

Budget Committee
Minutes
November 10, 2015

Present: B. Cummings, S. Heinrich, D. Illg, L. Mooney, C. Lang, C. Ortega and School Board liaison D. Powell

Excused: K. Bobbitt

Absent: J. Guagliumi, J. Hanson, S. Jacoby and C. Mower

Also Present: Business Administrator M. Shevenell.

S. Heinrich called the meeting to order at 7:09 PM and led those present in the Pledge of Allegiance. S. Heinrich welcomed new member C. Ortega to the Committee and asked members to introduce themselves. S. Heinrich asked if any member had objection to having the 2014-15 Budget review as the first item on the agenda. When no one did, he introduced Business Administrator Matt Shevenell and asked him to proceed.

FY 2014 – 15 Budget Review

M. Shevenell told the Committee that the School District ended FY 14-15 with an unassigned fund balance, formerly known as “surplus” of \$4,473,163. He said this balance resulted from a combination of \$2,531,210 in appropriated funds not being spent and the District receiving \$1,941,952 more revenue than expected. He indicated the District may not over-expend the appropriated bottom line and that the total unassigned fund balance will go back to the town to reduce the school’s portion of the tax rate.

M. Shevenell then reviewed general budget categories to explain how the FY 14-15 appropriation was spent. He said while the Professional Staff budget line, which included 344 professional staff members and all administrators had a slight surplus, the Support Staff budget line was slightly over-expended due to the need for long-term illness substitutes. M. Shevenell indicated the largest under-expended budget line was the Benefits line. He said this line was built based on a guaranteed maximum health insurance increase and there were some savings due to a demographic shift in the group. M. Shevenell told the Committee that the second largest under-expended budget line was the Special Services area because the district had fewer “out-of-district” placements than expected. He said other under-expended budget lines included Maintenance (due to energy costs that were less than expected), Contracted Services (due to less legal costs than expected), and Bonded Debt (due to refinancing some of the District’s bonds). M. Shevenell said another major budget area that was over-expended was the Transportation budget line. The over-expenditure was due to need for transportation for more co-curricular activities. However, by contract, the transportation rate for FY 2016-17 will be the same as the current fiscal year. M. Shevenell said that the other budget lines were all “fairly close.”

M. Shevenell told the Committee that \$1,000,000 of the revenue “surplus” was due to the health insurance trust reimbursement payment; however, this was the last reimbursement payment. M. Shevenell said another portion of the revenue surplus is more catastrophic aid and more Medicaid reimbursements than anticipated. He indicated he budgets a low estimate in these areas and sometimes the District gets more than expected

M. Shevenell told the Committee that food service is a special revenue fund, which means that all monies beyond its expenditures are kept in the fund for future support of the program. He said that the fund currently has \$135,000 in it and Food Service Director, David Dziki, has requested \$26,000 to purchase a new food service van to replace the current 2008 van. He also said the fund can’t be dissolved and used to reduce taxes.

Discussion included the following:

- There is a statute, which allows districts, by approved warrant article, to retain some surplus funds. Only a few districts, statewide, have done this. M. Shevenell said as long as the district has a Special Services Capital Trust Fund and an Emergency Maintenance Capital Trust Fund for which the School Board is the agent to expend, he is comfortable returning surplus funds.
- Even though oil costs have done down, M. Shevenell said the gas conversion resulted in schools getting brand new boilers and the oil bunkers that the District was going to have to pay to remove, in any case, were removed.

Capital Improvement Plan (C.I.P.)

M. Shevenell told the Committee that the copy he was providing had some errors and that he would email correct copy to the members.

M. Shevenell explained some of the main projects in the C.I.P:

1. Air ventilation system at the high school cafeteria/kitchen. The current system is 30 years old and out of code.
2. Middle School roof. Though the roof is only 10 years old, it is out of warranty and has many issues. This item will likely be put in the operating budget.
3. Paving the bus loop around and in front of the high school.
4. High School Track: current track needs to be replaced. The plan also calls for expanding the track to 8 lanes in order to hold state meets and adding a retaining wall to help with drainage.
5. Technology: plans call for spending approximately \$250,000 per year to update and improve technology as well as replace servers.

Discussion included the following:

- So far this year’s budget is on track.
- The company who has been repairing the track has indicated that it is no longer possible to patch the track.
- All District servers and programs such as Power School and the accounting software have off-site backup as well as a disaster recovery service contracts.

- The School District Planning and Building Committee is looking into health issues related to athletic field surfaces. The group facilitator is Pat Heinrich. Replacement of the current football field is in a future year of the C.I.P.
- When possible, additional square footage was added to asbestos removal projects as long as the total expenditure was kept within the allotted budget. The project mentioned in the C.I.P. removes the last of the known asbestos in the District.
- The air ventilation project in the C.I.P. costs more than what was listed in prior C.I.P.s but has increased efficiency and functionality.
- Maintenance checks all school roofs yearly and has placed a priority on replacing the Middle School roof.

Re-organization

After a short discussion, B. Cummings made a MOTION to table re-organization until more committee members were present. Second: D. Powell. MOTION PASSED unanimously.

Member Resignation:

S. Heinrich told the Committee that Sylvie Pare had been elected in April, took the oath and has now submitted her resignation. He said this creates an open seat on the Committee until the April election, but there is time for the Committee to appoint someone to fill the seat for this budget cycle.

S. Heinrich made a MOTION to accept Sylvie Pare's resignation. Second: B. Cummings. MOTION PASSED unanimously.

S. Heinrich asked the Committee when it wanted to meet to interview candidates.

After discussion, and by consensus, December 8th was chosen for the next meeting. S. Heinrich will advertise for candidates to submit letters of interest and meet with the Committee on that date.

Other

Budget Books

S. Heinrich told the Committee the initial Superintendent's budget proposal will be available on December 8th. He asked members to notify him whether they would prefer a budget book, a budget CD or both.

Liaison Requests

S. Heinrich said he had brought forms for members to submit liaison assignment requests. He asked members to fill in the forms and get them back to him on or before December 8th. Liaison requests - look over and get back to Stan.

Meeting Schedule

S. Heinrich told the Committee that February 9th is the last date for petitioned warrant articles and February 16th is the last date to hold budget hearings. He said that last year, the Committee scheduled two nights for budget presentations, one night for a combination work session and warrant article review, and one final night for the public

Minutes, 11-10-15, continued

hearing and final actions on the budget. He indicated that he expected Committee budget reviews to start in the middle of January, possibly January 19th. He said the calendar would include snow dates and may need to change depending on what date the Presidential Primary is scheduled.

Public Participation:

There was no public participation.

Davis Powell made a MOTION to adjourn. Second: C. Lang. MOTION PASSED unanimously.

S. Heinrich adjourned the meeting at 8:20 PM.

Respectfully submitted,

Pat Heinrich