

7/31/2014 Attended by Gary, Greg, Tim, Dana & Ted

7:00:00pm call to order, then Pledge of Allegiance

No public comments

Reviewed minutes, Move to accept June minutes by Dana, second by Gary

Liason Reports: Ted reported going to School Board Meeting where they discussed rules and regulations

New Business: Nate Greenburg and Peter Curro give School reports.

Surplus revenue between \$925,000 and \$975,000 total. Income came in higher than budget and expenditures came in lower than budget.

On income side: largest income, Medicare check received was \$325,000 over projected budget.

On expense side: largest savings from teacher retirements around \$300,000.

Put \$100,000 in surplus trust fund by law

Put \$100,000 in Reserve Fund Balance

Remaining balance approx. \$750,000 back to offset tax rate.

Moody's complained about no Fund Balance for bond rating. By law couldn't have one until last year, so to balance the tax rate and please Moody's, Peter told the board he would put between \$75,000 and \$100,000 in this Reserve Fund Balance each year unless we don't have it. This has helped with our bond rating.

Dana asked about equipment expenditure of \$125,000.

Spent \$125,000 for equipment. Accelerated expenditures of equipment for this year and eliminated the cost for a later date.

Refunding for north school saved around \$13,000 - \$15,000 per year.

Food Service: lost \$52,000 last year. As of 2002 there was a \$25,000 deficit. 2002-2008 had a surplus of \$125,000. Since 2010 we have been required to change the menu, so we have been doing so gradually.

Since then we have not been able to make a profit. Kids are not eating. In 2008 the average number of students eating were 51%, now it is 31%. We must have a cook, server, and cashier regardless of number of students eating, so cost per meal goes up. Still, we have the lowest food lunch prices in the 12 districts we compare ourselves to. Can't opt out of program (detailed analysis of high school only), re-imbursements and title1 would be dropped but Department of Education emailed saying our Adequacy Grant would be significantly decreased - around \$400,000, so can't opt out.

We use a food CO-OP with all of the large schools for a discounted food cost.

2015 will have cost savings from freezers coming off lease and 2014 purchase of middle school dutch ovens to prevent any Capital Expenditures in 2015.

Teacher and Allied Health negotiations ramping up soon for ballot in March 2015.

May see warrant article for \$500,000 in March 2015 for Auditorium for architectural engineering (detailed construction plans) with guaranteed maximum price.

Various questions regarding the Auditorium about how and what has been done to get where we are today with the development.

Peter will send the budget calendar to Ted.

Nate invited everyone to the school building tours.

Dana asked about duplicate listings in expenditures.

Peter said it is dictated by the state for the chart of accounts to separate in different categories.

Peter explains the budget process for calculating the default budget and why it is difficult to keep the next year's budget equal to the previous year's budget.

Nate Greenberg explains how he manages the numbers using town membership, house purchases, and house sales for enrollment. Since 2006, enrollment down 18.6% and there is a 20.2% decrease in staff due to lower enrollment.

Over last six years as enrollment started to drop, we have implemented cost avoidance programs. We've developed in-house programs for significantly disabled students. Next year's cost avoidance is in the neighborhood of 7 million dollars.

This includes Medicare re-imbusement for in-house programs. We also charge for out-of-district students based on hours of service delivered.

Seeing increase of students with significant disabilities.

Energy Savings program saves about \$300,000 per year.

Ted asked about using solar.

Peter explained we had a detailed study done and to retrofit old buildings was too long of an ROI (return on investment) where newer buildings it was less. Not cost effective without grants.

Dana asked about Cadillac healthcare plans affecting budget.

Nate said no effect for next year.

Peter said there are two plans. One is to regionalize the escalator to cap the plan. The other is the just move the cap to 33, not 30. But these are the two plans that have the most momentum.

Old Business: None

Next meeting is the fourth Thursday, Aug 28<sup>th</sup>.

8:02:08pm

Ted calls for adjournment, Dana moves to adjourn, Tim seconds,