

**Sanborn Regional School District
Budget Committee Public Hearing Minutes
Sanborn High School Auditorium
January 14th, 2021**

Budget Committee:

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|---------|---------------------|-----------------------------|
| Chair | James McCarthy | Newton |
| | Annie Collyer | Newton |
| | Christine Kuzmitski | Newton |
| V Chair | Moira Bashaw | Kingston |
| | Rick Edelman | Kingston |
| | Vanessa Matias | Kingston |
| | Mary Cyr | Member-at-Large |
| | Tammy Mahoney | School Board Representative |

School Administrators joined remotely:
Thomas Ambrose
Mathew Angell

Meeting was Called to Order at: 7:01 p.m. by; **Jim McCarthy**, Committee Chair.

Salute to the Flag

Members present: All members present with the exception of Mary Cyr, who is joining the meeting remotely.

Members remote: M. Cyr, – Has declared: she is alone within a room, in her home.

Approval of Minutes - Motion: To accept meeting minutes of January 7th, 2021 – A. Collyer/T. Mahoney/Seconded VOTE= PASSED - UNANIMOUS

School Board Report from School Board Representative – T. Mahoney reports: Nothing new to report.

Changes two articles follow the Collective Bargaining Agreement Articles –M. Angell, both articles are non-monetary.

What will happen is, the two articles are going to follow the collective bargaining agreement articles and basically, they are going to say, if the town warrant number is defeated, we authorize the government body to call one special meeting at its option to address the warrant article cost of items only.

So basically, the Professional Staff Agreement, the number is going to stay the same. We are going to add a new warrant article right there, and that will become number “5”. The Administrative Staff CBA, will become number “6”. We will add another warrant article after than for number “7”, then the two remaining capital reserve funds are going to be “8” and “9”.

T. Ambrose –The two warrant articles are typically put into our warrants to provide us an option should the community decide not to support the collective bargaining agreements. Somehow this year during the process, that was overlooked and it does require School Board approval to add those two warrants. This will be discussed at next week’s School Board Meeting.

J. McCarthy – Do you have the literature, Tammy for those Articles?

T. Ambrose – According to our attorney, we need not read them because they are non-monetary.

M Angell – However, I will read them if you want me to.

J. McCarthy – If they don't have to be read, then no, you don't read them.

T. Mahoney – The Article numbers will have changed from the presentation; we will insert the new Articles as we go.

School Board's Proposed 2021-2022 Default Budget Presentation -by;

Tammy Mahoney, School Board Representative, presents the School Board's Default Budget Proposal. Addendum #1

Budget Committee Presentation of the Sanborn Regional School District's Fiscal Year 2021-2022 Budget Proposal by; James McCarthy, Chairman of the Budget Committee

Public Comments: Jim Baker, Newton - Do you have a slide that shows the amount of money that was saved, by the consolidation of the elementary schools and the closing of the middle school? Out of the two point three million (2.3), that was saved or returned to the taxpayers, four hundred, thirty-nine thousand, five hundred, (\$439,500.), came from that right?

J. McCarthy – That was Four hundred-thirty-nine thousand, five hundred (\$439,500.), returned to the tax payers, right.

Jim Baker- So as a result of the reorganization, yes okay. There was also, in another slide, you showed the five hundred sixty-nine thousand (\$569,000.), that was retained for emergency funds?

J. McCarthy – Yes.

Jim Baker – In the previous year, which was also part of these two points three (2.3) million that was returned, we withheld four hundred and sixty thousand (460,000), something like that, instead of five hundred sixty-nine (569). So that was also returned as part of the that two point three million.

M. Angell – The four hundred thousand, essentially evaporates at year-end. It has to be reauthorized by the school board each and every year. It gets collapsed into that two point three (\$2.3) million dollars. Actually, it was greater than that because the School Board voted to remove five hundred sixty-nine thousand (569) to reserve for next year. I hope that answers your question.

Jim Baker – Do you know the exact number of that?

M. Angell - Four hundred thousand (\$400,000) even is the exact number.

T. Ambrose – With regard to the savings of the middle school, the savings of four hundred thirty-nine thousand (439,000) from the reorganization of the district, was not realized in one fiscal year, it was realized over two fiscal years. Positions were reduced and Mr. Stack found an alternate location for the locker rooms, that we were to build. We were able to locate them in a alternate location within the building. It is extremely difficult to say; this is the exact figure. It is all moving in the correct direction of reallocating staff and resources towards student learning. The correct projected number from my original presentation.

