

REGIONAL SCHOOL UNIT NO. 38
BOARD OF DIRECTORS
Maranacook Community High School
March 11, 2020, 6:30 p.m.
Minutes of Meeting

Members Present: Chair Gary Carr, Vice Chair Wendy Brotherlin, Kim Bowie, Cathy Jacobs, Rebecca Lambert, Shawn Roderick, Alexander Wright
Member Absent: Patty Gordon, Betty Morrell, Melissa Tobin, David Twitchell, (two vacant positions)
Administrators: Superintendent James Charette, Special Education Director Ryan Meserve, Principals Jeff Boston, Dwayne Conway, Janet Delmar, Abbie Hartford, Kristen Levesque, Assistant Principal Tina Brackley, Director of Curriculum, Instruction & Assessment Nancy Harriman, Finance Manager Brigette Williams, Adult & Community Education Director Steve Vose

1. Call to Order: Chair Carr called the meeting to order at 6:30 p.m.
2. Citizens Comments: none
3. Additions/Adjustments to the Agenda by Board and/or Superintendent:
Superintendent Charette, requested the addition of Item 5c., Executive Session to consider investigation of complaints against a person, pursuant to 1 M.R.S.A. Subsection 405(6)(A).
Chair Carr added that the Facilities Committee will meet briefly following the Executive Session.
4. Action Item: Approval of Minutes of March 4, 2020
MOTION by Brotherlin, second by Lambert to approve the minutes of March 4, 2020 as presented. **Motion Carried:** unanimous
5. Budget Workshop
Superintendent Charette welcomed the Select Board members from Readfield, Wayne and Mt. Vernon. Superintendent Charette provided a PowerPoint presentation covering the work on the FY21 budget to date. The end goal has not been reached yet. Link to PowerPoint presentation <https://5il.co/dmkt>.
Major items driving the budget:
 - Budget includes increase in Health insurance (10%) and Dental (5%), which represents a 1.56% increase
 - Bond payment – 2.23% increase
 - Wages and salaries – 1.60% increase
 - Technology budget is down next year due to the MLTI bridge year. Caution that in the FY22 budget we will need to budget for laptops and network.
 - Special Education is increased due to increased student population and budgeting for an out-of-district placement.

- Facilities/Maintenance projects are currently up \$119,500, but we are still working to bring it down to the current year level.

Questions:

Regarding the team directive for the target of 2%, does this include the bond payment? Yes

What percent of the bond has been accessed and what percent is left? Finance Manager Williams responded that several of the project came in below what the architects projected. The bond has about \$890,000 still remaining that has not been committed; this includes a \$300,000 contingency for the high school roof. The district has 3 years from last October to expend the bond. The entire bond was received, so we will be making full payments.

Explanation on the "bridge" year on the laptops. There is no lease payment on the laptops next year. For FY21, the plan is to purchase the laptops at \$48.00 each and recycle them down to the elementary schools in FY22. We will make more definite plans regarding the new laptops for the Middle School and High School once we see what the state puts forward in terms of solutions.

Superintendent Charette reviewed the handouts provided. Page 1 is the second draft of the summary budget. Mrs. Williams noted that the contract for oil came in \$31,000 below this year's budget. Page 2, Expenditure Per Pupil Amount by School; Page 3 shows the Summary Revenue Areas; and Page 4 breaks down the local dollar calculation.

Regarding the revenue area, is the \$600,000 surplus you anticipate having in reserve at the end of this fiscal year? It seems you may have some leverage to applying that surplus to meet the 2% goal. Mrs. Williams responded that this money is being used to offset the costs to the town. As the 5.77% reduces on the expenditure side of the budget, the town assessments will reduce. The \$600,000 consists of \$400,000 in undesignated reserve from last year, plus additional tuition revenues from Fayette that were not anticipated, as well as some positions that we were unable to fill. She added that she does not build the budget planning to have money left over.

What are you hearing about any supplemental revenues down the road? Going into next year, we are expecting an additional \$344,000 from the state. We were also informed about an adjustment we applied for toward the superintendent agreements we have with other towns this year, which will give us a \$92,000 adjustment. This will be applied as additional revenue to next year's budget.

Last year Mt. Vernon expressed concerns about costs per student versus the actual tuition rate. Mrs. Williams responded tuition rates are set by the state and do not include all costs; those are the tuition rates we charge to Fayette. Mt. Vernon has a high state valuation rate and low student count, which is the reason they raise more per pupil than some other towns.

Increase in teacher pay - believe the state is funding the increase for the first year or 3 years? The state is mandating that we get the minimum teacher salary up to \$40,000 in two years after this year. The state set a minimum amount each year, and we are up a little more than that, so we will not get anything. We are in the first year of a 3 year contract with the teachers.

How is the new state food shaming law affecting the food service budget? Last year we had about \$2,000 that was not collected at year end. At this time, we do not have an estimate for next year. Most districts are seeing their debt increase considerably because people are

feeling they don't have to pay. RSU 38 have had several donations from residents to help reduce the unpaid school lunch debt.

Is the bond payment expected to be level? The principle payment is level, the interest payment will decrease each year. The actual principal and interest payment will be \$504,500. We have \$90,000 in this year's budget for the first interest payment, so the budget increase in FY21 is \$414,500.

Superintendent Charette pointed out the last handout sheet, State Subsidy by Town, shows that for the first time, the Town of Wayne will be getting an assessment from the state.

Discussion ensued about the enrollment count and how it comes to play in the subsidies for the towns. Mrs. Williams reported that the state uses the October 1st enrollment count, but we also use a 3 year rolling average that is a requirement of the Reorganization Plan.

Discussion ensued about the RSU Board's thoughts on looking at other options in terms of the elementary schools. Is this something the Board is looking into for the next 5-10 years? This may be the time to look at options for the future.

Chair Carr commented that he produced a white paper asking for a vision looking 10 years out, and when you look at the costs of running the elementary schools. Need to look at equity among the schools.

Select Board members agreed it would be a good exercise to look at the "what ifs" and present some options. If this is looked into, suggest hiring USM or Orono to take the communities through the process.

Select Board members thanked the staff and the Board for the work they are doing to produce a sensible budget and wished them the best in trying to reach the 2% threshold.

c. Executive Session to consider investigation of complaints against a person, pursuant to 1 M.R.S.A. Subsection 405(6)(A)

MOTION by Brotherlin, second by Lambert to enter Executive Session to consider investigation of complaints against a person, pursuant to 1 M.R.S.A. Subsection 405(6)(A)

Motion Carried: unanimous

The Board entered Executive Session at 7:35 and returned to public session at 7:54 p.m.

6. Adjournment: **MOTION** and second to adjourn at 7:54 p.m.

Respectfully submitted,
James Charette, Superintendent/Secretary
D. Foster, Recorder