

Lincoln Withdrawal From MAUSD

Informational Meeting
August 19, 2021

“A community school is a **public school** - the hub of its neighborhood, uniting families, educators and community partners to provide all students with top-quality academics, enrichment, health and social services and opportunities to succeed in school and in life”

Institute for Educational Leadership (coalition for community schools)

Topics To Be Addressed

- How does Withdrawal work?
- Timeline
- Act 46: Reality
- Superintendent proposal to repurpose LCS
- Financial implications
- Q&A

How Does it Work?

- LCS would continue as a K-6 public school, open and free to all Lincoln children and run by our own school board
- School choice for middle and high school

A Word About School Choice

- Vermont has had a tradition of school choice since 1869, the oldest in the country
- Currently 81 school choice towns in Vermont
- Many schools in Vermont have a lower tuition rate than we currently pay for Mt. Abraham

Supervisory Union (SU)

The state will assign Lincoln to an existing SU

- Special education/ IEP
- Payroll Services
- Transportation
- Food service
- Extended Learning Program (ELP)
- Federal & Certain State Funds Disbursement
- Professional Development Programs
- Additional Information

Withdraw Timeline

**Lincoln
town vote**

August 24, 2021

**Vote of the
4 other
MAUSD
towns**

By December 2021

**State Board
conditionally
approves
withdraw,
pending
successful
acceptance of
exit agreement**

Assume by July 1,
2022

**Lincoln votes
on school
board &
budget,
identifying
staff,
Supervisory
Union assigned**

July 2022-July 2023

**LCS Runs as
public K-6
School with 7-
12 school
choice**

School Year 2023-
2024

Why Withdraw Now?

- Act 46 doesn't work for Lincoln
- Proposal to "Repurpose" Lincoln School
- Timeline of MAUSD requested community proposals
- Fast track merger study with ANWSD committee/ Section 706

Act 46: Failed Plan

- School costs have not decreased
- Education quality has not significantly improved
- Lincoln lost ability to control their own educational future
- Community schools are being closed

Dec. 7, 2020: Superintendent Proposal

Phase Two: 2023-2024 School Year

- Merge w/ Addison Northwest
- Lincoln kids bused to Vergennes for grades 6-8 (2+ hours on bus per day)
- Grades 9-12 will be at Mt. Abe with ANWSD

Phase One: 2022-2023 School Year

- Repurpose Schools
- LCS will be closed
- Lincoln kids K-5 will be educated at Bristol Elementary School

The Benefit of Smaller Schools

- Smaller school size has been associated with **higher achievement** under certain conditions
- Smaller schools promote substantially **improved equity** in achievement among all students
- Smaller schools may be **especially important for disadvantaged students**

Molnar, A., Howley, C., et al, (2002), School Reform Proposals: The Research Evidence, National Education Policy Center, Ch. 3, Small Schools

A Word About Serving Kids With Special Needs

“No matter how many special ed students we have, we are incredibly under resourced, and kids are not getting what they need.” - current MAUSD educator

- Students with special needs were being well served prior to the current MAUSD model. Resources were appropriate and IEPs were being legally met.
- Small schools, including LCS, have a long record of providing great care to students with special needs.
- With an appropriate model and resources, they could be well served again

706b Merger Study Changed Everything

- A newly appointed merger committee supersedes the elected school board.
- This committee has the power to recommend the districts are merged, create new articles of agreement and would have full authority to close schools without a town vote
- Study is scheduled to make a recommendation in December 2021
- If they recommend to merge, they go directly to the State Board of Education and goes to both districts to have district co-mingled votes to approve the merger and new articles of agreement
- The longer we wait, the more difficult it becomes to withdraw, and its possible that we will not have that option

Merger
Study
Committee



Proposal
Process

Let's Avoid This

What Local Control Gives Us

- We vote in our own school board
- We vote on understandable, detailed school budget annually, inclusive of set SU costs
- We make our own hiring decisions, in conjunction with the SU
- More than likely the current staff would continue
- We make decisions on programming, incl. use of Jackson Woods
- We make decisions on school building
- Should we choose, we have ability to be creative on additional uses of building (early ed, co-working spaces, etc.)
- There is much to be learned as we move forward

Additional Benefits To Voting Yes

- Retain property values
- Ensure Lincoln remains a thriving town that attracts young families
- School choice for grades 7-12
- Keeps our children educated in our community
- We would be joining a supervisory union that supports small schools
- Local Control

What are the Financial Implications for Lincoln Withdrawing from MAUSD?

A woman with dark hair, wearing a grey sweater and a blue patterned skirt, is holding the hand of a young child in a green hoodie and blue pants. They are standing in a grassy field with rows of corn and pumpkins. In the background, there are rolling hills with trees in autumn colors under a clear sky.

