

TOWN OF GILMANTON

BUDGET COMMITTEE MEETING WITH THE SCHOOL BOARD

Wednesday, November 29, 2017

Budget Committee members present: Brian Forst, Chairman, Anne Kirby, Vice Chairperson, Steven Bedard, Joanne Melle, Grace Sisti, Stephen McWhinnie-Selectmen Alt, Mark Sawyer and Robert Carpenter, School Board representative. *Michael Jean, Selectmen Representative-Not present with notice, Patrick Hackley, Sawyer Lake District Rep-Not present without notice.*

Members of the public were School District Superintendent John Fauci, Business Administrator Christine Hayes, Principal Carol Locke and Director of Student Services Nancy Fournier, Vice Principal Deb Bergeron.

School Board members Michelle Heyman, Adam Mini, and Frank Weeks.

Chairman Forst called the meeting to order at 6:01 p.m.

Robert Carpenter will present the budget.

Christine Hayes: Large budget, this is the first time that you are looking at it. Please if you have questions before public hearing contact her or John Fauci.

Present section by section.

Revenues: Some numbers are not set in stone because of pending grants. Federal funding will be confirmed in the future.

Adam Mini: Also 18 months out.

Summary provides the big picture review of budget. Far right change from 2017-18

Increase overall budget is \$116,306.00

Forst: What in Revenue is solid and what is estimated?

Christine Hayes: Unreserved Fund Balance is unknown and will be until April or May. Always estimated conservatively.

State Ed. Grant and Tax-Nov 15th release date. Numbers are not carved in stone. This year received \$100,000 more. State Budget allowed for more funds to be dispersed. CAT AID is based on what we spend over about 3.5 times average cost per pupil a number in the middle of cost. The \$1800 for child nutrition is what the state gives us for the food program. The \$240,000 (might get) for Fed. Grants Title 1 2 IDEA and any other competitive grants through state or Fed gov. They are a wash in the budget does not affect tax rate. The Child Nutrition amount are used to offset food service budget. Any we don't get comes out of general fund. Earnings on investment has gone up because the bank using has put into different program to increase interest earned. School Lunch effects portion of budget we don't have to pay. Other local sources is an estimate of what may come in.

\$37,000 transferring from general fund to the food service fund.

Numbers are conservative but the numbers could be higher.

37 Stephen McWhinnie: You returned money back to town for any unspent portion?

38 Hayes: These monies are applied to our portion of the tax rate. Districts have been able to put a
 39 warrant forward to allow them to retain a certain amount. We have not put the warrant forward.
 40 All left comes back and reduces the schools share of the tax rate.

41 McWhinnie: If we overpay Gilford would we (the town) see a check?

42 Hayes: No, we don't send money ahead. Mid-year we give half at end they give us a list of what
 43 was used and cost. We pay per pupil per day. Pay on ADM (average) at end of year. Find out
 44 budget what was spent district wide (Gilford). Ended up \$322,000 left in tuition line. That was
 45 part of the \$680,000 that came back to offset taxes, \$210,000 came back in Sped costs due to two
 46 children moving out of district.

47 Mini: Unforeseen, Gilford can hand back what-ever is not used.

48 Forst: This budget is out 18 months so we cannot be sure what is going to happen. It can go
 49 both ways in a plus or in a negative way.

50 Hayes: Influx of students if they do not expend more to educate them the cost actually goes
 51 down but you can never tell that.

52 Melle: Gilford owed us over 1 million?

53 Mini: Total Fund balance was 1 million dollars, our portion was a much smaller portion.
 54 Frustration is that Gilford keeps asking for money but don't spend it. Raising tax rates but don't
 55 spend the money. This is what is driving the tuition up. Allocated monies are not spent so that
 56 they come back to us. This is very frustrating.

57 Forst: Gilford's process needs to be budgeted more frugally than they are? Their process may
 58 not be as stringent as our process.

