

**LNSU/LNMUUSD
Budget Committee Meeting
December 21, 2017**

Members Present: Laura Miller, Andrew Beaupre, Tilton-Martin, Deb Clark, Sue Prescott (arrived 6:32 p.m.)

Minute Taker: Sue Trainor

Call to Order and Approval of Agenda: Tilton-Martin called the meeting to order at 6:13 p.m. Beaupre made a motion to approve the agenda, seconded by Miller. The motion passed unanimously.

Receive the Following Budget Reports:

LNSU Updated Budget: Clark reported she had been able to reduce the budget from a 3.57% increase to 1.48%. Clark had found some duplication. Beaupre asked about technology expenses. Clark stated that wasn't an issue with the SU. Miller asked about an item involving \$5,000 for a staff member replacement. Clark explained that an employee in HR was retiring and there would be some training overlap required. In response to a question about **2600**, the general insurance line item, Clark reported it covered property liability, with the SU covering the cost for the entire SU. Additionally, health insurance costs for two staff members were included in the property liability line. A proficiency based learning coach, a position used by the entire SU, was also housed in the SU budget.

LNMUUSD Budget Second Draft: Clark explained a new budgeting structure that shifted funds into category '00'. These funds were originally listed under individual schools and would ultimately be charged back to the individual schools. The Committee questioned and reviewed specific line items:

2313, a new category, was the code for an allowance for general lateral moves across the schools. The budgeted amount was \$119,000 and would be charged back to the schools in the district.

2520 was the code for business financial and was related to interest. The interest paid was going down from \$685,654 to \$519,522. Payments for older bonds were now primarily to principal and savings were expected from the larger bond item at the high school where a discount had been applied.

Miller asked why Belvidere needed \$39,000 for technology. Clark stated the school wasn't linked to the district and this would remedy that. Beaupre discussed the feasibility of keeping that building, as there were a number of physical plant issues. Clark stated that over the next four years the feasibility was high. Geographically, Waterville/Belvidere was the center of the District and could be used as an office building. A larger Pre-K program could be housed there as well. Miller suggested that rather than send students to Laraway, an alternative program could be developed and housed there. Tilton-Martin stated they had too many facility issues for capital use for connectivity. Clark noted that the Pre-K was up to code, but some type of signal booster was required. The Committee discussed the issue of purchasing a radio booster versus a cell booster. It was agreed the cell booster would help the entire town. Beaupre suggested the District could pay half of the cost with the two towns paying the other half. If the item were proposed at Town Meeting, it would become clear what the town preferred. The Committee agreed that would have to be put on the 2019 Town Meeting schedule.

Prescott arrived at this time and was informed of the prior discussion. A Committee member questioned the structure of the budget. While funds had been taken out of individual schools to place in the '00' category, the budgets of the individual schools did not show a decrease.

The Committee then discussed **2840**, the code for Technology Infrastructure, and **2222**, the code for instructional technology. Beaupre asked about Eden adding \$18,000 to line item **2222**. Clark explained that line item **1100** at Eden had increased \$49,000 and was due to personnel increases. This line item was used for salaries, benefits, purchased services, and equipment purchases. **2840** also included salaries and benefits for those who were doing things that weren't directly instructional. It was also noted that the line item for music at Eden, **1112**, was increasing \$27,000 or 120% and the Committee asked for further clarification on this. It was determined that Waterville and Eden were sharing a position and it was being recorded on the Eden budget. Waterville and Eden also shared a technology person under **2222**. Both Eden and Waterville's tech budget increased 86% in order to purchase technology equipment.

Miller noted that line item **2120**, Guidance, increased \$22,000 at Eden. Clark explained that a large portion of that, \$15,000, was due to a staff member enrolling in the health insurance/HRA. **2320** included the assessment for the Superintendent's Office and the recapture of the health insurance was also included in this line item. Clark then explained that the State assessment for the teacher's retirement fund was \$1,200 per person.

The Committee discussed being able to see an entire list of staff and any staffing changes in order to see how the personnel budget was created. Prescott was concerned about the fact that the percentage increase in salaries was higher than the teacher contracted amounts. She pointed to Johnson's budget, which showed a 5.92% increase. Clark explained this was due to insurance buyouts.

The Committee then reviewed Belvidere's budget, starting with a \$19,000 increase in line item **2120**. Tilton-Martin explained that one staff member held both the guidance counselor and art teacher position. Clark explained the school was adding a third day of guidance with funds coming from the pre-school. Pre-school was being reduced to one session due to the small class size. **2222**, instructional technology, was increasing \$18,000 in order to purchase equipment. **2840** was increasing \$6,000 to purchase a document camera. **2600**, the facilities line item, was increasing 17% and Clark explained that could be to cover the cost of a service agreement with Control Technologies.

