

**BARRE UNIFIED UNION SCHOOL DISTRICT
FINANCE COMMITTEE MEETING**
Via Video Conference – Google Meet
November 10, 2020 - 5:30 p.m.

MINUTES

COMMITTEE MEMBERS PRESENT:

Sonya Spaulding (BC) - Chair
Victoria Pompei (BT) – Vice Chair
Gina Akley (BT)
Emel Cambel (BC)

COMMITTEE MEMBERS ABSENT:

OTHER BOARD MEMBERS PRESENT:

Guy Isabelle
Paul Malone

ADMINISTRATORS PRESENT:

David Wells, Superintendent
Mary Ellen Simmons, Assistant Superintendent of Instruction
Stacy Anderson, Director of Special Services
Penny Chamberlin, Director Central Vermont Career Center
Jason Derner, Alternative Education Administrator
Jamie Evans, Facilities Director
Lisa Perreault, Business Manager
Jon Strazza, Assistant Director of Special Services

PUBLIC MEMBERS PRESENT:

Ben Matthews

1. Call to Order

The Chair, Mrs. Spaulding, called the Tuesday, November 10, 2020 BUUSD Finance Committee meeting to order at 5:30 p.m., which was held via video conference.

2. Additions and/or Deletions to the Agenda

None.

3. Public Comment

None.

4. Approval of Minutes

4.1 October 6, 2020 BUUSD Finance Committee Meeting Minutes

The Committee agreed by consensus to approve the Minutes of the October 6, 2020 BUUSD Finance Committee meeting.

5. New Business

5.1 CVCC Phase II – Site Selection

A copy of a letter from truexcullins (dated 11/09/20) was distributed. Ms. Chamberlin provided an overview of the letter from David Epstein of truexcullins. Ms. Chamberlin advised that work is still being completed relative to final lab prototype schematics. Though Lavallee and Brensinger believed it was time to move forward with the site selection process, it has been determined that additional work must be completed prior to that phase. It is anticipated that the work to be performed will delay the start of the site selection process for approximately one year. Recommended steps include; working with an architect to complete the visioning process, hiring a cost estimator to provide a construction cost opinion, production of videos (already in progress) and publications that describe the needs, opportunities and vision of CVCC, and meeting with the Department of Education and key legislators regarding governance structures and funding. The goal is to produce a marketable package. The Special Article approved by the Board is not necessary at this time. The costs associated with work to be performed are estimated at \$10,000 - \$12,000 for architectural services and \$8,000 for a professional cost estimator. Ms. Chamberlin advised that she has surplus funds and budgeted money to cover these expenses. Ms. Chamberlin will be meeting with Secretary French on Friday regarding this project, including discussion of governance of CVCC. Mrs. Spaulding would like to receive follow-up information from the meeting with Secretary French, as she feels that CVCC governance should be a more shared responsibility (with sending school communities). Ms. Chamberlin thanked the Board for

their ongoing support of this initiative. In response to a query, Ms. Chamberlin advised that now is not the time to be looking for parcels of available land (as any purchase is too far out in the future), but that when it is time to begin that process, she will be responsible for finding a commercial realtor to work with.

5.2FY22 Budget – First Draft

Eight documents were distributed;
FY22 BUUSD Budget Development Considerations (11/10/20)
BUUSD FY22 Proposed Budget, Expense Summary – Draft 1 (11/10/20)
CVCC FY2019 – FY2022 Budget Expense Summary
FY22 BUUSD-CVCC Draft Budget Development Highlights (11/10/20)
SEA Program Estimated Costs Analysis (10/12/20)
BUUSD Draft 1 Budget (11/04/20)
CVCC FY22 Draft 1 Budget (11/03/20)
BUUSD Expense Report (11/07/20)