Jeanne Albert, Paul Forlenza, Andrew Furtsch
Revised 8/9/21
and 8/19/21

How Do We Currently Fund Lincoln Education?

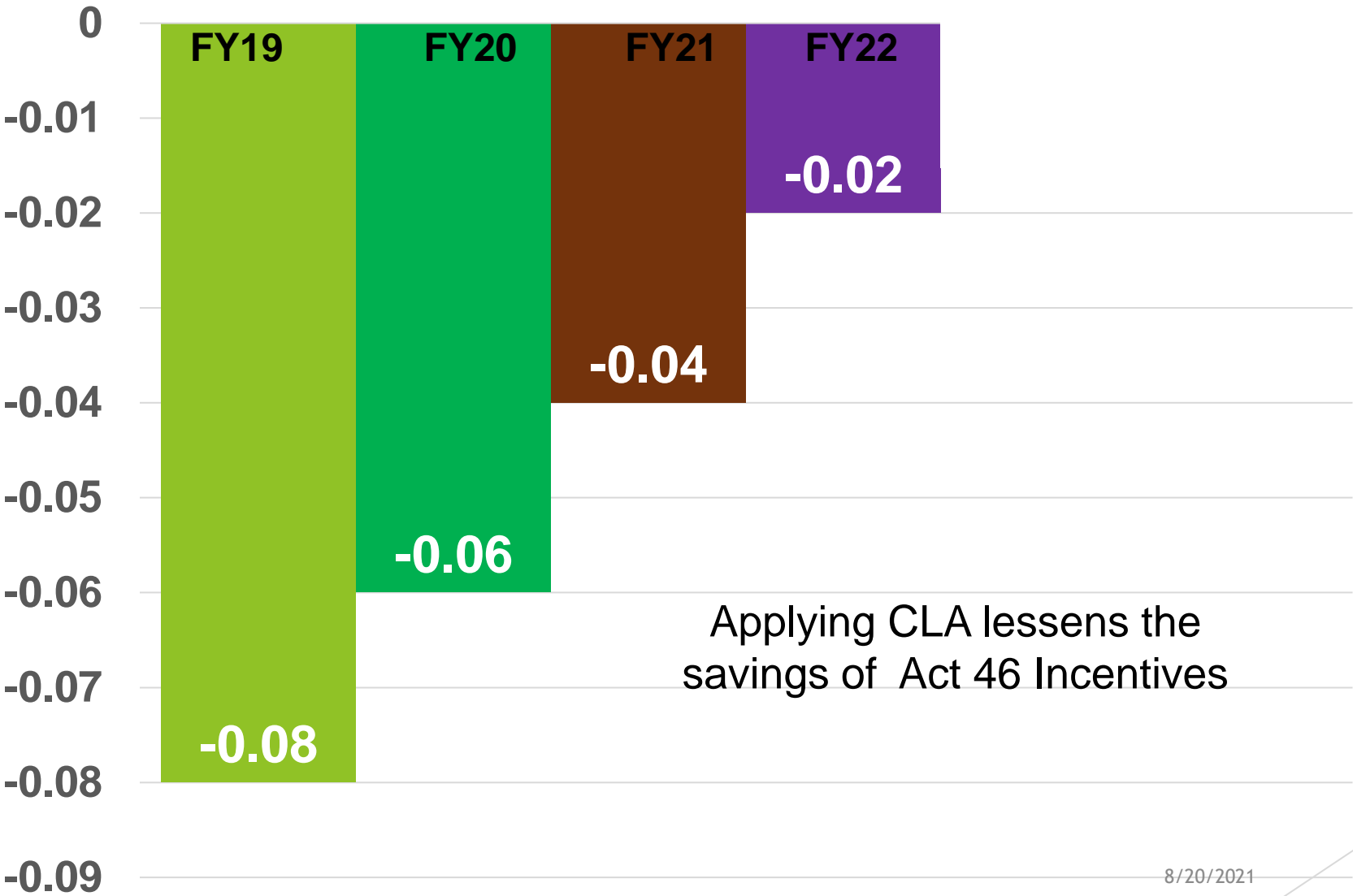
MAUSD FY21 Budget	\$ millions
MAUSD Educational Costs	\$27.427
Lincoln's share for LCS and Grades 7-12 (14.28%)	\$3.917
How do we pay for the Lincoln cost to education?	
Educational property taxes, including Income Sensitivity, collected by the Town	\$2.287
State Education Fund Contribution	\$1.625
Total to educate all Lincoln students	\$3.912