59 1100-TOTAL REGULAR EDUCATION: The regular education budget shows a decrease of
 60 \$19,033. Teacher's salaries have increased based on the collective Bargaining Agreement voted
 61 last June. The Assistants' salary line is down based on current employees but does include their
 62 step on the Salary Step Scale. The Tuition line is decreased by \$65,505 based on Gilford's most
 63 recent Budget document and the anticipated enrollment next year.

64 Carpenter: Enrollment can change this is the best estimate of what we can give.

65 Forst: About \$67,000 in savings from Gilford but this section is down \$19,033.

66 Kirby: How estimating new teachers pay scale?

67 Hayes: Masters Four.

68 Kirby: Increase in CBA and new staff and step increase.

69 Forst: All part of the CBA.

70 Mini: Opted to put it in year two.

71 Fauci: Budget for what we know at this time. Always try to anticipate costs.

72 Locke: 8 new students moved in over summer vacation.

73 McWhinnie: Number of teachers?

74 Locke: 29 in this budget

75 Fauci: Sprinkled throughout the budget so you will see them in other budgets.

76 Carpenter: Note page two shows teachers' salaries 29 FT breakdown of the salaries.

77 Forst: Explain replacement equipment?

78 Kirby: Page four explains replacement equipment.

79 Carpenter: Explains what needs to be replaced. Desks, carpet, and teachers desks.

80 Locke: Same desks in the first grade class from before the 97 wing was built.

81 Kirby: AV material: renewal schedule for textbooks-line #64 (books and periodicals)

82 Carpenter: Materials where the cycle falls for renewal.

83 1200-TOTAL SPECIAL EDUCATION: The Special Education Budget is subject to changes
 84 based on student identification, program and placement. The Teacher's Salary line is up based
 85 on Collective Bargaining Agreement voted last June. Reductions in the Contracted Services at
 86 the Elementary reflect current students and their program, as does the increase at the High
 87 School level and Tuition.

88 Forst: Reason line #4 on first page is because our student have left grade and moved on to High
 89 School.

90 Carpenter: Yes, correct. Anticipated out of district next year \$110,000 for one student.

91 Melle: Does it come out of the \$260,000 fund?

92 No because it is a known cost.

93 Forst: Known costs are budgeted for unknown avenue to find it. These situations with one
 94 student costing this much what if two then...

95 Use the Special education expenditure fund for unanticipated sped costs...i.e. more sped students
 96 moving into district, funded 100% have not had to use this fund.

97 Carpenter: no funds were requested

98 Forst: Progress with interest and safety?

99 Fauci: Established several years estimated what out of district placement would be.

100 Fournier: \$ 110,000 for ODP transportation not included.

101 Apply for catastrophic aid if necessary.

102 Kirby: line # five Assistants-\$19,238 line #13 three para educators new or is it up \$79,054.

103 Fournier: Student movement -\$79,054 included in the \$110,000.00

104 Bedard: where is \$110,000 coming from line 24 is broken down?

105 Fournier: two paras not using a high school para not contracted.

106 1410-CO-CURRICULAR: The Increase in the Co-Curricular includes a request for an increase
 107 in the Coordinator's Salary line, and Coaching and advisors contracts covered under the CBA.
 108 We have reassigned SVL and Tournament dues to Dues and Fees from Supplies where they were
 109 previously budgeted. There is also a request to increase the number of Spelling Bee teams and to
 110 increase support for the Destination Imagination competition.

111 Carpenter: overall up \$5480.00 across the line 32 and Dues and Fees details on pages two and
 112 three.

113 Forst: Increase participation? Or upfront costs?

114 Carpenter: Participation-Destination Imagination more interest shown as well as two Spelling
 115 Bee teams. Expenses are up because more students want to be involved.

116 2112-ATTENDANCE: Contracted Services

117 2120-GUIDANCE: The Guidance budget is increased based on salaries as agreed in the CBA
 118 voted in June. We have transferred the testing to Technology and Software since it is now
 119 software driven.

