

OFFICE OF THE SUPERINTENDENT OF SCHOOLS
Peterborough, New Hampshire

CONTOOCOOK VALLEY SCHOOL BOARD

School Board Budget Work Session
SAU BOARD ROOM

NO PUBLIC PARTICIPATION

Saturday, November 7, 2015

8:30 a.m.

MINUTES

BOARD

Rich Cahoon, Richard Dunning,
Butch Estey, Janine Lesser,
David Martz, Linda Quintanilha,
Pierce Rigrod, Crista Salamy,
Myron Steere, Fiona Tibbetts,
Jerome Wilson

River Marmorstein, Student Rep.

ADMINISTRATION

Dr. Brendan Minnihan, Supt.
Kimberly Saunders, Asst. Supt.
Marian Alese, B.A.
Tim Markley, H.R.
Dr. Rick Matte, Student Services
Tim Grossi, Facilities
Brian Grattan, Systems Admin.
Dr. Ann Allwarden, AES/Pierce
Jim Elder, GBS
Nicola Fraley, FES
Amy Janoch, HES
Ben Loi, PES
Nicki McGettigan, TES
Anne O'Bryant, SMS
Nicole Pease, DCS
Brian Pickering, CVHS
Colleen Roy, GES

8:30 – 8:45 - Welcome & Breakfast

Butch Estey called the meeting to order at 8:45 a.m. The Pledge of Allegiance was recited.

Marian Alese reminded those present of the ConVal Mission Statement, the reason why we are all here today.

8:45 – 10:15 - FY'17 Budget Work Session – Marian Alese
- Overview of Materials

Marian Alese provided an overview of what materials were included in today's backup folder.

Marian shared information on the four main focus areas that the Strategic Plan Committee has concentrated. They included Student Achievement/Performance, Culture and Community, Organizational Structure, and Operations.

School Board goals are related to the Strategic Plan. They include a district wide performance management and merit based compensation system, developing a universal planning process, a rigorous ATC, a proposed budget that addresses the greatest academic needs, and a fair and equitable multi-year agreement.

Questions to consider were shared to keep in the forefront as the budget process is gone through today. The budget prep timeline was shared. Reviews and revisions will continue. We are a SB2 district therefore, we have to adhere to strict deadlines in terms of time.

- Budget Assumptions

Procedural, financial, and programmatic assumptions were defined. Examples of each were provided. An almost 20% increase in health insurance and the end of Health Trust revenue are two big hits to the budget. We are currently up approximately \$1 million dollars in appropriations.

- FY17' Presentation and Discussion

District Assessment is currently \$2,555,200.00. This includes no fund balance at this time, the loss of Health Trust Refund, and the loss of Building Aid Revenue.

The salary line (100's) is proposed to increase by almost \$31,000 as a result of staff decisions. This included a reduction in an elementary position at FES and the addition of a para at FES, the addition of a .5 administrative assistant at PES, the increase of a 10 month tech support position to become a 12-month position, addition of two preschool positions, the addition of a full time counselor to CVES, reduction of .67 French teacher at CVHS, increase of .5 German position, and the movement of 2 CVHS custodial positions to contracted services.

Discussion took place in particular, about the counselor increase proposal. With our current configuration, it is difficult for counselors to provide equity in all of our elementary schools given the amount of time needed to travel from school to school. Student to counselor ratios were discussed according to the ASCA model.

The proposed reduction in French leaves 2 sections of French II, AP French, and one other section. No French I students were taken in for this purpose. One possibility to consider is the .5 German could be another section of French to allow some students to continue on.

The 19.9% increase in insurance results in a \$311,938 in appropriations.

Professional Services lines (200's) is proposed to increase by \$404,000.

Purchased Professional & Tech Services lines (300's) is proposed to increase by \$250,000.

Purchased Property Services (400's) is up \$127,000.

Other Purchased Services (500's) is down \$98,000, which includes transportation.

