



Michelle Baker <mbaker@wwsu.org>

---

## Open Board Seats, Annual Meetings and Annual Reports for individual WWSU School Districts this year as we transition to HUUSD

6 messages

---

**Michelle Baker** <mbaker@wwsu.org>  
To: Paul Giuliani <pgiuliani@primmer.com>  
Cc: Bridgid Scheffert <bnease@wwsu.org>

Mon, Dec 12, 2016 at 3:44 PM

Paul,

A number of questions have arisen as we transition into HUUSD, while at the same time town school districts, and our two union school districts will still be in operation. Here are the questions thus far:

- 1) Town and union school districts have board members whose terms are expiring on Town Meeting 2017. How will board members be voted or appointed to these seats? In our SU it's a mix of board members being voted in by Australian Ballot and voted in from the floor.
- 2) Will town school districts, Harwood Union and Waterbury-Duxbury Union have an Annual Meeting in 2017? Although the usual budget and borrowing articles won't apply, what about voting in board members, treasurers and clerks who might be serving through December 2017 on local school boards. There is also the matter of setting their compensation as there will be board meetings and checks to sign until at least late fall 2017. How is this handled?
- 3) Annual Reports - The HUUSD will be issuing an Annual Report which will also include the proposed FY2018 budget. Do you recommend local school districts issue an Annual Report, even though they are not proposing a budget, which has been the majority of what the report contents have included?

We have had many inquiries from Town Clerks as to whether there is an Annual School Board Meeting for their district this year and what will be included in the Town Report.

Thanks for your guidance as we wade through all of these issues. Michelle

—  
Michelle J. Baker  
Director of Finance & Operations  
Washington West Supervisory Union  
802-496-2272, extension 117  
mbaker@wwsu.org

---

**Paul Giuliani** <pgiuliani@primmer.com>  
To: Michelle Baker <mbaker@wwsu.org>  
Cc: Bridgid Scheffert <bnease@wwsu.org>

Tue, Dec 13, 2016 at 1:17 PM

Hi Michelle —

The HUUSD Articles of Agreement provide that the new unified union school district will become operational on July 1, 2017, at which point the existing town school districts and the two union school districts will cease to exist. The forming school districts will continue to operate through June 30, 2017, in anticipation of the transition into the new entity. The Articles of Agreement and the proposed Transition Agreement both recognize that at the town school districts and union school districts level there may be some residual activity after July 1, 2017 to finalize and confirm the transition. Much like a corporate dissolution, the Boards of School Directors of the forming school districts retain sufficient legal authority to effect a wind down of their respective districts after July 1, 2017.

Accordingly, each of the town school districts and the two union school districts will conduct annual meetings in 2017. Members of their respective Boards and officers will be elected in the same manner (floor vote or Australian ballot) as they have been historically. No individual school district budgets will be proposed or acted on at the 2017 annual school district meetings. However, any other matter of business which can properly come before a district annual meeting may be warned and acted upon.

In other words, but for adopting a budget, the 2017 annual district meetings will be indistinguishable from what has occurred historically. Although it will not contain a proposed budget for the July 1, 2017 school year, I feel that the statute should be followed and that annual reports be disseminated as they have been in the past. In enacting Act 46, the General Assembly apparently didn't see fit to carve out an exception to the annual report mandate for districts imminently transitioning into a unified union school district.

I'm not sure there will be any town school district or union school district Board meetings after July 1, 2017, nor do I anticipate any checks being written after that date. With HUUSD assuming all the assets and liabilities of the forming districts, wouldn't all administrative, operational and fiscal matters follow, thereby becoming HUUSD functions? Except for exercising some residual authority as with a corporate dissolution in dealing with an unanticipated matter, a forming member Board wouldn't have a need to meet. The terms of all forming district officers expire on July 1, 2017, along with the Boards' ability to exercise their statutory authority regarding their respective education systems.

Anyhow, long answer to a short question. I hope I have addressed the points you raise. Please don't hesitate to get back to me.