120 Salaries increase and Tech Software.

121 McWhinnie: Police presence? Line #21-who is paying?

122 Locke: \$90.00 per dance for 3 hour stay. School pays a discount.

123 Forst: Detail pay. This is considered as detail pay.

124 Hayes: Do not directly pay.

125 Locke: It has been great for students.

126 2130-HEALTH: The District now employs a full time nurse and a part-time nurse to adequately
 127 attend to the needs of our students. Any salary increase is included in the Salary adjustment
 128 account in the Benefits section of the Budget. There is a slight increase in supplies based on
 129 increases in the costs for supplies over the last several years.

130 Contract to PT position \$780.00 increase in overall difference.

131 McWhinnie: Substitute nurse?

132 Hayes: No longer money is virtually the same with the part time nurse. Finding that the
 133 substitute nurses were not reliable.

134 Fauci: Potential to save money having issues finding replacements. The full time and PT has
 135 worked out much better.

136 Forst: No substitute nurses.

137 Locke: May need a third nurse because of field trips and field day.

138 Sawyer: Smart thinking could prevent law suits.

139 Locke: Teachers are mindful of schedules and try to avoid booking activities at the same time.

140 2140-PSYCHOLOGICAL: Psychological Services are down because we are now funding a
141 portion of the services with the IDEA grant.

142 Forst: Potential for ongoing?

143 Carpenter: It is every year.

144 Hayes: Amount changes every year, has to be directly student related

145 Sawyer: Specific Grant Writer to help with it?

146 Grant writing is covered by Carol Locke, Margaret Roberts, and Nancy Fournier. No grant
147 writer.

148 2159-TOTAL SPEECH: The salary line reflects our current Speech Therapists Salary. Any
149 increases are included in the salary Adjustment line of the Benefits section of the Budget. We
150 also are able to reduce the cost of contracted services based on changes in student needs.

151 Hayes: Different Speech Therapist less amount.

152 Kirby: Staff members will be listed in the benefits section? Step scale is included?

153 Step scale is put into budget.

154 2160-TOTAL PHYS&OCC. THERAPY: The Occupational and Physical Therapy Budget is
155 down based on changes in Student population and needs. Any increase in salary for the
156 Occupational Therapist and COTA are included in the Salary Adjustment Account in the
157 Benefits section of the Budget.

158 One of the 13 in salary adjustments salary account, line six OT and PT

159 Hayes: Needs are decreasing but we are still responsible for it.

160 2212-TOTAL INSTRUCTIONAL DEVELOPMENT: The increase in the Instructional
161 Development budget is directly related to changes in the CBA approved last June.

162 Courses that teachers are allowed to take each year.

163 2222-TOTAL LIBRARY: The increase in the Library budget falls in two areas. First, the
164 Librarian's salary increase is based on the CBA. In, addition we need to replace bookcases.

165 Direct student access-meaning that this is the library located in the school.

166 Bedard: Divided up

167 Fauci: 2/3rd of what it used to be.

168 Locke: Spanish is now using the other 1/3rd of the library.

169 2225-TOTAL TECHNOLOGY: The only increase in the Technology budget is in the area of
170 software. We moved the NWEA and assessment software to Technology to more accurately

