

**Budget Committee Minutes  
 Tuesday, February 12, 2019  
 4:00 p.m., Hampden Academy - Library**

<b>Attendees</b>	<b>Role</b>	<b>Telephone/email</b>
Regan Nickels	RSU 22, Assistant Superintendent	862-3255/rnickels@rsu22.us
Trish Hayes	RSU 22, District Accountant	862-3255/thayes@rsu22.us
Richard A. Lyons	RSU 22, Superintendent	862-3255/rlyons@rsu22.us
Rob Frank	RSU 22 Board, Budget Committee Chair	862-3255/rfrank@rsu22.us
Allan Gordon	RSU 22 Board, Budget Committee Member	862-3255/agordon@rsu22.us
Jayne Dyer	RSU 22 Board, Budget Committee Member	862-3255/jdyer@rsu22.us
Jessica Hamilton	RSU 22 Board, Budget Committee Member	862-3255/jhamilton@rsu22.us
<b>Distribution</b>	<b>Company/Affiliation</b>	<b>Telephone/email</b>
Attendees		
Board of Directors	RSU 22	Contact Info on district website

Meeting Agenda:

Summary:

Old Business: Articles 9, 10 & 11 (Facilities, Debt Service, Nutrition)

New Business: Approve Minutes of January 22, 2019

Article 4 (Other Instruction: Athletics/Co-Curricular)

Other

<b>Meeting History</b>	
1/22	Background (last year's budget, steps, calendar, dates, etc.), Articles 9,10,11

Article Number	Article Name	Notes	Action
February 12th	Opening Remarks, Revisions, Minutes Approval	<p><b>Approval of minutes from January 22, 2019.</b></p> <p><b>Motion to approve by Committee member Alan Gordon.</b></p> <p><b>Second by Committee member Jayne Dyer. Vote unanimous to approve.</b></p> <p><b>Update on previous articles (9, 10, 11) – no updates at this time.</b></p> <p><b>Next meeting, March 5th, will have updates based on ED-279 predicted to arrive on February 15th.</b></p>	
January 22nd	Opening Process and Budget Background Presentation	<ul style="list-style-type: none"> <li>● Assistant Superintendent Nickels reviewed the budget meeting dates and process for keeping minutes going forward.</li> <li>● Fiscal Year 2020 Budget Process – Powerpoint presentation regarding knowns and timeline. Categorical budget meetings will be held again this year. Public is invited, the meetings will serve primarily as a workshop process for the Budget Committee. Budget requests will be aligned with the district strategic plan. Due to the early nature of the budget process commencing this year; presentations will represent what district officials know presently as state subsidy figures and legislative decisions that will affect the budget are not yet available or unknown.</li> <li>● Definition of Warrant Articles were disseminated and explained. Article 4 is next on the agenda for February 12th.</li> <li>● Budget Development Process: <ul style="list-style-type: none"> <li>● Each administrator presents a budget to the Superintendent.</li> <li>● Turn in a program or position evaluation form.</li> <li>● Central office has met with all principals and are rounding out with the program directors.</li> <li>● 2019 Positions added after budget passed: <ul style="list-style-type: none"> <li>○ Smith School Kindergarten teacher</li> <li>○ ELA/SS position at HA. Two Ed Tech III positions not filled.</li> <li>○ 6 long term subs across the district</li> </ul> </li> </ul> </li> <li>● Unfilled: <ul style="list-style-type: none"> <li>● 3 Ed Tech III positions</li> </ul> </li> </ul>	