8/20/2021

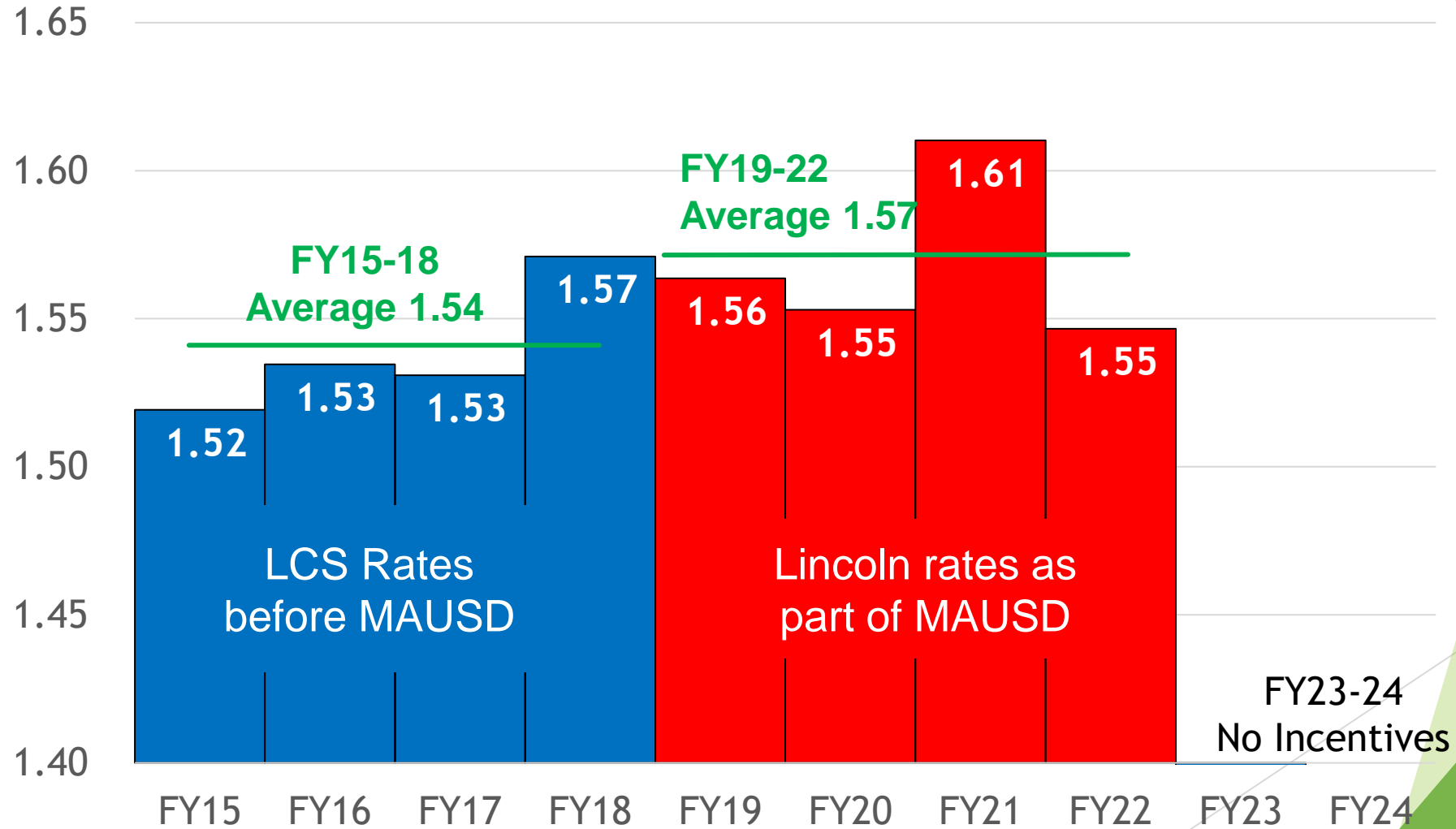
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Source: Agency of Education Act 46 Cash Flow for Lincoln

Act 46 Incentives Decreases Tax Rate



"True" Tax Rates without Act 46 incentives



What about the debt on the LCS Building?

- ▶ Original LCS annual debt payment \$123,000
- ▶ MAUSD 5 towns share the cost of all debt
- ▶ We buy back the building for \$1 and assume the \$123,000 annual payment
- ▶ Approximately \$600k will be left on the bond when we assume it for FY24
- ▶ Final payment is November 2027.

How did we develop a budget for LCS?

