

Monadnock Regional School District
Budget Committee Meeting Minutes
October 27, 2020
ZOOM Meeting, Swanzey, NH

Members Present: Wayne Lechluder, Dan Coffman, Jillian Exel, Adam Hopkins, Meghan Foley, Edward Sheldon, JoAnne Daris, Brian Bohannon, School Board rep. and Doug Bersaw.

Absent: Wayne LaCoste, Richard HKS Thackston, Phyllis Peterson, Open Seat Gilsum and Open Seat Roxbury.

Board Members Present: Winston Wright, Michelle Connor, C. McDaniel-Thomas, Colleen Toomey, Brian Bohannon, Scott Peters, Kristen Noonan and Betty Tatro.

Administration Present: J. Morin, Business Administrator.

Also Present: L. Aivaliotis, Recording Secretary.

1. Approval of the September 22, 2020 Budget Committee Meeting Minutes:

MOTION: D. Coffman **MOVED** to approve the September 22, 2020 Budget Committee Meeting Minutes as present. **SECOND:** E. Sheldon. **VOTE:** D. Bersaw-yes, D. Coffman-yes, M. Foley-yes, W. Lechluder-yes, A. Hopkins-yes, J. Exel-yes, J. Daris-abstain and E. Sheldon-yes. **Motion passes.**

2. School Board Finance/Facilities Presentation: S.Peters thanked the Budget Committee for the opportunity to present. S.Peters presented the slideshow presentation. It included the CIP, feasibility study, K. Barker's information and recommendation, construction bond documents, a sample of Option 10, inventory of Capital projects and proposed warrant article. S. Peters explained the Board chose Option 10 unlike last year when they chose Option 5. The Board heard loud and clear from Fitzwilliam and Troy that they wanted to have their own schools. Option 10 expands MTC to house Cutler students, renovate Gilsum, Troy and Emerson. The Board felt Option 10 is more feasible because there is more State funding for renovations and Troy is a historical building which will increase the amount. Option 10 is more economical. The total cost is 24 million dollars. The State will fund 11.5 million dollars and the district will bond 14.7 over 20 years. The district has been doing renovations in the amount of 1.4 average each year and that is about the same amount for the bond payment yearly with it decreasing each year. There are 2 articles the Board is proposing. The first article is in the amount of \$300,000.00 for engineering and design work. The other article is in the amount of \$840,000.00 for UV ventilation work at the MRMHS and Gilsum S.T.E.A.M. Academy. In march the voters will vote for the blueprints for the elementary proposed renovations. The blueprints are needed to apply for State funding. S.Peters asked the committee to take a look at the CIP. The chart presented shows the schools, long term, short terms projects and prioritizing of projects. This chart goes out 10 years. D.LaPointe and J. Morin presented the projects for the list. The committee took into account the 3 contracts. The proposed bond does not solve the projects needed at the MRMHS or the SAU. The chart also shows the projects that would be wiped out with Option 10. W.

Lechlinder commented about the addition to the Industrial Arts and the expansion that has not been started but approved by the voters. J. Morin explained the Industrial Arts addition had drawings and went out to bid. The costs came in significantly higher and the project was put out to bid again. W. Lechlinder asked if the Board was willing to reduce the budget with the 3 contracts and 2 proposed articles. There was a significant surplus. Is the Board willing to look at that? S. Peters explained there have been no motions to increase the budget. J. Exel mentioned the comment from K. Barker about too much real estate. Why not reduce the district's footprint? S. Peters said Option 10 is a response to the public's feedback. M. Foley suggested being proactive to find ways in which Cutler could be used for a potential sale when the students move to MTC. M. Foley commented on the number of students at Gilsum and the proposed renovation number for Gilsum. S. Peters explained the Board questioned the number. They felt it was slightly high. D. Coffman agrees with W. Lechlinder. He asked what is the increase from the last warrant article for the engineering and blueprints compared to the proposed one. S. Peters explained and said this is not the entire amount. There is a difference due to the fact there was a southern school proposed and now it has been changed to renovations to Troy and Fitzwilliam. S. Peters will ask K. Barker for more details. D. Coffman commented he had not heard about the issue with the Industrial Arts renovations and the expansion until J. Morin just explained it. J. Morin explained this is not the first time for discussion on this issue. It was brought to the Board and to the Fin/Fac Committee and D. LaPointe elaborated on the increase in construction costs. E. Sheldon asked if the sale of Cutler would go into the bucket. S. Peters said it has not been factored in. It was asked if there was a risk if we delayed the vote. S. Peters explained State Aid is not always available. He said this is the best year to do this not knowing about COVID and who will be the governor in the office. We are also in line when applying. It is competitive for the funds. There is a risk but the State has already acknowledged us. The bond interest rate was shared in the presentation at 2.5% but there were some at 1.67% this past summer. S. Peters explained the committee would modify the CIP each year for the rate of inflation. D. Bersaw would like a figure on what the savings would be to close Cutler. He would like that information for the voters. If it were \$500,000.00 that would be half of the bond payment. S. Peters explained this Board is passionate to get this passed and to work with the Budget Committee. We know we need to work and we are committed to the long haul. We will need to do compliance projects. D. Bersaw said the CIP is a good idea and necessary to move the district forward.

