and can confirm that the building is in fantastic shape structurally and is completely code-compliant.

Clough explained that there will still be about \$30,000-\$35,000 left in the capital fund.

Morgan Gold wondered about plans for keeping under the spending threshold in future years.

Emmett Quinn pointed out that having more affordable housing in Peacham and more low-income families with school-aged kids would result in more money received from the state.

Moderator Tim McKay reread the article. Article 7 passed by a voice vote.

Article 8: Shall the voters authorize the School Board to borrow \$140,000 to repay the deficit over a term of three years, pursuant to 24 V.S.A. § 1523?

Dick Browne moved the article. Seconded by Rick Scholes.

School Board Chair Mark Clough explained that the school currently has no debt. One of the characteristics of the budget is that all 7th through 12th grade students get tuitioned out. The school board analyzes the demographics with the SU business manager and superintendent, but it's hard to budget for tuition because of families moving in and out of Peacham. A bunch of families have moved into Peacham over the past two years with students that are tuitioned out, which caused a deficit of \$140,000. In order to stay under the spending threshold, the school board is asking to borrow \$140,000, to be paid back over a three year period.

Becky Jensen asked if the deficits will continue to build up in the future. School Board member Andra Hibbert responded that the SU business manager is very careful with the estimate and there is no indication that this is an upward trend, but is an anomaly specific to this year.

Ellie Blachly wondered if the state is causing the school budget to benefit from as many children as possible up to the age of 12 and as few children as possible over the age of 12. Hibbert explained that the long-term weighted average incorporates the 7th to 12th grade kids, whose

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numbers fluctuate and are harder to track. Additionally, elementary kids can be absorbed into classrooms of varying configurations, whereas the school pays per-pupil tuition for 7th through 12th grade kids.

Jonathan Kaplan asked for clarification on where the \$140,000 shows up in the budget. Clough explained that the budget will start reflecting the payments in next year's budget.

Jay Hessey asked for clarification of the excess spending threshold. Clough explained that it would be covered during article 9.

Moderator Tim McKay reread the article. Article 8 passed by a voice vote.

Article 9: Shall the voters of the Peacham School District approve the school board to expend \$2,831,362.00, which is the amount the school board has determined to be necessary for the ensuing fiscal year? The Peacham School District estimates that this proposed budget, if approved, will result in per pupil education spending of \$15,916.00, which is 1.9% lower than per pupil education spending for the current year.

Kathy Corcoran moved the article. Seconded by Dick Browne.

School Board Chair Mark Clough explained that, as mandated by the state, the SU has played more and more of an important role in school governance, which is why the CCSU superintendent would be presenting the budget.

Superintendent Matt Foster explained that per pupil spending is down 1.9% but overall spending is up 5.8%. This is due to an increase in the number of students and the long-term weighted average. A large portion of the increase comes from salary costs and benefits, including an increase in health care costs. The anticipated homestead tax rate of \$1.93 is down four cents since last year, with 51% of Peacham residents paying a lower rate than that. Page 88 of the town report contains a graph that shows how much a taxpayer might pay based on home value and income.

Bess O'Brien clarified that the anticipated homestead tax rate is \$1.93 per \$1,000 of home value.

Jay Hessey asked what the spending threshold is. Foster answered that Peacham is under the threshold by \$10 right now. Peacham is at \$15,916 per pupil and the state threshold is \$15,927 per pupil.

Adam Kane wondered what the outlook is for the Peacham School with the current move to close small schools. Clough explained that Governor Scott has introduced a plan to consolidate schools dramatically which would cause the loss of local control. Small schools are important to small communities and, as dollars go, they're not that expensive compared to the value given back to the community. He understands that middle schools and high schools should probably see some consolidation because student outcomes are better with bigger facilities. The school board is pushing hard to save small schools and have joined an alliance to try to lobby the legislature to keep small schools with good student outcomes and a fair amount of student census in small communities.