		<ul style="list-style-type: none"> <li>Trainer at Hampden Academy – replaced with contracted service provider</li> <li>Overall Status (State provided valuations): <ul style="list-style-type: none"> <li>Town valuation figures disseminated</li> <li>All towns have seen an increase in valuation for FY20 between 0.9%-5.8%. Waiting for information from State for the mil rate and state support.</li> </ul> </li> <li>ED-279 – dictates the targeted funding, state contribution. This form is not expected until mid-February.</li> <li>Health insurance loss ratio has increased so we will see an increase. Will not be known until April.</li> </ul>	
1 March 5th	<b>Regular Instruction:</b> Classroom Teaching & materials, Gifted & Talented, Alternative Education,ELL, copiers, course reimbursement, substitutes	FY 20 Article 1 - Regular Instruction Amount TBD  FY 19 Article 1 - Regular Instruction Amount \$11,354,647.85	
2 March 5th	<b>Special Education Instruction:</b> teaching & materials, Specialist costs: OT, PT, Audiology, Social Work, Psych, Speech/Language, SPED Administration	FY 20 Article 2 - Special Education Instruction Amount TBD  FY 19 Article 2 - Special Education Instruction Amount \$5,990,097.15	
3	<b>CTE: UTC</b> now has its own funding allocation (ED 279)	FY 20 Article 3 - UTC Amount TBD  FY 19 Article 3 - UTC Amount \$0	
4 February 12th	<b>Other Instruction:</b> Co-Curricular,	<b>Article 4: Other Instruction introduced. Includes Co-curricular activities occurring outside of the school day but extending related curriculum taught during the day are</b>	

**Extra-Curricular, Summer School, Graduation, Athletic Directors, Activity Transportation**

included in this article. Extra-curricular activities considered important and enriching in child’s development but not connected to the daily curriculum, primarily athletics, also included in Article 4.

The Budget Report by Article Cover Sheet was reviewed.

- Increase of \$76,898.50 to a total of \$886,572.69 was discussed. This article is 9.5% higher than FY19.

RSU #22 Budget Report by Article  
Presented: February 12, 2019

	FY19 Budget	FY20 Proposed	Incr/(Decr)	% Incr/(Decr)	% of Total Variance
Article 4: Other Instruction	\$809,674.19	\$886,572.69	\$76,898.50	9.50%	
The costs of Co- and Extra- Curricular programs at the middle and high school levels					
* Increase in stipends and associated benefits for coach/advisor positions	\$559,203.76	\$573,982.81	\$14,779.05		
* Increase in transportation	\$70,178.53	\$94,215.38	\$24,036.85		
* Increase in officials and associated benefits and trainer @ HA	\$83,873.46	\$120,015.06	\$36,141.60		
			<u>\$74,957.50</u>		

- Article 4 costs have been increasing over the past few years primarily due to costs associated with personnel, transportation and officials. Warrant article transfers have been required over the past three years. FY18 transfer was \$19,215. In FY17 the Article 4 transfer was \$28,000.
- The increased expenditures were discussed. RSU #22 employs 86 coaching positions and 76 co-curricular positions. Coaches and advisors are paid through stipends. The value of the ERPs which are the basis of stipends has increased in the current contract year to \$111.87 and \$114.11 in FY 20. In addition, an experiential factor is built into the stipend calculation. Associated benefits increased as well. Total increase \$14,779.05.
- Transportation increases of \$24,036.85 were noted. Increase in costs for officials and associated benefits (ie. social security, medicare, unemployment, workers’ comp.) were also noted.
- New cost in FY 20 – Athletic trainer. History – HA previously employed a position at the Academy which was a part-time Athletic Trainer. Limited services were available at the middle schools. A recent contract with EMMC (Northern Lights) was signed which serves HA primarily with attention to the middle schools for fall football, cross country and spring track services. Administration is meeting with EMMC later this month to discuss next year.