Regards,

P

**PRIMMER**

J. Paul Giuliani | Attorney

PRIMMER PIPER EGGLESTON & CRAMER PC

100 East State Street | PO Box 1309 | Montpelier, VT 05601

Tel: 802 223 2102 | Fax: 802 223 2628

pgiuliani@primmer.com | www.primmer.com

*THE INFORMATION CONTAINED IN THIS ELECTRONIC TRANSMISSION IS LEGALLY PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED SOLELY FOR THE USE OF THE PERSONS OR ENTITIES NAMED ABOVE. IF YOU ARE NOT SUCH PERSONS OR ENTITIES, YOU ARE HEREBY NOTIFIED*

THAT ANY DISTRIBUTION, DISSEMINATION OR REPRODUCTION OF THIS E-MAIL MESSAGE IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS MESSAGE IN ERROR, PLEASE IMMEDIATELY CALL US COLLECT AT (802) 864-0880.

**From:** Michelle Baker [mailto:mbaker@wwsu.org]

**Sent:** Monday, December 12, 2016 3:44 PM

**To:** Paul Giuliani

**Cc:** Bridgid Scheffert

**Subject:** Open Board Seats, Annual Meetings and Annual Reports for individual WWSU School Districts this year as we transition to HUUSD

[Quoted text hidden]

THIS E-MAIL MESSAGE, INCLUDING ANY ATTACHMENTS, IS FOR THE SOLE USE OF THE INTENDED RECIPIENT(S) AND MAY CONTAIN LEGALLY PRIVILEGED AND CONFIDENTIAL INFORMATION. ANY UNAUTHORIZED REVIEW, USE, DISCLOSURE, REPRODUCTION OR DISTRIBUTION IS STRICTLY PROHIBITED. IF YOU ARE NOT THE INTENDED RECIPIENT, PLEASE IMMEDIATELY CONTACT THE SENDER BY REPLY E-MAIL AND DESTROY ALL COPIES OF THE ORIGINAL MESSAGE. THANK YOU.

---

**Michelle Baker** <mbaker@wwsu.org>  
To: Paul Giuliani <pgiuliani@primmer.com>  
Cc: Bridgid Scheffert <bnease@wwsu.org>

Tue, Dec 13, 2016 at 2:54 PM

Paul,

Thank your for your response. It is not what we thought so I am glad we are checking in. It will be a bit odd for the School District to hold an annual meeting where it is likely the only business will be electing officers and setting their compensation for a partial year, given the districts will be dissolved in December 2017.

I can't imagine these meetings will be well attended. We will also need to have annual meetings for our two union districts. I will plan to review the annual meeting warnings with you to make sure we include what we need to, but not the articles we should not include, such as borrowing in anticipation of taxes.

The transition seems very clumsy and confusing to the public, we will definitely have to do some communications work here as to the purpose of the meetings.

Michelle

[Quoted text hidden]

---

**Paul Giuliani** <pgiuliani@primmer.com>  
To: Michelle Baker <mbaker@wwsu.org>

Tue, Dec 13, 2016 at 3:29 PM

Hi Michelle –

The Articles provide that HUUSD will become fully operational on July 1, 2017 (Article 10). On the date the unified union district becomes “operative”, under the general statute “all other school districts within its borders . . . shall cease to exist.” (16 VSA 722(b)).

So, I’m questioning characterizing December 1, 2017 as the forming districts’ dissolution date. Article 10 acknowledges that there is some limited vitality in the Boards of the forming districts for the purpose of winding

down their affairs, but as a matter of law the districts as distinct municipal corporations will no longer exist after July 1, 2017.

At the 2017 annual district meetings, it might be prudent for the voters to encumber all or a portion of the June 30, 2017 fund balance until December 31, 2107 to cover costs associated with residual activities connected with the dissolution. On December 31, 2017, what's left of the fund balances would transfer to HUUSD without further action.

Just a thought.

P

## PRIMMER

J. Paul Giuliani | Attorney

PRIMMER PIPER EGGLESTON & CRAMER PC

100 East State Street | PO Box 1309 | Montpelier, VT 05601

Tel: 802 223 2102 | Fax: 802 223 2628

pgiuliani@primmer.com | www.primmer.com

*THE INFORMATION CONTAINED IN THIS ELECTRONIC TRANSMISSION IS LEGALLY PRIVILEGED AND CONFIDENTIAL INFORMATION INTENDED SOLELY FOR THE USE OF THE PERSONS OR ENTITIES NAMED ABOVE. IF YOU ARE NOT SUCH PERSONS OR ENTITIES, YOU ARE HEREBY NOTIFIED THAT ANY DISTRIBUTION, DISSEMINATION OR REPRODUCTION OF THIS E-MAIL MESSAGE IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS MESSAGE IN ERROR, PLEASE IMMEDIATELY CALL US COLLECT AT (802) 864-0880.*