Supplies and Materials (600's) is up \$240,000 as a result of curriculum adoption, fuel oil estimates, software support, propane, and electricity.

Property (700's) is proposed to go up \$74,000.

Dues and Fees (800's) is up \$16,000, which is tied to an increase in Unified Sports, Special Olympics, and NHIAA fees and officials. LSCI and CPI training impacts this line as well.

Debt Service (900's) is down \$11,000 due to a decrease in bond payment and other debt.

The default starts with the 2015/2016 gross budget, contractual agreements, and other obligations are added in. The result is that the default is \$700,786.00 less than the proposed budget.

A document titled "Additional Use of Trust and Special Revenue Funds" was shared. It included items removed from Version 1 to be included in trust or reserve funds. Proposed uses for some of these funds included a hitting tunnel and field bleachers, wireless access on CVHS fields, thermal envelope, circulator pumps etc.

Discussion took place about building aid. In order to receive money back in building aid or not return money that we already received, we have to spend a specific amount of money in specific categories. Further conversations and official votes are needed to make decisions.

Proposed Use of Remaining Trust Funds includes the Health Maintenance Trust account which will soon have \$200,000. A proposal to reduce the health line by \$135,000 line with trust funds was made.

Are we open to use these funds to accomplish these purposes? If yes, we would be able to reduce the budget by \$300,000. Future revenues could be impacted with certain decisions. Rich Cahoon suggested using the remaining trust funds as proposed to expend \$47,000 but not the entire package proposed.

Marian Alese asked for the use of trust funds to reduce by \$240,000. A public hearing would be needed.

Rich Cahoon said that it assumes that we are doing everything on the list. Dr. Minnihan said that we are asking for the money but not committing to the specifics of where it would be spent.

Marian said that we are asking that the budget be brought down by \$240,000 and to use trust funds.

David Martz moved to use the trust funds to reduce the proposed budget by \$302,000. Richard Dunning second. Unanimous.

Marian moved on to Version 2. Marian said that she believes we are at a crossroad. She asked the board to consider revisions, revenue options, final staffing decisions, and potential warrant articles. In particular, Ms. Alese spoke about the DRA SB2 Towns & Schools timeline. She asked consideration to put an Article on the Warrant to move district meeting to May so that we will have gone through our kindergarten screenings, we will have actual health insurance rates, she will be able to purchase fuel, budget for electricity, student needs meetings will have occurred, all resulting in more informed decisions.

Rich Cahoon cited the downside in voter turnout.

David Martz spoke about the percentage of voter turnout in the towns, aside from Peterborough, in March and that of Peterborough in May. The cost of running elections in towns should be considered. Selectmen's Advisory Committee (SAC) should be asked their opinion. John Jordan said that you have 1/3 of the voters in Peterborough, with the remaining 2/3's in the other towns. You would have fewer voters voting in May. It is an incredible burden to place on people.

Dr. Minnihan asked the board if they would like Marian to investigate and report back.

Crista Salamy asked what the turnout in Peterborough is in May. Unsure.

Linda Quintanilha said that SAC should be asked to investigate and report back. John Jordan agreed to discuss with SAC.

Butch Estey advocated that we implement a buyback for support staff similar to what we do with professional staff. The average has been \$8K in specific years with proper notice of retirement. By December 1st of the prior year, notice would be needed to get the buyback.

Myron Steere asked what the impact on retirement would be on this decision. Tim Markley said that it would increase the employees three year salary but would not cost the district money.

Tim Markley said that this makes sense because we allow people to accumulate up to 105 days of sick time. For hourly staff, they are asked to accumulate this time because we do not have short term disability. Then, if they do that and retire, they lose that time that they have accumulated. This gives staff the ability to get a portion back. It would be on a sliding scale with specific percentages for a specific number of years in the district.

Rich Cahoon moved to extend the sick time buy back to non CVEA staff. Dick Dunning second. Unanimous.

