

**Addison Northwest School District
Board of Directors
SPECIAL BUDGET MEETING
Wednesday, January 18, 2017
6:00 PM – VUHS Library**

AGENDA

- 1. 6:00** **Call to Order**

- 2. 6:05** **Public Communication**

- 3. 6:10** **Reports to the Board**
 - A. FY 18 Budget Presentation

- 4. 7:10** **Action Items**
 - A. Adoption of FY 18 Budget

- 5. 7:25** **Next Meeting Date(s)**
 - A. January 25, 2017 6:00 PM VUHS Library

- 6. 7:30** **Adjournment**

Regular Board meetings are convened in a public setting; however they are not meetings of the public. The Board has adopted a Public Participation at Board Meetings Policy (C3) that allows citizens an opportunity to speak within established time constraints before the Board takes action. The Board Chair will manage public comment protocol. Should a community member raise a question or issue for the Board's consideration, the Board will decide if it should be a future agenda item or be referred to the Superintendent of Schools for a response.

**Addison Northwest School District
Board Meeting
Wednesday, January 11, 2017
6:00 PM
Vergennes Union High School – Library**

Board Reps: Addison Laurie Childers
 Ferrisburgh: Laurie Gutowski, Kristina MacKulin, George Gardner
 Panton: Diana Raphael
 Vergennes: Sue Rakowski, Chris Cousineau, Mark Koenig, John Stroup
 Waltham: Tom Borchert

Administration: JoAn Canning, Superintendent
 Tonia Mears, Business Manager

Guests: Kara Griswold, Bob Owens, Kathy Barwin, Susan Anderson-Brown, Travis Park, Beth Brodie, Matt DeBlois, Stephanie Taylor, Jay Stetzel, Martha Kenfield, Elizabeth Armstrong, Lynne Rapoport, Andy Kirkaldy, Tara Brooks, Nancy Ambrose, Rick Ebel, Peter Maneen, David Croke, Beth Adreon

Call to Order:
The meeting was called to order at 6:00 p.m. by Chair Childers.

Amendments to the Agenda to include Action Items 1) Acknowledgement of Assumption; 2) Approval of Announced Tuition

Public Comment:
None at this time.

Reports to the Board:
FY 18 Budget Presentation – Superintendent Canning reviewed the Budget Highlights explaining the reductions being considered to get down to a level program budget. A total reduction from the previous budget presentation equals \$438,353. The new proposed level program budget totals \$21,116,289 which is a 1.68% increase to the current year budget. With these reductions, it will keep us under the threshold limit – going over would result in additional taxation.

Business Manager Mears reviewed the Tax Rate Comparison for the draft level program budget as follows:

	17/18 CLA	16/17 Combined	17/18 Proposed	Difference
Addison	108.95	1.63	1.5337	(0.096)
Ferrisburgh	104.73	1.697	1.5759	(0.0121)
Panton	104.89	1.5494	1.5743	0.025
Vergennes	100.48	1.6021	1.6184	0.016
Waltham	98.33	1.7653	1.6399	(0.125)

Business Manager Mears reviewed the draft balances received from the audits. The draft fund balances for FY 16 are as follows:

ACS	+ \$201,181
FCS	+ \$ 23,000
VUES	- \$ 32,800
VUHS	- \$ 19,215

If all goes well, it may be possible to retire the VUHS deficit by the end of FY 17.

Food Service cumulative balance, as of June 30, 2016 is a deficit of \$401,328 for all schools. This total has been accumulating for 10-12 years plus.

The auditing firm will present the audits at the March carousel meeting. Individual boards will need to address plans for any surplus.

Superintendent Canning stated since the new administration, the Special Education issues in the past have been cleaned up and heading on track in the right direction, with special thanks to Kara Griwold.

R. Ebel applauded the co-teaching model with Special Education being used at the high school. He asked questions about the food service deficit and the plan into the next budget year and how were negotiations built into the budget. Superintendent Canning replied there is a Food Service Transfer line in the budget to offset costs; currently looking into collaborating with Addison Northeast food service program; and hope to have a better handle on the program and deficit over the next five years. Her response on negotiations is that it is built on assumptions at this point and cannot be discussed in public, but there are changes involved with health care.