Mrs. Perreault began the discussion with a PowerPoint presentation titled ‘FY22 Budgets – Draft 1’, which was displayed on screen. A copy of the presentation will be added to the addendum. The presentation included information on; year 3 of working in a consolidated district, the BUUSD General Fund Expense budget of \$47,988,828 (an increase of \$2.9 million / 6.57% over FY21), the CVCC Expense budget of \$3,377,415 (an increase of \$246,978 / 7.89%), confirmation that increases are primarily due to increases in salaries and benefits, the expired teacher contract (which makes budgeting difficult), details on increases for employees with contracts in place, the total of salaries for the district (\$26,000,000), the cost of benefits (\$6,100,000), an average increase of 9.6% for health insurance (increases range from 8.3% to 18.5%), an overview of other benefits and payroll costs totaling \$3,200,000 (FICA, Medicare, Dental, VSTRS Health Assessment, VMERS, 403b, Tuition Reimbursement, Workers’ Compensation, Life Insurance, and Long Term Disability), salaries and benefits account for 75 percent of the budget (5.2% of the total increase of 6.5%), increases for Special Education \$14,100,000 (including the new SEA building). Mrs. Anderson and Mr. Strazza provided an overview of the Special Education program, highlighting the needs within the district over the past decade. The number of students with emotional disturbances (primary disability) has doubled and accounts for almost a third of students qualifying for special education services. Those with emotional disturbances usually incur additional costs due to the resources needed to support them. These costs sometimes include the use of outside providers. There is an overall need across the district to align programs that focus on social and emotional needs, and increased coordination of the multi-tiered systems of support. Mr. Derner advised regarding the model that is being developed in the SEA program, and hopes that some of that model can be shared in the lower grades to intervene and assist students at a younger age. In response to a query, it was noted that personnel are being added to the SEA program to accommodate the anticipated increase in students (adding capacity). The first payment on the SEA building is also included in the budget. Mrs. Anderson provided an overview of staffing (para-educators and BI’s, as well as Special Educators) over the past decade. Staffing has remained quite stagnant over the last decade. Many increases over the years can be attributed to the need to bring in contracted services and/or outplacement of students. Planning for Act 173 includes expanding the SEA program (including the addition of middle school students), alignment of programs across the buildings, including multi-tiered systems of support in general education instruction. Mr. Derner provided an overview of the SEA Program, including increased capacity, anticipated stronger outcomes, outdoor space, technology upgrades purchased under COVID, security (utilizing the VSBIT Safety Grant), the anticipated transition of students from outplacement to the SEA program, and a building design that easily accommodates expansion of the building. There is also the potential that the SEA program may be able to accommodate receiving students from out of district (tuition paying districts). Mr. Evans commented that the marked increase in the SPED student population, paired with stagnant staffing levels, really drives home the need for the SEA building and he feels this is very important information to be shared with the Board. The Committee reviewed a graph which compares out of district costs per pupil vs SEA costs. Mrs. Perreault provided an overview of additional components of the budget, including; technology investments, facilities (budgeted at \$1 per square foot – the industry standard), protecting assets utilizing Multiline Insurance (approximately \$500,000 per year), and services & grants provided by VSBIT. Mrs. Perreault also provided an overview of current debt, transportation, food service, (including receipt grant monies (\$200,000) for updating of kitchen equipment), State-wide influences (healthcare bargaining, healthcare premium increases, and H969. H969 protects the BUUSD from the drop in student counts and protects taxpayers by not having the education tax fund deficit impact the property yield. Other State-wide influences include; Act 46, the CLA, Act 173 (delayed until FY22 or FY23), and COVID-19 funding. Mrs. Perreault provided an overview of the 5 contributing factors that affect the tax rate (only one of which the BUUSD has control over). Mrs. Perreault advised of the tax impact to Barre City (an increase of 12¢) and Barre Town (a decrease of 15¢). Barre Town recently completed a reappraisal. The projected BTMES tax decrease may not have an actual impact on the amount property owners pay in taxes, because the CLA will be adjusted to reflect the reappraisal. Mrs. Perreault advised of spending per-pupil for other schools in the region. Barre remains the district with the lowest spending per pupil. There is concern that the tax ‘increase’ for Barre City and the tax ‘decrease’ in Barre Town will need to be well explained to community members, as it may result in very different voting outcomes based on perception.

