

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 3, 2018
8:30 a.m.

Minutes

BOARD

Rich Cahoon, Richard Dunning,
Jim Fredrickson, Bernd Foecking (1:16 pm),
Janine Lesser, Niki McGettigan,
Stephan Morrissey, Linda Quintanilha,
Kristen Reilly, Pierce Rigrod,
Crista Salamy, Myron Steere,
Jerome Wilson

ADMINISTRATION

Kimberly Saunders, Supt.
Dr. Ann Forrest, Asst. Supt.
Tim Markley, H.R.
Mindy Ryan, B.A.
Cari Christian-Coates, Stud. Serv.
Ben Moenter, Special Education
Brian Grattan, Tech.
Tim Grossi, Facilities
Ann O'Bryant, SMS
Jim Elder, GBS

Michelle Voto, CVHS
Gib West, CVHS
Jen Kiley, ATC
Stephanie Syre-Hager, AES
Kathie Morocco, Pierce
Kat Foecking, FES
Colleen Roy, GES
Amy Janoch, HES
Larry Pimental, PES
Fabiola Woods, TES
Nicole Pease, DCS

Myron Steere called the meeting to order at 9:00 a.m. The Pledge of Allegiance was recited.

8:30 – 9:00 - Welcome & Breakfast

Kimberly Saunders welcomed everyone to the Budget Work Session.

9:00 – 10:15 - FY'20 Budget Work Session – Kimberly and Mindy

- Overview of Materials

Kimberly Saunders reviewed the documents provided in a binder related to the proposed 2019/2020 budget. A model of excellence has been set as a goal. Creating learning environments in which all children, regardless of their economic status or whether or not they have a disability, learn and succeed. Stages that aim to get the district to that goal are foundational.

The School Board Goals were reviewed. Questions for consideration were shared, potential warrant articles to think about were shared for future thought. The Budget Prep Timeline was reviewed.

- Budget Assumptions

Budget assumptions include procedural, financial, and programmatic considerations. Assumptions made for 19/20 were shared.

- FY20' Presentation and Discussion

Central questions that guide budget decision making were shared. How does this request meet the needs of the District? How does this move the Vision Forward? How does this move the Strategic Plan Forward? Does this request promote greater equity? Is this request supported by data?

Salaries and benefits take up the largest portion of the budget. 74% are salaries and benefits. The proposed operating budget is up 1.76% or \$791,119.00.

2019/2020 District Assessment is up 4.27% or \$1,356,297.22. This number drives tax increases. Part of this is around the \$250K estimated unreserved fund balance, a slight increase in State Revenue Sources, and new revenue estimates that will come in mid-November.

Last year, it was estimated that the unreserved fund balance would be \$250K. The actual was a return of \$851,339.00. Catastrophic aid proposed is slightly up. Total estimated revenues are down approximately \$1.5M.

Salaries are down \$697,785.00. It is a result of reduced positions through attrition, does not include proposed staffing changes, includes CVEA increases, a 4% merit pool for building administrators, a 3% pool for support staff, and lane changes.

Benefits are up \$486,606 or a 4.2% increase. Staff contribute 12% toward health insurance. There is an increase in retirement.

Professional Services is up by \$548,062, in large part, by pupil services contracts totaling \$485,000.

Property Services is up \$194,512 due to work needed in various schools, HVAC work, parking lot upgrades at AES/GBS, and mechanical upgrades at DCS.

A 3.5% increase to transportation results in an additional \$140K.

Supplies and materials are up \$9,615.00 and furniture and equipment is down \$149,163.00.

Miscellaneous and debt service is up \$180,200 due, in large part, to bond payments.

Revenue Sources for both Reserve Trust Funds and Special Trust Funds were shared.

Special Trust Fund balances were outlined to detail the principal and the income balances. Trustees report that the income portion of the trusts can be spent.

The only way that money can be accessed from these trusts is to expend the money and then request the funds.

Discussion took place about the Daniels Trust Fund. The recollection was that the funds had been expended for the athletic track at CVHS. More information to come.

Warrant Articles for consideration include those related to the budget, appropriate to Trust Funds, CVEA Contract, Additional Trusts needed, unreserved fund balance, changes to Articles of Agreement, and Single Tier Busing (all students K-12 start and end school at the same time).

