

**OFFICE OF THE SUPERINTENDENT OF SCHOOLS
106 Hancock Rd.
Peterborough, New Hampshire**

CONTOOCOOK VALLEY SCHOOL DISTRICT

BUDGET & PROPERTY

Tuesday, December 10, 2019

**SAU #1 Board Room
6:00 PM**

Agenda

Committee Members:

- Jim Fredrickson, Chair
- Rich Cahoon
- Richard Dunning
- Niki McGettigan
- Stephan Morrissey
- Kristen Reilly

- 1. Call to Order**
- 2. Approval of Minutes – November 12, 2019**
- 3. 2020-21 Budget**
- 4. Solar Project**
- 5. Capital Improvement Plan**
- 6. Other**

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**SAU #1 Board Room
6:00 PM**

Minutes

Committee Members:

- Jim Fredrickson, Chair
- Rich Cahoon
- Richard Dunning
- Niki McGettigan
- Stephan Morrissey
- Kristen Reilly

Present: Jim Fredrickson, Dick Dunning, Niki McGettigan, Kristen Reilly, Stephan Morrissey, Dr. Kimberly Saunders, David Jack, Tim Grossi, Katherine Heck, Alan Edelkind, Janine Lesser, John Jordan

1. Call to Order

Jim Fredrickson called the meeting to order at 6:07 p.m.

2. Approval of Minutes – October 8, 2019

Dick Dunning moved to approve the minutes of October 8, 2019. Kristen Reilly second. Unanimous.

3. 2020-21 Budget (update V2)

Jim Fredrickson reported that the revised budget was sent out electronically. One change reflected the addition of \$750K for new positions added during the Saturday meeting. In addition, \$70K for copiers and repairs was reallocated to the correct budget line. David Jack said that it is a reallocation and is not an addition. It was in the budget. 436 and 443 are the line numbers – that number exists in the budget. Jim Fredrickson asked where it was prior. Contracted services was where it was formerly located. It is new money from Version I to Version II.

Jim Fredrickson noted an additional \$6K for supplies as an addition; line 610. David said that it is part of the Universal Preschool resources.

Dick Dunning asked if the Assistant Principal position at PES is a 12-month contract or other. Kimberly Saunders spoke about the difficulty to hire a 10-month position for this role. Dick Dunning said that he would like to have the discussion; it is a step for an aspiring administrator to begin with the assistant role. Kimberly said that there is less incentive for one to take a 10-month position. Dick said that we pay for vacation days which adds on to the benefits; is the squeeze worth the juice? He would like to see the difference between salary. He said that a 10-month position is more practical. He said that he looks at the budget and wondered where we could save anywhere. Kimberly said that she can start a new administrator at \$75K on the newer side. Dick spoke about the number of assistants throughout the district. Dick further said that it just doesn't sit well with him to have a 12-month principal or assistant with 50 students. We are tight now and we could look at this. He would

rather see preschool than 12-month principals. It should not reduce current positions but transition new hires differently.

Dick Dunning asked the difference between a 12-month and a 10-month with and without the benefits for assistant principal new hires.

Back to the budget; Katherine Heck asked about the October 2018 Revenue; did ConVal receive the money and if so, where is it stated? David Jack said that he believed it came in during FY'18. Further, \$10.3M in special education funds committed to ConVal in May was supposed to be in in July, when do we anticipate the \$111K that ConVal is slated to receive? Kimberly said that she understands the State has been clear that this is a one-time payment but unclear about what parts. David Jack said that it was loaded in with adequacy and with kindergarten. He referenced the revenue page. It is built into the fiscal year FY' 21 budget. We've received the \$8M; to set the tax rate. Projecting forward, we project the same number because we know no different. David Jack said that you set the tax rate in October and the \$8M was used to set it. Last year was \$7.328M.

Alan Edelkind asked about preschool, Phase I was approved. It is an expansion from half-day to full-day; is it mandatory or optional? Janine Lesser said that it is not mandatory, it is a decision that the board made. Janine said that the program capacity is being increased.

Jim Fredrickson said \$408K added was for salaries and supplies. He asked for a breakdown from this year to next years proposed budget, much is salaries and benefits. The numbers will be bigger from one year to the next due to salaries. How much is due to the increase for preschool that would be voted.

Jim Fredrickson said that changes in revenues, expenses result in the new proposed budget.

Jim asked David for information provided to towns to set their tax rate.

John Jordan said that Hancock has not seen the breakdown. Katherine Heck said that the DRA is fully online in the portal. Mr. Coyne can open that up and see all of the information. The DRA is the clearing house for all of the information. David Jack said that the State approved it on October 23rd.

Jim said that the Board voted on the increases on November 2nd. What kind of discussion happens now? Kimberly said that the board should give her direction.

Dick Dunning said that at that meeting, he felt that it was agreed that would be the budget that would move forward.

