

Minutes of the Budget & Finance meeting on Tuesday November 13th, 2018

Present: Jen Newcomb, Superintendent Susan Smith, Gavin Robinson, Business Manager Kelly Theriault, Steve Carr (Arrived 3:21pm)

Called to order 3:09pm

FY19 Financials Review

- General Fund
 - Discussed spending in Special Education where we are over on supplies, but overall under as we do not need an Interpreter, which was \$64,000 built into the budget.
 - Ed Tech cost have been split between cost centers. Kelly will double check staffing coding to cost centers.
 - Superintendent Smith advised she is concerned about Facilities cost center.
 - Roof leaking. Flooding in basement of Eddington. Dental was not hitting the right code area and Tyler will come after year-end and help with account coding. Retirement budgeted but FTE's are not eligible or are not taking it.
 - Heating not used yet.
 - Maintenance projects – we are under budgeted for roof based on estimates coming in. Roof Systems of Maine has inspected work done previously by Williams Roofing. Williams had a 5Y warranty and Superintendent Smith will be contacting Counsel about how to deal with issue. Facilities Manager has communicated that Williams Roofing is not responsive to his calls re: the issues with prior work.
 - J. Newcomb asked if there were planned projects we are not doing. S. Smith advised she needs to review what has been booked to 'Contracted Services' versus 'Maintenance Projects' in order to get arms around what we might still have available in budget.
 - S. Carr asked about trash encumbrance. Kelly advised it is a small expense that is under 'Utilities' for budget but tracked under actual cost for the garage. Kelly advised they are working to get finer details on garage expenses. I.E. parts and supplies captured both auto/bus parts and printer/toner cost. They are pulling some cost out now.
- Hot Lunch
 - New statement handed out at meeting, \$24,000 higher in revenue, program going well.

School Law Contracting

- Performance Contracting
 - Kelly presented takeaways from conference. They reviewed Statute 15915 which is raised as a means to utilize ESG proposals without going to voters. J. Newcomb raised issue with the fact that it does not require a competitive bid. Conference presenter concluded that the Energy Company which the school is entering into agreement with should be doing the competitive pricing for work they are proposing to do.
 - J. Newcomb asked how safety concerns fall under this when the Statute appears geared towards energy savings. Discussion ensued. Consensus of B&F Committee was that it

would be important to go to voters with project, especially those that might fall outside of energy savings.

- 3% Rule & Contingency Fund
 - Statute 15689-B was discussed at conference with presenter stating they had never seen the State come after these funds. Few clients have expressed interest in creating contingency funds to fall under compliance with Statute. Our issue would be tuition. The advantage is that this fund does not need to be created for a purpose. Auditor recommended this approach when presenting financials at the last B&F meeting.
 - This article would allow the transfer of anything over 3% to the contingency fund. Comparatively, a reserve fund would not have access to it at any given moment.
 - Attorneys are still trying to reconcile how this will appear in the total warrant budgeted. It needs to be part of the June ballot with no transfers done retroactively. So as building the budget we would leave in the Contingency fund line item.
 - Kelly advised we have time to determine approach to this as part of building the budget this spring.
 - Legal issue if the State brought a case on this as to where the 3% overage came from and how it would be determined that it was State versus Local funds.
 - Discussed visiting policy of reporting reserve and contingency accounts. Committee felt that viewing these at least every quarter would be appropriate for oversight of these accounts.
 - J. Newcomb asked how funds can move from these accounts. S. Smith stated once the town creates account in warrant the Board is authorized to make the transfer.

Town Assessment – 5 Year History

- Reviewed 5Y history of students living in 3 towns in our district and the % each town pays, including high school tuition cost.
- The analysis showed that each town is close to paying their share of district cost based on % of students in those towns attending school. In summary Holden is 51.3% on average for students attending in last 5Y with a 53.6% assessment %. Eddington was 35.4% to 32.2% and Clifton was 13.2% to 14.2%.
- Recommendation of Administration is to stay where we are. Committee members agreed and recommended we present to Town's, as they had asked for this analysis to be done.

Handbooks

- Reviewed Support Staff Handbook and changes recommended by Counsel
 - J. Newcomb asked whether the changes in hours proposed would impact who we are offering benefits to. Kelly advised that it does not.
 - Reviewed page by page the recommended changes. S. Carr recommended change of the word 'discharge' to 'express' on page 8 paragraph G.
 - Discussed sick bank. Raised max from 100 to 110 for all staff and lowered capped max for FTE at 55 from 60, essentially covering two FTE's that might use the entire bank.
 - Discussed gear required in certain positions. Specifically steel toe shoes for some support staff positions. Decision did not need to be made as part of this review. It has

come up that we require specific gear but do not provide that gear day one. We will discuss this more in depth in budget building and gather Facilities Manager opinion.

- Committee accepted proposed changes.
- Reviewed Handbook for Central Office Support Staff
 - S. Smith recommended that if we do not combine handbooks that we make clear which staff this handbook covers. Committee agreed that we should add in specifically who it should cover and that keeping them separate made sense.
 - Committee was fine with differences between the two groups, around sick bank, sick days, vacation days, etc.
- Discussed when revisions would go into effect. Wording changes will go before Board and be effective December 1, 2018.
- Kelly advised that this will need to be reviewed in July 2019 again to address changes to minimum wage regulations.

Other

- Reviewed staffing changes budget summary.
 - The changes in staffing this year, with some experience staff turnover will net 40,637 positive variance to budget.
- Support Pay
 - Kelly reached out to other area schools to review by position to compare wages and benefits. Provided a report to Committee to review and we asked that a proposal be put together for the next meeting.
 - S. Smith brought up Substitutes. In January will be a minimum wage change and we will need to change the daily pay to \$80 per day since they work 7.5hrs. Committee recommended that this will be added to November Board Meeting Agenda. Proposed either \$82.50 or \$90.00, \$90 covering the next step up. This will start January 1, 2019. Committee felt \$90 was appropriate as it also kept us competitive with Brewer and other schools. S. Smith will add to the November Agenda.

Next Meeting Date will be December 17th at 5:00 at Holden prior to the December Board meeting.

The meeting was adjourned at 4:55 pm