

## **Sanborn Regional School District**

### **Budget Committee**

**Minutes for Thursday, January 20, 2022**

**7 PM, High School Library**

**Call to Order – Chairman Jim McCarthy called the meeting to order at 7 PM**

**Salute to the Flag**

**Members Present, Members Excused Absence- all members were present.**

- **James McCarthy, Chairman, Newton**
- **Vanessa Matias, Vice-Chairman, Kingston**
- **Christine Kuzmitski, Newton**
- **Mary Cyr, Member-at-Large**
- **Rick Edelman, Kingston**
- **Annie Collyer, Newton**
- **Cheryl Gannon, Kingston**
- **Moira Bashaw, School Board Representative**

**MS27 read through and BC approval – prior to approval of the MS27, Ms. Gannon and Ms. Collyer joined in stating that first was the need to address the proposed operating budget as presented in the MS27. Ms. Gannon stated that there is a need to address the Public Hearing outcomes, and to vote on recommending the budget to the voters and to the School Board.**

**Mr. Edelman asked about possible budget impacts as a result of the School Board vote to move grades 3 & 6 next year. After discussion, Mr. Angell stated that all the potential costs as presented by the**

**Superintendent in November 2021 could be accommodated within the proposed operating budget by some line item transfers. There will be some shifts of existing administrative staff and support staff to accommodate needs within the District, but no new cost. Ms. Matias questioned the previously proposed costs for wall, bathrooms, etc. Mr. Angell said that all can be covered within the proposed budget.**

**Ms. Gannon recommended a return to the question of recommending the proposed operating budget to the School Board and voters. Ms. Collyer made a motion, seconded by Mr. McCarthy, to recommend the proposed operating budget of \$37,179,465.00 to the School Board and to the voters at the Deliberative. The motion passed initially 7—0 with one abstention from Mr. Edelman.**

#### **Warrant Recommendations:**

**Matt Angell, Business Administrator, explained all the dollar-impact warrant articles, followed by a Budget Committee vote on each one on whether to recommend to the voters at the Deliberative Session:**

**Warrant 3 is the Proposed Operating Budget.**

**Warrant 4 is the Support Staff Contract. Mr. Angell stated that the minimum starting salaries have been increased, and the steps for years of service adjusted, with higher increases for the accelerated learning curves for newer hires. In addition, there is an annual 2% Cost of Living increase in the matrix. He reviewed the different job description levels and noted that the salary schedule was completely reinvented this year. The District health insurance contribution was reduced from 88% to 86%, to balance a portion of the salary increases.**

**Ms. Matias made a motion to recommend, seconded by Mary Cyr. The motion carried 8-0.**

**Warrant Article 6: Unanticipated Utility Cost for \$75,000.** Mr. Angell explained that this is a non lapsing fund to cover vagaries in utility costs so that the operating budget does not need to be inflated to cover possibilities in the future. It will be funded if approved by voters from surplus funds at year-end by the School Board. If used during a year, the School Board would most likely seek a new warrant to refund the Reserve Fund in the future.

Ms. Gannon asked about the term surplus funds. Mr. Angell noted that surplus funds is the same as unexpended funds, an older term, and as the newer term, unassigned funds. They all mean the same thing, which is money left out of an approved budget at year-end.

Ms. Collyer made a motion to recommend, seconded by Mr. McCarthy, and the motion passed unanimously 8-0.

**Warrant Article 7: An Insurance fund for student electronic equipment.** Mr. Angell explained that this would allow parents to insure equipment damage so they would not have to pay for damages. Ms. Matias noted that all parents sign an agreement to be responsible for the school's electronic equipment used by their children. Mr. Angell explained that the fund would be both non lapsing and restricted to use only for its stated purpose. Premiums would be adjusted according to loss experience. There was brief discussion on how the fund would be terminated as technology changes in the future. Mr. Angell suggested that is a future discussion.

Ms. Matias made a motion to recommend, seconded by Mr. McCarthy, and it passed unanimously 8-0.