The Board recessed at 6:30 p.m. to attend a student presentation in the building. Motion was made by K. MacKulin, seconded by J. Stroup, to adjourn the meeting to attend the presentation. So voted and motion carried.

The Board returned at 6:52 p.m. and the meeting was called back to order.

Budget Presentation continued – Board asked questions about the proposed budget.

- Timeline to approve a budget – by January 25th

- Importance to stay under the threshold
- Maintaining personnel and programs with level program proposal
- Discussion on Capital Improvement Fund – to add additional article or not
- Discussion on current technology status and needs
- Discussion on how the debt service is handled

Chair Childers stated to the Board that two proposals have been presented, could one be taken off the table. Consensus was split amongst the Board to keep both proposals or remove one until more information can be presented.

VUHS Principal Taylor suggested the Board to give guidance with a total dollar amount figure, not by program.

Guidance for Next Meeting – Motion was made by G. Gardner, seconded by M. Koenig, to ask the administration to come to the next meeting with draft proposals showing a budget including \$100,000 and \$200,000 Capital Improvement fund but not to go higher than the 1.68% increase, two different scenarios. Discussion ensued. G. Gardner amended his motion to have administration present a proposal of a total budget that includes a \$100,000 Capital Improvement Fund, with an increase no higher than 1.68% with revised explanation list. So voted, five in favor and four opposed. Motion passes.

Discussion Items:

Annual Report Group – Superintendent Canning asked for a small group of Board members to come to her office on Tuesday, January 17 at 5:30 p.m. to review the contents of the Annual Report and suggest other information that may need to be included. S. Rakowski, C. Cousineau, G. Gardner and K. MacKulin volunteered to review.

Action Items:

Acknowledgement of Assumption – Motion was made by T. Borchert, seconded by L. Gutowski, to formally acknowledge assumption of the Vermont Municipal Bond Bank indebtedness to the fullest extent permitted by law unconditionally and irrevocably pledges the full faith and credit of the Unified District for payment of the same in accordance with the terms thereof. So voted and motion carried.

Announced Tuition for 2017-18 – Motion was made by G. Gardner, seconded by L. Gutowski, to accept the 2017-18 announced tuition rate for the elementary schools as \$12,729 and \$17,386 for the high school as presented and recommended. So voted and motion carried.

Next Meeting Date:

January 18, 2017 6:00 p.m. VUHS Library

Adjournment:

With there being no further business to be discussed, the Chair declared the meeting adjourned at 8:14 p.m.

