

Finance Committee Remote Meeting Minutes

Wednesday, September 30, 2020 @ 5:30 PM – ORHS Auditorium

Attendees: Al Howland, Michael Williams, Brian Cisneros, James Morse, Sue Caswell.

Visitors: Dan Klapp – Revision Energy. One member in the audience.

Al Howland began the meeting by asking Michael Williams if he had any additional question surrounding the MS project that he wished to ask before they discussed the proposal by Revision Energy.

He stated that he was questioning the shading of the canopy but already received an answer from Ron, Dan, and Ned on that and that he did not have additional questions surrounding the array.

Al referred to the last presentation by Revision on page 23 that outlined the 3 options for the PPA. One being all in for the district to pay everything or put \$202K in the PPA with a potential energy rebate of \$150K and put the \$352K for the busport into the PPA. He asked the committee which of these was the best option.

Jim Morse asked Dan from Revisions if we include the busport in the PPA.

Dan stated that there will be a clause in the PPA allowing the district to back out of the busport before we move forward. He understands that there is a timeframe that the District needs to receive an answer and that he can have that answer by the end of November.

There was a lengthy discussion surrounding the different options, costs and savings for the district that will result from including the busport in the PPA or not including in the PPA. Discussion about possible ways that the savings could be used, examples given from the CIP plan, and how these saving affect the 2.5% - 3.5% budget goal options. Question asked as to this also being a possible way to offset the tax impact to the towns.

Al confirmed with Dan that there is a clause in the PPA that allows the district to back out, and that the district would be provided an answer by November in terms of an investor.

Dan stated that they are working hard to find an investor to provide an answer in November and there could be a possible back stop.

Jim asked what a backstop was. Dan replied that if Revisions moved forward, they would take on the risk themselves. Dan asked if the \$325K was a hard cost. Jim stated yes. A discussion ensued.

Al felt that the committee should recommend to the full Board that the busport be included in the PPA. The committee agreed. Michael asked if we needed a motion.

Al Howland made a motion to recommend to the full Board that the full \$352K for the busport be included in the PPA, 2nd by Brian Cisneros. Vote 3-0.

Jim asked Dan if he had the draft contract that we could include in our Board back up for next week's meeting. Dan replied that Ned was running late and that he would get the proposal to the committee later this evening or tomorrow.

Jim stated that tomorrow was fine. Dan left the meeting at 5:52 PM

Michael provided some fun facts to the committee.

Al moved the meeting to the 3 Options for FY22 Budget.

The 2.5% Goal is calculated at \$242,956 which removed the Moharimet Front Office remodel at \$225K and Security at \$18K.

The 3.0% Goal is \$240,515 which removed one 4th grade position at \$120K and 4 additional para-educator positions at \$120K.

Al confirmed the retirement incentive savings at \$676,878, which was confirmed by Sue.

Jim explained that since this memo was written he has met with Misty Lowe and Catherine Plourde and confirmed that the 4 teacher positions and 2 para-educator positions will not be replaced.

Al confirmed that with the retirement incentive and everything it is coming in below 3.5%. Jim confirmed it is at 3.49% and that the retirement incentive went very well. Al spoke about the CIP for 21/22 and asked what the 18K in security was, if the mechanical engineering was in the 22/23 CIP, and if that was for the air handlers. Questioned what the deferment of the \$60K to the next year was.

Jim explained and stated that even with the removal of the 4 teacher positions, there will not be any layoffs.

Jim asked Sue what the adjusted percentage would be if an additional \$180K was removed. What would that bring the percentage down to? Sue confirmed 3.12%.

There was additional discussion surrounding the percentage rate from the Bond Bank and what that might look like next year. They also spoke about the joint meeting with the towns in November and that they should have the health insurance numbers and the state estimate for the adequacy.

Michael asked what assumption was made for the Bond payment. Jim confirmed that we budgeted \$400K instead of \$625K. He also stated that we are in a good place with the Bond rate.

Al stated that this is another good reason to include the busport in the PPA and that it will be good to not have to use up the emergency funds.

Jim explained that it was too soon to talk about revenues, we haven't identified the needs yet. We estimated the health insurance at 10%. We are in a better place now than I thought we would have been in the spring.

A lengthy discussion ensued.

Al stated that it was a good job prioritizing the options and we now should focus on the needs of the schools.

Jim explained that the demand for tech support at the elementary level this fall are astronomical. We have about 300 laptops out there. He is working with Josh on how to get to 1:1. We can do grade 2-12 which would involve shifting resources and keeping the older machines. Jim stated that Josh is doing an incredible job moving things around. We still have kindergarten and first grade, but they use iPads instead of laptops. Jim stated that when the committee is ready, he can have Josh come and present.

Al questioned that the high school still don't have laptops. Jim stated that ½ of the order is expected shortly. There was some additional discussion pertaining to the current use of laptops at the different grade levels and how shifting of laptops is occurring. Access for remote learners, and concerns surrounding tech support.

Jim explained that all the laptops provided by the district have the software built in and they are tied in with the teachers. Jim explained that there was a need of 100 high end laptops for the CATS Program and the Photograph program. He again informed the committee that Josh could be an agenda item at a future finance committee meeting.

Jim asked the committee if there was anything, they specifically wanted him and Sue to investigate further. Anything in the budget.

Michael suggested that possibly identify any significant increase, even if it is offset elsewhere, and setting a threshold of \$10K throughout the regular budget. He liked where Josh provided the aging and replacement plans for technology. He would like to see the same for transportation as well.

Al stated that he likes the idea of the \$10K increments and if you order some fancy software it will bring in some of the curriculum discussions into the budgets not just the building plans.

Jim confirmed new costs that come into the budget, not continuing. A brief discussion ensued with examples.

Brian asked if the district was going to need to upgrade the district accounting software?

Sue explained that we already own the program and all we would need to do was upgrade to the newest version.

There was a brief discussion surrounding the past budget history and scenarios.

Michael Williams asked that the Revision Energy Solar Array buyout be added to the appropriate year of the CIP.

There was additional discussion surrounding having Josh come to a Finance meeting.

There was a brief discussion about a day of the week change for the future finance committee meetings to Thursdays.

Al Howland made a motion to adjourn the meeting at 6:35 PM, 2nd by Michael Williams. Vote 3-0.

Next meeting: October 14, 2020 at 6:00 PM.

Respectfully submitted,
Wendy L. DiFruscio