

LNSU/LNMUUSD Finance/Bond/Budget Committee Review

November 5, 2018

Committee Members in Attendance: Mark Neilsen, Angela Lamell, Laura Miller, Katie Orost, B. Sander, Amanda Tilton-Martin

Others Present: Deb Clark, Wendy Savery, Dylan Laflam, Jan Epstein, David Manning, Diane Reilly

Minute Taker: Sue Trainor

Call to Order and Approval of Agenda: Nielsen called the meeting to order at 6:00 p.m. Sander made a motion, seconded by Lamell to approve the agenda. The motion passed unanimously.

Public Comments: Nat Kinney, a member of both the Johnson Recreation Committee and Selectboard member, addressed the Committee to discuss the cuts in maintenance staffing at Johnson Elementary School. Kinney appreciated that the problem of staffing had been solved for this winter but he was concerned about accessibility in future years. His concerns for inadequate staffing included public safety and insurance. If the school and sidewalks weren't maintained, he wondered what the school's liability was if someone slipped and was injured. Kinney questioned whether emergency services would have an issue if sidewalks and parking lots weren't maintained during a weekend blizzard. He asked whether the insurance carrier had been notified of the District's plan. Kinney stated that Johnson taxpayers built the school and maintained it for decades. It was turned over to the District with a large surplus for maintenance. The taxpayers had a reasonable expectation that they would be able to use the building as they always had for recreational activities and community events even during vacations and snowstorms. He noted the number of important programs that took place in the school gym. Kinney asked that the District find the funds to ensure the school remained safely accessible year round.

Jeff Bickford, a resident of Johnson who had served on the committee that reviewed early consolidation, stated the most difficult selling point to approve consolidation was that the schools were the social hub of a community. The concern had been that accessibility to the schools would be lost if there were a consolidated school board. The intent of the group and the spirit of the Articles of Agreement was that every effort would be made for each community to have access to their schools to the same degree they were accustomed to. He asked the Committee to consider the importance of the schools to their community.

Beth Foy agreed with the previous statements and added that it was important to encourage and grow youth sporting events and community opportunities. This decision impacted all of Lamoille County.

Jessica Bickford from Healthy Lamoille Valley noted that the programs offered at night and on weekends were important in building relationships that were supportive to youth.

Routine Business: Consent Agenda Items/Minutes of October 15, 2018: This item was postponed.

Discuss FY2019 Budget Adjustment: Clark reported to the Committee that administrators of the elementary schools and the high school were asked to review their current year budgets to find funds to restore weekend facilities care during the winter months. Clark provided the administrators' proposed recommendations to the Committee that she hoped to bring to the full

Board for current year budget adjustments. The total amount available was \$23,500, which would provide coverage to all schools from November through March 1st. Laflam stated this would pay for sidewalks being plowed and salted.

Both B. Sander and Miller spoke to the fact that schools were community resources and it was important to keep the communities happy. B. Sander thought it was important to find the money to cover this expense. Miller stated she had been on the budget committee that had reviewed this year's budget and she had never heard that the schools would be closed on weekends. Laflam disagreed, stating there were minutes reflecting that he had said there would be no weekend coverage. Miller stated she had requested that an employee be scheduled to work on the weekends in such a way that overtime was not required. She stated this was the way a normal business would run. Miller said that no one on the Committee had stated they wanted to restrict activities at the schools.

Neilsen stated he believed that everyone was in agreement that funding should be restored.

Manning informed the Committee that every weekend from November through April 15th often had four or five events at Johnson Elementary School. Johnson Elementary School students primarily attended these events. This was a positive and dramatic change from ten years ago. If the custodians weren't working on the weekends, they had to come in early to clean before school began on Monday. He noted that in an effort to save a small amount of money, the overall result could be a large loss, with students missing out on opportunities.

Laflam added that as a result of a summer position being cut, not a single facilities person had taken a vacation. This decision hadn't been an easy one. Clark stated that some of the proposed school funds being used were from one-time savings, but other schools had to remove money from student activities. Clark stated she would monitor the funds to see if some of those funds could be returned. Tilton-Martin made a motion to bring this item to the full Board for Board approval for the adjustment. Miller seconded the motion. The motion passed unanimously.

Review Preliminary FY2020 Budget Figures: Clark reviewed up-to-date budget figures for the LNSU with the Committee. After netting \$200,000 in revenue, the Committee was looking at a net LNSU assessment of \$1.5 million. This figure was allocated out to sites at the current year's allocation. The total budgeted increase for LNSU of assessment expenses was 3.10%. This also assumed a \$150,000 surplus but draft audits were not available yet. This surplus was included in the 3.10% increase.

Clark then reviewed budget figures for the LNMUUSD. The elementary schools, middle and high school combined reflected an increase of \$1,361,857 or 6.27%. The Committee questioned the increase in non-personnel costs at all schools. Orost asked Savery about a 246.09% increase at the middle school in non-personnel costs. Savery stated that no changes were occurring at the middle school and the numbers did not make sense to her. Clark noted that number was offset by a 44.04% decrease in salaries and wages. Lamell asked if contracted services was replacing some of the salaries and wages of the middle school. Following a review of the non-personnel figures, Clark stated she would review these numbers further.