Jim Baker - When you add the four hundred thirty-nine thousand (439,000), to the four hundred thousand (400,000), that's seven hundred thirty-nine thousand (739,000), of the two point three million (2.3), that was returned to the tax payers. Then typically the school, over the past five years, has returned in the neighborhood of a million dollars. So that's one point seven million (\$1,700,000.) dollars, that would be a normal return based on those numbers out of the two point three (2.3) million.

T. Ambrose – Then we saved roughly another five hundred thousand (500,000), due to covid and extensions of covid.

Jim Baker – That was related to covid, I had assumed.

T. Ambrose – The way you just described your numbers, Mr. Baker, they were right.

Jamie Fitzpatrick, from Newton – I just wanted to point out one clarification; make sure that you had shown the superintendent was looking for one hundred seventeen thousand dollars, (\$117,000) for a math curriculum. Then later showed that we funded, changes by election officials 40,000. The full one hundred seventeen thousand dollars (\$117,000), is funded in this budget because there was an error that was found of seventy-seven thousand (77,000), that stayed in. So, for the one hundred seventeen thousand, that was requested, or said that was needed in the future, one hundred percent of that was funded in this budget.

Cheryl Gannon, Kingston –Can I suggest you put money in budget for microphones, good computer equipment and paper so we can have handouts? I would really appreciate that.

I am looking at slide number 7. New expenses sixteen thousand, five hundred (16,500). Where is that from?

A. Collyer– That was in the Spring of 2019, these were the estimated budgeted amounts for the reconfiguration and his plan that he presented to the school board at that meeting. It included approximately nine hundred fifty thousand (950,000) for staffing. The proposal was to have nine hundred fifty thousand (950,000) of the savings, be spent on interventionists and then approximately sixteen thousand five hundred (16,500), on other things like supplies and books. You will find the details in that presentation, which is on the school website.

Cheryl Gannon – These are just estimates?

A. Collyer – These are the estimates, that's right. These were the estimates the Superintendent made when he was looking for the reconfiguration to be approved by the School Board, Spring of 2019.

Cheryl Gannon – Are there any actuals as to what the savings were or anticipated at the end of this school year?

T. Ambrose – I want to be clear; I am a little confused. The purpose for tonight is a budget hearing for the budget that we presented, not the reorganization plan. If there are questions on the reorganization plan, just give me a call and we'll tell you what we can. The reality is, we saved more on the reorganization than we thought we would.

Cheryl Gannon – We put money in the budget for new audio and video equipment?

T. Ambrose – Yes, I will be having a meeting with Gordon on Tuesday about that.

Just so everyone is aware; Mr. Angell and I have to quarantine due to covid. We were exposed at work; this is not our choice.

The reality is, the covid savings are intermingled with the capital savings from the reorganization, which is why two point three (\$2,300,000.) million dollars went back to taxpayers. It was a combination of saving money on supplies, electricity and many different areas. It also had a significant savings from the reorganization because of Mr. Stack's new locker room location. That saved us almost three hundred thousand (300,000.) So, there are many different reasons for the two point three million (2.3).

For timeliness, the reason for tonight, is to read the Articles and go through the budget.

J. McCarthy – One point four six (1.46) is not figured into the budget.

T. Ambrose – Nine hundred thirty (930) is in the budget because that's the intervention program. The intervention program is fully funded in the budget. The bottom line is that for Cheryl's question; does this impact this budget and my answer is no! That's all-in past budgets. If you want details on that, I'm happy to give it to you. Come on down, give me a call.

Cheryl Gannon – The nine hundred fifty (950) for the interventionists, is that what's in the budget for this year?

M. Angell – Yes, all the interventionist positions are in the budget for the current fiscal year. I mean for the fiscal year being proposed.

J. McCarthy – Yes, this is the new expenses, the nine fifty being added (950).

T. Ambrose – What Mr. Angell said was totally correct. The academic intervention, Cheryl, is included in the budget at a cost of about nine hundred and thirty thousand dollars (\$930,000). The reductions in the budget include the savings of the four teachers at Bakie, as part of the reorganization. With the schools being all put together and the reduced enrollments, we were able to tighten things even further. As more specific analyzes can be made at another time. We just are not prepared for that this evening.