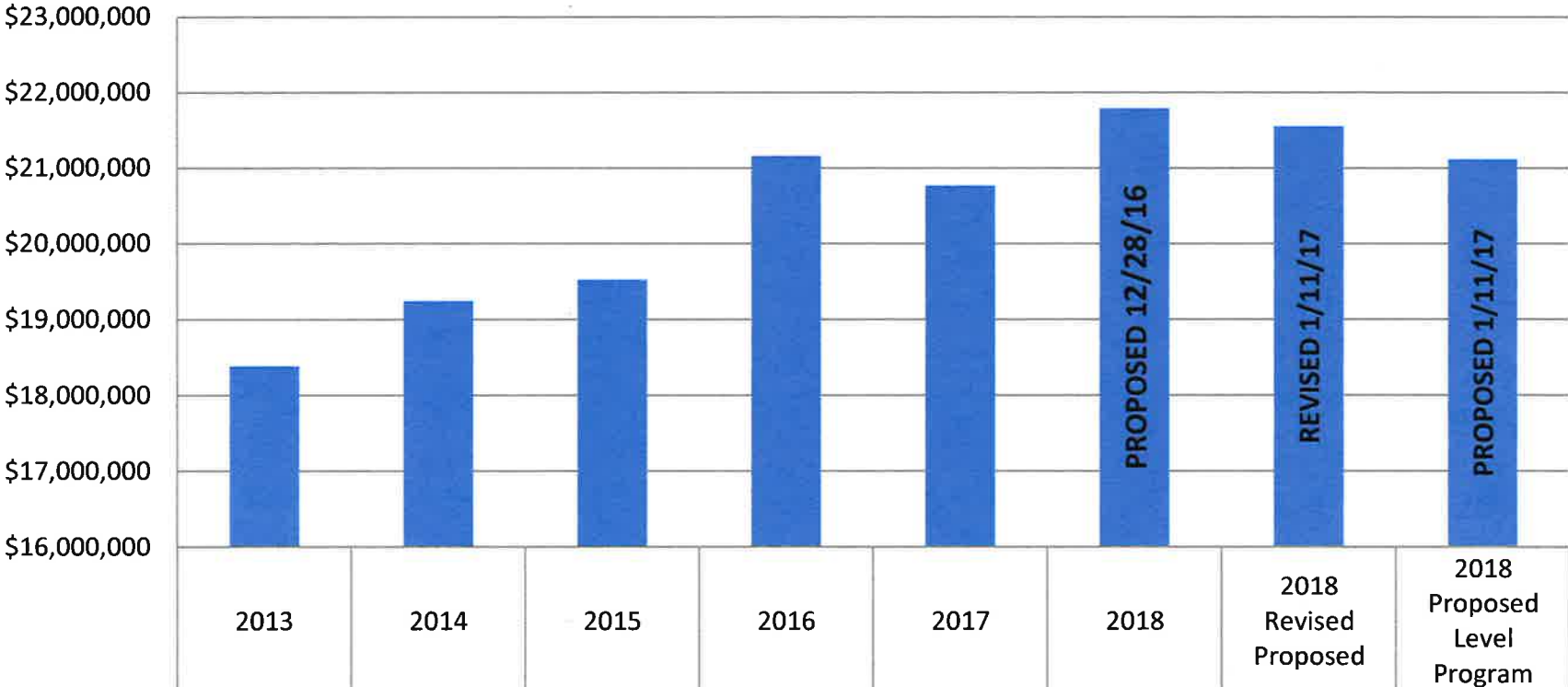
Respectfully submitted,

Glory Martin
Recording Secretary

*****Subject to Board approval**

DRAFT

2013-2017 Budget Comparison



■ Total Budgeted Amount	\$18,396,686	\$19,252,442	\$19,530,505	\$21,159,752	\$20,768,262	\$21,790,395	\$21,554,642	\$21,116,289
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Addison Northwest School District

FY 18 Budget Highlights

January 6, 2017

(updated January 9, 2017)

In the previous presentation the administration proposed a combined K-12 budget in the amount of \$21,554,642.00. This represents a 3.79% increase compared to the current year of \$20,768, 262. This expenditure number is different from the previous presentation from administration after we received confirmation about the vocational tuition number and added additional requests from administration.

School Board guidance was provided to administration to bring back a level program budget. We interpret this to mean the same staffing levels and programs/coursework currently being offered. Due to many of the fixed costs and legal requirements this level program budget does not mean level expenditure budget. The level program budget is in the amount of \$21,116,289 which results in a 1.68% increase as compared to the current year budget.

To get down to a level program budget the following reductions are being considered:

VUHS

- Intervention services for students not meeting the standards \$75,000
- Software for grading and reporting (JumpRope) \$8,000
- .2 and .2 for both art and music \$17,417
- Music equipment \$10,000
- Goals and uniforms replacements that have been held off due to previous budget votes \$15,500
- Operations Building Repairs \$38,000
- Trainer and referee charges \$11,192
- Lighting the field \$50,000
- Total \$225,109

VUES

- Building Projects carpeting kitchen, signage, bathroom updates \$97,000
- Computers and other equipment such as new iPads, Chromebooks, projector and a document cameras \$14,000
- Total \$111,000

ACS

- \$6,195 technology iPads and Chromebooks
- Reduce the proposed increase of nurse aide to .2 \$7,983
- Carpet and tile replacement \$4,300

- New security system for the door \$7,650 (can get from a VSBIT grant)
 - Auto-scrubber \$5,000
- Total \$31,128

FCS

- Replacing 20 Chromebooks \$12,450
 - \$10,000 building repairs
 - Food Service Transfer \$10,000
- Total \$32,450

District

- Special Education \$38,666
- Placeholder for other areas after I meet Central Office and Principals Monday.

