

SAU 41 GOVERNING BOARD
DECEMBER 23, 2019
PUBLIC HEARING
MEETING MINUTES

A Public Hearing of the SAU 41 Governing Board was conducted on Monday, December 23, 2019 at 6:30 p.m. at the Hollis Brookline Middle School Library.

Cindy VanCoughnett, Vice Chairman, presided:

Members of the Board Present: Tammy Fareed, Treasurer
Holly Deurloo Babcock, Chairman, COOP School Board
Kenneth Haag, Vice Chairman, Brookline School Board
Amy Kellner, Hollis School Board
Melanie Levesque, COOP School Board
Matthew Maguire, Chairman, Brookline School Board
Robert Mann, Chairman, Hollis School Board (arrived at 6:31 p.m.)
Carryl Roy, Hollis School Board
Tom Solon, Vice Chairman, COOP School Board
Krista Whalen, COOP School Board

Members of the Board Absent: Erin Sarris, Chairman
Brooke Arthur, Secretary
Elizabeth Brown, COOP School Board
Rebecca Howie, Secretary, Brookline School Board
Alison Marsano, Brookline School Board
Beth Williams, Secretary, COOP School Board

Also in Attendance: Andrew Corey, Superintendent
Bob Thompson, Assistant Superintendent of Student Services
Kelly Seeley, Business Administrator
Linda Sherwood, Assistant Business Administrator

SCHOOL ADMINISTRATIVE UNIT #41
FY21 BUDGET

Vice Chairman VanCoughnett stated the purpose of the Public Hearing was to present and obtain public input on the SAU 41 FY21 proposed budget.

Superintendent Corey informed the Board and viewing audience, in the Brookline School District the proposed operating budget represents a reduction of 2.2% over the current year's budget, which is the result of a bond maturing. A tentative agreement has been reached with the teachers, which will be voted on by the Board at its January meeting.

In the COOP School District, the proposed budget represents an increase of 0.9% over the prior fiscal year. If voters support all Warrant Articles, the result would be a 1.84% increase.

In the Hollis School District, there is a significant increase of approximately 7%, which is the result of an influx of special education costs. He thanked the Budget Committee for all of their efforts. The proposed budget has arrived at guidance.

The Hollis School District has two Warrant Articles one for the facility at 4 Lund Lane and a separate facilities project.

Asked if the 2.2% reduction in the Brookline proposed budget is the amount before or after the costs of the teacher's contract, he indicated it is before. Asked what the result would be when including costs associated with the contract, he stated his belief it would be a small reduction from the prior year.

Tammy Fareed, Treasurer, provided a presentation, a copy of which was included with the [agenda](#).

Ms. Fareed noted the makeup of the SAU 41 Budget Subcommittee. An organizational chart of the SAU 41 Administration was displayed. Noted was the requested position of Facilities Director, which would fall under the Business Administrator. Although the chart appears to indicate that the Assistant Superintendents have no significant human interactions, their dealings are primarily with staff in the buildings.

For the positions of food services and maintenance, although they report to the Business Administrator, they are located in the buildings, and are paid through the school district budget (not the SAU budget). The chart had been formed for double purposes to show the flow of information.

A comparison of the FY20 budget (\$1,731,611) and the FY21 proposed (\$1,807,100) and adjusted/default (\$1,718,104) budgets was provided. Were the proposed budget to pass, the result would be an increase of \$75,489 or 4.4%. Were it to fail, and the adjusted/default budget come into play, the result would be an increase of \$88,996 or 4.9%.

The adjusted/default budget is the amount of the same appropriations as contained in the operating budget authorized for the previous year, reduced and increased, as the case may be, by debt service, contracts, and other obligations previously incurred or mandated by law, and reduced by one-time expenditures contained in the operating budget and by salaries and benefits of positions that have been eliminated in the proposed budget. One-time expenditures shall be appropriations not likely to recur in the succeeding budget, and eliminated positions shall not include vacant positions under recruitment or positions redefined in the proposed operating budget, as determined by the governing body.

In the case of the SAU, the adjusted/default budget is last year's operating budget less contractual agreements and one-time expenses.

Main drivers of the increase were noted as:

- Salaries - \$37,333 increase
 - Salaried employees increase of 3.0% (\$22,333)
 - H.R. Coordinator moving to an Administrative position (\$5,000)
 - Hiring contingency (\$10,000)

For some of the salaried employees, there is a contractual obligation for an increase in the range of 2-4%. Others do not have guaranteed increases.