Cheryl Gannon – I'm just looking for explanations of these numbers. Especially when it was hard to hear and we didn't have a handout so I'm just asking for clarification. I think slide 10; Athletic Technical Services. The transportation, the additional eighty-one thousand (81,000), is that to do with the bus contract, or is that a different transportation cost?

J. McCarthy- It was an increased specialized transportation.

M. Angell – This was an increase in the transportation costs. We're going out we had to add in another route for busing. We are anticipating additional costs; we are going out to bid. I am anticipating the bid prices to actually go up to that eighty-one thousand (81,000).

V. Matias – That eighty-one thousand that she was asking about; wasn't that the transportation costs related to special ed transportation?

J. McCarthy -The format of the computations for slide 10 was discussed; the negative values, sub totals of changes listed.

Cheryl Gannon – Slide number 12, what is "SoRock"?

J. McCarthy – SoRock is an equivalent to the dare program, it is a regional wide, student awareness program. We are contributing three thousand (\$3,000.) to them.

Cheryl Gannon – Contingency fund, slide 16, where did that money come from? Was that the total amount this year, or was that the balance from previous years?

A. Collyer – The School Board is allowed each year to retain two and a half (2.5%) of the amount of taxation money and that two and a half percent (2.5%) equals five hundred sixty-nine thousand (569,000) out of the unexpended funds at year end. That is just funded this year.

Cheryl Gannon – So that is not the balance in the fund, or it was just funded this year? -

V. Matias – That was the amount funded this year.

A. Collyer – It is amount that they can retain for one year for emergencies and if it's not spent, it needs to be returned to the taxpayers the next year. This is assuming that it is not spent and will be included in the other revenues and therefore it will offset some of the taxes.

Cheryl Gannon – These are the balances. Was that money that was put in this year?

M. Angell – That's an accumulative.

J. McCarthy – The contingency fund goes to zero every year.

M. Angell – Yes, it has to be reauthorized every single year.

Cheryl Gannon – So this one hundred sixty-eight thousand (168,000), transportation fund savings?

J. McCarthy – That was unspent transportation services. That was because we were not shipping the students around the district.

Cheryl Gannon - So an overarching question, was this budget assuming that next year starting September, or this year, next school year, that we will be fully in school? And were there any kind of adjustments made or considered to be remote or hybrid?

T. Ambrose – That's a great question Cheryl, thank you. We did discuss this at length whether or not we needed to add money for covid contingencies. We finally came to the conclusion that; we received some funds this year from the federal government to help us and we worked hard to maintain a very tight budget this year. We feel that this budget will be adequate. If we do still need to be remote for a period next year, we're just going to continue to be very conservative. We are very optimistic that school will be normal and in person in September.

Cheryl Gannon – So the funds that we got from covid, are those funds that we’re anticipating? Or do they have to only be spent this year? Or can that money be retained?

T. Ambrose – No, all has to be spent right now and it’s all already spent. It has been insanely expensive.

A. Collyer – I thought this a perfect time for Matt to throw in how much we did get reimbursed on our covid expenses due to his hard work. What’s the total Matt?

M. Angell - My rough number is; five hundred seventy-four thousand dollars (\$574,000).

T. Ambrose - A lot of that was competitive grant money that Matt wrote for and he did a fantastic job. Thank you, Matt.

Cheryl Gannon – Aging Infrastructure? Slide 19. Is that something in particular that we know about or is that general to keep maintaining the buildings?

J. McCarthy - Maintaining the buildings.

Cheryl Gannon – Isn’t that apart of your capital improvement?

J. McCarthy – Yes, it is, but people were curious about the roof on Memorial. They wanted to know where the money was going to come from. We do have the money; it is in the fund for that type of situation. In 2024 we will make our final payment for the high school bond. That will free up two point five million dollars (\$2.5 million). That looks really great, but six years down the road what is going to be at the end-of-life cycle at that time? This is the building we moved into. We just don’t want a building that’s falling apart around our students. We’ll need window upgrades, heating systems, air condition units, filtration systems, if covid keeps rearing its ugly head.

