

Essex North Shore Agricultural and Technical School District
Essex North Shore Agricultural and Technical School
565 Maple Street
Hathorne, Massachusetts 01937
Maple Street Bistro Conference Room

Wednesday, February 5, 2020
Finance Subcommittee Meeting
5:00 p.m.
Approved Minutes

Members in Attendance: Mr. Strout, Mr. Perkins, Mr. Marquis, Mr. Grant, Dr. Picone, Mr. O'Brien.

Members Absent: Mr. Bucco

Others in Attendance: Dr. Riccio, Ms. Znamierowski, Ms. Donnelly, Dr. O'Toole

1. Meeting Opening

A. Mr. Perkins called the meeting to order at 5:00 pm

2. Routine Items

A. To recommend approval of the January 2, 2020 meeting minutes.

Mr. O'Brien made a motion to recommend the approval of the January 2, 2020 meeting minutes.

Mr. Marquis seconded the motion. The motion passed.

3. FY2021 Budget

A. The preliminary Fiscal Year 2021 Budget

Dr. Riccio reported on FY2021 proposed budget summary, preliminary assessments with soft costs, proposed revenue budget, and FY2021 proposed budget.

She reviewed the budget document that is part of this packet and online. She went over the details of the budget and timeline. A partnership with Beverly and an afterschool program was discussed. There are four potential communities considering a partnership program with ENSATS.

Dr. Riccio reviewed the processes in developing the budget and how each department was reviewed and realigned if necessary. There were continual updates and open forums to keep the staff informed on budget development. Textbooks, Chromebooks and Instructional supply decisions were made to develop the budget. There were also necessary changes to the MSBA roof project that increased the budget due to soft costs being added.

Dr. Picone asked where the Budget increase is now.

Dr. Riccio replied it is at a 4.84% increase from last year.

Dr. Picone shared concerns about the increase and the use of E&D.

Dr. Riccio explained the process and how the funding works prior to the project.

Mr. O'Brien asked how adjustments are made for staffing of the more popular programs.

Dr. Riccio explained how this process works dependent on current staffing and enrollment.

Mr. O'Brien asked about the new Veterinary Program and the profitability so far.

Dr. Riccio explained how the program has been funded so far.

Mr. O'Brien asked about the MSBA funding and any reallocations that may be made.

Dr. Riccio explained the funding of different projects on campus and how they are being funded.

Dr. Picone asked about using the MSBA funding and its use for Capital Funding.

Ms. Znamierowski explained where the construction costs can be found on Board Docs and how the funding will be distributed.

The group discussed the potential increases in per-student assessments to member communities.

Ms. Znamierowski advised that enrollment at ENSATS is increasing; therefore the budget will need to be increased.

Dr. Riccio explained how Grants have been written to subsidize the increased enrollment and how this benefits member districts. She also discussed the new Agriculture tuition revenue rate. ENSATS is the most affordable technical school in Massachusetts.

Mr. O'Brien asked about creating a bond that would include a Performing Arts Center in the future.

Dr. Riccio explained that some of the funding needs to be current and cannot wait for future funding.

Mr. Perkins asked about under-enrolled programs and how many that might be under-enrolled.

Dr. Riccio explained that a Grant is being worked on to bring students from partnership programs to increase enrollment.

Dr. Picone asked about program elimination and offering it to all students currently enrolled in the future.

Dr. Riccio explained how exploratory programs can help enrollment in these lower enrolled programs. A Grant is being written for a Farm to Schools program for vertical growing and hydroponics.

A partnership with the Sheriff's Department was discussed.

Dr. Riccio explained the out of district tuition and how an increase would be beneficial to ENSATS. She reviewed the regulations around out of district tuition rates. There is an ability to charge more based on the Agricultural Programs at ENSATS. If ENSATS is able to add Capitol to its out of district tuition would increase revenue to ENSATS.

Mr. O'Brien asked about creating a new formula and how it might change current tuitions.

Mr. Marquis asked about the timeline in creating a new formula.

Ms. Znamierowski advised that the final numbers have been presented and they are waiting for a final decision on increased out of district tuition.

Dr. Picone made suggestions on how to manipulate the budget to reduce it.