- Start with direct costs in MAUSD FY21 budget
- Add indirect costs based on analysis of LCS FY18 budget and other stand-alone schools that purchase Supervisory Union (SU) services
- With school choice an option, assume 70% Lincoln 7-12 students go to Mt. Abe, and 10% each to Middlebury, CVU and private schools **(state reimburses the average secondary tuition)**
- Subtract out local revenue

What Personnel and Services Included Estimates?

▶ Salary and Benefits

- ▶ Classroom teachers
- ▶ Administrators
- ▶ Instructional Coaches
- ▶ Interventionists
- ▶ Art, Music, Wellness teachers
- ▶ Library/Media teachers
- ▶ Guidance counselors
- ▶ Nurses and Custodians
- ▶ Administrative assistants
- ▶ Behavior Assistants
- ▶ Food Services *
- ▶ Special Educators *

▶ Supervisory Union (SU) Services Defined/Required by 16 VSA 261a

- ▶ Receive/Disburse govt. funding
- ▶ Professional Development
- ▶ Financial, human resource, data services and grant writing management
- ▶ Manage construction projects
- ▶ Negotiate with teachers and administrators
- ▶ Special Education *
- ▶ Transportation and Food Service *
- ▶ Audit, legal and Technology support
- ▶ Supplies and equipment

* Some services are shared with SU

Estimate for Lincoln out of MAUSD FY21

Estimates	FY21
LCS Direct Spending	\$1,484,000
LCS Indirect Spending	\$748,000
Plus Tuition Students	\$1,726,000
Less Local Revenue	-\$50,000
Total Lincoln Education Costs	\$3,908,000

Source: MAUSD, LCS and budgets from towns in a Supervisory Union

How would taxes change for if we were out of MAUSD vs in MAUSD without the district tax incentives in FY21?

		House site Value				
		\$100k	\$200k	\$300k	\$400k	\$500k*
Household Income	\$47k	Savings of \$10 - \$50				\$50 to \$125 savings
	\$75k					
	\$90k					
	\$120k					
	\$140k	\$20 - \$60 savings				

This is our FY21 estimate for Lincoln out of MAUSD and NOT a prediction for the future

MAUSD Annual Retreat 8/16/21

- ▶ MAUSD Administration made a projection that property taxes for FY24 with Lincoln out of the district would increase 30%
- ▶ We had a discussion with them on 8/18/21 to understand the assumptions that went into their estimates
- ▶ We do not agree with their assumptions and therefore do not believe taxes will increase more than usual annual increase whether in the district or not
- ▶ Let's review these assumptions

Estimating FY24 Homestead Tax Rates with Lincoln withdrawn from MAUSD

Factor	MAUSD Assumption	SCS Assumption
Tax Penalty Threshold	Threshold Penalty returns at prior level	No indication of returning at all or returning at same level
Property Yield	Kept constant at FY22 level	Increases at historically typical rate per year
Equalized Pupils	Hold Harmless provisions may not apply	Hold Harmless provisions continue
Supervisory Union (SU) Costs	Estimates based on current costs in MAUSD	Estimates based on schools actually in an SU
Common Level of Appraisal	Kept constant at FY22 level	Kept constant at FY22 level

Assumptions applied to FY24 Total Spending Estimates

- ▶ 4.05% expenditure increase over FY21 [Same as MAUSD]
- ▶ Property yield per Eq. pupil = \$12,006
 - ▶ [3% increase/year applied to FY22]
- ▶ No excess spending threshold
- ▶ CLA = 106.6% [FY22 rate]
- ▶ Equalized pupils = 185 [Estimate provided by MAUSD]
- ▶ We aligned staff FTE to enroll forecast by MAUSD

**Our FY24 Estimate of Lincoln Education
Spending and Taxes**

Expenditure	\$4,024,000
Revenue	-\$100,000
FY24 Total Spending	\$3,924,000
Equalized Pupils	185
FY24 Estimated Homestead Tax Rate	1.66
Increase over FY21 Rate (1.57)	5.6%
Average Annual Increase	1.9%

Conclusions on Financial Impact of Leaving the District

- ▶ Based on what we currently know in making our estimates for FY21 and FY24, we believe leaving MAUSD is a financial viable alternative.
- ▶ **Cautions:** there are many challenges in making financial projections, especially educational spending, because the calculations are complex with nuances, there are many variables that are changing all of the time, and the policy for educational spending is changing significantly.
- ▶ We are not accountants and certainly not experts on this subject. However, we have worked many long hours learning about the system and talking to experts in the field.



Installing Swings
& Preparing
Playground, 1953



New Playground
built by the
people of
Lincoln, 2019



They rolled up their sleeves for the children and the community of Lincoln.

Now it is our time to do the same.

Honor their legacy by Voting Yes to withdraw and keep LCS open!

LCS, Grade 8, 1957



Discussion, Questions, Comments