- **Funding has been proposed to adequately implement high school and middle services to the degree middle schools have experienced in the past.**
- **HA Athletic Director Fred Lower spoke to the contracted services experiences and is very pleased with the services provided. The middle school principals spoke to the services offered at those schools. Trainers have been consistent at both middle and high schools during football games. Winter sports at the middle school have not seen trainer support. Once a week consultation for middle school sport management has been the norm this year. Significant reporting and communication from trainer to school, parents, nursing staff occurs and is highly satisfactory. The budget is proposed to support levels of middle school trainer support at levels more consistent with past practice two and three years ago.**
- **Breakdown of Article 4. Inside each of the categories:**
  - **Summer school. \$3,000 to allow for student credit recovery outside of Title and Sp Ed services.**
  - **Elem. Co-Curricular. Inter-district transportation costs were included. Stipends, dues and fees.**
  - **Secondary Co-Curricular. Stipends, dues/fees.**
  - **Hampden Academy Graduation costs. Increased by \$750.**
  - **Elem Extra-Curricular. Stipends, officials, purchased services – such as timing services for track meet, announcers, scorekeepers. Supplies. Purchased services for safety measures e.g. Football helmets (all that were worn) and a % of shoulder pads need to be reconditioned each year.**
  - **Athletic transportation costs were increased for FY20 to right size the lines.**
  - **Secondary Extra-Curricular. Includes all of the above and the costs of the Athletic Director.**
- **Athletic field maintenance is included in Article 9 Facilities Maintenance.**
- **Article 4 is approximately 2% of the total district budget.**
- **Senior Walk – Graduating seniors are brought together and march two by two past the students at**

		<p><b>each school in the district. Will continue into the future. Now budgeted.</b></p> <ul style="list-style-type: none"> <li><b>What's not included? Comprehensive Article 4 budget proposal.</b></li> </ul> <p><b>FY 20 Article 4 - Other Instruction Amount \$886,572.69</b></p> <p><b>FY 19 Article 4 - Other Instruction Amount \$809,674.19</b></p> <p style="text-align: center;"><b>Difference: \$76,898.50                      9.5%</b></p> <p><b>increase</b></p>	
<b>5</b> April 9th	<b>Student and Staff Support:</b> Guidance, Nursing, Technology, Library, 504 Services, Intervention, Testing, Professional Development, Curriculum Director	<p>FY 20 Article 5 - Student and Staff Support Amount TBD</p> <p>FY 19 Article 5 - Student and Staff Support Amount \$2,576,283.38</p>	
<b>6</b> March 26th	<b>System Administration:</b> Board of Directors, Legal, Negotiations, Superintendent, Assistant Superintendent, Accounting/Payroll Office	<p>FY 20 Article 6 - System Administration Amount TBD</p> <p>FY 19 Article 6 - System Administration Amount \$841,537.21</p>	
<b>7</b> March 26th	<b>School Administration:</b> Principals, course reimbursement, Admin Assistants, Office costs	<p>FY 20 Article 7 - School Administration Amount TBD</p> <p>FY 19 Article 7 - School Administration Amount \$1,436,933.57</p>	
<b>8</b> April 30th	<b>Transportation:</b> Bussing contract, Diesel Fuel, Van purchases, Out of District	<p>FY 20 Article 8 - Transportation Amount TBD</p> <p>FY 19 Article 8 - Transportation Amount \$1,382,785.53</p>	

Transportation costs

9  
January 22nd

**Facilities Maintenance:**  
Buildings, Utilities, Plowing, Propane/Oil, Custodians, Equipment, Architects & Engineer fees, Contracted Services (grounds, roofs, inspections, etc), Van Fleet, Supplies, Repairs

Reviewed Article 9:

- See handout of large increases or decreased projected at this time:

RSU #22 Budget Report by Article

FY19 Budget	FY20 Proposed	\$ Incr/(Decr)	% Incr/(Decr)	% V
\$3,766,378.10	\$3,841,187.88	\$74,809.78	1.99%	

Article 9: Maintenance

The costs to maintain and care for the district buildings.

* Increase in property insurance	\$101,292.09	\$111,420.95	\$10,128.86	
* Increase in fuel costs	\$202,516.60	\$238,800.30	\$36,283.70	
* Increase in negotiated salaries	\$683,395.08	\$699,307.30	\$15,912.22	
* Contracted services, Smith School	\$0.00	\$23,940.00	\$23,940.00	
* Custodial supplies, all buildings	\$72,026.21	\$84,095.36	\$12,069.15	
* Benefits, Maintenance	\$45,512.02	\$35,028.16	-\$10,483.86	
* Equipment, Non-Cap, all buildings	\$16,200.00	\$25,000.00	\$8,800.00	
* Contracted services, Maintenance	\$326,146.97	\$385,868.87	\$59,721.90	
* Repair & Maintenance, Vehicles	\$18,750.00	\$25,312.50	\$6,562.50	
* Principal and interest, Repair Bond	\$624,403.11	\$526,042.71	-\$98,360.40	
* Capital Outlay, Planning & Study	\$27,500.00	\$39,850.84	\$12,350.84	

