

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

CONTOOCOOK VALLEY SCHOOL DISTRICT

BUDGET & PROPERTY

Tuesday, September 14, 2021

6:00 PM

Physical Location: SAU Board Room

Minutes

Committee Members:

- Richard Dunning
- Alan Edelkind
- Jim Fredrickson, Chairman
- Katherine Heck
- Greg Kriebel

Present: Richard Dunning, Alan Edelkind, Jim Fredrickson (electronically), Katherine Heck, Greg Kriebel, Dr. Kimberly Saunders, Tim Grossi, Kevin Pobst

1. Call meeting to Order

Jim Fredrickson called the meeting to order at 6:04 p.m.

2. Approval of Minutes – August 10, 2021

Katherine Heck moved to approve the minutes of August 10, 2021. Dick Dunning second. Katherine Heck abstained. All others in favor. Motion carried.

3. Solar Project Status

Tim Grossi reported that last he heard he was waiting for an email about staging the project.

Is there an end date for completion of the project targeted? Unknown.

Kimberly Saunders said that with municipal projects they are running into supply chain issues.

Jim Fredrickson asked for a reach out for an update. Tim Grossi agreed to email Dan Weeks and the project manager tomorrow morning.

4. 2022-2023 Budget Guidance

Jim Fredrickson said that a long discussion took place at the last Budget & Property Committee meeting and information was shared. Jim outlined the budget assumptions previously shared.

Assumptions/Conditions:

Discussion took place about wage increases for support staff and administrators. Historically, it has been 3%/4%.

Katherine Heck spoke about prior conversations about making the percentage pool amount the same as other groups of staff.

Dick Dunning agreed that it was important not to segregate the percentages out. It is also important to look at what the bargaining agreement might look like.

Jim Fredrickson asked Kimberly Saunders to provide an idea of what the total pool might be for support and administration.

Kimberly Saunders said that the pool is \$62-\$70K for principals and for SAU administrators it is \$40-\$45K for 4% and for support staff she would need to look up; guessing \$45K-60K.

Dick Dunning said that we are talking 3% and 4% and we should be looking at 5% or 6% to keep heads above water.

Discussion took place about the CVAA piece in broad terms. What constitutes merit? We are talking about a cost of living between 5.3% and 6.1% as a consumer price index.

Kimberly Saunders said that the U.S. Bureau of Labor Statistics also publishes data.

Kimberly Saunders reminded that there have been some years where administration has gone without increases.

Dick Dunning asked that if we are going to treat all employees as an entire entity, what percentage would we use?

Kimberly Saunders said that doing the pools the same could be one consideration. Pay adjustments based on inflation could be implemented as another.

Jim Fredrickson asked that 5.4% be assumed for the moment for planning with the possibility of going up or down.

Kimberly Saunders suggested a pool, and a separate COLA pool, so if we end up in January and the economy self corrects, we still have the regular pool.

Katherine Heck said that it makes sense; there are several ways to look at this and maybe just go to a 5% pool.

Recap: COLA pool where everyone would get 1% and then a merit pool with the 0-4%.

Tim Grossi said that the 5.3% is the increase everyone has had to absorb. Going to 6% allows someone to get a .7% raise.

Keeping taxpayers in mind is important.

Kimberly was charged with costing out 1%, 2%, 3%, 4%, 5%, and 6% as COLA options.

Looking at the differentials in all categories of employees for equity was discussed.

Major Variables:

Unknown labor and material cost escalation factor in.

Board Guidance Decisions:

Remote learning – do we want to do anything?

Capital Improvement Funding – Use of Trust Funds and what should be placed in the budget.

Katherine Heck said that 2-5% of the total operating budget would be minimal investment for capital costs regardless of whether it is in the budget or trusts. This could be a starting point and then built upon. It transfers into esthetics and people will appreciate it. Using a percentage is preferred so as not to micromanage.

This is an open item for further discussion.

Budget and Trust Fund Dollars – target percentage of proposed gross budget.

Target for total increase in budget excluding CBA? Kevin Pobst said that he would like to do just this.

Is it reasonable to request two percentage options to allow consideration for what work would happen and what wouldn't?

Budget Schedule:

Final Guidance is needed by September 21st.

The Budget Workshop is scheduled for Saturday, November 6th.

What was the percentage increase in the operating budget minus salaries last year?

What would be reasonable to present to the public?

Kimberly Saunders shared information about the new formula that will impact education tax rates.

Kevin Pobst said that he thinks we employ too many people and that our class sizes are too small.

Kevin added that he wants small towns to face the reality.

If we are going to look at what is best for children it is to place them in an environment where they have the most choices. Until people are willing to confront the elephant in the room it is difficult.

Greg Kriebel agreed that the elephant in the room needs to be addressed. Consolidation needs consideration sooner rather than later.

Jim Fredrickson suggested:

Taking last year's operating budget including CBA extension numbers and adding 3 and 4% to them. Assume no increases for CVEA salary or benefits (because it is contractual)

Add CVAA pool figures

For CIP, target \$1M in budget for capital improvement.

Target \$700K for trust funds.

Add the above up and see how it compares to a proposed 2% increase on operational budget as an example. 2% on last year's operational budget is approximately \$1M without new contract.

Kevin Pobst suggested running 0%, 2%, and 4%. Kimberly Saunders confirmed.

5. Capital Improvement Plan & Policy

Where are we in terms with having an updated list of work?

Tim Grossi reported that from 2022-2026 is updated. Larger projects, mechanical and roofs, were bumped up by 4% from today's estimates.

20% and 30% increases are included in projects, which is alarming.

What will go in the plan in terms of policy was discussed e.g. flooring.

What is capital and what is routine maintenance?

Capital expenses start at \$5K generally. Most government entities define capital as \$100K or \$150K.

Katherine Heck suggested \$50K or \$100K as a minimum. The plan itself captures anything above the threshold set. How it is funded is different

Jim Fredrickson asked that a list be developed and sent to the full Budget & Property Committee.

6. Technology Plan

Adding the Technology Plan figures in for next year to keep it in sight is important.

Looking at putting something on the warrant like a trust fund, was suggested.

Kevin Pobst exited at 7:23 p.m.

A facility plan and a technology plan are the goal.

7. Review/Update Budget & Property Committee Action Plans

None.

8. Change in Adequacy Aid

Entitlement grants and revenue will take a hit.

Discussion took place about the work that is needed to bring information forward.

Tim Grossi spoke about purchasing a new vehicle this year. The quote is within budget.

The trade will happen before the end of this month. The purchase is for a new pickup truck at \$42,800.00. If it was planned with trust funds, a hearing will be required.

A thumbs up or down was requested tonight for this purchase. Confirmed to purchase the truck.

Dick Dunning motioned to adjourn at 7:39 p.m. Alan Edelkind second. Unanimous.

Respectfully submitted,

Brenda Marschok