

**MSAD #72 Board of Directors
Wednesday - May 2, 2018
Meeting Minutes
Molly Ockett School
7:00 PM**

Call to Order: Norma Snow called the meeting to order at 7:00 and declared a quorum.

Members Present:

Brain, Judith
Burk, Christopher
Card, Linda
Cummings, Laura
Dondero, Mitch*
Jones, Jack
Lyman, Kathleen*
LeBlanc, Sharon

Mattei, Chris
Nash, Annabel
Ontengco, Julie
Robey, Frank*
Shorey, Kathiann
Snow, Norma
Struven, Marie
Weston, Laurie
Williams, Jane

Administrators

Sue Frost
Emily Kirkpatrick
Terri Mahanor
Pat Menzel
Rhonda Poliquin
Jay Robinson
Mark Schrader
Rick Wohlenberg

Members Absent:

Chatman, Patricia* (Excused)
McKenzie, Rose*

Rebmann, Tom*
Spooner, Ed

Agenda:

1. Public Discussion (15-Minute):
None

2. Approval of Minutes from April 11, 2018 Meeting:

A motion was made to approve the minutes from the meeting held April 11, 2018.

Motion: Laurie Weston

Second: Jane Williams

Passed

All in favor

3. Communications:

- Letter of Resignation
None at this time.

4. Committee Reports:

Finance: No Report

Curriculum: No Report

Transportation: No Report

Facilities: No Report

Policy: No Report

Special Education: No Report

Personnel: Linda Card reported that the committee had met and were finalizing PVEA Contract negotiations that will be presented to the Board at the June meeting. They also reviewed information on two new hires which the Board will vote on later in tonight's meeting.

5. Administrative Reports

None

6. Superintendent Report

None

7. New Business

- Policy for First Read
IHBAL: Grievance Procedure for Persons with Disabilities

A motion was made to approve Policy IHBAL for First Read.

Motion: Jack Jones

Second: Kay Lyman

Passed
All in Favor

8. Unfinished Business

- Discussion/Formal Vote on FY19 Budget to be presented to District (Presentation attached to minutes)

Jay gave a final overview of the proposed FY19 School budget focusing on three major decisions that the Board needs to make when they vote on the budget tonight.

1. Does the Board support the application of \$946,000 of our Fund Balance to reduce the tax impact on voters?
2. Does the Board support the application of \$124,000 of our Fund Balance to complete the paving project at New Suncook
3. Does the Board support the application of \$30,000 of our Fund Balance and the request for authorization to spend \$37,000 already in the MCP Reserve Fund to complete minor upgrades to controls, HVAC, paving (\$30,000)

There was much discussion amongst Board members as to the necessity of spending money on the pavement project at New Suncook.

A motion was made to **not** pave the New Suncook School.

Motion: Christopher Burk

Second: Annabel Nash

Failed
6 for/8 opposed

A motion was made to approve the proposed FY19 District budget as presented.

Motion: Laurie Weston

Second: Jane Williams

Passed
10 for, 3 opposed, 1 abstention

9. Personnel

Linda Card informed the Board that the Personnel Committee had approved Jay's nomination and hiring of the following teachers:

- Olivia Benish, K-8 Art Teacher covering maternity leave for current K-5 Art Teacher through end of the 17/18 school year and covering 6-8 Art for the 18/19 school year.
- Laura Brown, K-8 Classroom teacher for 18/19 school year. Grade level TBD.

A motion was made to approve the teacher nominations listed above.

Motion: Linda Card

Second: Kathiann Shorey

Passed
All in favor

10. Public Discussion: (15 Minutes)

Note: Discussions/questions should pertain to items discussed at this meeting.

None

11. Agenda Planning/Adjournment:

Next Meeting: May 9, 2018 - Special Meeting - Sign FY19 Budget Warrants
May 14, 2018 - FY19 Budget Informational Meeting at BDES - 6:30
May 15, 2018 - FY19 Budget Informational Meeting at MOS - 6:30
May 17, 2018 - FY19 Budget Informational Meeting at NS - 6:30
May 23, 2018 - District Budget Meeting/Vote FY19
June 13, 2018 - Regular Meeting
July 11, 2018 - Regular Meeting

A motion was made to adjourn the meeting.

Motion: Kathiann Shorey

Second: Marie Struven

Passed
All in favor

Meeting adjourned at 7:45.

Respectfully submitted,



Heather Sheehan
Recording Secretary

FY19 Budget

Final Conversations

- Fund Balance
- Staffing
- Understanding Year-to-Year Increases
- Total Budget

What is Fund Balance?

- Fund balance is generated when there is money left unspent in a given year's budget.
- For example, in a year with a \$20,000,000 budget, one way the fund balance is created is **when a sum less than the budgeted amount is spent**. If \$19,500,000 is expended, that would generate \$500,000 in fund balance.
- Another way fund balance is created is when there are **unanticipated revenues**. For example, when the legislature acted in June of last year to provide more financial support to districts, that increased the amount of state subsidy we receive, which creates fund balance.

How is Fund Balance Used?

- “Designated” Fund Balance can be used as revenue to **reduce the town assessments:**

FY18	\$560,000
FY17	\$450,000
FY16	\$600,000
FY15	\$664,740
FY14	\$982,791
FY13	\$1,101,544

- Fund Balance can also be transferred to establish **Reserve Accounts**, which must be voted on by taxpayers as warrant articles. In the current year’s budget vote, we were authorized to transfer **\$174,123** to the Minor Capital Projects reserve fund to be expended on the New Suncook paving project.

