

MUNICIPAL BUDGET COMMITTEE

Wednesday, June 21, 2017

Professional Development Room

Kennett Middle School, Conway, NH

Chairman Jim LeFebvre called the meeting to order at 6:30 pm. The following members were present: Vice Chairman Peter Donohoe, Mike Fougere, Bill Marvel, Ted Sares, Bob Drinkhall, Doug Swett, Steve Steiner (left at 6:47 pm), Mike Tetreault, Joe Mosca, and Pat Swett. Also present: Lisa Towle, recording secretary

Excused: Terry McCarthy, David Jensen, and John Colbath (Mary Seavey)

Absent: Patrick Kittle, Richard Klement, and John Edgerton

Bob Drinkhall lead those present in the Pledge of Allegiance.

Approval of Minutes:

Minutes of April 26, 2017, motion to accept minutes. Motion by Bill Marvel and second by Steve Steiner.

Discussion of minutes: none

In favor: 7; Opposed: 0; Abstain: 4. Motion carried.

Report of the Board of Selectmen:

Chairman LeFebvre noted that Mary Seavey is scheduled to replace John Colbath, however she has a conflict as well and may not be present either, so at this time we will pass over the report of the Board of Selectmen.

Report of the School Board:

Joe Mosca shared that a health care committee has been set up and they are looking into trying to find ways to cut the health bill down. All the principals have met a couple of times and we are waiting to get information from different companies that are out there, and everybody is willing to sit down and talk and try to save some money. Chairman LeFebvre commented, it looks like you might be going to a competitive type situation? Joe Mosca responded we might go out to a bid process yes.

Ted Sares asked if they are open to suggestions and offered Stacy Sands and Michael DiGregorio, who were both cited in the Conway Daily Sun and have done a lot of work in this area and could offer some short cuts.

Discussions of Policies and Procedures for the ad hoc committee established at the last meeting:

Chairman LeFebvre noted as the minutes have been approved the actual motion to establish that is on the last page if anyone wants to take a look at them. Previously, I had Five (5) members of the Budget Committee be on this being; Dick Klement, Bob Drinkhall, Steve Steiner, Dave Jensen and Peter Donohoe. Unfortunately, Dick and Dave are not here tonight, Dave has been excused and I don't know what the issue is with Dick Klement. Those are the people that have already volunteered, is there anyone else who would like to volunteer to be on this ad hoc committee?

Mike Fougere inquired what the program was? Chairman LeFebvre responded that the program is to be an ad hoc committee on the Budget Committee to look at inefficiencies in the school system that are overlooked. Mike Fougere stated he would like to volunteer to be on the committee.

Chairman LeFebvre reminded all members that with any and all sub and ad hoc committees must keep records, that means someone has to take minutes/notes. They don't have to be verbatim notes, but once you get started and select who you want as the chair of the sub-committee you have to ensure you keep accurate notes and you are reporting back to the Budget Committee as to what happened.

Peter Donohoe asked if the meetings could be recorded? Chairman LeFebvre answered yes, you can tape record if you wish, I in the past have used a cassette recorder and those are my minutes of various other situations. Peter Donohoe asked if that is admissible? Chairman LeFebvre advised it is admissible, it is just like the DVD.

A discussion ensued regarding the difficulty in hearing Chairman LeFebvre and using microphones at the future meetings

Chairman LeFebvre made recommendations to the committee, use the budget that is coming up to end in June as all the paperwork should be straight and you can look at what they have had to go through. Peter Dohonoe as how we could get the updated information from the school district? Chairman LeFebvre noted that he would talk to Superintendent Richards about getting the information from the finance person. Peter Donohoe noted that it would be helpful to get that soon. Chairman LeFebvre noted that he could also ask Joe Mosca, School Board representative to do that for us.