The H.R. Coordinator will soon complete her qualifications to become an Administrator. Proposed is a \$5,000 increase.

The hiring contingency allows for the proposed salary for the position of Facilities Director to have some leeway as some believe the salary identified for the position would not attract the caliber of individual sought.

- Benefits - \$24,914 increase
 - Health insurance Guaranteed Maximum Rate (GMR) of 4.1%
 - Dental insurance GMR 3.9%
 - Hourly employee increase of 3.0%

The GMR is the maximum the District is told the rate could be. The actual percentage of increase is known in the spring.

- New Position – Facilities Director \$66,500 increase
- Student Services Transition Coordinator – reduction of \$54,202
 - One-year position ended in FY20

The previous Assistant Superintendent of Student Services completed her contract, and had a one-year contract to follow on, for the current year, at a salary of \$54,202. Taxpayers were assured it would be a single contract that would not be continued. That amount is a reduction to the proposed budget.

Regarding the position of Facilities Director, a slide was displayed listing the responsibilities of the position as well as the benefits the SAU would derive by adding the position, e.g., supervision of maintenance staff would be a workload shift from the current administration and would result in increased consistency and quality, facility physical audit would result in increased quality and expertise, and managing capital improvements would result in increased quality and expertise and would represent a workload shift.

Ms. Fareed noted the responsibilities listed are all very burdensome, time consuming tasks that are best performed by someone having facilities expertise. They have so far all been carried out by the education and administrative staff.

A chart was displayed depicting the percentage of the proposed budget related to salaries (\$1,201,706 or 66%), benefits (\$450,304 or 25%), and other (\$155,090 or 9%).

Budget categories and the corresponding change from the FY20 budget to the FY21 proposed budget were identified as wages; increase of \$39,751, benefits; increase of \$17,118, operations and maintenance; decrease of \$120, services; increase of \$11,100 (due in large part to a \$9,000 accounting difference; had accounted for custodial services (wages) in the building, and moving forward will be identified under the category of services), professional development; decrease of \$1,955, merit increase; increase of \$857, travel; increase of \$400, expendables; increase of \$1,200, and equipment and software; increase of \$200.

With regard to the Unassigned Fund Balance (UFB), which, at the SAU level, is a non-lapsing fund (not returned to tax base at year end), Ms. Fareed noted the FY20 beginning balance of \$173,118 (7-1-19) and the approved use of UFB (\$12,297) in FY20, which resulted in an ending balance (6-30-20) of \$160,821. Proposed is the use of \$20,000 (from the UFB for FY21), which would result in an ending balance (6-30-

21) of \$140,821. The established percentage of the total budget identified as the target range for the UFB is 7-10%. The projected FY21 ending balance would represent 7.8%.

Noted was that the figures listed on the chart provided had not been updated, and should read: Minimum \$126,497, maximum \$180,710, and the percentage of the FY21 ending balance of \$140,821 is 7.8%.

The \$20,000 proposed to be used from the UFB would cover the cost of the \$10,000 hiring contingency, \$2,500 travel line item, which is a one-time professional development cost, one-time computer purchase \$1,000, and the anticipation the Government Accounting Standards Board (GASB) may require a one-time end-of-year, post-employment report (approx. \$6,500). There is the possibility it could become an annual requirement, which would then have to be included as a line item in the operation budget. As it is the first time, and could be a one-time requirement, the cost is being accounting for through the UFB. Because the funding is coming from the UFB, it is considered a revenue to the budget.

In regard to revenue, grants and indirect costs total \$4,000 and the use of the UFB (\$20,000) would result in an offsetting revenue amount of \$24,000.

Reducing the proposed operating budget amount of \$1,807,100 by the projected revenue of \$24,000 results in a total amount to be distributed amongst the budgets of the individual districts of \$1,783,100.

A chart was displayed showing the distribution/apportionment of the cost of the SAU budget to each of the districts: Brookline; \$319,460 or 17.6%, Hollis; \$553,385 or 31.2%, and COOP; \$910,255 or 51.2%.

Testimony in Favor - None

Testimony in Opposition - None

Testimony in Favor – None

Testimony in Opposition - None

The Public Hearing was declared closed at 6:50 p.m.

Date _____

Signed _____
SAU Governing Board Chair