10:15 – 12:00 - **Discussion**
- Summer Programming

Marian Alese shared summer programming opportunities and how they are funded.

Myron Steere suggested that summer academy be self-funded. Crista Salamy asked why. Students take some of these courses because they cannot take them during the regular school year.

Kimberly Saunders spoke about the equity piece. If we charge students to come to Summer Academy then we create an inequitable scenario.

Linda Quintanilha said that the ESY program for students with disabilities is the only option for students in the summer. The program is not designed for students who are there for communication, PT/OT etc.

Marian Alese said that Summer Academy and Fifth Block has grown since voted; she cautioned change.

Pierce Rigrod said that SMS has a summer middle school program for students to recover credit and for exceling students. Dr. Minnihan said that it is recovery credit; it is not an enrichment program.

Pierce Rigrod asked if there was a need for this at GBS.

Marian Alese said that we have buses running in order to accommodate transportation needs.

Jim Elder said that it does not make sense to have two summer programs.

Dr. Minnihan said that there is nothing precluding the board from adding another program.

Linda Quintanilha said that we need to extend the summer academy at the high school to the middle school. She said that ESY is not appropriate for some student's needs.

Rich Cahoon asked about staffing; flexibility of scheduling teachers blocks 2 to 5 to keep teaching positons and have the offset in blocks not to pay stipends.

Marian Alese said that the bulk of the money would go to summer work above contracted.

Dr. Minnihan said that absent a formal study on a work environment of block 2 to 5 it would be difficult to decide.

Kimberly Saunders said that Brian Pickering, Jim Elder, and Anne O'Bryant might look at running a summer program for all students.

Dr. Minnihan said that the road is a slippery slope; if you run at the middle schools, why not at the elementary level.

- Co-curricular/Athletic Activities

Myron Steere asked what we are doing to evaluate our current athletic programming. Specifically those related to the risk of concussion; ice hockey and football.

Dr. Minnihan said that this is a weighty issue; soccer is a high concussion sport for girls.

Crista Salamy said that she feels that it is a parent's choice for their students to participate in specific sports; she felt that it was outside of the purview of the board.

Brian Pickering spoke about pre and post testing for concussion. He further spoke about the athletic trainer also meeting with middle school students for evaluation. Dick Dunning said that it is critical that the board supports the principal to assure that we have certified people in place to evaluate students at both the middle and high school level.

- Use of Trust and Capital Reserve Funds

Discussed above.

- Potential salary/wage increases for those individuals not covered by the CVEA contract and the CVAA agreement

Marian Alese said that there are no increases included in the budget for non CVEA staff. Is there an intention?

Linda Quintanilha said that the subject should not be brought up yet until we are further along in negotiations.

- Employee contribution to health insurance

Linda said that the subject should not be brought up yet until we are further along in negotiations.

- Curriculum Amounts

Kimberly Saunders said that the assumption was made to move along with the adoptions in the Curriculum Renewal Cycle. The amount has been reduced as a result of savings.

Linda Quintanilha and Myron Steere affirmed.

- Class Size

Myron Steere said that the discussion is related to multi-grade and multi-age classrooms and the minimum number of students and maximum that is recommended.

Projected enrollment data and information on class size was included in today's packet. Is a consistent guideline possible? What is more important - straight grades in different schools or a multi-grade classroom?

12:00- 12:30 - **Lunch**

12:30 – - **Discussion (Cont'd)/Additional Considerations**
- Unreserved fund balances

Two options, commit to an unreserved fund balance, go forward with current proposed appropriations and use a fund balance to reduce on next year's tax rate. Or, use the delta to make some changes this year and reduce the proposed appropriation for next year. FEMA receivables were discussed.

- Health Trust Maintenance Account

Discussed earlier on agenda.

Conversations are underway with Hutter Construction about the high school.

Brian Grattan said that there will need to be an investment in the wireless infrastructure for a 1:1 initiative. There is ample bandwidth only if it is being use appropriately. The filtering that we currently have does not allow adequate control of bandwidth. A 1:1 initiative could very likely require an increase in bandwidth. Discussion ensued.

