

TOWN OF HOPKINTON
Budget Committee Meeting
Wednesday, January 15, 2020
Approved

BUDGET COMMITTEE MEMBERS IN ATTENDANCE

Janet Krzyzaniak, Don Houston, Ken Traum, Ginni Haines, Debbie Norris, Bill Chapin, Mark Zankel, Jonathan Cohen, Thomas Lipoma, and Rich Houston.

SCHOOL REPRESENTATIVES PRESENT

Hopkinton School Board Members: Norman Goupil.

Hopkinton Administration: Steven Chamberlin, Superintendent; Michelle Clark, Business Administrator; and William Carozza, HMS Principal/Director of Curriculum Development.

PUBLIC PRESENT

There were four or five residents present.

CALL TO ORDER

Janet Krzyzaniak called the Budget Committee Meeting to order at 5:30 pm, at the Hopkinton Town Hall. Steve Chamberlin led the Pledge of Allegiance.

APPROVAL OF JANUARY 8, 2020, DRAFT MINUTES

Ken Traum motioned to approve the January 8, 2020, Meeting Minutes. Mark Zankel seconded the motion. Mrs. Krzyzaniak asked for any corrections or discussion. A vote was taken to approve the January 8, 2020, minutes. The vote passed.

PRESENTATION OF SCHOOL BOARD BUDGET - CONTINUED

Steve Chamberlin presented a brief slideshow, explaining that all the information is available on the Hopkinton School District web site. He clarified that the tax impact, total warrant (w/o CBA's) is \$1.19/\$1,000 and that PE was not reduced and is not a contingency fund item.

Health Insurance Rate History

- 20-21:
 - Health Trust: 5.2%
 - Hopkinton School District: 6.4%
- Five year:
 - Health Trust: 5.4%
 - Hopkinton School District: 9.2%
- Ten year:
 - Health Trust: 4.48%
 - Hopkinton School District: 8.4%

Mr. Chamberlin explained that Health Trust is made up of about 150 towns, which helps keep the cost down; Hopkinton School District has about 160 subscribers along with their families.

PRESENTATION OF SCHOOL BOARD BUDGET – continued

Bond Run

- Amount \$9.7M
- Details
 - 20 year
 - 3.75%
- Level Debt: (Stable payment)
 - Interest \$4.7M
- Level Principal (Decreasing payment)
 - Interest \$3.9M
- Difference \$800K
- Tax Impact \$0.28/\$1,000

The School Board decides which type of bond to pursue at the time of application.

Contingency Fund

- Second Grade
 - \$112,069.85 (67 students)
- Science
 - \$18,918.16 (20 students)
- Kindergarten
 - \$57,325 (66 students)
- Remaining
 - \$11,686.75

The remaining \$11,686.75 would probably be used to support assistant coaches in the spring.

Tiers

- Rubric – explains safety, student learning, regulatory risk, efficiency and reputation.
- Tier 0 – shows reductions made prior to the Superintendent's Budget.
- Tiers - Tax Rate – shows each of the below scenarios.
 - 4% - \$596K
 - 5% - \$441K
 - 6% - \$285K
 - 7% - \$130K

Mr. Chamberlin explained that he has made \$300,000 in cuts already.

Cost Per Student

- Hopkinton \$17,175
- Bow \$15,186
- Kearsarge \$20,543
- Concord \$16,658
- Merrimack Valley \$15,503
- Pittsfield \$ 16,442

PRESENTATION OF SCHOOL BOARD BUDGET – continued

Mr. Chamberlin explained that these costs per student that are from schools that provided K-12 in Merrimack County.

HEA Contract – FAQs

- Increase 2.75% for 3 years
- Health Insurance: 3%, 5%, 7% cost share of the premium
- Year 1: \$307K
- Year 2: \$315K
- Year 3: \$309K
- Total: \$932K
- Tax Impact year 1: \$0.40/\$1,000

Mr. Chamberlin explained that family insurance coverage costs \$23,000/year. The district pays the \$1,500 deductible. He will bring the salary schedule and steps to the meeting next week. New hires as of 7/1/20 will have the 7% insurance cost share. Michelle Clark explained that the average salary increase will be 3.8%.

Budget Bulletin

Steve Chamberlin then presented the details of the Hopkinton School District 2020-2021 Proposed Budget. He explained that with everything except the Teamsters contract, the updated tax impact is \$1.59/\$1,000 (7.8%).