**Warrant Article 8, unanticipated educational funds.** Mr. Angell explained that this would add \$50,000 from surplus funds to the

existing \$200,223.47 12/31 balance. Ms. Gannon asked what the goal is for the total fund balance, and Mr. Angell noted that it is now approaching the goal of \$250,000 after 4 years of being funded by taxpayers. In addition, there is an existing Special Education Reserve Fund of \$241,211. While these could be tapped in the unanticipated influx of students or Special Needs, the need to use any of these funds has not so far arisen, he noted.

Ms. Cyr made a motion to recommend, seconded by Mr. McCarthy. The motion passed 7-1, with Ms. Gannon voting against recommendation.

**Warrant Article 9: Capital Improvement Maintenance Reserve Fund.** Mr. Angell state that the Warrant would allow the School Board to add \$50,000 from surplus funds to the existing Reserve balance of \$272,071.80 as of 12/31. There was discussion of the approximately \$600,000 boiler replacement this past year at Bakie that was funded from the operating budget with monies available because of unfilled positions in the District, and of current leaks and siding failure at the High School. Some or all of the leak damage will most likely be covered by insurance, Mr. Angell stated. Mr. Angell said that the Capital Improvement Fund is designed to both fund unanticipated emergency needs and to smooth the tax rate with capital planning. Ms. Gannon asked what the eventual goal for the Reserve Fund is. Mr. Angell said that a Capital Improvement Plan is in process, and the Fund would ideally fund 20-25% of the total CIP.

Ms. Collyer stated that while the Budget Committee is not able to amend the dollar amounts of the Warrants at this time, she hopes that voters at the Deliberative Session will amend #8 to \$25,000 and #9 to \$75,000, to address the greater need of funding maintenance needs in the District.

**Mr. Edelman asked for clarification of how the Superintendent's Top 3 identified needs could be funded and what monies will be available at year-end to do so. The Top 3 needs are the High School running track which could be funded with year-end surplus funds, Mr. Angell stated; auditorium updates, which could be funded with the Facilities Use Revolving Fund; and the Wireless updates, which can be funded either with, or with a combination of, federal funds, the facilities use revolving fund, or with erate partial grant funds, or a 5-year lease agreement. Mr. Edelman then asked if Mr. Angell was confident that there would be enough money at year-end to fund these needs, and still return some money to taxpayers. When Mr. Angel agreed, knowing the amounts in reserves and the guarantee of \$400,000 that came back to the District as an insurance refund, Mr. Edelman requested a new vote on the operating budget recommendation.**

**Ms. Collyer made a motion to recommend the proposed operating budget, seconded by Ms. Matias, and the motion passed unanimously 8-0.**

**Approval of the minutes of January 6 and 11 were deferred to a meeting following the Deliberative Session on February 9.**

**Public Hearing – Budget presentation new speaker. Mr. McCarthy does not intend to present at this year's Public Hearing. The Committee appointed Ms. Gannon to do the presentation this year. There was discussion of recommending that the School Board Representative present the default budget and of the School Board present their other warrant articles at the Deliberative. Ms. Bashaw agreed to take the recommendations to the School Board, and will read the default slides, adding a couple as in prior years.**

**Discussion regarding the following:**

- 1. Submitting questions and follow up questions to administration regarding budgets of/for any fiscal year.**
- 2. Public hearing guidance from Mr. Ambrose**
- 3. Meeting templates for each of the Budget Committee meetings. Streamline the meeting notes/documents/agendas.**
- 4. Plan to review the BC guidelines in the next Budget cycle**

**There was general agreement that defining process as a part of the Committee guidelines should take place in the coming year.**

**Next Meeting: Deliberative 2/9/2022, High School Auditorium 7pm.  
Snow date February 10.**

**Ms. Collyer made a motion to adjourn, seconded by Ms. Matias, unanimously approved, and Mr. McCarthy adjourned the meeting at 9:10 pm.**

**Respectfully submitted,**

**Annie Collyer, Secretary Pro Tem**