- **Final Thoughts**

Myron Steere asked about the operational school budget; DCS went up 14% and GES 14%; why? A Para was added at DCS and several at GES; all student driven positions.

Rich Cahoon asked about high school world language; there was less demand because of fewer students stated at prior board meetings and decisions were made. Haven't we landed where we were before the reductions? Dr. Minnihan said that we are currently at five staff. Dr. Minnihan said that he can obtain class enrollment for each.

David Martz asked for the full budget to be available electronically. Marian Alese confirmed.

Rich Cahoon asked about SAU office renovations. Marian said that it is some HVAC work, conference room completion, and office reconfiguration.

Richard Dunning said that budget is currently up 1.62% with the changes. As a board, are we going to support a 1.62% increase without negotiations? If not, what changes would be made in the budget? Where do we go from here?

David Martz said that the big number for him to look at is district assessment.

Rich Cahoon said that we went from accepting a percentage to a complete review of individual lines several years ago. It has been very successful.

Myron Steere asked that in the event of a default budget, what cuts would be made.

What are the priorities needs answering. Confirmed.

- **Next Steps**

Butch Estey said that the board should digest what is in place now and review it line by line and make decisions on reductions and additions. It is a continuing process.

Pierce Rigrod said that public forums on the budget were held last year. It is vital for us to receive feedback from the public.

Fiona Tibbetts shared concern about district assessment.

Marian Alese said that even if we are at the default we are up over \$300,000 than where we are now. If you are asking us to absorb the \$1M; it is significant to getting this budget to a flat assessment.

Discussion took place about communicating with the public what the proposed and default is and inform them of the decisions that needs to be made. They need to know what will be off the table.

Pierce Rigrod asked about figures for security. Marian Alese confirmed that it is not in the proposed budget.

Marian referred the board back to the pie chart; 80% of the budget is staffing.

Janine Lesser asked about future budgets given not receiving LGC money. Marian said that it will get worse. Adequacy aid will continue to decrease with a decline in enrollment.

Rich Cahoon suggested that for the first pass of looking at a default that we don't declare anything as off limits. Agreed, everything has to be on the table.

Kimberly Saunders said that the board needs to understand what services impact our students. Are we willing to continue to cut services that support students in order to support an inefficient model? Balance is important.

The current organizational structure (8 elementary schools) is the inefficient piece.

How this ties into the Strategic Plan is integral.

Rich Cahoon moved for authorization to seek a legal opinion on if it is legal to give a town more than their prorated share to close their school. Myron Steere second. Unanimous.

Linda Quintanilha said that the sense that she gets is that we are in crisis mode. Budget & Property Committee is going to have to come up with proposals from towns.

Pierce Rigrod said that we have lost revenue and increased expenses. He said that we need to get away from the "crisis" mode.

Dr. Minnihan said that leadership could spell out what the best education would look like. The towns have not had an appetite for this type of change. Examples of what that might look like were shared in terms of benefits such as full-time nurse staff, additional services, etc.

Rich Cahoon said that if there is a master plan, we should see it before the public does. There is no master plan.

- **Non-Public Session: RSA 91-A: 3, II (If Required)**
 - a. Negotiations
 - b. Personnel

Myron Steere moved to enter into non-public session in accordance with RSA 91-A:3,II at 1:29 p.m. for negotiations. Unanimous on a roll call vote.

Dick Dunning motioned to exit non-public session at 1:37 p.m. David Martz second. Unanimous.

Myron Steere moved to accept the amended contract for Dr. Matte for one year. Second. Unanimous.

Myron Steere motioned to seal the minutes of non-public session for five years. David Martz second. Unanimous.

Dick Dunning motioned to adjourn at 1:38 p.m. Jerome Wilson second. Unanimous.

Respectfully submitted,

Brenda Marschok