Total Reduction from previous budget \$438,353.00

Today we learned that the reductions we made to stay at a level program budget would keep us under that threshold limit where going over would result in additional taxation. The items you see in this report may not be the final items that administration decides to make in terms of the reductions.

Attached you will see the proposed budget and then the level program budget with revenues and tax rates.

Please forward your questions to us by Tuesday so that we can answer your questions for the meeting.

UPDATED January 9, 2017

Addison Northwest School District
 2017/18 Budget Proposal
 1/11/17 Draft - Level Program

	Combined 2015/2016 Actuals	Combined 2016/2017 Budgeted	Unified School District 2017/2018 Proposed	Difference	
Instruction	\$ 11,745,510.91	\$ 12,258,555.00	\$ 12,078,065.00	\$ (180,490.00)	-1.47%
Extra-Curricular Programs	\$ 295,506.08	\$ 328,392.00	\$ 290,773.00	\$ (37,619.00)	-11.46%
Vocational	\$ 723,712.21	\$ 730,745.00	\$ 747,699.00	\$ 16,954.00	2.32%
Support Services	\$ 1,663,555.85	\$ 1,759,879.00	\$ 1,954,170.00	\$ 194,291.00	11.04%
Board of Directors	\$ 56,213.08	\$ 67,943.00	\$ 45,237.00	\$ (22,706.00)	-33.42%
Administration	\$ 1,506,874.74	\$ 1,525,381.00	\$ 1,641,274.00	\$ 115,893.00	7.60%
Fiscal Services	\$ 384,484.54	\$ 402,369.00	\$ 354,261.00	\$ (48,108.00)	-11.96%
Technology Services	\$ 148,308.01	\$ 155,857.00	\$ 258,792.00	\$ 102,935.00	66.04%
Operations & Maintenance	\$ 1,762,296.15	\$ 1,731,011.00	\$ 1,854,891.00	\$ 123,880.00	7.16%
Transportation	\$ 586,553.37	\$ 649,656.00	\$ 800,443.00	\$ 150,787.00	23.21%
Capital Improvement Fund Transfer	\$ 100,000.00	\$ 100,000.00	\$ -	\$ (100,000.00)	-100.00%
Hot Lunch Transfer	\$ 82,995.00	\$ 75,000.00	\$ 125,000.00	\$ 50,000.00	66.67%
Debt Service	\$ 981,680.46	\$ 983,474.00	\$ 965,684.00	\$ (17,790.00)	-1.81%
Total	\$ 20,037,690.40	\$ 20,768,262.00	\$ 21,116,289.00	\$ 348,027.00	
		3.65%	1.68%		

Addison Northwest School District
 2017/18 Revenue Proposal
 1/11/17 Draft - Level Program

	Combined 2015/2016 Actuals	Combined 2016/2017 Budgeted	Unified School District 2017/2018 Proposed	
Grand Total Expenditures	\$20,037,690	\$20,841,158	\$21,116,289	
Less Revenues:				
Fund Balance Forward	\$5,205	\$287,375		
Tuition Revenue	\$20,479			
Interest Revenue	\$4,231	\$15,700	\$5,000	
Other Local Revenue	\$96,034	\$11,350	\$11,500	
Tech Center Grant	\$294,763	\$294,849	\$309,738	
Small School Grant	\$84,512	\$91,955	\$84,512	
Special Education Revenue	\$825,637	\$734,621	\$722,440	
Special Ed Expenditure	\$1,825,914	\$1,756,849	\$1,902,174	
State Placed Reimbursment	\$67,014		\$45,000	
State Transportation Aid	\$237,454	\$49,401	\$215,505	
EEE Grant	\$78,362	\$66,249	\$72,224	
Drivers Ed Reimbursement	\$4,409	\$7,500	\$4,500	
VOC Transportation Reimbursment	\$25,330		\$27,000	
High School Completion	\$800		\$1,000	
Total Non-Education Fund	\$3,570,144	\$3,315,849	\$3,400,593	
Education Spending	\$16,467,547	\$17,525,309	\$17,715,696	1.09%
Equalized Pupils	1126.27	1059.38	1019.65	-3.75%
Ed Spending Per Equalized	\$14,621	\$16,543	\$17,374	5.02%