3. Administration Report:

a) Follow Up Items:

- i. Transportation Contract Update:** J. Morin will update the Budget Committee at the next meeting regarding the transportation contract.
- ii. Negotiations:** The administration was not intending to speak about negotiations.
- iii. Unallocated Fund Balance Breakdown:** J. Morin explained she had highlighted areas at the previous meeting. L. Witte will be bringing a chart to show the breakdown at the joint meeting on November 21, 2020. Some of the areas were Spring sports for \$100,000.00, Special Ed. transportation for \$100,000.00 and there were definitely savings due to

COVID. They also used the funds from the CARES Fund. She explained most of the operating budget regarding staff and benefits is staying the same with the hybrid/remote learning. There were a number of cleaning items and with the CARES Funds the budget was able to be budget neutral. D. Coffman said honestly the kids need to get back to school and if we go that route there may be expenditures. He hopes there is some discussion if that were to happen under those circumstances. J. Exel commented the Board voted to continue with the current learning until January 15, 2021.

iv. Athletic costs COVID savings?): J. Morin explained the athletic savings due to COVID is also in the chart L. Witte would be sharing at the joint meeting.

v. Budget Books: The books will be ready November 12, 2020 to be picked up.

4. Budget Oversight:

a) MRSD Monthly Expense Report: J. Morin explained most of the schools are pretty much in line. The salaries and benefits have been encumbered. The NHRS number has not been encumbered but it will be done soon.

b) What major transfers occurred since the last meeting?: There have been no major transfers since the last meeting.

c) What major expenses are anticipated for next month?: There are no major expenses anticipated for next month.

J. Morin explained the GMR for the health insurance came in at 4.5% slightly higher than budgeted for. The NHRS number was 11.17% and has gone up to 14.06%. The GMR and the NHRS numbers will be factored into the proposed budget and the default budget.

5. Budget Committee Schedule: W. Lechluder commented he would like to forgo the Nov. 18, 2020 meeting. The Budget Committee will be having a joint meeting with the Board on Nov. 21, 2020. **MOTION:** E. Sheldon **MOVED** to extend the Nov. 21, 2020 meeting to cover the normal Budget Committee business. **SECOND:** D.Coffman. **DISCUSSION:** A.Hopkins explained the joint meeting should last about 1 hour to 1 ½ hours. D.Bersaw asked if there will be any update on the contracts. S.Peters said the Budget Committee will know when the Board does regarding the contracts. **VOTE:** D.Bersaw-yes, W.Lechlider-abstain, E. Sheldon-yes, J.Daris-yes, D. Coffman-yes, J. Exel-yes, B. Bohannon-no, A. Hopkins-yes and M. Foley-yes. **Motion passes.**

a) November 14, 2020: Budget Books expected

b) November 21, 2020: Joint Meeting of the Board and Budget Committee.

6. School Board Liaison Report: B. Bohannon is not present at this point of the meeting.

7. Superintendent's Comments: L. Witte is not present for this meeting.

8. Chairperson Comments: A. Hopkins asked the committee about face to face meetings or continuing with hybrid. D. Coffman would like face to face. He feels the preparation of the meeting is not complete and there is lack of information. Some members felt it is not time to go face to face and to continue with hybrid.

9. Setting the next meeting's agenda:

- a) **Transportation Contract**
- b) **Fund balance breakdown**
- c) **Potential cost with going full live**

A committee member asked for the ADM numbers to be put on the next agenda, J. Morin had that information. The numbers were taken off the DOE 25, elementary-923.52, middle school-230.03 and high school-510.91 for a total of 1664.46.

10. Public Comments: S. Peters thanked the Budget Committee for allowing the Board to present.

D. Coffman appreciated the CIP information. It was much appreciated.

11. Motion to adjourn: MOTION: D. Bersaw **MOVED** to adjourn the meeting at 8:54 PM. **SECOND:** E. Sheldon **VOTE:** Unanimous for those present. **Motion passes.**

Respectfully submitted,

Laura L. Aivaliotis
MRSD Recording Secretary