

TOWN OF RAYMOND
401 Webbs Mills Road
Raymond, Me 04071

Budget/Finance Committee
with the School Department
Minutes
Monday, April 2, 2007

Budget/Finance Committee present: Rolf Olsen, Chairman; Jean Carter; Dennis Cole; Tucker Cole; Robert Gosselin; Sue Accardi; Ralph Bartholomew and Jerilyn Ward.

Budget/Finance Committee member absent: Frank McDermott

School Board present: Roger Ginn, Chairman; and Theresa Sadak

School Board absent: Lisa Friedlander; Deborah Adams; and Wendy Trask

Selectmen present: Mark Gendron, Chairman; Dana Desjardins; Joe Bruno; and Mike Reynolds

Staff present: Sandra Caldwell, Superintendent; Dot Mowatt, School Business Manager

Others present: Charles Leavitt; Maryann Amrich; and Wendy Thoren

1. Call to order: Rolf Olsen called the meeting to order at 7:01 pm at the Broadcast Studio.

2. Minutes of March 19, 2007

MOTION: Jean Carter motioned to approve the minutes of March 19, 2007 as written. Seconded by Robert Gosselin.

VOTE: Unanimous

DISCUSSION: Mr. Olsen announced that they would be working on their recommendations for the school budget tonight and have another meeting for the town budget.

MOTION: Robert Gosselin motioned to have the town budget meeting on Wednesday, April 4, 2007 at 7:00 pm. Seconded by Jerilyn Ward

VOTE: Unanimous.

DISCUSSION: Sandra Caldwell reviewed the amounts noted in the DOE letter from the state which will be used for their budget. She indicated that Scenario A, the Governor's revised amount, was for \$1,349,034 or Scenario B, the legislatures' revised amount, for \$1,345,507. The budget was based on Scenario B.

MOTION: Jerilyn Ward motioned to take out of order Article 19, the school operating budget, in order to vote on the budget total and then go through the other articles. Seconded by Tucker Cole.

VOTE: Unanimous.

DISCUSSION: Mr. Bartholomew reviewed the questions from their last meeting and would like to talk about that first: lands/grounds, professional development and tuition (transportation would be involved if we went to only one high school), and the school nurse position. Tucker Cole felt that if the Budget Committee voted on a lesser total, then the School Board should decide where the cuts would be made.

Mr. Bartholomew noted that the Budget Committee is advisory and can make their recommendation in favor or not. Mr. Olsen felt some direction should be given if cuts were to be requested. Tucker Cole would have liked to have seen the actual amounts the school has spent this year. Mrs. Caldwell asked for a chance to discuss the items of concern prior to voting on the total budget. Mrs. Carter had concern with the large surplus from last year's budget and wondered how much similar flexibility is woven into this budget. Mrs. Mowatt explained the progress of the accrued surplus from 04-05. Mrs. Caldwell said that some of it was from savings from Special Ed; also fewer than budgeted tuition students. Mr. Gosselin felt that their budget increase was based on the use of the high surplus amount which was used against the total amount. Mrs. Ward had concern that the budget continues to increase when there is a large surplus, decrease in students, and reduction in employees. Mr. Bartholomew wanted to go through the articles in question to discuss the items and amounts.

Capital equipment \$4,000 maintenance of grounds and playing fields. Mrs. Mowatt said this would stay in the budget as a placeholder for use in the future and not be used to purchase a piece of equipment.

Mrs. Mowatt noted that salaries and professional development are a fixed cost through contract negotiation. If there were a cut it would have to come from another area of the budget. She noted that the principals and Special Ed personnel was a one year contract negotiated within the last two months. Mrs. Caldwell offered that the tuition contracts are with Westbrook and Gray-New Gloucester which are up July 2008 and can't be changed until after that time. Windham's contract is through 2013. Some students go to other schools at the State established tuition rate. Mr. Bartholomew asked that the tuition to other schools not go over the lowest contract rate i.e. Windham. Mrs. Caldwell replied the School Board could make that policy. She informed the Committee that the tuition savings, if Raymond went to one school, would be roughly \$90,000.