Chairman LeFebvre also recommended for the committee to look at a wide variety of issues, don't just get stuck on one topic. We all have a tendency to want to focus in on something that is in our wheelhouse. My wheelhouse is personnel, I am an old personnel guy from the military, I can go take a look at numbers and so on and so forth and get a feel of what they are looking at. There are other things out there too, here are a couple of

examples, in the personnel arena, look at the number of administrators they have versus what you think they might need in comparison to other districts of approximately the same size. What about administrative support staff, how many secretaries, administrative assistants do they have again compared to other school districts approximately the same size and why are they using them in that manner are there ways they could go to more automation to eliminate those positions, not people but positions? You are looking at positions, positions cost money. Number of teachers' aides cost benefits analysis. Ted Sares commented that administration and teachers' aides are very different, don't waste your time on teachers' aides, waste it on staff. Chairman LeFebvre continued with his recommendations being, take a look at the teachers, the number of classes taught, the number of hours spending in administrative duties. What is the teacher to student ratio in the grade schools, can something be done to adjust that so that we are not losing effectiveness of teachers but we are also possibly reducing the number of classes we have. Do we need all the classes we are offering in some places? Last year, I believe Joe, I heard a number that they were offering six (6) classes that were below the 12 minimum that they had to teach. Just something to look at.

This is a thing I talked about with Jim Hill and he provided me copy of their 2011 transportation report, which I will provide to whoever is chosen as chairperson of the subcommittee. To look at the transportation issue, is there some way we can do that more efficiently? Is there some way you might be able to do that with a contract and part of it with the in-house staff you currently have, might be possible, don't know, but it I worth looking at. These are things that are worth looking at. There might be no other answer then, no it doesn't make sense, but at least lets take a look at it.

For those of you that have not yet had the opportunity there is a new staff draft consolidated state plan. It is 90 pages long and it is written in bureaucratic language, it will give a copy of it whoever is selected to be the chairperson of the subcommittee.

Ted Sares suggested that the subcommittee look into the mentoring program. Mentors mentoring teachers. Chairman LeFebvre asked Joe Mosca to look into it and get back to the committee on where the program stands at this point.

Chairman LeFebvre further recommended that the subcommittee look into staff insurance, which the committee already heard an update from Joe Mosca on but still warrants paying attention to. Debt service, can some of our long-term debt be redone at a lower rate. For example; say we have \$10 million left on school debt, if you can drop it 1% how much can that save the tax payers long-term? Has anyone every looked at that before? For example, say there is \$5 million left on the bond for Kennett, when let it was at 5%, if we could drop that down to 4%, how much will we save the tax payer over the remainder of the bond. Ted Sares noted that how it works is the tougher the area the higher the rate the better the area, Exter, the lower the rate, I suspect our rate when issued was around 4 – 4.5%.

Chairman LeFebvre continued his recommendations with the cost benefits of the current infrastructure 6-8th grade middle school classrooms at Kennett Middle School, I think that is something we should take a look at again. Can we actually close an elementary

school, as that is the thrust of the subcommittee. Peter Donohoe, asked Joe Mosca if they could arrange a tour of the middle school. Joe Mosca advised it would be an eye-opening experience. Chairman LeFebvre noted that he has done the tour and the classrooms are useable but very small. Joe Mosca commented that to integrate the 6th grade with the 7th and 8th grade it can't be done where the rooms are, some are located in the basement and some are on the 3rd floor. It would be a nightmare trying to move students around during the day. It wouldn't work efficiently. I think everybody on this board knew what my feeling was before I toured the building, but I will definitely set up something. Chairman LeFebvre further added that he thought it would be beneficial in the August meeting before we have the meeting with the D.R.A, he has set up a walkthrough of the new school that is being renovated the Conway Elementary at 1:00 PM and the meeting with the D.R.A is at 3:00 PM. If you can get free to go through the Conway Elementary at 1:00 and then have the meeting with the D.R.A on the August meeting date. On the 16th of August.

Pat Swett suggested that if we do not have a mic at the next meeting that we do not hold it. Discussion ensued.