\$76,924.91

- What is the percentage of increase in maintenance of buildings? Approximately 7.8%. Capital Reserve will fund of some of the additional needs beyond what is budgeted.
- What's the capital reserve balance? currently \$358,384.07
- SRRF may be funded by \$22 million next year (legislation submitted) which we may qualify for.
- McGraw project is listed as #20 in the state so weighing whether to build into budget or wait for state funding.

FY20 possible capital projects:

- Flooring projects, door/window replacement projects, paving, roofing, dumpster and sidewalk slab replacements, central office improvements.
- Newburgh Elementary School on track to be conveyed to town in 2022. Do we want to make repairs if we will convey? Kitchen, water system replacement, roof monitoring but need an evaluation. Playground has been addressed.

Discussed options for electrical supply. Investigating all the options for electrical power distribution. Have not budgeted an increase. Electrical has contained a contingency in the past.

Maintaining Reeds Brook trails will need work. Cross country team utilizes the trails on a regular basis. Looking at a multi-purpose Gator and partnerships with cost sharing.

		<p>Information on vehicle fleet was passed out for review. Discussion on whether to continue to purchase well used vehicles, or begin to have a replacement schedule. More information to come in Article 8. Safety issues are monitored and addressed with well maintained van fleet. Cyr Bus is using RSU #22 vans to transport students; we pay for the drivers. Assistant Superintendent Nickels recommends we continue in this model.</p> <p>Electrical distribution system on Hampden Weatherbee &amp; McGraw campuses needs to be substantially upgraded. Replacements and repairs that are needed will be substantial and will be quite expensive. Work has begun to secure a 3-5 year phase-in recommendation plan.</p> <p>MaryAnne Royal asked about field maintenance. Assistant Superintendent Nickels explained that Article 9 covers those commitments and that the cost for watering the fields and the maintenance for Wagner Middle School's field was included for FY 20. Will evaluate Wagner field again in the spring to ensure that with continued watering and treatments the field will continue to function as a safe sports environment. Self-propelled water cannon for Wagner is also included in Article 9. Comparing an underground irrigation watering system will also be quoted as an alternative.</p> <p>FY 19 Article 9 - Facilities Maintenance \$3,766,378.10</p> <p>FY 20 Article 9- Facilities Maintenance \$3,841,187.88</p> <p style="text-align: right;">Difference of \$74,809.78    1.9% increase</p>	
<p><b>10</b></p> <p>January 22nd</p>	<p><b>Debt Service and Other Commitments:</b> state approved capital debt obligations, Frankfort debt service flowthrough</p>	<p>Reviewed Article 10 Debt Service. Reported that the information contained may change since the ED-279 has not yet been released.</p> <p>FY 19 Article 10 - Debt Service and Other Commitments Amount \$3,777,724.15</p> <p>FY 20 Article 10 - Debt Service and Other Commitments Amount \$3,717,945.39</p> <p>Difference of -\$59,778.76    1.58% decrease</p>	<ul style="list-style-type: none"> <li>• Update Debt Service</li> <li>• Update Bond Debt Service</li> </ul>
<p>11</p> <p>January 22nd</p>	<p><b>All Other Expenditures:</b> food service program</p>	<p>Article 11 - All Other Expenditures Amount \$0</p> <p>Article 11 Other Expenses– no handout. No request for support of the RSU #22 School Nutrition program for FY20.</p>	



		FY 19 Article 11 - All Other Expenditures Amount \$0 FY 20 Article 11- All Other Expenditures Amount \$0 Difference of \$0 0%	
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- The next Budget Committee meeting will be March 5th. Article 1 - Regular Instruction and Article 2 Special Education will be reviewed.

Motion to adjourn: Committee member Dyer, Second: Committee member Gordon

- Meeting adjourned at 4:45 p.m.