Mrs. Caldwell reported that because of parental concern the School nurse should remain in the budget. However, if they used the two health aides with a nurse one day a week instead of a full time nurse, it would save \$55,000.

Mrs. Accardi noted that the state funding will continually go down with contracts in force. The only way this can be cut is personnel. Mr. Ginn felt that consolidation is a probability and said that the School Board was already talking with Windham about consolidation. Mrs. Accardi reported that our primary and middle school expense per pupil is more than the high school tuition. Mrs. Caldwell noted that 92% of the budget is fixed expense.

Mrs. Ward derived her suggested total school budget by looking back at the past budgets and not line-by-line. She added that she hadn't studied the budget enough to say exactly how much and where the cuts should be made. She added that they could go to each article they would like to see reduced and ask the School Board to make that change. Mrs. Sadak would like to be able to defend their articles. Mrs. Mowatt noted that 80% of the schools were over their EPS totals last year.

Mrs. Ward suggested that \$434,112 be reduced from the 2007-2008 budget putting in line with the 2006-2007 total operating budget. Mrs. Caldwell stated that this was a bare bones budget where some of the contracts are not yet finalized, class size policies are adhered to as requested by the town, and other factors have been taken into consideration with their submitted budget. \$7,775,349.00 total operating budget. The requested budget total would be a flat budget amount.

MOTION: Jerilyn Ward motioned that the Budget Committee recommend for Article 19 \$8,686,340 as the total school budget. Seconded by Jean Carter.

Mr. Bruno questioned the school's debt service. Mrs. Mowatt replied that the principle stays the same throughout the life of the debt. There was \$416,000 in surplus. Mrs. Mowatt noted that 3% of the pervious year's budget could be used over 3 years or in one year. Mr. Bruno encouraged them to begin the process of consolidation now. Mrs. Caldwell said that they were honoring the contacts with high schools which were formed when Raymond was concerned whether we would have enough schools to send our students. Planning for the future is ongoing. Mrs. Sadak wanted to have parents' input to know what they want for their children. Mr. Bruno felt that they could negotiate the price for tuition. Mr. Bruno added that reimbursement for school buses is 100%. Mr. Olsen corrected that it was 15% with the EPS. Mr. Leavitt indicated they had \$280,00 for designed fund balance which is for educational use.

VOTE: 6 in favor (Ward, Carter, D. Cole, T. Cole, Accardi, Gosselin), 1 opposed (Bartholomew)
Chairman Olsen didn't vote.

DISCUSSION: How the other articles should be approached to set a percentage decrease of 4.92%: figure 4.92% on each article, determine an amount for the articles to be reduced, or to not recommend.

ARTICLE 3: To see what sum the Town will appropriate from the foundation allocation and other revenues for Health Services

The School Committee requests \$
The Budget Committee recommends \$

MOTION: Tucker Cole motioned to appropriate \$25,550 for Health Services, a decrease of \$55,000.
Seconded by Dennis Cole.

MOTION WITHDRAWN

DISCUSSION: Mr. Bruno suggested using \$200,000 of the school surplus in the budget and leave \$80,000 in surplus. Mr. Gendron felt that the School Board should be given the opportunity to make the new total work on their budget. Mr. Bartholomew suggested using the whole \$280,000 school surplus, and if there is a problem come to the town for use of the town's undesignated surplus. Mrs. Sadak asked how they could consider cuts without having the information necessary to determine where these cuts will be made. Mrs. Mowatt wanted to ask their auditor if they could go without a surplus. Mr. Gendron felt that the town has enough undesignated surplus to cover any problems which might arise, and the school would still have their contingency fund. Mr. Leavitt noted that for a few years the school has been transferring their contingency into the regular budget before the end of the fiscal year.

NEXT MEETING ON SCHOOL BUDGET: Mr. Olsen declared that they reconvene this meeting on Wednesday, April 11 at 7:30 pm following the School Board's meeting.

NEXT MEETING: Town Budget meeting on Wednesday, April 4th 7:00 pm.

ADJOURN: There was a motion and second to adjourn.

ADJOURNMENT: Rolf Olsen adjourned the meeting at 9:40 pm.

Louise H. Lester
Town Clerk