

APPROVED

Town of Gilmanton
Budget Committee Meeting
Thursday, January 25, 2011
7:00 P.M. – Gilmanton I.W. Town Hall

Members present: Stan Bean, Brian Forst, Frank Bosiak, Mark Sawyer, Michael Hatch, Betty Ann Abbott and Rich Bakos. Israel Willard and Steven Latici were absent.

Others present: Superintendent John Fauci, Principal Carol Locke, Assistant Principal Debra Bergeron, Director of Student Services Emily Reese, Board members Renee Kordas, Phillip Eisenmann, Frank Weeks, Ella Jo Regan, Roger and Elana Ball and recording clerk Rachel Hatch.

Stan Bean called the meeting to order at 7:02 p.m. Rachel Hatch indicated that the meeting had been posted on December 28, 2010 in accordance with RSA 91-A.

Proposed 2011-2012 School District Budget Presentation

Superintendent Fauci shared an overview of the proposed 2011-2012 budget. He stated that the proposed budget shows an increase of 5% over the current year, inclusive of the warrant articles. He stated that much of the increase is directly related to mandatory items and costs to maintain the current level of services. Those mandatory increases are in the area of special education due to the student population, who have been identified, health insurance costs increase, loss of grant revenues and the general overall price increases. In order to maintain the current level of program and services, there is another \$91,000.00 in increases in the areas of in-service programs, equipment purchases, tutors' salaries, audit, business administrator services and food services salaries. Superintendent Fauci stated that the district has, in the past, returned as little as \$16,000.00 to well over \$229,000.00 to offset the tax rate. He stated that the school board has made a significant effort to trim this budget in many areas, including the reduction of a paraprofessional position.

Business Administrator Christine Hayes gave an overview of the revenues sheet and indicated that the total cost would add 1.19% to the tax rate. She stated that the budget shows a reduction in one paraeducator and indicated that some of the grants that have been available in the past are no longer available. Ms. Hayes stated that, as of today, the mandatory tuition costs are \$931,643.00 with sending 181 students to Gilford High School. Brian Forst inquired what the tuition cost is for each student. Ms. Hayes stated that it costs \$15,892.00 for each student. She stated that this amount does not reflect the transportation costs for Gilmanton to send their students to Gilford High School. Brian Forst inquired what the total cost is to send our students to Gilford High School, inclusive of transportation, etc. Ms. Hayes indicated that she did not have that figure but would follow up with the Budget Committee. Mr. Forst asked how much it costs for students to attend the Gilmanton School? Ms. Hayes stated that the tuition cost is \$11,623.00 which is below the state average. Mr. Forst asked how many Gilmanton students attend the school.

Principal Locke stated that the district currently has 376 students at the Gilmanton School. Superintendent Fauci stated that, although there may be more full time personnel, there is a cost savings. He cited hiring a Speech Therapist and an Occupational Therapist/Physical Therapist rather than contracting out the services as was previously done by the district. The cost savings have been noticeable.

Brian Forst asked how many students have been identified as needing special education services? Emily Reese stated that there are 43 elementary students, 37 high school students, two out-of-district placements; namely one pre-school student and one in adult education. She stated that 85 students are in the special education budget. The district also pays associated special education costs in alignment with the AREA agreement with Gilford School District.

Ms. Hayes stated that the psychological portion of the budget has increased in order to meet students' needs. Ms. Hayes stated that the Speech portion of the budget has increased due to the costs associated with an upcoming maternity leave.

Ms. Hayes stated that the technology portion of the budget has already been reduced by the school board by \$10,000.00 as the district received a grant to purchase some needed technology equipment.

The instructional development portion of the budget is based on the Gilmanton Education Association (GEA) Agreement and is inclusive of in-service days, course reimbursement, continuance to fund the CORE Program, which has been in place over the past three years. In the past, grant funds have paid for the CORE Program. Those grant funds are no longer available. Mr. Fauci stated that the district had not made Adequate Yearly Progress (AYP) which is why the state had awarded the district with grant funds to establish the CORE Program. The district made AYP this past year and needs to make AYP again this year so that the school district will be off of the "School In Need of Improvement" list and the "District In Need Of Improvement" list by the NH Department of Education.

Superintendent Fauci stated that the *No Bullying Policy* had been implemented as a result of Governor Lynch signing legislation in place and was in effect July 1, 2010. As a result, this new law stipulates training for students, staff, administration and even bus drivers in the *No Bullying Law* has had a financial impact on the district. Another unfunded mandate from the State is placing a burden for the districts to absorb the costs of training and education of this new law.