FY19 Fund Balance

- In next year's budget, we are applying **\$946,000** in Designated Fund Balance to reduce the burden on taxpayers.
- The current plan is to include a warrant article to ask taxpayers to allow us to transfer **\$124,000** of Undesignated Fund Balance into the Capital Improvement Projects reserve fund to pay for the balance of the New Suncook paving project.
- We are also planning to ask for voter permission to transfer **\$30,000** of Undesignated Fund Balance into the Minor Capital Projects reserve fund to pay for controls/HVAC upgrades at New Suncook and BDES. This will include authorization to expend **\$37,000** already in this reserve fund.
- This will have no impact on taxpayers as it does not require us to assess towns for the revenue.

Decisions Needed

- By designating **\$1,100,00** of our available Fund Balance to reduce the impact on taxpayers, this leaves roughly **\$500,000** in Undesignated Fund Balance.
- Decisions:
 1. Does the Board support the application of \$946,000 of our Fund Balance to reduce the tax impact on voters?
 2. Does the Board support the application of \$124,000 of our Fund Balance to complete the paving project at New Suncook (\$124,000)
 3. Does the Board support the application of \$30,000 of our Fund Balance and the request for authorization to spend \$37,000 already in the MCP Reserve Fund to complete minor upgrades to controls, HVAC, paving (\$30,000)?

Staffing

- This final version of the budget includes the following positions:
 - Math Coach
 - School Therapist
- To provide additional support with student behavior beyond the School Therapist, we are going to use existing staffing and prioritize our needs in this area. Before adding a Behavioral Interventionist, we need to do more work in coordinating existing support (Counselors, Student Support positions, etc.).

Year-to-Year Increases

- Within the Essential Programs and Services (EPS) model, costs are assigned to towns based upon the town's percentage of overall students.
- Within EPS, the cap on what towns are required to pay is the result of multiplying the mill expectation (8.51 for FY19) by each town's three-year average valuation.
- Any costs assessed to towns beyond the State formula (Additional Local) are based upon 60% Valuation and 40% Enrollment for each town. This includes the "local over EPS" portion of the budget as well as Adult Education.

Local Required

- FY18

- 8.29 Mills x 171,233,333 = **\$1,419,524**
- The State contributed \$1,430,127 in subsidy

- FY19:

- 8.51 Mills x 181,250,000 = **\$1,542,438**
- The State is contributing \$1,383,157 in subsidy

- Brownfield paid 19.81% of the district's educational costs in FY18 and will pay 19.58% of the district's educational costs in FY19

Additional Local

- FY18, Brownfield is paying **14.7%** of the “Additional Local” portion based upon 60% Valuation and 40% Enrollment (\$503,645).
- In FY19, Brownfield will pay **14.9%** of the “Additional Local” portion of the budget based upon 60% Valuation and 40% Enrollment (\$522,142).
- This is primarily due to a 5.93% or \$10,016,667 increase in Valuation.

End Result: Brownfield

	FY18	FY19	Difference
• Local Required	\$1,419,524	\$1,542,438	\$122,914*
• Additional Local	\$ 503,645	\$ 522,145	\$ 18,500
• Adult Ed	<u>\$ 2,940</u>	<u>\$ 2,980</u>	<u>\$ 40</u>
• Total	\$ 1,926,110	\$2,067,564	\$141,454

- *Calculated within the State formula and outside of District control.

End Result: Fryeburg

	FY18	FY19	Difference
• Local Required	\$2,992,690	\$3,147,211	\$154,521*
• Additional Local	\$1,115,364	\$1,143,200	\$ 27,836
• Adult Ed	<u>\$ 6,511</u>	<u>\$ 6,527</u>	<u>\$ 16</u>
• Total	\$ 4,114,565	\$4,296,937	\$182,372

• *Calculated within the State formula and outside of District control.

Total Budget

- This evening, the board needs to take a final, formal vote on the FY19 budget that will be presented to voters.
- The total budget that you were sent electronically yesterday is **\$19,936,236**, and increase of 5.75% over the FY18 Budget.
- The includes the removal of the Behavioral Interventionist position (\$63,000) and payment of Facilities upgrades (\$67,000) and paving through the application of Fund Balance (\$124,000), as well as other minor changes resulting in a total reduction of **\$296,988** in expenditures.

Total Budget Continued

	25-Apr		2-May	
Brownfield	\$162,766.40	8.45%	\$141,453.51	7.34%
Denmark	\$10,749.39	0.50%	-\$11,401.73	-0.53%
Fryeburg	\$229,035.56	5.57%	\$182,372.48	4.43%
Lovell	\$45,130.22	1.66%	\$9,779.58	0.36%
Stoneham	\$4,261.59	0.85%	-\$1,344.91	-0.27%
Stow	\$22,533.83	4.48%	\$17,371.45	3.45%
Sweden	-\$10,986.47	-1.68%	-\$17,728.29	-2.70%
Total	\$463,490.53	3.69%	\$320,502.09	2.55%

What does this budget accomplish?

- Determine how to best utilize resources to **meet the needs of ALL students**.
 1. Maintains specialized programming (PACE, LEAP, MESA).
 2. Provides local options for out-of-district placements at a savings to the district.
 3. Provides support for students by adding a School Therapist who can work with students and families with critical needs.
- Make attempts to **meet student needs that aren't currently being met**.
 1. Provides a School Therapist position to support students, staff, and administration.
 2. Provides a Math Coaching position to support teachers and administration.
- Be **fiscally responsible** to our taxpayers.
 1. Addresses Facilities Issues (paving, minor repairs, etc.) at no impact to taxpayers.
 2. Lessens the budget-to-budget increase on two towns hardest hit while still supporting district-wide programming.
 3. Represents a **2.55%** increase to district voters.