To save space, these minutes capture the changes proposed. Please go to The Hopkinton School District web site for the full details. <http://www.hopkintonschools.org/>

Summary by Budget Components:

	<u>FTE Budgeted Comparison</u>
• Total Expended 2016-2017: \$17,732,584	185.67
• Total Expended 2017-2018: \$18,621,855	186.64
• Total Budgeted 2018-2019: \$19,996,102	192.50
• Total Expended 2018-2019: \$19,307,836	
• Total Budgeted 2019-2020: \$20,553,045	194.46
• Total Proposed Budget 2020-2021: \$21,416,331	192.11
o Total Increase: \$863,286 (4.20%)	Proposed Decrease of 2.35

Summary by Operational Programs

	<u>Proposed 2020/2021</u>	<u>Increase/Decrease</u>	<u>% Change</u>
• Instructional Programs	\$12,589,844	\$310,008	2.52%
• Student & Staff Services	\$ 2,552,404	\$ 46,295	1.85%
• Administrative Services	\$ 2,002,759	\$ 72,479	3.75%
• Facilities & Transportation	\$ 2,527,486	\$191,273	8.19%
• Information Management Services	\$ 321,837	\$ 23,826	8.00%
• Facilities Acquisition, Debt Services & GF Supplement to Food Service & Other Funds	\$ 1,422,001	\$219,405	18.24%

PRESENTATION OF SCHOOL BOARD BUDGET – continued

Summary by Location

	<u>Proposed 2020/2021</u>	<u>Increase/Decrease</u>	<u>% Change</u>
• District Wide	\$5,650,689	\$406,055	7.74%
○ Harold Martin	\$4,473,390	\$181,231	4.22%
○ Maple Street School	\$3,805,401	\$134,480	3.66%
○ Middle School	\$2,535,735	(\$ 93,011)	(3.54%)
○ High School	<u>\$4,951,116</u>	<u>\$234,531</u>	<u>4.97%</u>
▪ Total	\$21,416,331	\$863,286	4.20%
• FTE Budgeted Comparison	<u>2019/2020</u>	<u>2020/2021</u>	<u>Proposed Increase/Decrease</u>
○ District Wide	17.35	17.58	0.23
○ Harold Martin	58.58	56.25	(2.33)
○ Maple Street School	42.30	42.95	0.65
○ Middle School	32.33	28.73	(3.60)
○ High School	<u>43.90</u>	<u>46.60</u>	<u>2.70</u>
▪ Total	194.46	192.11	(2.35)

District Wide includes Occupational Therapy Department, Technology Department, SAU staff, Director of Maintenance, etc.

Mr. Chamberlin explained that the 2020-2021 Hopkinton School District Operational Budget is grouped into five basic operational programs: Instructional Programs, Student and Staff Services, Administrative Services, Facilities and Transportation, and Debt Services with Fund Transfers. Special warrant articles are not included in the operational budget.

Instructional Programs

As of October 1, 2019, there are 990 (including special education) students enrolled in regular education programs. New England School Development Council has predicted enrollment to increase by 34 students over the year.

1100 Regular Education Programs Total \$8,039,182 \$8,281,829 \$ 242,647

- Harold Martin: Decrease Kindergarten and First Grade regular IA's to ½ regular education (.56), decrease Preschool IA (.01), decrease Third Grade Teacher (1.0), increase Second Grade Teacher 1.0, increase Kindergarten Teacher .50, increase Art Teacher .04, increase Music Teacher .07, decrease Numeracy Assistant (.60).
- Maple Street: Additional Fifth Grade Teacher 1.0, increase Physical Education/ Wellness Teacher .15, decrease Sixth Grade Teacher (1.0), decrease in Numeracy Assistant (.40).
- Hopkinton Middle and High Schools: Increase English .10, increase Physical Education Teacher 1.0, decrease Math (.20), decrease French (.20), reclass School to Career from School Counselor .40.
 - HEA FTE's 69.61 70.57 .96
 - HESS FTE's 3.50 1.93 (1.57)
 - NonUnion FTE's 1.00 1.00 -

PRESENTATION OF SCHOOL BOARD BUDGET – continued

	<u>2019/2020</u>	<u>2020/2021</u>	<u>Proposed Increase/Decrease</u>
<u>1200 Special Education Programs</u> Total	\$3,772,108	\$3,823,531	\$ 51,423
• As of October 1, 2019, the number of students enrolled in special education programs is 183.			
• 18% of Hopkinton School District students are identified for Special Education services.			
• Changes in this area are directly due to student need estimated for 2020-2021.			
○ HEA FTE's	16.23	16.23	-
○ HESS FTE's	41.51	41.15	(.36)

<u>1300 Vocational Programs</u> Total	\$ 33,537	\$ 40,677	\$ 7,140
• Over the past three years, the District has used an average of 12 student; this year there are 19.			
•			

<u>1400 Other Instructional Programs</u> Total	\$ 435,009	\$ 443,807	\$ 8,798
• There are 6 categories of co-curricular/extra activities and 7 categories of athletic activities.			
• This area is partially funded by student athletic fees.			