The Committee reviewed the CVCC budget. Ms. Chamberlin advised that the CVCC budget increase is quite minimal and that revenue from the State has increased because the six-semester average (pupil count) has increased (by 6 students). Under the proposed budget, tuition is increasing by 1.5%. The budget includes a 3rd permanent substitute, the addition of another pre-tech teacher (which will allow for additional 10 – 12 students), and utilization of surplus funds to reduce tuition (\$100,000).

Ms. Chamberlin advised that the cost for the Site Selection loan will be removed, though a small portion may be kept in to assist with the expense associated with a cost estimator.

Lengthy discussion ensued, and included many questions relating to various line items. It was agreed that administrators should be in attendance at future meetings, so that questions from the Committee can be answered.

In response to a query regarding equity amongst the schools, it was noted that some work has been done to align various lines items, but it needs to be understood that not all line items can be 'equal', e.g. the guidance department at the high school has much more work to perform than guidance departments at the middle and elementary schools, and salaries are based on years of experience. Mrs. Spaulding also expressed concern regarding inequity/non-alignment among the Principals' Offices budgets, advising that the BTMES Principal's Office budget is \$707,000, and also has a duplicating clerk for an additional \$56,951. BCEMS, which has approximately 100 more students, has a Principal's Office budget of \$616,000 and does not have a duplicating clerk. Mrs. Spaulding understands that there may be some difference due to salaries, but expressed her frustration that there is such a large difference between the two, and that she has expressed this concern for years and is not aware of any steps being taken to remedy the issue. Mrs. Spaulding reiterated her concern that BCEMS, which has 100 more students than BTMES, is running their principals' offices with a much smaller budget. Mr. Wells suggested that a future meeting include discussion of budgets for the Principals' Offices and libraries at BCEMS and BTMES (breakdown the budgets and review the staffing models). Mrs. Spaulding also voiced concern that BTMES has budgeted \$20,000 for transportation for field trips and none of the other schools has money budgeted for field trip transportation. Mr. Malone reiterated that one of the goals of Act 46 consolidation was alignment and equity amongst the schools. In response to a query regarding elimination of the SRO position at SHS, Mr. Wells advised that the decision to remove this position was both financial and programmatic. It is believed that SRO's are more effective at the elementary and middle school levels, but are not as effective at the high school level. Mr. Wells has been discussing the elimination of the position with the City Manager, and will be following up with the Chief of Police. Mr. Malone advised that the SRO at SHS is often pulled from the high school to work on other duties, and at times the high school is only receiving 60% or less of the time it is paying for. The SRO at BCEMS is rarely pulled for other duties. It was noted that Barre Town is short on police officers and is not currently assigned a full time officer. Additional discussion included the current coverage in SPED due to outplacements, a reduction in the CVCC budget (due to a retirement), coach salaries, the budget program not showing new line items as 100% increases, a reduction due to meals no longer being provided for in-service days, questions on the SEA portion of the budget, the unpredictability of SPED expenses, moving students from outplacement to the SEA program, and shifting of some expenses to the IDEA grant. Mrs. Akley had questions relating to increases in various line items (Curriculum, Superintendent's Office etc...). It was determined that those increases are related to benefit increases. It was also noted that BTMES has increases for salaries, and the addition of one para-educator in pre-school (a current position that may be filled, but is not in the current budget). The pre-school amount budgeted for BCEMS is higher because it includes tuition payments for pre-school students (as required by statute). Clarification was provided for the increase for postage at CVCC (there has been an increase in the lease of the postage meter - the lease is a fixed rate). It was noted that CVCC does a lot of marketing through the mail. Mrs. Pompei queried regarding using a mailing center. Mrs. Akley queried regarding the increase for the Extra-Curricular line item (under the BTMES portion of the budget). Mrs. Perreault provided clarification on the increase for transportation (which does fall within the CPI), and that a portion of the increase includes salaries for riders, etc. Mrs. Akley advised that if cuts need to be made, she would like the Board to consider reductions to athletics rather than reductions that impact academics. Mrs. Perreault provided clarification on the overall budget increase percentage (6.57%) and confirmed that it includes salary increases. Mrs. Perreault advised that for several years, the BUUSD has under budgeted and has now spent down its reserves. Mrs. Perreault cautioned against under budgeting. Mrs. Spaulding is concerned regarding the salary increase percentage in the budget, advising that showing an increase makes negotiations difficult. Mrs. Perreault clarified that there are other factors included in the draft budget salary increase (stipends for other duties and committees, teachers who have a column movement, etc). Mrs. Perreault will be presenting the budget to the Board on Thursday, and will use a modified (shorter) version of the Powerpoint presentation.