171 reflect where the costs are generated. Any salary increase for the Technology Coordinator is
 172 included in Salary Adjustment line of eh Benefits portion of the budget.
 173 Stuff pulled from guidance.
 174 Tech. Coordinator is Matt Hogan.
 175 Assistant is on demand
 176 Hayes: allows us to pull from other services when added support is needed. Inventory is a major
 177 focus- going forward it will be tracked.
 178 Locke: Report card system changed is a huge process discontinued the old program.
 179 2310-TOTAL SCHOOL BOARD: The School Board budget is increased due to a request for
 180 increases for the Moderator and Treasurer. Also we are requesting an increase in Legal Fees and
 181 Dues and Fees based on historic expenditures and anticipated upcoming costs.
 182 2320-TOTAL SUPERINTENDENT: The Superintendent's budget has increased by \$3183.00
 183 This includes the Superintendent's contract for the 2018-19 year and Office Rental as per our
 184 lease. Other areas of increase include contracted services for office equipment and professional
 185 books and dues. These are offset by decreases in postage, travel, and electricity.
 186 Treasurer: \$600.00; Moderator \$75.00 to \$ 250.00 increase is for both town and school
 187 Mini/Heyman-discussion audit
 188 Hayes: over expended on ballot clerks so increased slightly. Establish districts liability-hire an
 189 actuary and it would be the same line.
 190 2331-TOTAL STUDENT SUPP SER: The Salary for the Coordinator of Student Services shows
 191 the contract amount for the 2018-19 fiscal year. The Secretary's salary represents the step
 192 increase on the salary scale.
 193 Heat was added to the budget line to show expenditures.
 194 McWhinnie: Oil out to bid?
 195 Carpenter: part of rental agreement.
 196 Sawyer: SAU building sold?
 197 Fauci: Building is still for sale-Evergreen Lease; Every year new lease for three years. Legal
 198 was sought and the lease is binding to any new owner.
 199 McWhinnie: PT Super, PT Business Admin, FT Admin Finance-Money is in other places?
 200 Under fiscal
 201 Line 31 travel -9
 202 Reimbursement \$1918.00
 203 Bedard: Square footage of the office space?

204 Hayes: Footprint of the building subtract the hallway.

205 2332-SERVICES:

206 Only increase in this budget.

207 2410-TOTAL PRICIPALS OFFICE: All salaries in this portion of the budget are governed by

208 contracts or salary step scales. There is a slight increase in postage and graduation. Travel is

209 with the transfer of the Facilities Manager's travel to the Operation of Plant budget.

210 Change of principal starting at exiting salary of current principal?

211 Fauci: 75,000 up to the current reflected in Salary adjust account 3% + or –

212 Forst: Step scale salary for principal in step scale

213 Locke: No contract

214 Forst: Principal cannot be achieved for less than that?

215 Fauci: \$75,000 to \$89,000 our salaries for our admin compared to neighboring districts, our

216 salaries are lower

217 Hayes: Elementary neighbors

218 Fauci: limit the number of applicants may or may not effect applicant pool; survey done by local

219 Sped services survey of their salaries our Sped is on lower end

220 Forst: School/municipal are not private very rarely pay is as high as outgoing

221 2510-TOTAL FISCAL SERVICES: Changes in the Fiscal Budget included the Business

222 Administrator's contract for 2018-19 and an increase in Contracted Services for Equipment and

223 Software. These are offset by reductions in Travel and Dues and Gees based on historic

224 expenditures and anticipated costs for the upcoming year. Any salary increase for the Fiscal

225 Agent is included in the Salary Adjustment line of the Benefits section of the budget.

226 Other individuals for services outside

227 McWhinnie: four?

228 Yes

229 Two full time and two part time

230 Forst: You're planning on staying in the PT position-Anticipated what is coming from you?

231 Hayes: contract 9 month notice

232 Mini: Board concerned with key positions

233 2620-OPERATION OF PLANT: The Operation of Plant budget shows a total increase of

234 \$9,697.00. Any salary increase for all custodial staff is included in the Salary Adjustment line of

235 the Benefits budget. Water and Sewage is up because of the cost of replacement of the bedrock

236 medium, in our filter system. We anticipate additional waste removal costs with the asbestos

237 abatement scheduled for the summer of 2018. We are anticipating a reduction in our electricity