M. Bashaw – We still think of the high school as a new school. This school is getting old, it will be 20 years old in 2024.

T. Ambrose – The high school is 20 years old and it looks fantastic because we have amazing custodians. That doesn’t mean that it won’t need air, heat, we have problems with the water systems from time to time. We have major problems with the boilers at Bakie. We have air flow issues and concerns at Bakie. It is a really old building and it needs a lot of work. We have two major pressing issues for us that will be a part of our strategic plan; one, a capital plan that addresses all the issues in the district, in a timely carefully planned out manner. Matt Angell and the finance committee have been discussing that all year. And the second component that is really important for everyone to remember is that we do have some of the lowest paid teachers in the area and at some point, if we want to maintain our staff, we’re going to have to not just keep the status quo, which is what the current contract proposal does. We are going to have actually bump it up to retain and attract the best teachers.

Well really three; if Fremont doesn’t stay, they take with them four million dollars a year. When the bond concludes, we’ll need to address these things.

Cheryl Gannon – Where are we in the capital plan? I know we also have School Board goals. Do we know when we anticipate to have that capital plan completed?

M. Angell – We have one more school to review through the facilities committee and this is honestly the second version of the capital improvement plant that we have worked on. This will lay the groundwork for the five-year strategic plan coming up this summer.

Cheryl Gannon – Slide 21, I live in Kingston minus five thousand sixty-seven (5,067), are my taxes going down that much?

J. McCarthy – That is what your taxes will be on a three hundred-thousand-dollar home. Committee discusses the negative dashes on the slide and removing them, for less confusion.

J. Baker – Newton, I just wanted to point out, from the consolidation. I know everyone knows this but, one million, four hundred and six thousand dollars (\$1,406,000.) is not a one-time savings that’s an ongoing savings. That money won’t have to be spent on those facilities going forward, so that is an annual savings. And that nine hundred sixty (960) or nine hundred fifty thousand (950,000) for interventionists is an annual investment. It is covered by those savings rather than additional taxes.

Meeting Breaks for 10-minute recess; 8:15

Meeting Resumes at 8:25

T. Mahoney – There are four additional warrant articles

Article 6 - Professional Staff Collective Bargaining Agreement

Addendum #3

A. Collyer - In addition to the one- and one-half percent (1.5%) and two percent (2%), there are also the professional staff will get step and experience increases. So those are in addition.

M. Angell – Yes, it should be two cents (.02). The warrant article is correct. The slide I gave Tammy, I made a mistake at the bottom.

Cheryl Gannon – Just wondering why the second year is almost double the first?

T. Ambrose – The administrators agreed to take a lower increase the first year. Remember they do not get steps, teachers get steps. So one point five, (1.5) or two percent (2%) raise for teachers is different for different teachers depending on how many years of experience they have. So, the Board negotiated with the administrators for a one point five and two point seventy-five for the other years. However, the administrators are apart of the Teamsters Union, so they also negotiated a cap on the percent increase in their health insurance. So, health insurance cannot go up by more than four percent (4%) on year one, and six percent (6%) percent in the other years, which is a real bonus for the district. All estimates based upon current employees.

Article 8 – Capital Reserve Fund – Unanticipated Educational Expenses

R. Edelman - You have a font issue

T. Ambrose – The warrants themselves will be uniformed.

Article 9 – Capital Reserve Fund-Capital Improvement and Maintenance

Committee Comments: A. Collyer –MOTION: To affirm vote in support of these articles. Blanket motion to affirm the vote on the WARRANT ARTICLES PRESENTED TONIGHT

R. Edelman/ seconded VOTE = PASSED- UNANIMOUS

T. Ambrose –I would like to thank you, the Budget Committee, for voting for the administrators and teacher’s contracts. It meant a lot; I got a lot of positive feedback from staff.

Motion to adjourn: A.Collyer/V. Matias/Seconded - 8:42 p.m.

Next Meeting: Thursday, January 21st (if required) –7 PM High School Auditorium; if not, next meeting will be February 3rd, 2021.

- Approve of minutes 1-14-2021
- 1/21/21-Finalize deliberative presentation if required
- 2/3/21-Approve Minutes for 1/14/21
- 2/3/21-School Board Presentation
- 2/3/21-Budget Committee Presentation

Judith Schaefer
Recording Secretary