5.3 Warrant Signing

A copy of the Warrant Procedures document (dated 05/08/19) was distributed. Mrs. Pompei advised that she has been solely responsible for approving the warrants for almost a year and a half. Warrant review/approval is a very time consuming process. Given other responsibilities that Mrs. Pompei must attend to, she does not feel she can effectively continue as the full time warrant review/approval individual. Mrs. Pompei recommends that the responsibility be shared, and suggested that two individuals perform this function on a weekly rotating schedule. It was noted that Mrs. Pompei is listed as the primary reviewer, with Mrs. Spaulding listed as the 'back-up'. Mrs. Spaulding advised that she is willing to share the responsibility of reviewing warrants, but advised that she will not be scrutinizing them on a line by line basis. Mrs. Perreault advised that there is flexibility in the process. Mrs. Perreault can approve the warrants and have them set aside for review at a later time. Mrs. Spaulding reiterated that she very much appreciates the attention to detail that Mrs. Pompei has invested in warrant review, and she wants the Committee to understand that line by line review will not occur when she reviews the warrants. Mrs. Perreault provided a brief overview of the purchasing procedures, advising that there are many checks and balances prior to creation of the warrants. Mrs. Spaulding advised that she will not sign any warrant with her company's name on it.

6. Old Business

6.1 Coordinated Supply Purchased/Procedures (Non-Custodial) Follow-up

Six documents were distributed;

A copy of the Budgeting Policy (F30)

A copy of the Fiscal Management and General Financial Accountability Policy (F20)

A copy of the Board/Superintendent Relationship Policy (A24)

A copy of a report titled 'BUUSD Supply Expenses

A copy of the BUUSD Purchasing Procedure document

A copy of an e-mail from Michelle Leeman (dated 10/21/20) regarding purchasing updates

Mrs. Spaulding asked that Committee Members review the paperwork and e-mail any questions to the Business Manager. This agenda item will be added to next month's agenda, for review of any outstanding questions or concerns.

6.2 Understanding SPED Charges/Revenue Follow-up

A document titled 'Special Education Contracted Behavioral/Social Skills Interventionist Services Cost Comparison'.

Mrs. Spaulding asked that Committee Members review the paperwork and e-mail any questions to the Special Education Director. This agenda item will be added to next month's agenda, for review of any outstanding questions or concerns.

7. Other Business

None.

8. Items for Future Agendas

- FY22 Budget Development - December
- Coordinated Supply Purchases/Procedures (Non-Custodial) Follow-up – December
- Understanding SPED Charges/Revenue Follow-up - December
- Solar Management Follow-up – (January)
- FY21 Year-end Projections (January)
- Custodial Purchasing – FMDA Preferred List (January if needed)
- Staff Appreciation (under Efficiency Studies) – (February)

9. Next Meeting Date

The next meeting will be held on Tuesday, December 1, 2020 at 5:30 p.m., via video conference.

10. Adjournment

The Committee agreed by consensus to adjourn at 8:15 p.m.

Respectfully submitted,

Andrea Poulin