Student and Staff Services

<u>2120 Guidance Services</u> Total	\$ 596,440	\$ 590,323	(\$ 6,117)
• Decrease in salaries and benefits due to change in the School to Career location and change in personnel.			
• Increase Professional services due to needs for 504 students			
• Increase Property/Equipment due to the need for a new fireproof file cabinet to store student records.			
○ FTE's	6.00	5.60	(.40)

<u>2130 Health Services</u> Total	\$ 296,552	\$ 297,507	\$ 995
• Change in salary and benefits related to personnel.			
○ FTE's	3.20	3.00	(.20)

2140 Psychological, 2150 Speech & 2163 Physical/

<u>Occupational Services</u> Total	\$ 702,107	\$ 728,984	\$ 26,877
• Change in salary and benefits related to increases for nonunion and HESS employees as well as health insurance rates.			
• Increase in professional service due to student need.			
○ FTE's	6.19	6.19	-

<u>2210 Improvement of Instruction</u> Total	\$ 190,238	\$ 204,257	\$ 14,019
• Increase in professional services and other services due to funds needed to satisfy requirements for professional development and courses with HEA and HESS employees.			
• Increase in supplies and materials due to the cost of Rubicon Atlas and Performance Tracker which is no longer supported under Title IIA.			
○ FTE's	.10	.10	-

2222 Media & 2229 Other Educational Media

<u>Service</u> Total	\$ 385,289	\$ 357,889	(\$ 27,400)
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PRESENTATION OF SCHOOL BOARD BUDGET – continued

	<u>2019/2020</u>	<u>2020/2021</u>	<u>Proposed Increase/Decrease</u>
• Decrease due to reduction of an Elementary Library Media Specialist.			
○ FTE's	5.00	4.00	(1.00)

Mr. Chamberlin explained that the loss of this position could result in library(s) needing to be closed.

<u>2225 Technology Services</u> Total	\$ 335,483	\$ 373,444	\$ 37,961
• Increase in salary and benefits due to changes in personnel and contractual benefit increases.			
• Increase in property and equipment due to needs of the department. Due to budget freezes, in the past couple of years, this department was not able to make purchases that were budgeted to help with the cause.			
• Increase in other items is due to costs of current program.			
○ FTE's	1.30	1.37	.07

Administrative Services

<u>2310 School Board Administration</u> Total	\$ 47,816	\$ 49,918	\$ 2,102
• Although the Contingency Fund is normally reported in this area, it is presented in a separate warrant article and is not included in the total.			

2320, 2332, 2510, 2511, & 2515

<u>Office of Superintendent</u> Total	\$ 963,904	\$ 991,655	\$ 27,751
• Increase due to a merit poos of 3.00% for nonunion employees.			
• *Decrease in staffing due to the reduction to part-time of one of the SAU positions done after the March 2019 School District Meeting.			
○ FTE's	6.50*	6.53	.03

<u>2410 & 2490 Office of School Principal</u> Total	\$ 918,560	\$ 961,186	\$ 42,626
• Increase in salaries due to the increase for 2019/2020 that was included in the Office of Superintendent section.			
• Increase in benefits due to the rate increase of health and dental insurance.			
• Increase to other services due to contractual obligations related to course tuition.			
• Increase in supplies and materials due to need.			
○ FTE's	8.50	8.50	-

Buildings and Transportation

<u>2600 Maintenance of Buildings</u> Total	\$1,374,350	\$1,445,924	\$ 71,574
• Decrease in salary due to changes in personnel.			
• Increase in benefits due to increase in health and dental as well as changes in personnel.			
• Increase in property service due to three-year average for maintenance throughout the district.			
• Increase in services due to increase in Property Liability Insurance.			
• Increase in supplies and materials due to increase in cost projects for oil, propane, and electricity as well as some for the three-year average of usage.			
• Increase in property/equipment connected with the \$1,934 increase in the payment for the performance contract project, will be withdrawn from the School Building Repair Trust Fund.			

