

Town of Gilford
Budget Committee
Subcommittee Meeting Minutes
December 1, 2014

The Subcommittee convened a duly posted meeting on Monday, December 1, at 4:00 PM at the SAU Building on Belknap Mountain Road to review the Administration, Federal, Maintenance, and Food Service Budgets.

Attendees Budget Committee: Keven Roy, Kevin Leandro, David Horvath

Attendees Gilford SAU 73: Kent Hemmingway, Scott Isabelle, Traci Bricchi, Tim Bartlett

Administration Budget and Maintenance Budget: The over view of the presented budget included a projected enrollment down 15 students to 1187 for the 2015 - 16 school year. Six staff positions have been cut. The teacher, aides and staff remain the same. The budget presented is 2.91 % greater than last year and the largest increase in six years. The largest increases were in the health insurance and the shortfall in the state pension system. The student population is now down 24 percent since Gilford voted to approve the new middle school addition.

Generally all line items were discussed. We highlight the areas of concern or those that generated more discussion.

- The district travel budget is flat, the reimbursement is 56 cents per mile, discussion centered on ways to minimize expenses. No recommendations made
- Kevin Leandro, David Horvath recommended not funding the school board stipends. Kevin Roy objected. This will be discussed with the full Budget Committee.
- Projected Legal costs are down
- Audit costs are flat but up from several years ago. Scott advised that there is a bid process for the service but limited qualified agencies that can do the work.
- Salary proposal is a 2.5 % increase in merit pay. The longevity pay was questioned. This is not a dollar figure that is added to the individual's salary. It is more like an annual bonus for time in service. This will be discussed in full committee. The full committee voted to reduce this line item to \$10. This is a reduction of \$16,990 for this line. It was noted that we were told in the past that no bonuses were paid out.
- Costs for background checks are for new hires only. No random checks are made on existing employees. Kent advised that the local police have advised on problems on occasion when an existing employee has had issues.

- Copier lease costs up. New equipment mitigates costs for outsourced copying and other areas.
- Cost for the General Insurances are up \$3,000.
- Maintenance costs as part of the Administration Budget are up 10 % or \$21,743. This is for 3 Part Time staff to support prep for summer activities. In recent years they have hired temps but not budgeted to do so. Costs also reflect the need for substitute staff. The Budget Committee representatives liked the transparency.
- Rubbish removal costs are up 18 % or \$6,083. With fuel costs down and student population down this seemed unreasonable.
- Special Projects costs are down \$204,999. Last year was the big hit.
- Fuel costs are up for the Meadows as well as across the board. The SAU recently paid \$3.18 per gallon. Budget reflects a cost of \$3.65 per gallon. Full committee discussion is necessary for all of the fuel categories. The full committee voted to reduce the allowed cost per gallon to \$3.325. All heating oil line costs are to be reduced accordingly.
- System wide fuel costs are being budgeted for \$371,025 or \$3.65 per gallon. The most recent cost to the district was \$3.18 per gallon. Pricing is not down below \$3.00 per gallon. The full Budget Committee should discuss. See note on previous bullet point.
- Elementary School Operations request up 1,000. See page 16
- Middle School Operations salaries, supplies and repairs are up. Special Projects down. See pages 24-25
- High School Operations salaries and OT up, Special Projects down. See pages 36-37
- Tim Bartlett discussed the maintenance equipment requests. Down \$4,360 from last year.
- In declining student population and declining fuel costs, transportation costs are up \$7,779. Scott advised that we run 8 routes for two different school start/quit times.
- Teacher Track increases per union contract are up \$1,748 to \$19,034.
- Health Insurance costs are up \$279,060.
- Retirement System costs are up \$266,247. This is in essence a cost shifting from the state to the municipalities.
- The concern long term was the Cadillac Health Care plans that all SAU employees receive and the impact to tax payers when implemented. Also the rates shown are estimates. Actual numbers may not be available until May 2015.
- The Principal on debt is flat, the interest on debt is down.

Other than the discussion items the current recommendation from the subcommittee is to reduce the overall request by \$5,500 and represents the School Board stipends. This was amended in full committee to \$500 allowing \$100 per school board member. The discussion items with full committee reduced longevity bonuses and fuel cost allowances.

Federal Fund: There are four Federal Grants that the school applies for. Title I, Title II, Idea, and Pre-School. The requests are formulaic. The requests are up \$49,212 to \$472,299. These are shown as an expenditure. It is offset by anticipated revenue.

The Subcommittee recommends approval.

Food Service Fund: The Food Service budget request is down by \$26,182. Part of this is due to the reduction in staff by one employee and the replacement of the director at a slightly lower salary. Other changes noted below.

- Elementary labor cost is down.
- Food cost up at the Elementary level due to more meals served, software purchases and non-program food.
- Salary increased requested average 2.5 %.
- A La Carte program at the Middle School is down \$49,249.
- Non Program Food costs are entered in as a \$30,000 cost. This line had not been used in recent years.

The Subcommittee recommends approval for the requested amount which is down \$26,182 from last year.

Respectfully Submitted by:

Kevin Leandro

Kevin Roy

David Horvath

David Horvath
12/18/14