Jim Fredrickson asked if there are any other changes that are felt necessary. Is a Version 3 needed?

Kimberly said that she needs to talk about the open Accountant Position. She would like to raise the salary.

Jim Fredrickson said that there is no money in the current or proposed budget for a Communications person. Kimberly thought that she might be able to hire this person using the salary delta in the budget.

David Jack went back to copiers, the V2 budget was \$70K. It was not added to the difference.

Version 3 will have corrections. \$1.322 will be \$1.393M.

Dick said that the assistant position should be kept as a 12 month in the proposed and not recalculated.

Kimberly said that she does not see a need to add dollars to this budget other than an Accountant. She is comfortable with the number where it sits right now.

4. Trust Fund Summary (update)

A copy of the ConVal School District Trust Fund Summary was distributed.

For this school year, \$600K worth of trust fund money is expected to transfer in from the trusts once the audit is complete. As a result, the anticipated balance of all trust funds total \$3,331,009.99. A recommendation for proposed transfers moving forward needs discussion when considering the Capital Improvement Plan.

5. Capital Improvement Plans (funding options)

The CIP for this current year \$552K. For the 2020/2021, proposed is \$2,773,000 in the plan. There are four ways to fund; budget \$85K, the remainder needs to come from a bond, separate warrant article, or budget. Of the \$2,773,000, how much should be included in each possibility i.e. bond, warrant article, budget? Where does the Solar Project belong; a separate warrant article. How do we propose the buyout in year six? Cover it with a bond if possible. Can never be bonded; the ten year bond is in one package.

When making a decision, getting in for building aid makes a difference in the answer to how the work should be funded.

Kimberly Saunders suggested she and Tim Grossi meet to develop the list of FY'21 budget, those suggested for trust, those for bond and those leftover.

Dick Dunning said that should the bond not pass, we cannot do the work. He cautioned to be careful with what is placed in the bond. Kimberly clarified that it was true for a warrant article but not the bond.

David Jack said if you are going to pursue Building Aid, you need to begin in January; it is an 18 month process.

Kimberly Saunders speaking about rolling the work planned out over 8-9 years into a bond. We need to finish the renovations and not continue to piece work it.

The multi-year plan will be broken out for Thursday.

The HVAC PES proposed work is not in the budget and would be a warrant.

LED lighting would be funded through Eversource rebate funds.

Dick Dunning shared his concern with the PES HVAC warrant article. More discussion to come.

David Jack said that if your bond fails, you cannot find the money to take care of an issue. However, if a system failed, the contingency would be to take monies from the trust to address. It would have to fail. Otherwise, no would mean no.

Dick Dunning asked what assurance he can have that the PES HVAC work would begin on July 1, 2020. The best way to have that assurance is to fund it through the trust funds.

Katherine Heck said that 6-7% of the total operating budget is in capital reserves. Funding it through fund balance could be inconsistent. David Jack said that the unreserved funds are going down and down. Katherine further said that a plan to meet the needs with a contingent is needed. 20% is the percentage that should be used as an industry standard. It is currently being funded in a reactive way based on unreserved funds. We have to look at alternatives to fund balance to address these issues. Taxpayers need to be educated. For example, the warrant could say \$50K through raising funds for the budget and \$50K through funding a trust fund. It would be a long term plan for fiscal health.

Kimberly said that in essence, you would be taxing people for resources that they might not access because it is planning for the future.

Jim Fredrickson said that the document that Tim and Kimberly will prepare will be sent out prior to Tuesday's meeting.

6. Solar Project (Letter Of Intent plans)

Jim Fredrickson said that he has a call in to Revision Energy.

7. Ice Hockey (Conant update)

Jim Fredrickson asked for an update. Kimberly said that she has had a conversation. Conant agreed that it seemed fair for them to contribute for the cost of the hockey program for the 2020-2021 year.

8. Antrim Gym & Field (update)

Jim Fredrickson reported he and Tim Grossi met with a working group on this topic. The approach taken was that the agreements need updating. The current agreement for the gym allows that they pay their share of the utility costs. It is a two-step process; estimate usage and determine how power is divided. A 50/50 plan was proposed. A meeting is scheduled for next week to further the discussion. The next step would be the field.

District Assessment information will feed into the white paper on the budget.

Niki McGettigan moved to enter into non-public session in accordance with RSA 91-A:3,II at 7:24 p.m. for matters of negotiations. Unanimous on a roll call vote.

Dick Dunning moved to exit non-public session at 7:39 p.m. Kristen Reilly second. Unanimous.

Dick Dunning moved to seal the minutes of non-public session for five years. Kristen Reilly second. Unanimous.

Dick Dunning moved to adjourn at 7:39 p.m. Janine Lesser second. Unanimous.

Respectfully submitted,

Brenda Marschok