The Committee noted that there was an 8.38% increase in the Hyde Park budget. Clark explained that was for technology. Prescott stated that might not be able to happen. Regarding the middle and high school budget, Prescott noted it was difficult to determine which budget had increased.

Clark then suggested that the Committee meet next week which the Committee agreed to. Clark requested that questions should be forwarded to her prior to that meeting and she would send an updated version with notations out to the Committee prior to the meeting. Beaupre asked if Clark had researched whether there was money scheduled for Capstone projects. Clark had not.

Student/Faculty Ratio Data: The Committee then reviewed staff/student ratios. Clark informed the Board the average class size in middle school, including specials, was 15.13 students. Miller was concerned about the small number of students in the communication/social skills class. Prescott was concerned that there were only 11 students in the PE class at a time. She thought this number was hard to justify considering that the state was requesting that district's look at saving money. Beaupre explained the small class size was due to the team model. Prescott stated this was an area that could be looked at for improvement and suggested that conversation should begin on how to reorganize classes so as to reduce the staffing levels.

The average class size in high school was 13.27 students. Prescott highlighted the calculus class that had two sections with five students in each section. She stated this meant the calculus teacher was then not available to teach additional classes. Tilton-Martin asked why two AP calculus classes were required. Beaupre noted that higher-level math needed more direct teaching. Prescott pointed out that AP Chemistry had only seven students. She wondered if they could offer this class on opposite years. Tilton-Martin stated it appeared that AP Biology had been dropped from the budget, so it was possible there was already an every other year schedule. World History had only five students and Prescott stated that while it was a challenge doing the scheduling, only teaching five students meant the teachers weren't available to teach another section. Beaupre asked if the last names of teachers could be assigned to the staffing report. This would show if teachers were available to teach other classes.

Clark reported the budget had been reduced from 4.8% to 3.15%. Clark noted that she had received word on the special education revenues and the numbers weren't great. Prescott stated the 3.15% did not include special education, which meant that increase would go higher. She asked what percentage the Committee was looking to get to. Miller and Tilton-Martin noted that Hyde Park and Johnson had some room to reduce. Clark informed the Committee there was a loss of consolidated federal program grant money. While people wanted to move those programs into the general fund in order to keep the programs active, the programs may need to be cut.

Tilton-Martin left at 7:21 p.m. and returned at 7:28 p.m.

Clark reported that the budget had been reduced by \$90,000 between the high school and Waterville Elementary. Pena had reduced line item **2840** and applied a more gradual increase to software expenditures. He also removed \$10,000 in instructional equipment for Hyde Park. In response to a question, Clark explained that the Hyde Park bond had no money for IT except for wiring. Beaupre stated he was concerned about using capital reserves for IT expenditures. He believed that physical infrastructure was where capital funds should be used.

Miller asked about a line item at the high school entitled health that was increasing \$13,000 or 11%. Prescott asked about Athletics, **1410**, which was increasing \$45,000. **2120**, the Guidance line item, went down \$50,000 and vocational decreased significantly. Clark stated she would research the guidance line item reduction. Beaupre noted that **2712**, transportation, was cut 100%. Prescott stated there were a number of decreases in the budget and yet it wasn't reflected in the overall final budget number. She was concerned the money was being moved around to pay for other items rather than reducing the total budget. Beaupre asked about spending \$39,000 for art supplies in middle and high school. Clark stated that item also included dues, fees, and repairs.

Beaupre asked why \$14,000 had been budgeted for legal services when only \$51 had been spent so far in FY18. Beaupre stated that number should be cut. Prescott suggested reviewing legal expenses over a 4-year period to determine an average. Additionally, the Committee recommended spreading this cost equally among all the schools. Clark reported that Johnson had spent \$4,000 in legal fees last year for questions about Act 46 and the use of capital funds. Clark stated the \$14,000 was contingency or a placeholder. This led to the Committee asking how many other placeholders were in place.

Beaupre questioned the fact that budget code **2213**, staff improvements, had \$140,000 budgeted in FY17 and only \$27,000 had been spent. The FY18 budget had the same amount budgeted. Beaupre wanted either the money to be spent on staff or to have fewer funds budgeted. Clark stated this covered three days of professional development, travel, and tuition. Prescott stated this had been done in the past and was the best guess of what would be spent on that item. Clark stated there was an

element of reserve in the budget in order to deal with any spikes in spending in a line item. Miller asked what happened with money that was budgeted but not spent in FY16. Clark explained that went into a surplus fund. Miller questioned if there ultimately were a deficit in another item, would the surplus pay for it. Clark stated some surplus money went into capital and some was used to offset the budget. Clark informed the Board that last year the entire MUUSD applied \$240,515 of reserves against taxes.

The Committee agreed to meet next week in order to continue to find ways to reduce the FY18 budget increase.

Adjourn: Miller made a motion to adjourn, seconded by Tilton-Martin, at 8:14 p.m. The motion passed unanimously.