10:15 – 12:00 - Discussion

- Curriculum and Professional Development Amounts

Dr. Ann Forrest noted that the Strategic Plan drives the work that the district does. Items that are new to curriculum, those that need sustaining, and the associated related costs were shared. Eureka Math is K-5. Associated budget lines were noted in parenthesis i.e. (610).

How many students attended Summer Adventures? The response was between 15 and 23 students.

The Curriculum Renewal Cycle was shared.

- Staffing Proposals

Staffing Increases were discussed as follows:

- An additional Special Education Teacher at AES.

The consensus of the board was in favor of this request.

- The addition of a 4th grade teacher at HES was asked:

The recommendation is to have five teachers. Using the teacher/principal model was suggested. Kimberly Saunders did not recommend this model for a school with more than 50 students. Both the teaching responsibilities and administrative responsibilities are the same as that of full-time teachers and full-time administrators. It is about the combination of classroom sizes and not setting a precedent for class size. Consensus.

- Adding an Accountant for the SAU Office was proposed:

Other districts of similar size and budget have an accountant on staff. ConVal is a nine town district. This is not an assistant Business Administrator. It adds another layer of security to our system. This position would be more of a manager or coordinator position. It would be an annual support contract. What savings would offset this proposed cost? It would alleviate overtime costs. Consensus to move forward.

- Full-time Assistant Principal at Great Brook School:

GBS represents our neediest communities. 25% of students need some type of intervention, whether it is academic or other. 31% of students are eligible for free and reduced lunch. In addition, the number of staff observations required by the administrator are exceedingly more difficult. How many students have been placed at or choose to attend GBS that live in towns that don't feed into GBS? Consensus to move forward.

- Adding a ½ time Technology Integrator at CVHS:

Currently, one full-time integration specialist for 105 teachers, administrators, staff, and 730 students is in place. This position would manage more effectively the additional demands of a blended learning environment. Consensus to move forward.

- Administrative Structure at CVHS was asked for consideration:

Gib West reported that a committee was formed to look at the administrative structure at CVHS. A decline in enrollment has resulted over a period of years, yet the administrative structure has remained. When looking at which position would be most accessible with other support, the Dean of Staff was considered. Utilizing some of our teachers who have certifications in administration could take place to evaluate staff. The committee came up with this proposal in terms of reduction. This includes paying an additional stipend to the teachers involved. Do all administrators need a year round contract? Three administrators might be considered for reduction of 20 days with a potential savings of \$20K. Total savings would result in \$104,260.00 with the elimination of one position and reduction in contracts for three other positions.

- Co-curricular/Athletic Activities
- Summer Programming
- Outside Programming

Three things rise to the top – ice hockey (athletics), summer adventures for summer programming (summer middle school), and Quest (outside programming). These items currently remain in the budget. The direction was to keep status quo but stay under 4%.

Kimberly Saunders reported that it is not recommended that the first time a hockey player step on the ice is at grade 9. Hockey players should have prior years of skating prior to high school play. The risk of injury is higher absent that experience.

Transportation costs were shared.

How many of the hockey players are from Jaffrey-Rindge? None.

The cost is \$54,000 for ice hockey.

Further discussion will take place after non-public session.

Myron Steere said that the football program was implemented with the intention that there would be no cost to the district.

Dick Dunning confirmed that was true and it evolved over the years.

Linda Quintanilha asked what the total cost for Special Olympics is. She said that we are moving in the right direction with unified sports. It is all inclusive. Thought might be given to fading Special Olympics.

Quest – this program was the one that administration thought could be eliminated. This is a summer program.

Rich Cahoon asked if information was available from a committee researching Arts Enrichment.

Dick Dunning noted that the total cost for Cornucopia was near the cost of the Harris Center for Education.

Kimberly agreed that there was surprise with the increase in cost. It only services grades 1 and 2.

What is the status of the eRate discussion? Kimberly Saunders reported that this has been sent to legal counsel.

We have a risk of having to return \$52K in eRate funds.

Brian Grattan said that legal counsel has detailed that only one letter requests reimbursement totaling \$3-\$4K.