Margaret MacLean explained that small, rural schools are under pressure but that there is no correlation between cost, quality, and size. There are schools that are cost-effective, provide a quality education, and happen to be small. Rural schools are different in that history and geography have created the way they operate in rural areas. The legislature is currently looking at funding, governance, and policy changes. The Vermont Rural School Community Alliance was formed in early January and now has 51 member groups and towns from all over rural Vermont. There are 21 other towns voting on joining the alliance in March. The alliance would

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like to see a thoughtful, balanced approach to the issue which is built on Vermont data and which works for Vermont children and communities.

Janie Carle said that she would consider school outcomes with a math proficiency of 24% kind of low. Principal Sam McLeod didn't have proficiency numbers in front of him but explained that Peacham School usually performs very high, reading outcomes are traditionally between 70% and 90%, and a few years ago the reading proficiencies were second highest in the state.

Jane Woodhouse asked where the local legislators stand on the proposed plan. Clough explained that the impetus at this point is to slow the process down, be thoughtful about how it's done, and to address the cost drivers.

Kathy Buck asked what control, if any, Peacham has over the cost per pupil spending for 7th to 12th grade costs. Foster explained that, because Peacham has full choice after 6th grade, the town does not have control over secondary education costs.

Joel Wright expressed his frustration with the process from the state level down and said that it's very agitating how education funding works. The current system is unsustainable and in 12 years, his property taxes have gone up 59% and cumulative inflation over the same period was 34%. He wondered what good is his vote if the cost increases are out of the town's control. People should be able to pay reasonable property taxes without the need for subsidies.

Morgan Gold explained that over the last 30 years, the education system in Vermont has continued to get more complex. Education equity legislation, Vermont's complex geography, and demographics have created challenges with the core issue of facing cuts on a downward spiral. He recommended contacting legislators and expressed that the future of Peacham really hinges on having a school.

Kathy Buck asked about the possibility of sending students between schools. Foster explained that it's only possible in a unified school district, but Peacham is a separate school district so it's not possible. Hibbert added that Peacham School is a community school and that adding students from other districts could change the nature and value of the school.

Moderator Tim McKay reread the article. Article 9 passed by a voice vote.

Article 10: 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, 2026, 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 Diana Senturia.

Article 10 passed by a voice vote.

Article 11: Shall the voters of the Peacham School District authorize the Board of School Directors to hold any audited fund balance as of June 30, 2025 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?

Jill Hurst moved the article. Seconded by Jess Philippe.

Article 11 passed by a voice vote.

Article 12: To transact any other non-binding business that may legally come before the meeting.

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School Board Chair Mark Clough explained that, if the state is successful and the school is closed, it is important that the community retain the school and that it isn't lost in a consolidation. The school board is going to propose that the town purchase the building and lease it back to the school for \$1 per year.

Jill Hurst asked if the town could increase the non-resident tax rate. The housing problem is impacted by a lot of property owners not living in Peacham. Clough explained that it is not a change that can be made at the town level, but that there's currently a resolution from the Vermont School Board Association that aims to address the issue.

Jerry Senturia explained that there have been two studies that he can remember about closing the school and tuitioning out all of Peacham's students and that the studies found that there would not be a savings.

Lydia Cochrane recommended reaching out to representatives about increasing the non-resident tax rate.

Jonathan Kaplan pointed out that it speaks to the value of the school that 80% of the selectboard and 50% of the school board graduated from Peacham School.

Ellie Blachly encouraged people to get noisier and perhaps organize a march on the state house to oppose the legislation.

Nate Giroux spoke about the value of the school and what it's meant to his family. His kids have had the best experience going through the school and he thanked Principal McLeod, the teachers, and the school board.

Julie Hansen suggested the need to educate in a different way for the current generation which may mean smaller schools. There should also be a change in how education is funded and she said it's the state's responsibility to fund education and that they've shifted it to homeowners and parents.

Peter Craig moved to adjourn. Seconded by Karen Lewis. Meeting adjourned at 2:21 pm. The foregoing is approved and attested by:

Peacham School Board:

Mark Clough

Alex MacLean

Andra Hibbert

Dan Devine

Diana Senturia

School Moderator:

Timothy McKay

School District Clerk:

Rebecca Washington