Under the Superintendent's portion of the budget, Mr. Fauci stated that there is an increase to fund the four administrators' cell phones because they use them almost exclusively for school purposes.

Regarding the Principal's account portion of the budget, the one-half time receptionist is being put back in the budget due to an EDJobs grant that was awarded to the district. This grant is to fund a new position or a position that was previously eliminated in the budget due to budgetary reductions. The one-half time receptionist had been deleted from the budget after it had been funded for one year.

The Fiscal portion of the budget shows the funding of a one-half time business administrator. Ms. Hayes stated that she was retiring this year and strongly recommended to the board to fund a one-half time business administrator as the financial reporting needs of the district are increasing as well as the increasingly "unfunded mandates" placed on the district by the state and federal government relating to accounting, auditing, etc.

Under Operations of Plant, Ms. Hayes stated that the board is proposing the facility manager position and it will be funded from the EDJobs grant this year. The school building flooring outside of the main office needs to be redone. Due to asbestos abatement, the funding for this project will come out of this year's budget. Other increases in this area are in funding for electricity and fuel oil. Ms. Hayes and Mr. Forst expressed concern that the fuel oil line item may be underestimated given the increasing cost of fuel oil.

The Transportation area of the budget shows an increase as this is the fifth year of a 5-year contract with First Student Bus Transportation Company. A bid will be going out in the spring for a new busing contract. She indicated that there was also an increase in special education transportation. Mr. Forst stated concern that he has seen busses on the roads with only a few students on the bus.

Regarding the Benefits portion of the budget, Ms. Hayes stated that the district has been notified that the health insurance will increase by as much as 18.1% maximum. As the district is not sure what the exact rate increase will be, the 18% increase had to be budgeted. She noted that the school district has to budget a year and a half ahead of time and that it is impossible to know for sure what many of the exact costs will be when they come due. Ms. Hayes stated that the NH Retirement System decreased their funding portion of teachers' retirement by 5% and so the district has to, legally, pick up the 5% funding for the teachers' retirement in addition to the costs that the district is already contributing to the system.

Regarding the New Positions portion of the budget, Ms. Hayes reiterated that the board was going to implement a facility manager position. The current configuration is that Joyce Janitorial Cleaning Services is contracted and two of their janitors clean the building at night. There are currently two full time and one part time custodian positions. There are also 2 full time Joyce Janitorial cleaners during the evening hours. The proposed reconfiguration would be a facility manager and one custodian on day shift and two 2nd shift custodians. The facility manager would be a working custodian, a supervisor of the custodial staff and he/she would also be responsible for the maintenance and repairs of the school building. Superintendent Fauci stated that the district would, more

likely than not, see a cost savings with the facility manager configuration. Brief discussion with regard to the current configuration versus the proposed configuration. Mark Sawyer asked if the district had a facility manager in the past. Michael Hatch stated that it did and that the position had been eliminated and cleaning services had then been contracted out.

Regarding the mandatory debt service, Ms. Hayes stated that the bond for the 1997 addition will be paid in the year 2017.

Ms. Hayes stated that the special revenues fund was only an estimate of all federal and other grants the district may be eligible for. She outlined the proposed warrant articles taken from the capital improvement plan that the district had originally placed in the budget. They were as follows:

- Ball field restoration
- School building study – this is to examine the options of the Gilmanton high school students. The AREA Agreement with the Gilford School District will expire in 15 years.
- SAU Office on campus – relocating the SAU office on the school building site.
- Asbestos Tile Replacement

Ms. Hayes stated that the school board had deleted two of the proposed warrant article funding. They voted to not fund the ball field restoration and the SAU office relocation in the proposed budget at this time..

Superintendent Fauci stated that the 5% budget increase is inclusive of the funding of all of the warrant articles. He noted that the town budget does not include the proposed funding of their warrant articles in the operating budget. It is mandated that school districts show a total increase of the operating budget and the warrant articles together as one amount. He indicated that the operating budget only has increased four percent.

Superintendent Fauci added that he was appreciative of the Budget Committee's questions and work on the district's budget.

Adjournment

On a motion made by Frank Bosiak, seconded by Brian Forst, Budget Committee members unanimously voted to adjourn the meeting at 9:20 p.m.

Respectfully,

Rachel Hatch,
Recording Clerk