Chairman LeFebvre made a final recommendation to look at economies of scale. When you can buy things in bulk, when you have two operations in a town, for example you have a school district, they buy paper, ink and other expendable supplies. You also have the town that uses much of the same stuff, if we can figure out some way to integrate that stuff you might be able to do better on your pricing with your economies of scale. For example, if it is legal to do it, and I don't know if it is, to say ok the school district buys, X amount of paper and the town buys Y, you might get a discount, that's my thought.

Bob Drinkhall indicated that he went through six (6) budget cycles and every time we suggested things on a line item it was suggested we were micro managing and if we did total budget it was stated we weren't telling them where to cut. My question is what is the feeling with the current school board as to what they would like to hear from us, if anything? Joe Mosca, responded that just in the last few years we have always tried to give them line items that we thought should be cut not just a bottom line cut and that seems to carry more weight when you go to the school board and say look at special education, whatever versus just saying we want to cut 10% off the bottom line. I think that is the right way to do it. Bob Drinkhall clarified that the current school board accepts possible suggestions by line item. Joe Mosca answered yes. Chairman LeFebvre also answered yes that he has saw that as Vice Chair.

Ted Sares asked is this a line item vs bottom line issue, I can't imagine anyone wanting to do the lazy man approach. To get to the bottom line you have to go through the line items, so before you get to the bottom line you have to analyze each line item, otherwise it's not intelligent, as far as I am concerned the only way I am going to do it is through line item, and that is the way I have been taught, there is no way I am going to do the easy way, cut 10% off the bottom line, it won't work. Chairman LeFebvre agreed with Mr. Sares assessment.

Budget Committee Schedule:

Our next meeting is scheduled for the 19th of July at 6:30. This will be the budget review of the town and the school. I am going to let the town go first because this will be Earl Sires' last time with us before Tom Holmes takes over. If you want to give a roast that might be appropriate because he has been here for 17 years. A funny thing to say good luck and god speed. Peter Donohoe asked who Tom's replacement is going to be? It was noted that Dale Schofield will be stepping up and they will be replacing Dale.

On the 19th the reason the school is going last is that they have been asked to present an overview of the state of the school much like they did at the exit issues for those of us who attended that, only this time I hope they can get through the entire presentation as opposed to being shut off after an hour. It's interesting to see how they think they are doing and that is an important part of our job is to know what our people we are working with is how they see what they are doing. That is why I have asked them to do this.

The next one after that will be the 16th of August, there will be two (2) segments of that. I have arranged with Jill Hill to do a walk through at Conway El at 1:00 PM. So, for those who want to see how the school is being reconstructed that is an excellent opportunity to do that. I will have an actual place to meet for that tour at our next meeting. Then at 3:00 PM that same day, here at the Kennett Middle School, the D.R.A. from Concord is coming up to discuss the overarching statutory authority of the budget committee. What you can and cannot do, because I think that is always a good thing for us to understand and talk about certain things they have seen in the past that might cause us some concerns. That is a thing I have done once before back in 2010, since it has been seven (7) years, I think it is a good thing to do again. I hope you all can make that one 3:00 PM right here. Peter Donohoe asked how much time should be allowed for the presentation? Chairman LeFebvre answered an hour and a half to two max. Peter also asked if there would be a meeting at 6:30 as well? Chairman LeFebvre answered there would not be.

Joe Mosca commented in regard to the budget law and what happened last election cycle, with the budget committee not being allowed to cast votes on certain articles, he had spoken with representative Frank McCarthy about changing the budget law. It will be adding a couple words to one section of the statute allowing the budget committee to vote on everything and anything that has to do with financing. Chairman LeFebvre noted that this was an excellent idea and he will follow through with that.

Old Business:

None

New Business:

None

Public Comment:

None

Joe Mosca moved, seconded by Bob Drinkhall, to adjourn the meeting at 6:59 PM. Motion carried unanimously.

Respectfully Submitted,

Lisa E. Towle, Recording Secretary