

**Budget Committee**  
**Minutes**  
**November 13, 2012**

Present: R. Barnes (arrived late), T. Beard, B. Cummings, C. Guagliumi, S. Heinrich, G. Krupp, M. Malzone, L. Mooney, V. Pellegrino, C. Skarda and School Board liaison A. Schneider

Excused: J. Burk and R. Swonger

Also Present: School District Business Administrator M. Shevenell

B. Cummings called the meeting to order at 7:05 PM and led those present in the Pledge of Allegiance.

**Approval of Prior Minutes**

S. Heinrich made a MOTION to approve the minutes of October 9, 2012 with corrections.

Second: G. Krupp. MOTION PASSED 9 – 0 – 1 (M. Malzone abstained)

**End of FY 2011-12 Review**

M. Shevenell gave a reviewed the final budget figures for fiscal year 2011-2012:

- Salaries: There was a little money left in these lines.
- Performance Pay/Retirement Incentive: This line was overspent due to an Administrative Retirement. In addition, the Performance Pay portion of this line is fully expended for either performance pay or professional development.
- Benefits: There was a health insurance savings as more people took the HMO plan and retirement costs came in lower than expected.
- Maintenance: There was a savings on natural gas costs at Thorntons Ferry School and the middle school. Electricity cost less than expected. M. Shevenell explained that the district buys electricity on the secondary market with a locked in price until the end of next year.
- Special Education: There were some unexpected out-of-district placements, which the School Board chose to fund within the budget rather than use the Special Education Capital Trust Fund.
- Contracted services: Enrollment in Driver's Ed is down. This is a state mandated course, which is why it is part of the budget. All costs associated with this line are fully funded by student enrollment fees.
- Equipment/Equipment Repairs & Software: These lines were over-expended due the need to purchase a new server and a disaster recovery server when the Power School server crashed. In addition, the district now has off-site data backup servers.
- Transportation: Co-curricular transportation needs were slightly down.
- Telephone/Printing/Postage/Advertising/Insurance: The Liability Insurance was less than anticipated.
- Supplies/Texts: These lines were fully or slightly over-spent.
- Meeting/Memberships/Records Check: The district reduced some memberships.

- Bonded Debt: The bank did a re-finance on the various bonds owed by the District to reduce the yearly payment; however, the length of the bonds remains the same. M. Shevenell said the bond bank did the re-finance automatically.
- Food Service: M. Shevenell told the Committee that any balance in the food service lines stays with the food service program. He indicated that the District does pay FICA for the food service employees. He mentioned that the School Board had increased lunch fees due to the Federal requirement that the cost charged to students must be in line with the cost paid by the Federal Government for free and reduced lunches.

In addition, M. Shevenell reviewed the District's Capital Improvement Plan (C.I.P.) with the Committee.

Discussion included:

- Some items in the C.I.P. may be part of the operating budget rather than proposed in a warrant article. For example, on-going asbestos removal, roof repairs and technology upgrades
- A new Central Office is likely to be the only warrant article proposed at next year's School District Meeting.
- The health insurance increase for next year is expected to be about 3.5 %.
- The retirement system increase for next year could be as much \$800,000.
- Warrant articles for teacher or support staff contracts ask the voters to approve an appropriation for the net increase in costs for salaries and benefits. Possibly other things in the contract that may have a cost impact could be explained in more detail in the voter's guide.

R. Barnes arrived at this time.

### **FY 2013-14 Budget Process** **Committee Meetings**

B. Cummings reviewed the upcoming Committee meeting calendar:

January 29<sup>th</sup>: Meeting with department heads. Snow Date: January 31<sup>st</sup>

February 5<sup>th</sup>: Continued meeting with dept heads, work session Snow Date: February 7<sup>th</sup>

February 12<sup>th</sup>: Warrant Articles, Public Hearing and Final Recommendations

Snow Date: February 14<sup>th</sup>.

If needed/Last date to hold Public Hearing: February 19<sup>th</sup>

### **Liaison assignments**

T. Beard said that all members got at least one assignment that was their first choice. He indicated that the liaison review team meetings should start after January 1<sup>st</sup>.

### **Budget Books**

B. Cummings indicated that the School Board would receive the Administration's proposed budget on December 3<sup>rd</sup> and that Committee members could pick up their budget materials starting on December 4<sup>th</sup>. Members who want a budget book rather than, or in addition to, an electronic version should notify B. Cummings.

**Written Budget Questions**

B. Cummings requested that members who have specific questions for Department Heads should submit them to him, in writing, by December 11<sup>th</sup>. He said that Department Heads would answer these questions during their budget reviews at School Board meetings. B. Cummings suggested that all members should attend or view the School Board budget review meetings and stated he would send out a schedule of these meetings. He also said that, after December 11<sup>th</sup>, members with additional questions should submit them to the appropriate liaison team lead or directly ask the department head at the Committee's meetings with that department head.

**Other**

No one had anything else to bring up.

**Public Participation**

There was no public participation

S. Heinrich made a MOTION to adjourn. Second: C. Guagliumi. MOTION PASSED unanimously.

B. Cummings adjourned the meeting at 8:47 PM.

Respectfully submitted,

Pat Heinrich