

State Board of Education Ripton Status Report Committee

Draft Meeting Minutes

Meeting Place: Virtual Teams Meeting/Video/Teleconference
Call in #: 1-802-828-7667, Conference ID: 237 743 813#

Date: August 2, 2022

Present:

State Board of Education (SBE) Subcommittee Members: Oliver Olsen - Chair, Kim Gleason, Tammy Kolbe, Lyle Jepson, Jenna O'Farrell

Agency of Education (AOE): Dan French – Secretary, Maureen Gaidys, Suzanne Sprague, Donna Russo-Savage, Ron Ryan, Betty Roy

Others: Brittany Gilman – Ripton Financial Consultant, Jane Phinney – Ripton School District Board, Jennifer Oldham - Lincoln School District Board, Steve Cash, Molly Witters, Wendy Harlin

Call to Order, Roll Call, Amendments to the Agenda

Oliver Olsen called the meeting to order at 1:04 p.m. Roll call was taken. As an amendment to the agenda, Oliver Olsen asked that Mr. Cash present closing remarks at the end of the meeting.

Approval of Meeting Minutes from July 29, 2022

Approval of the minutes from July 29, 2022 was postponed until August 3, 2022.

Public to be Heard

No member of the public wished to be heard.

Committee Discussion of Materials Received and Testimony Heard

Brittany Gilman, Financial Consultant, pointed out that there have been no changes since she last spoke with the committee. Oliver Olsen asked if she wished to respond to any of the questions raised. She explained that they used an iteration of the current budget and projected a budget based upon that. She indicated that she did not have involvement in the creation of the transition budget.

Oliver asked about apples-to-apples comparison with the tax rate that is projected for Ripton. How would it compare if it was its own district in combination with the Mountain Supervisory Union? Mr.

Gilman said that some tax modeling had been undertaken as part of the “thought process.” She indicated that an organization the size of Ripton will be more expensive, but the budget under review should not be considered the final budget. Olivier Olsen that he remembered seeing a \$0.22 increase budget over budget. Ms. Gilman confirmed that it would be approximately that amount.

Tammy Kolbe asked about the importance of contingency funding/reserve funds needed. What would be the standard or level of contingency funding that would be standard for a school district, i.e., best practice? Ms. Gilman responded that most schools have a reserve fund of some kind. Some districts roll over a surplus, as opposed to reducing the next year’s budget. Doing so can be done with a clear purpose in mind and with voter approval. A contingency fund was not included in Ripton’s budget. The budget presented assumes higher expenses than will actually occur and that revenues projected are lower than what will be than, hence a built-in contingency without using the term. For example, family health plans are built into the budget for all staff, which has not happened in the past. In most cases funds to be placed in a reserve fund are part of the voted budget. No reserve funds or carry forward funds are built into the Ripton budget. New students, facility needs, and unplanned for high-cost special needs support are all variables. She believes it is reasonable to target up to 5% of the budget as a contingency. This figure is drawn from her experience with budgets.

Based upon her discussion with Brad James, Ms. Gilman expects that the Small Schools Grants will be on the table and would be likely to be the same amount as before unification. That amount is in the budget. Weighted rates have not been analyzed using Ripton as a stand-alone school district. Changes in special education funding will be a challenge. It is based upon prior year costs for which Ripton has none. Addison Central School District (ACSD) absorbed that funding. ACSD and Ripton would need to negotiate the estimate for what Ripton’s share would be and agree upon that. Mr. Gilman agreed that special education costs for small districts could be impactful. Reimbursement for extraordinary costs still apply for costs in excess of a threshold amount, which is helpful.

Oliver indicated that a lack of capital reserve is a concern. Tuitioned students will be impactful to the budget. Because there is no reserve fund, a small number of students can negatively impact the budget and draw away from other services within the budget. Ms. Gilman explained that Ripton could forego discretionary spending (new desks or new Chromebooks), or the district could deficit spend, making up the loss in the following year. Budgeting for more students than are anticipated can resolve the tuition issue and can be used as carryforward funding if not utilized.

Tammy Kolbe asked about the projection for out of district students tuitioning into the district. Ms. Gilman indicated that they anticipate that both Granville and Hancock will continue the practice of sending students to Ripton. Revenue projections include those students.

