

DUDLEY-CHARLTON REGIONAL SCHOOL DISTRICT
Meeting of the Budget and Finance Subcommittee

Monday, January 23, 2023, 1:00 PM

MINUTES

1. Call to Order

Director of Finance and Operations, Rich Mathieu called the meeting to order at 1:05 PM. School Committee attendees were Jeanne Costello, Jamie Dell'Ovo and Chair Cathy Carmignani.

Peter Boria joined the call as a public attendee to listen at 1:44 PM.

2. Approval of Minutes (12/19/22 and 01/09/23)

Approval of the minutes will be moved to the next meeting on 2/6/23 in order to have additional time for the School Committee members to review.

3. FY24 Budget Discussion

Director of Finance and Operations, Richard Mathieu presented the latest update of the FY24 Budget.

Entering FY24, the required incremental fixed costs to the Dudley Charlton Regional School District budget is \$3.665M and is broken down by the following categories: Special Education and Big Yellow Bus transportation, out of district tuition loans, contractual obligations and personnel requests, employee benefits (Worcester Regional Retirement and health insurance), utilities, restoration/ESSER transition and an IT replacement plan including a 4-year lease for 500 computers and operating system updates. *Note: Per the last School Committee meeting, it was decided to go back to bid with First Student to see if costs for transportation will come down from the original quote. Final budget numbers will be available at the next school committee meeting on February 8th.*

The share split between the two towns is at 46.3% with Dudley at \$1.697M and Charlton at \$1.968M. This equates to a 6.8% budget increase. Although the increase to Dudley and Charlton is more significant than previous years, the percent increase is in line with all surrounding school districts. Director of Finance and Operations, Richard Mathieu compared the DCRSD budget to 56 surrounding school districts that varied by type of school and is seeing the average increase at 6%. Unlike DCRSD where the budget includes retirement and employee benefit costs, the surrounding towns seeing an average 6% increase do not include these line items in their budgets.

Superintendent Lamarche met with both town administrators to discuss the impact of a budget increase to both Dudley and Charlton. A presentation of the FY24 budget overview will be sent out to the School Committee later today regarding programs and positions that will be lost if the

budget increase is not passed. The result is a decline of \$2.7M to the budget and the removal of the IT requirements needed for FY24. Some utility costs may also be shifted from year one, but will need to be accounted for in subsequent years. Superintendent Lamarche has put together a plan to reduce costs by \$2.1M and is looking for the School Committee to provide direction on the remaining \$580K. Ideas for reduction include increase class size, elimination of programs at the high school and middle school levels and additional elimination of support personnel.

Chair Carmignani will be sending a survey to all families and staff to get input on additional cuts and will also leverage the Public Hearing in March to finalize decisions. Superintendent Lamarche requested this to be discussed at the All-Board School Committee meeting to gain any additional ideas from the School Committee.

With a \$2.7M reduction, Superintendent Lamarche reiterated that the only goal for the Dudley Charlton Regional School District is to meet compliance. The override vote will take place in April, and if it fails, actions to reduce the budget will begin immediately following. Superintendent Lamarche will be sitting with DCTA to start reviewing processes for reduction prior to the vote.

Jeanne Costello asked how the feasibility study and the roof project works with the override. Director of Finance and Operations, Rich Mathieu spoke to three options to address with Dudley:

- **OPTION 1** - fund the budgetary increases through an override
- **OPTION 2** - fund the budgetary increases through an override plus the physical feasibility assessment
- **OPTION 3** - fund the override with the budget increases for FY 24 and the next four years, which would include the feasibility study

For Charlton, both the budget increase and the feasibility study will be presented for budget requests.

4. Future Agenda Items

The next Budget and Finance Subcommittee meeting is scheduled for February 6, 2023 at 9:30 AM and will focus on continued conversations regarding the FY24 budget and approval of the 12/19/22 and 1/9/23 and 1/23/23 minutes.

5. Adjourn

A motion by J. Dell'Ovo, second by C. Carmignani to adjourn the meeting at 1:51 pm was approved unanimously.

J. Costello – Yes

J. Dell'Ovo – Yes

C. Carmignani - Yes