District: **Addison NW USD**
County: **Addison**

LEA: **U054**
S.U.: **Addison Northwest**

1.	Union budgeted expenditures including any separate articles		20,368,590	1.
2.	Obligation to a regional technical center school district if any		747,699	2.
3.	Obligation to repay a deficit per 24 V.S.A. § 1523(b)		-	3.
4.	Obligation to repay difference between allowable and announced tuition		-	4.
5.	Total Expenditures (lines 1 + 2 + 3 + 4)		21,116,289	5.
6.	Total offsetting revenues		3,400,593	6.
7.	Education Spending line 5 - line 6		17,715,696	7.
8.	Equalized pupils	1,019.65		8.
9.	Education spending per equalized pupil line 7 / line 8		17,374.29	9.

Excess Spending Calculation - secs. 37 & 38 of Act 46, 2015

10.	Aggregated exclusions		-	10.
11.	Aggregated exclusions per equalized pupil		-	11.
12.	Per pupil figure to use for Excess Spending line 10 / line 11		17,374.29	12.
13.	Per equalized pupil spending threshold for FY2018		17,386.00	13.
14.	Per pupil spending above the threshold line 12 - line 13		(11.71)	14.
15.	Per pupil figure for calculating Union equalized tax rate line 9 + line 14		17,362.58	15.
16.	Property Tax Yield per \$1.00 of tax rate		10,076.00	16.
17.	Equalized union tax rate to be prorated 17,362.58 / 10,076 (lines & 15)		1.7232	17.
18.	The equalized rate in line 36 reflects tax rate incentives.		(0.10)	18.
19.	Equalized union tax rate to be prorated after consolidation incentive.		1.6232	19.

20.	Per pupil figure used for calculating District Household Income Percentage line 19		17,362.58	20.
21.	Income Yield per 2.0% of household income		11,875	21.
22.	17,362.58 / 11,875 x 2.00% (lines 20 & 21)		2.92%	22.

Member homestead tax rates for Addison NW USD

		Prorating Percent for Members	Addison NW USD Rate	Equalized Homestead Rate for Members
T001	Addison	100.00%	1.6232	1.6232
T076	Ferrisburgh	100.00%	1.6232	1.6232
T149	Panton	100.00%	1.6232	1.6232
T213	Vergennes	100.00%	1.6232	1.6232
T220	Waltham	100.00%	1.6232	1.6232

Equalized union tax rate after consolidation incentives.

Member homestead tax rates for Addison NW USD

		Prorating Percent for Members	Addison NW USD Rate	Equalized Homestead Rate for Members
T001	Addison	100.00%	1.6232	1.0500
T076	Ferrisburgh	100.00%	1.6232	1.6232
T149	Panton	100.00%	1.6232	1.6232
T213	Vergennes	100.00%	1.6232	1.6232
T220	Waltham	100.00%	1.6232	1.6232

Addison Northwest School District
2017/18 Tax Rate Comparison
1/11/17 Draft - Level Program

	17/18	16/17	17/18	
	CLA	Combined	Proposed	Difference
Addison	108.95	1.63	1.5337	(0.096)
Ferrisburgh	104.73	1.697	1.5759	(0.121)
Panton	104.89	1.5494	1.5743	0.025
Vergennes	100.48	1.6021	1.6184	0.016
Waltham	98.33	1.7653	1.6399	(0.125)