Kim Gleason asked about costs for staffing levels and professional development. Ms. Gilman pointed out that the proposed staffing is level with what is currently available. There is a healthy professional development line item. Kim Gleason suggested that it is important to have sufficient staff to cover the requirements of the Education Quality Standards (EQS). Mr. Gilman explained that they did have discussion about fractionalized staff when developing the budget. Staffing could be increased without significant budgetary implications.

Kim Gleason asked about Ms. Gilman’s opinion of the timeline and capacity to operationalize the plan by July 1, 2023. Ms. Gilman explained that she was part of Rutland Central and Rutland Southwest merger. She believes that Ripton’s timeline is aggressive. She believes that a lot of work needs to be done and it is possible.

Oliver asked that if she had put together a responsible plan and if the plan reasonably mitigated risk, how long would it take to complete the process. Ms. Gilman suggested that there is not a roadmap for funding the process. There are unknowns. She indicated that she might like another year. But she is not willing to say that it is an irresponsible timeline. She believes that the work could crystalize quickly. If she was in charge, she “might like another year.”

Jennifer Oldham, Chair of the Lincoln School District Board, spoke next. She was on the Board when Lincoln was its own school district before the merger. Collaboration between Ripton and Lincoln relating to the topic of Mountain SU has been taking place for over a year. They confirmed a shared vision. High levels of community engagement, flexibility of school staff, and streamlining the budget towards educational programming has been the focus. Lincoln has joined the process of financial modeling with Ripton. She believes it is financially possible to be successful and they will continue to make adjustments. They are now discussing a Ripton/Lincoln joint search committee to hire staff. Funding to activate the recruitment process has not yet been targeted. Though not clearly articulated in the report, Lincoln is committed to the process and has been actively engaged in the establishment of the Mountain SU.

Lincoln’s transition funding was discussed. Lincoln does not yet have spending authority. On August 13, 2022 the community will be asked to increase the Lincoln School Board from three to five members, and they will be asked to approve a transition budget with a process to secure and spend funding. The request will be for \$50,000. Phase II planning will cost \$79,000, which would be Lincoln’s share for work between January and July, 2023. They are also searching for funds from private sources, non-governmental grants, and tax anticipation notes. Legal counsel has been engaged.

Ms. Oldham pointed out that Lincoln has a special education planning team in place. Both schools have been meeting EQS over time, have implement Multi-tiered Systems of Support (MTSS) and are not starting from “scratch.” They have the ability to hire additional staff to get procedures in place. She is concerned that experts that have testified are predominately from large schools, each believing that the process will not work and that a narrative has been created that their plans cannot work. She believes that their experts should not be dismissed for volunteering their time. The risks presented are not different or greater than the risks associated with other school districts. High quality education can be delivered in small districts who have a lean and flexible central office administration.

Oliver Olsen suggested that hiring will be “new hires” for the SU office. And there appears to be stated concerns that staff might not be retained in Ripton. It is, in his opinion, starting from scratch. He continued that it appears that there are discrepancies in the stated transition funding as found in the report compared to the budget. Borrowing from the Town is an option that would be limited to a period of 90 days. Ms. Oldham said that Phase I and Phase II funding mechanisms are in development.

Transition costs appear to be \$157,000 from January – July, to be shared equally between Ripton and Lincoln.

Jenna O'Farrell asked about the process used for the towns to align their values for delivery of service in the two potential school districts. Ms. Oldham indicated that their values are aligned but that it has not been accomplished using a facilitated process. It was not a design process. It was informal and the conversations continue. She assured the committee that they are in alignment in their vision and values. She understands that a documented plan for integration of the two districts is necessary and that the plan is foundational to budget development.

Tammy Kolbe pointed out that Ripton's Phase I funding mechanism is uncertain. What will happen if their funding is not available? Mr. Oldham said that they would then need to revisit the issue. She believes that Lincoln is further along on the funding conversation than Ripton. She feels confident that Ripton can follow Lincoln's lead in gaining funding. Mr. Oldham noted that, failing a joint venture with Ripton, a contingency plan would be for Lincoln to be its own supervisory union, unless assigned to another.

Tammy Kolbe asked if there is currently a written plan to collaboratively put everything in place with a go live date of July 1, 2023. Is it written? Is there a timeline? Ms. Oldham indicated that there is not a written plan. But she feels that it can happen in the next month. As the report is being prepared, working groups and committees are being developed. Ms. Oldham acknowledged that they have heard the frustration on the part of the committee that a written report is not currently available.