Governor's Scholarship and NH Charitable Scholarship dollars (Running Start fees) were expended. More information to come. Running Start fees are in the district budget.

12:00- 12:30 - Lunch

Stephan Morrissey moved to enter into non-public session at 12:00 p.m. for matters of negotiation, legal, and personnel. Second. Unanimous.

Stephan Morrissey moved to exit non-public session at 1:19 p.m. Linda Quintanilha second. Unanimous.

Stephan Morrissey moved to seal the minutes of negotiation for 15 years. Linda Quintanilha second. Unanimous.

Stephan Morrissey moved to seal the minutes of legal for 10 years. Linda Quintanilha second. Unanimous.

Stephan Morrissey moved to seal the minutes of personnel for 10 years. Linda Quintanilha second. Unanimous.

12:30 – - Discussion (Cont'd)/Additional Considerations

- Unreserved fund balances

Does the board have the desire to start having a conversation about reserving capital money?

The board can keep 2.5% of what has not been spent (district assessment) in unreserved funds.

Kimberly usually states what she would like to spend out of unreserved funds. We could keep 2.5% without the board having to act. It has to go before the legislative body.

Rich Cahoon said that permission from the DRA to spend the money would be needed. This would be favorable to the voters. It comes with strings attached on purpose.

Some board members felt it was a bad year to pursue this.

- Use of Trust and Capital Reserve Fund

What assumptions were made in the Capital Plan for items that would be covered in the budget? None.

The Equipment Trust might cover the food service van.

Putting money into Special Education to bring it back to \$500K was suggested.

Athletic Trusts to offset costs; are we looking to do this again? Allowable expenses include anything related to athletics with the exception of salary. It could be uniforms or equipment.

Capital Reserve should appear first on the ballot and special education second.

Health Maintenance – do we want to use any of these funds to offset? There is time to decide.

\$400,000 is the total for proposed new positions. Do we want to budget for less than full exposure for health insurance? We could risk not budgeting to full exposure.

Should a warrant on the ballot ask about ice hockey? The expectation is that if a cut is made, the legislative body gets to make the decision.

It was noted that the State requires us to provide art but it does not require us to provide music. Discussion took place about the number of music related positions in the budget.

Recap:

- Five adds – 5 positions will add salary and benefits
- Cut Dean of Faculty but discuss more about number of days for other administrators.
- Impact on assessments moving forward
- Check for IEP's and who is moving around by choice
- Running Start fees are in the budget

- Special Olympics
- Trusts – taking van out of budget and into Equipment Trust; take \$100K on health benefits for reducing. Order for trusts are capital, special education and not taking anything from fields or building trusts.
- Special Trusts – Can Daniel's Funds be used for the PES fields?
- Can the Adelia Dodge Starrett Fund income be used on eBooks? Linda Quintanilha suggested leaving the money intact. Further review of these special trust funds was asked to better learn what the original intent of the trusts were. Is a hearing needed to expend funds from special trust funds? Is a public hearing needed?
- The district budgets funds for Peterborough and Antrim athletics; could Daniels Fund be used?
- Can \$69K in structural enhancements at HES come from the Daniels Hancock fund next year?
- Multi-year contracts and what the percentage equates to in the event of a default was asked.

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

3% has been assumed for support staff and 4% for administrators. This is already in the budget. It is a pool of money.

- Capital Plan

- **Discussion of Default Calculation and Budgeting for Default**

Default exposure needs consideration.

We would need to get default to be sued. One does not have a standing until tax bills are sent out and received. It matters if we collected the money.

Our legal advice is conservative. If the transportation contract goes up and we end up with a default, our legal said that the increase is not included in the default.

Kimberly will develop a list of the contractual items that will be gone in the event of a default.

Support staff increases, maintenance contracts, and other one year contracts would not be included in the default.

- **Final Thoughts**

- **Next Steps**

A version 2 will develop for next Tuesday's Board meeting. Further discussion will come from there.

A budget drill down session will take place on November 13th. Budget & Property will take place later that night.

- **Non-Public Session: RSA 91-A: 3, II** **a. Legal**

Linda Quintanilha motioned to adjourn at 2:17 p.m. Janine Lesser second. Unanimous.

Respectfully submitted,

Brenda Marschok