238 costs since we have joined a regional group and the aggregation costs of electric supply is
 239 significantly less than we are currently paying. Fuel oil is up because of Senate Bill 309 which
 240 recently became law and requires us to use only ultra-low Sulphur oil in our heating system.
 241 Hayes: Clarification board cut \$2000.00
 242 Forst: 2000.00 difference is in contracted services
 243 Hayes: Bedrock filters \$7-\$8000.00
 244 McWhinnie: Price per gallon?
 245 Hayes: Fuel \$2.211 seems high but under Senate Bill 309 ultra-low Sulphur fuel used
 246 Forst: Senate 309 applies to just schools?
 247 Hayes: No
 248 Mini: Already mandating this July 2018
 249 McWhinnie: Any company any fuel?
 250 Hayes: Propane out to bid at \$2.05 next year will not be available until spring. \$3.00 reduction
 251 Hayes: Change over propane tanks
 252 McWhinnie: Changed companies?
 253 Hayes: Three years
 254 Bedard: Own our own tank?
 255 Oil yes, propane No-Bid related any consideration of owning own tank?
 256 Hayes: Did not look into owning our own tank. Out to bid in May and will take a look.
 257 Forst: Propane use?
 258 Fauci: Small tank, used in kitchen and teachers room
 259 McWhinnie: Large bids could lock in oil
 260 Hayes: current person can do this
 261 McWhinnie: Underground? Yes-oil
 262 Mini: not even selling the material basically will be selling diesel.
 263 Sawyer: How long before oil tanks replaced?
 264 Fauci: Just replaced-piping all replaced next replacement is 20 years.
 265 Hayes: 17 years for replacement
 266 Kirby: Lines #two and three-Overtime
 267 Hayes: Historically spent more than that. Difficult to get substitute custodians trying to be
 268 conservative.

269 Kirby: Substitute per hour and if can't work then paying overtime to do the work.

270 Fauci: PT custodian could be overtime as a lower pay rate.

271 Kirby: Rubbish removal is higher

272 Hayes: Project will require

273 Forst: How many custodians?

274 Hayes: Four

275 Forst: on the 135 line number

276 Fauci: one of four is the facilities manager.

277 Forst: reason not broken down?

278 Hayes: Historically done this way

279 2710- TRANSPORTATION: Any increases in individual lines of the Transportation budget are
280 offset by a reduction in our new contract. We are ow contracted for six busses rather than seven.

281 Hayes: Piece of contract-Sped busses have gone up

282 Fauci: All new busses

283 Hayes: Spare 2015 new ones are 2018

284 Fauci: don't breakdown as much hopefully

285 Kirby: Save \$31,000.00 with new contract and one less bus

286 Hayes: Base contract only goes up \$10,000

287 Fauci: 3 years

288 Bedard: \$374,598 dived by 7 does not equal numbers provided

289 Heyman-Numbers do not match

290 Hayes: Doesn't show the cost per bus going up but net will be less because of one less bus.

291 Forst: Sped Bus up because of increased use?

292 Hayes: In district or out of district.

293 McWhinnie: We own these buses?

294 Fauci: NO, contract covers insurance etc.; penalty clause if there is a breakdown and
295 transportation cannot be provided-negotiated a smaller amount depending on use.

296 Sawyer: Is this First Student?

297 Fauci: Yes, two bids which is rare.

298 Mini: no other options

299 Fauci: First student knew another company was bidding.

300 2910-TOTAL SUPPORT/SERV/BENEFITS: Changes in the Benefits budget include increases
301 in Health Insurance costs of 0.6% for Health Trust and 2% for School Care. The amounts in the
302 budget reflect current coverage selected by our employees. The reduction in fixed charges is
303 largely because we did not have a retirement incentive request for the 18/19 fiscal year.