**From:** Michelle Baker [mailto:mbaker@wwsu.org]

**Sent:** Tuesday, December 13, 2016 2:54 PM

**To:** Paul Giuliani

**Cc:** Bridgid Scheffert

**Subject:** Re: Open Board Seats, Annual Meetings and Annual Reports for individual WWSU School Districts this year as we transition to HUUSD

[Quoted text hidden]

[Quoted text hidden]

---

**Michelle Baker** <mbaker@wwsu.org>  
To: Paul Giuliani <pgiuliani@primmer.com>  
Cc: Bridgid Scheffert <bnease@wwsu.org>

Wed, Dec 14, 2016 at 9:00 AM

Paul,

It will be virtually impossible to have all bills paid from our individual school districts for the fiscal year ending June 30, 2017 by June 30, 2017. In thinking about this our goal was to keep the individual school bank accounts open until all costs associated with the fiscal year 2017 are paid, which would likely be in early August. Our financial auditors are conducting the fiscal year 2017 audits the week of August 14, 2017; so that is the date whereby our goal is to have the books are closed for all individual school districts

I think the suggestion you make asking boards to encumber their fund balance to cover the cost of any residual activities is prudent. Final audit reports for the fiscal year ended June 30, 2017 will likely be completed by October. Could we ask school boards to encumber their FY2017 fund balance until the final audit is issued, or December 31, 2017, whichever comes earlier? That being said, do you see keeping bank accounts open for these districts until the books are closed, and fund balance finalized, to be a problem?

Michelle

[Quoted text hidden]

---

**Paul Giuliani** <pgiuliani@primmer.com>  
To: Michelle Baker <mbaker@wwsu.org>  
Cc: Bridgid Scheffert <bnease@wwsu.org>

Wed, Dec 14, 2016 at 9:15 AM

No problem keeping the school district bank accounts open until 12-31-17. I like the suggestion to tie the accounts to the completion of the audits. P

Sent from my iPhone

On Dec 14, 2016, at 9:00 AM, Michelle Baker <mbaker@wwsu.org> wrote:

Paul,

It will be virtually impossible to have all bills paid from our individual school districts for the fiscal year ending June 30, 2017 by June 30, 2017. In thinking about this our goal was to keep the individual school bank accounts open until all costs associated with the fiscal year 2017 are paid, which would likely be in early August. Our financial auditors are conducting the fiscal year 2017 audits the week of August 14, 2017; so that is the date whereby our goal is to have the books are closed for all individual school districts

I think the suggestion you make asking boards to encumber their fund balance to cover the cost of any residual activities is prudent. Final audit reports for the fiscal year ended June 30, 2017 will likely be completed by October. Could we ask school boards to encumber their FY2017 fund balance until the final audit is issued, or December 31, 2017, whichever comes earlier? That being said, do you see keeping bank accounts open for these districts until the books are closed, and fund balance finalized, to be a problem?

Michelle

On Tue, Dec 13, 2016 at 3:29 PM, Paul Giuliani <pgiuliani@primmer.com> wrote:

Hi Michelle –

The Articles provide that HUUSD will become fully operational on July 1, 2017 (Article 10). On the date the unified union district becomes “operative”, under the general statute “all other school districts within its borders . . . shall cease to exist.” (16 VSA 722(b)).

So, I’m questioning characterizing December 1, 2017 as the forming districts’ dissolution date. Article 10 acknowledges that there is some limited vitality in the Boards of the forming districts for the purpose of winding down their affairs, but as a matter of law the districts as distinct municipal corporations will no longer exist after July 1, 2017.

At the 2017 annual district meetings, it might be prudent for the voters to encumber all or a portion of the June 30, 2017 fund balance until December 31, 2107 to cover costs associated with residual activities connected with the dissolution. On December 31, 2017, what's left of the fund balances would transfer to HUUSD without further action.

Just a thought.

P

**<image001.jpg>**

[Quoted text hidden]  
[Quoted text hidden]  
[Quoted text hidden]

[Quoted text hidden]  
[Quoted text hidden]

**<image001.jpg>**

[Quoted text hidden]  
[Quoted text hidden]  
[Quoted text hidden]  
[Quoted text hidden]

[Quoted text hidden]

[Quoted text hidden]