Tammy Kolbe asked, "Is it advisable and can it be done by July 1, 2023?" Ms. Oldham pointed out that it is unfortunate that the process is not more iterative in nature. They do not appear to have the opportunity to return with changes as they work on a plan over time.

Oliver Olsen reminded those present that both Lincoln and Ripton chose not to delay when the option was available. He feels that there is no plan that can be acted upon.

Kim Gleason believes that a level of detail has not yet presented by the experts, which will provide confidence and assurance that there will be success. She pointed out that the SBE has approved withdrawals in the past when plans are in place. Her hope is that the public will not perceive the committee's frustration with the limited plan that has been presented, as antagonistic. Kim Gleason is trying to understand how Ripton envisions a leaner supervisory union that will simultaneously provide more educational resources and services. Ms. Oldham indicated that their plan for central office costs would be lower than a larger central office. Instead of 30% of the overall budget, they would spend 20% or even 15%. Ms. Oldham has watched central office costs rise at the expense of educational programming. They will be happy to continue to gather supervisory union data with which they hope the AOE can then provide them with technical expertise to formalize.

Jane Phinney, Ripton School District Board member, has provided written testimony.

Mr. Cash thanked Ms. Oldham for attending and presenting. He pointed out that they did not contemplate the need for a contingency or a reserve fund when planning. Regarding Ripton facility conditions, there is a facilities master plan where, for example, paving of the parking lot would need to be taken into account. Such expenditures could be revised as temporary cost solutions within the proposed budget. Oliver Olsen pointed to an aging building and HVAC system as well as ADA compliance issues. Mr. Cash indicated that there are short term needs that can be taken care of with other issues being taken care of over time. He pointed out that the school was constructed in 1989.

Mr. Cash acknowledged the inconsistency regarding Phase II budgeting on page 13 in the status report, that the chart should have divided the funding requirements in half with each school district paying for half. Mr. Cash indicated that he did not have an organizational chart with responsibilities and special education included. There is a great deal of work that needs to take place to develop it.

Mr. Cash presented a closing statement. He expressed that seeing the plan judged as inadequate will be difficult to accept, knowing that their path has been a tireless one. He recognized that there is much work to do. It has been a challenging assignment. Ripton may, in fact, be back to where they started from. The voters may be asked to vote to continue in ACSO. They will need to explain to the public that the SBE has found the plan unfeasible. Mr. Cash does not know how the citizens of the town will react. He hopes that, at the end of the day, their journey will help others.

Oliver Olsen indicated that the SBE does not want to diminish the passion, goals, and compassion that Ripton has brought to the table. The situation has been precipitated by the threat of school closure. Some towns feel powerless, and they feel that the only tool available to them is to become their own school district. There is a fear that the voters in a larger town will not hear small school concerns. Oliver Olsen believes that, in fact, the ACSO school board elections have signaled decisive results and a mandate from the electorate at large who appear to appreciate and are concerned for the small schools. He encourages Ripton to step back and recognize that their voices have been heard by the voters in the district that they have been part of.

Mr. Cash acknowledged that they have listened intently to the experts, and they recognized the depth of work necessary and the needed work to be done.

Oliver asked, "Knowing what you know now, would you have extended out the process?" Mr. Cash responded that another year would have allowed them to lay out their operational plans. Yet, they needed support and guidance. Having guidance ahead of time would have been helpful.

Tammy Kolbe, "How much time do you think you need?"

Mr. Cash acknowledged that full steam ahead may not be the upcoming direction they follow. More time may not be the ingredient needed given the current condition of supports available. The experts have shared their perspectives. His board members have not forecasted a timeframe to develop a plan. If he were to speculate, it would take between 30-60 days to create a "plan to plan." It is an iterative process in an atmosphere of hard deadlines. In retrospect, the process has been productive and has been necessary discussion and work.

Oliver Olsen pointed out that the SBE's first choice would have been assigning Ripton to a willing supervisory union partner. However, there was no willing partner. We are all learning as we go. There is no road map. We are uncovering issues as we go along.

Adjournment

A motion was made by Kim Gleason to adjourn the meeting. The motion was seconded by Jenna O'Farrell. The meeting was adjourned at 3:15 p.m.

Minutes prepared by Lyle Jepson.