304 Kirby: Contract failed last year-New yellow plan-very successful. 2% for School Care-effective
305 rates-1%

306 Hayes: Teachers get Holiday credit we have to pick up the difference.

307 Kirby: Money divided among the teachers

308 Hayes: Budget for full premium cost per

309 Kirby: 2% increase net effect to teachers is 1%

310 Fauci: guaranteed

311 Hayes: Are set but review schools portion

312 Kirby: November 8th

313 Hayes: two different members

314 Kirby: 6% for Health Trust

315 Hayes: Paras insured with a higher deductible not the right thing to do

316 Fauci: Amount made with high deductible snow day effect people may have to pay in

317 Kirby: Support staff teacher admin-Is there a review to save district money?

318 Hayes: Admin is with health trust

319 Fauci: negotiate contract with individual

320 Kirby: pools beneficial or not?

321 McWhinnie: what is the deductible?

322 Locke: \$2000.00 if survey is taken it is \$1000.00

323 McWhinnie: How many employees does it cover? \$798,451.00 line B

324 Hayes: Including buy back 75 people

325 McWhinnie: What is the buy back?

326 Hayes: Teachers-\$3639.00 Support staff-\$2690.00

327 McWhinnie: Annually?

328 Hayes: Yes

329 Forst: New position

330 Hayes: Initiative increase base step support staff step scales.

331 Forst: These positions are what?

332 Hayes: Paras

333 Forst: People not part of the CBA-Non contracted employees

334 Kirby: Line # two-\$27,943.00

335 Hayes: 3% on Base

336 Fauci: Have a chart that accounts for adjusting grid

337 McWhinnie: Purpose?

338 Fauci: Step increase for non-contracted employees

339 Heyman: Hiring putting out offers and receiving acceptance and then reneging the acceptance
340 because of hiring paying positions elsewhere.

341 Fauci: People have more options making it harder to hire workers

342 2920-TOTAL INITIATIVES: The amount included in this portion of the budget addresses the
343 need to adjust the salary scales to remain competitive with other Districts. It affects all support
344 staff.

345 3100-TOTAL FOOD SERV. DIST.SUP: This is the only portion of the Food Service
346 Department that impacts the tax rate. It is approximately the amount paid for the Food Service
347 Director's Salary & fixed charges.

348 5100-TOTAL DEBT SERV- This is the next to last payment for the modular classroom.

349 5220-TOTAL SPECIAL SERV (GRANTS ETC): This is the amount budgeted for Grants and
350 gifts. Any amounts spent are completely offset by Revenues. This portion of the budget does
351 not affect the tax rate.

352 Previously discussed.

353 2561-FOOD SERVICE FUND:

354 Reduction by joining buying group

355 Forst: Buying Group by at more volume?

356 Hayes: out to bid with 47 other districts

357 No different than a co-op?

358 Hayes: Very similar-set standards

359 Forst: \$6700.00 less in milk?

360 Hayes: How we pay for milk-part of the milk is re-reimbursable move cost for milk; meals
361 served with milk were not reaching reimbursable

362 Forst: More book keeping change than a change in process?

363 Bedard: Shouldn't it go up?

364 Hayes: saving is with the food.

365 5221-TOTAL FOOD SERV. FUND: The Food Service Budget is our estimate of costs to run the
366 program. We have joined a buying group and find that we can save significantly. The amount in
367 this budget is completely offset by estimated revenues with no impact to the tax rate.

368 Hayes: district was reg. \$54,000.00 for food service program. Down to \$37,000.00 voted to
369 support and make up difference for food service. Belong to a buy in group helps food services,
370 very beneficial

371 Sawyer: Still continuing food for kids who don't have food at home?

372 Hayes: Yes, free and reduced lunch plans based on income.

373 Capital Reserve: Co-Curricular. Enrichment want to support DI and Spelling Bee this year.

374 Hayes: Leach fields not being projected for both-have to replace both; roof change minor had 42
375 now 45 in order to meet projected repairs. Co-curricular-over two years helps support all the
376 programs

377 Bedard: All money is deposited in capital reserve?

378 Hayes: yes, Oct 31st interest.

379 2990-TOTAL CAPITAL IMPROVEMENTS:

380 Motion to approve the November 8th minute-motioned by Stephen McWhinnie seconded by
381 JoAnne Melle-Move to accept-all in favor.

382 Motion to approve the November 15th minutes as amended-motioned by Stephen McWhinnie,
383 seconded by Anne Kirby-Move to accept-all in favor

384 McWhinnie: Say the Pledge of Allegiance before the start of the meetings?

385 Budget Members agreed to say Pledge before the start of meetings.

386 **ADJOURNMENT**

387 **On a motion made by Robert Carpenter, seconded Brian Forst, the Budget Committee**
388 **meeting adjourned at 8:02 p.m.**

389 Respectfully submitted,

390 Amy Russell, Recording Clerk