Orost then asked Epstein about a decrease in Belvidere's non-personnel expense of \$32,819. Epstein explained they had been leasing space at Belvidere and that expense would be moved to the Waterville budget. Epstein also explained that they were adding a planning room position at

Waterville. Because they had adopted the Bridges Math program, the previous planning room employee had to take on teaching duties. Belvidere funds would be moved to Waterville to fund the planning room employee.

Clark noted that the middle school budget had a typo and the actual proposed figure for salaries and wages was \$1,910,255 and the non-personnel proposed figure was \$370,000.

In response to a question from Orost on any increases at the high school, Clark stated there was a \$60,000 increase for the Technical Center tuition. She noted that was a fluid number until State figures were received and the Tech Center's budget was finalized. Miller asked about Cambridge figures. Clark explained that this year Cambridge would go about building their budget as in previous years and those numbers would then be rolled in to this budget before the Annual Meeting. At this time next year the District would determine Cambridge's budget.

Orost requested that Clark inquire about the purchased services for Instructional Technology at the high school. Clark stated that Pena could come to the next meeting.

Miller confirmed that no new positions or programs were being added and none were being cut. Savery stated some positions were being reassigned. Clark noted that Hyde Park had Pre-K back in the building so that had been added.

Manning questioned Clark about line item 1100-112, paraeducator salaries, which had an increase of \$97,274, or 316%. There was discussion about how paraeducators were budgeted. This particular budget the Committee was reviewing did not include special education funds.

Lamell asked Manning about the increase to the World Languages line item. Manning explained he wanted to increase the hours of the Spanish language teacher from half time to full time in Johnson. That was the only positional increase that he wanted to do.

Clark asked if the Committee had a direction of where they wanted to go, considering that they wouldn't have tax information to determine percentage increases in the budget. Clark believed the numbers were still on the high side. Lamell stated the voted budget versus the proposed budget columns were confusing and that actuals should be added. Clark noted that the budget the Committee was reviewing did not include the tentative wage increases.

Reilly informed the Committee that Hyde Park had cut their budget 6% in FY18 and level funded last year. Now that they were in the new building, Pre-K, a librarian, and a half-time literacy position had to be added back into the budget. A paraeducator would be eliminated so the FTE's would remain the same. Reilly advocated for having her school back at 100%. She was looking for direction as to whether decreases would be required in her budget. Orost stated she thought the Committee would request across the board cuts and Reilly would need to advocate for funding to the Board.

Clark explained that tax calculations couldn't be done until the December 1st letter went to the Tax Commissioner. In theory, the AOE had their equalized pupil count. Special education numbers should be in by the next meeting. Clark asked the Committee if they had a range or percentage for non-personnel expenses that they didn't want to exceed. Neilsen reminded the Committee that you could cut expenses, but ultimately when facilities work had to be done it could cost significantly more. Clark noted that CPI was now roughly 3%. Until tax calculations were provided, they were in a holding pattern. Miller was concerned about Cambridge's budget. Clark

noted that because of the number of equalized pupils, Cambridge's budget didn't cause a huge variance to the budget. Neilsen suggested taking a look at a budget increase of 3%, 4% and 5%. Clark asked if the Committee wanted to attempt to increase the budget by the CPI figure. The Committee agreed but Miller noted that the school budgets needed to be viewed separately. Her concern was that Hyde Park's budget needed to be restored. Manning stated that in the past he had outlined which items would be lost if the budget needed to be cut. Not all money was necessarily equal. It was important to try to shave money that had the least impact on students.

Clark noted that the Facilities proposed budget was increasing \$230,000 or 10%. This was putting back all summer services, weekends and evenings, and deferred maintenance. Miller stated she had a hard time paying \$500,000 for parking lot resurfacing that would then be paid for over thirty years. She suggested that a bond item needed to live through the life of the bond. Clark stated the District couldn't have sinking funds. She was going to research to see if they could start voting a certain amount of dollars towards capital funds.

Orost asked about funds being budgeted for facilities mid-management. There were no funds budgeted for this item in last year's budget. Clark responded that there had been talk of Laflam hiring an assistant who would also work for nutritional services. Orost then wanted to know what was included in Laflam's purchased service budget.

Lamell questioned why the propane costs had such an increase from FY18. Reilly stated many of the heating, snow removal, electric, garbage removal costs had been covered by the Plaza, but now the school incurred those costs. In FY18 the total costs for propane at all elementary schools was \$23,208 and the FY20 budget was projecting \$70,000. Orost noted that \$40,000 of that increase was from Hyde Park.

The Committee reviewed the upcoming Committee meeting dates of November 19 and December 17.

Tilton-Martin made a motion, seconded by Miller, to adjourn the meeting at 7:32 p.m.