Ms. Znamierowski advised that increasing revenues would be preferable over making cuts to the budget.

Dr. Riccio advised that the 4.84% increase would stay the same, but the assessments would decrease based on increased revenue.

The group discussed the percentage of the budget that is salaries.

Mr. Marquis discussed the increased enrollment and how it is not reflected in the budget one hundred percent.

Mr. O'Brien complimented the well-written budget report and the details presented.

The group discussed Peabody who is interested in their own technical programs.

Mr. Marquis asked about the timing of the official budget vote.

Dr. Riccio advised that it will be presented to the School Committee tomorrow night.

She explained some of the concerns she has based on the age of the building, enrollment, staffing, culture, and how budget cuts will impact them. Any future cuts could impact services. Dr. Riccio asked the group how they felt about presenting the budget with a 4.84% increase to the member districts and presenting the out of district tuition increases as potentially reducing member district tuition.

The group continued to discuss other aspects of the budget and any potential areas for reductions. Mr. Strout advised that the budget timeline is excellent and he will present it to his home community.

Dr. Riccio advised that she will present any potential updates to the budget to the School Committee tomorrow night during the presentation.

4. Finance

A. December 2019 Expenditure Report.

Ms. Znamierowski reviewed the expenditure report that was developed last month. Maternity leaves and custodial services have increased costs. There may be a need for transfers in the future.

Dr. Picone thanked Ms. Znamierowski for developing this report and the importance of it.

Ms. Znamierowski reviewed grants that are in place and future grant funding.

Mr. Perkins asked about student activities being lower.

Ms. Znamierowski explained the timing of payments and how they affect the report.

Mr. Marquis made a motion to recommend placing the November 2019 Expenditure Summary Report on file for audit.

Mr. Strout seconded the motion. The motion passed.

B. Dust Collection Project Update

Dr. Riccio gave an update on this project.

C. Larkin Cottage Update

Dr. Riccio advised that the cost came back twice as much as the architects initially thought. She went on to review what changes were made that will reduce costs. The project will go out for a new bid next week.

Mr. Grant asked about the total budget for the project and where the money is coming from.

Dr. Riccio gave the estimated cost and where funding will come from. The project is anticipated to cost approximately \$750,000 to \$1,000,000.

Dr. Riccio went on to describe how this project will be an expansion of current ENSATS programs. By using the facility as a training center it will enhance current ENSATS programs.

Ms. Znamierowski advised that the bid may come in prior to the next Finance Subcommittee meeting and wondered if a special meeting may need to be held.

The group discussed when the bid opens when the next Finance Subcommittee meeting is scheduled and the timing of accepting the bid.

The group suggested the apparent low bidder be presented on the 26th.

D. Excess & Deficiency Certification

Included in tonight's packet.

E. MSBA Alumni Gymnasium Project Update

Dr. Riccio reviewed updates that have been made to date. She also sent on to review how the students were involved with this project and the skills they used for these improvements. The group discussed different uses for this building and now and in the future.

F. FY2019 Invoices.

Ms. Znamierowski presented information on two unpaid invoices from 2019.

Mr. Marquis made a motion to recommend payment of FY19 invoices from Tutoring Services in the amount of \$1,995.00 to Learnwell using FY2020 funds.

Dr. Picone seconded the motion. The motion passed.

Mr. Marquis made a motion to recommend payment of the FY19 invoice from Perfecto in the amount of \$315.28 using FY2020 funds.

Dr. Picone seconded the motion. The motion passed.

5. Discussion Items That Were Not Reasonably Anticipated by the Chairperson (M.G.L., Chapter 30A – Sections 18-25)

Mr. Perkins asked about the charging stations and how users will pay for them. He advised of how other communities are billing for the use of their charging stations. Danvers uses a third-party billing company.

6. Adjourn

Mr. Perkins made a motion to adjourn at 6:30 pm.

Mr. Marquis seconded the motion. The motion passed.

The meeting adjourned at 6:30 pm.

Respectfully submitted by the Recording Secretary

The listing of matters is those reasonably anticipated by the Chair in accordance with M.G.L., Chapter 30A, Sections 18-25, which may be discussed at the meeting. Not all items listed may, in fact, be discussed and other items not listed may also be brought up for discussion to the extent permitted by law