Buildings and Transportation, continued

2600 Maintenance of Buildings

- Major purchases in Property/Equipment proposed for 2020/2021 are:

- Performance Contract, Districtwide			\$160,033
- 2-year lease payment/equipment, Districtwide			
- (4-year lease)			\$ 4,577
- Trailer Rentals, HMS and HMHS			\$ 5,500
- Vacuum replacement, Districtwide			\$ 2,500
	<u>2019/2020</u>	<u>2020/2021</u>	<u>Proposed Increase/Decrease</u>
o FTE's	10.50	10.50	-

Pupil Transportation Services

2700 Pupil Transportation Total \$ 961,863 \$1,081,562 \$ 119,699

- The district currently owns two school buses; one is used daily for special education students to and from school, the other bus is used for class field trips and athletic events.
- Increase property services due to repair and maintenance costs anticipated.
- Increase in other services due to special education student needs as well as increase in First Student costs.
- Increase in supplies and materials due to expected gasoline/diesel use and the potential of paying above First Student gas fixed pricing in the transportation contract.

o FTE's	1.00	1.00	-
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Information Management Services

2840 Information Management Services

Total \$ 298,011 \$ 321,837 \$ 23,826

- Increase salaries due to need of staff for the 2020/2021 year, as well as the current 2019/2020 salaries as the increase for 2020/2021 is in the Office of Superintendent budget.
- Increase in benefits due to health/dental insurance increases and changes in personnel.
- Increase in property and equipment due to replacement needs of the district.

o FTE's	3.50	3.63	.13
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Facilities Acquisitions/Construction, Debt Service & Special Revenue Funds

Facilities Acquisitions & Construction

Total \$ 1 \$ 1 -

5100 Debt Service Total \$ 219,405 \$ 219,405

- The Debt Service budget consists of one bond repayment; 20-year bond that will be issued in 2020, for construction projects at all three schools.

Food Service Total \$ 1 \$ 1 -

5200 Other Funds Total \$1,202,594 \$1,202,594 -
o FTE's 10.22 10.21 (.01)

Draft Warrant Articles

Article II will raise appropriations for the General Fund, plus Special Revenue Funds for Food Service and State and Federal Grants. This article does not include appropriations voted in other warrant articles. The School Board recommends \$21,416,331, tax impact *\$0.75/\$1,000*.

Article III will raise the appropriations for the costs associated with the HEA contract. 2020-2021 estimated increase is \$307,669, tax impact *\$0.40/\$1,000*.

Article V regarding the Teamsters is still to be determined, the negotiations take place before the next meeting. Tax impact unknown.

Article VII will raise \$150,000 for the Contingency Fund, tax impact *\$0.19/\$1,000*.

Article VIII will raise \$142,500 to be added to the School District Building Repair and Maintenance Trust Fund, tax impact *\$0.18/\$1,000*.

Article IX will raise \$40,000 to be added to the Replacing School Education Expendable Trust Fund, tax impact *\$0.05/\$1,000*.

Article X will raise \$15,000 to be added to the Replacing School Vehicle Capital Reserve Fund, tax impact *\$0.02/\$1,000*.

DISCUSSION

Steve Chamberlin explained that with three open positions on the School Board, the board who developed this budget may not be the same board that implements this budget.

PUBLIC COMMENT

Anna Wells shared her concern about the sixth grade going from four sections to three and how this is going to affect the students. Mr. Chamberlin explained that with the change, accelerated math may not be available until seventh grade. As the class size grows, a fourth section would need to be added again.

School Board Presentation finished at 7:40 pm.

DISCUSSION OF SCHOOL BUDGET BY THE BUDGET COMMITTEE

Discussion will take place after the entire School Budget is presented.

ANY OTHER BUSINESS TO COME BEFORE THE BOARD

Don Houston presented his Estimated Budget Forecasts of what Hopkinton would be faced with if the budgets continue to increase. His concern is the affordability for the general public. Discussion took place. Mr. Houston will continue to work on this forecast.

MOTION TO ADJOURN

Don Houston motioned to adjourn at 8:15 pm. Jonathan Cohan seconded the motion. There was no further discussion. A vote was taken. All Board Committee Members approved. The vote passed.

UPCOMING BUDGET COMMITTEE MEETINGS

- Wednesday, January 22, 2020, 5:30 pm, Town Hall
 - Continuation of the School Budget Presentation and discussion
- Wednesday, January 29, 2020, 5:30 pm, Town Hall
 - Follow up discussion to the School Budget Presentation/
Budget Committee deliberations
- Wednesday, February 5, 2020, 5:30 pm, Town Hall
 - Budget Committee deliberations, if needed
- Wednesday, February 12, 2020, 6:00 pm, HMHS Auditorium
 - Public Hearing on all Budgets
- Thursday, February 13, 2020, 6:00 pm, HMHS Auditorium
 - Snow Date for Public Hearing on all Budgets
- Friday, February 14, 2020, TBD, if needed
 - Final Budget Committee Deliberations, if needed

Respectfully submitted,
Tammy Clay