

## Budget and Finance Committee Meeting

Tuesday, January 14, 2020

Holbrook School

4:00 pm

Present: Charles Baker, Gavin Robinson, Superintendent Susan Smith, Finance Manager Kelly Theriault, Tom Copeland (Holden Resident and Council Member)

1. Called the meeting to Order: 4:00pm

2. FY20 Financials (Dec)

a. Summary

Discussed Facilities and Transportation. Watching transportation closely re: transporting students with housing difficulties and an increase in parts/repairs cost. Bangor behind on billing for tuition creating in part the 71% remaining.

b. General Fund

Charles asked about rental revenue and where that comes from. Susan explained about the Eddington Daycare situation and how that creates some revenue for the State.

Charles asked about telephone cost. Was surprised by how much we had budgeted for that line item. Wondered if there was any cheaper alternatives like voice-over-internet. Kelly explained what those expenses relate to and multiple lines needed for the schools and the garage. Susan will mention the idea of voice-over-internet to George to get his opinion.

c. Hot Lunch

After a claim we are now in a positive position for month end. Had some repairs for the month; Holden had a problem with walk-in and freezer. In next budget will need to look at replacing refrigerator. It is 60+Y old, parts hard to find, health inspector found grates to be chipping and they need to be replaced but it cannot be done easily. Seems to be working okay right now.

3. Audit Management Letter

Mr. Hall will come to January meeting to discuss Audit and Letter.

- 1) Account Codes & Structure: Account structure is fixed to the best extent possible without new software. Our company has a new system out there but Kelly does not want to go live with their new system yet. Eventually our software will not be supported and we would be looking at a \$30,000 conversion.
- 2) Bank Reconciliation: Isolated incident.
- 3) Student Activity Account: This has not happened since November-December of the prior FY as we have made changes to this area so that taxes are not reimbursed.
- 4) Fund Balance: Has been adjusted based upon the Board vote.

Last year the State did not request a response. Brief discussion on State reporting. Susan will bring this issue up at the Board meeting.

4. School Lunch Program

a. Donations

Church donations have been donated to CHEFs and to Hot Lunch program, assisting families with their lunch bills.

Discussed family with large lunch bill. Their bill is ~950. We discussed offering a 50% discount if they will pay half and we will pay the rest with these donated funds. Many families in need are on the free and reduced lunch program funded by the State and so we do not have several families that these donations could go to.

We felt that this option made sense. Discussed delegating authority to negotiate the entire balance (i.e. a 40/60 split if the family asked).

Charles asked how we can get the State to include some of these families not in free and reduced to include them. Kelly responded that we had tried however there is such a checklist with the State for that funding that we couldn't do it.

5. Facilities

a. Bond Balance

After all bills are paid we have 14,230.40 remaining. Legally we have 3Y to spend those funds. Susan's preference would be to use these funds for heating issues and roofing costs that have come up outside of the original project. Proposed that we pull out the Mechanical Services bill for next meeting and request that we use the bond to cover those costs.

By shifting those costs from the Facilities budget to the bond Susan discussed using the funds for a kiln that needs to be wired and vented. Insurance has approved subject to these facilities projects.

The insurance claim for the Eddington Boiler Room Flood #2 will be funded \$31,701. We had made all the recommended changes after the first flood and so insurance will pay (which will help with the Facilities budget).

Insurance reviewed our buildings and made safety recommendations. Main finding was water under the oil tank in Eddington.

6. Personnel

Susan went over her year-end report on employment trends. The one area of concern she notes is specialist, such as Speech or OT, where other districts appear to be paying on a higher scale and something we should keep in mind with the next contract negotiations.

Will be monitoring staffing levels as we move through the budget process.

7. Other

8. Next meeting date: February 11<sup>th</sup>, Holbrook 4:00pm

a. Budget Workshop Dates: 2/11 5:00pm, 3/4 5:00pm, 3/17 4:30pm, 3/31 5:00pm

Tom Copeland asked Susan when Facilities Committee would be recommended to the budget. Susan answered that we are looking at several projects at 2.4MM which we will go to Bond again, with some projects depending upon an application at the school development fund.

9. Adjourn: 5:15pm