

# MUNICIPAL BUDGET COMMITTEE

Wednesday, January 30, 2019

Professional Development Room

Kennett Middle School, Conway, NH

Chairman Jim LeFebvre called the meeting to order at 6:30pm. The following members were present: Vice Chair Dave Jensen, Ted Sares, Michael Tetreault, Steven Steiner, Diane Ryan, Joe Mosca, Terry McCarthy, John Edgerton, Mike Laracy, Eric Dziedzic, Michael Fougere, John Colbath, and Ellin Leonard (6:40)

Excused: Greydon Turner

Absent: Sarah Verney

Mr. Tetreault led those present in the Pledge of Allegiance.

REVIEW OF OUTSTANDING MINUTES: None

DISCUSSION OF SCHOOL BUDGET AND WARRANTS:

Presented by: Kevin Richard, Superintendent and Joe Mosca, School Board Representative for the CMBC.

RESPONSES TO QUESTIONS:

Regarding pre-K or ECE programs, on Monday, January 28, 2019 the Conway School Board voted to table discussion and not go forward with the warrant article.

A vote from April 14, 2015, allows the School Board to decide whether to retain 2.5% of the funds as allowed, which is usually \$400,000. The money can only be used for emergencies and/or catastrophic events and it must be approved by the Conway Municipal Budget Committee and the DRA. The \$400,000 from last year will roll into this year and you will see it under revenues, which means there will be less money appropriated. The School Board must decide to retain the funds and never use it or to always retain it.

- **Chair LeFebvre** noted over the last 2 years the School Board has reduced the money retained by 50%. **Mr. Mosca** concurred.

If there are unanticipated issues related to maintenance or facilities the trust funds would be used. The first step is to go after the insurance company and/ or the installer. Potentially, maintenance trust funds would be used, and worst-case scenario is to schedule a special meeting to appropriate the funds or have a supplemental article on the budget.

- **Mr. Tetreault** asked for the current fund balance. **Mr. Mosca** advised KHS fund has \$590,000; KMS fund has \$195,000; the elementary fund has \$100,000; and the general

- 33 maintenance trust fund has \$200,000. **Mr. Richard** advised these funds are part of the  
34 tuition contracts and you will see under revenues the contributions from sending towns.
- 35 • **Mr. Colbath** inquired if multiple funds could be used for a catastrophic event. **Mr. Richard**  
36 noted the funds are for K-6; 7-8; 9-12; and the general fund is for all, therefore you could  
37 draw from 2 funds.
  - 38 • **Mr. Fougere** inquired about the status of the roof(s) with the current and predicted snow this  
39 year. **Mr. Richard** advised there are no current issues and it is being monitored.

40 The current custodial staff at KMS will not be impacted by the addition of the Rec Center as the  
41 area they will be occupying was not being cleaned and the Rec Center will provide their own  
42 custodial services.

43 If you start reducing beyond a certain threshold, the School Board and administration must look  
44 at the opportunity cost for keeping neighborhood schools. A \$700,000 reduction can only be  
45 done through a reduction of personnel, as 80-85% of the budget is personnel, or it would affect  
46 programming and maintenance.

- 47 • **Chair LeFebvre** suggested looking at reducing and consolidating administration.

48 Family Support Liaison and Student Advocate positions, there are job descriptions and  
49 responsibilities for those positions. Family Support Liaison at each elementary school and KMS  
50 in addition to guidance counselors to meet the needs of students and families. They are  
51 invaluable for keeping kids in school and being successful.

- 52 • **Mr. Mosca** noted the liaison's work hard and often go to work early, go home late, and do  
53 things on weekends, these people earn their money and then some. There are a lot of  
54 students that wouldn't get to school, have food, or a lot of things if these people weren't there  
55 to help them.
- 56 • **Chair LeFebvre** commented where the liaison's only work 187 days per year, should the  
57 town be picking up the ball to offer other resources. **Mr. Richard** agreed and noted the state  
58 is lacking in areas for kids, and even though the liaisons have a 187-day contract, they work  
59 well beyond that. **Mr. Sares** commented in his opinion the town and tax payers should not  
60 be picking up the expense. **Mr. Steiner** inquired why the school is filling the parental role at  
61 the tax payers' expense, where is the personal responsibility. **Mr. Mosca** responded times  
62 have changed.

63 The KHS Student Advocate position was created over 10 years ago as part of Eagle Academy,  
64 when the dropout rate was one of the highest in the state. This position oversees students who  
65 don't fit the traditional mold, they run Eagle Academy, work the HiSET, ELO's, Coop, and  
66 transitional planning.

- 67 • **Mr. Steiner** inquired if Eagle Academy get the same diploma as KHS students. **Mr.**  
68 **Richard** advised there are 2 different diplomas with KHS being a 26 credit and Eagle  
69 Academy being a 20 credit, which meets the states graduation requirement.

70 Projected class sizes for next year was provided to board members.

- 71 • **Chair LeFebvre** inquired why JFS now has 12 classrooms. **Mr. Richard** advised as part of  
72 the declining enrollment JFS went to multi age classroom and reduced one teacher last year.  
73 • **Mr. Edgerton** commented in his observation and opinion moving the 6<sup>th</sup> grade to KMS will  
74 not shut down a school.  
75 • **Mr. Laracy** inquired if projections can be made for 3-5 years based on number of kids born.  
76 **Mr. Richard** noted enrollment trends are used, however, the outlying towns are changing as  
77 well. The biggest problem is affordability based on the socioeconomic status, it is hard for  
78 families to find affordable housing, which creates the high transient population.  
79 • **Chair LeFebvre** noted the five Conway schools can handle approximately 2,350 students.  
80 Projections for next year is only 1704, as enrollment continues to decline the town cannot  
81 support five schools. **Mr. Lentini** advised the School Board consistently looks at enrollment  
82 trends and they will continue to follow the numbers and data.

83 WARRANT ARTICLES:

84 Review of additions, subtractions, and changes to the language.

85 Article 5 is the CESP agreement, Mr. Mosca spoke of the highlights:

- 86 ○ A 3-year contract has been negotiated.  
87 ○ Estimated annual increases of \$37,363, \$81,375, and \$82,912 respectively.  
88 ○ Health care changes include the deductible went from a \$500 to \$1,000 and a 4-tier  
89 prescription plan, which generates a savings. Employee deductible cards increased and  
90 limited to deductibles and copays only and based on historical data we anticipate getting  
91 some of this money back.  
92 ○ Staff hired after July 1<sup>st</sup>, will be subject to new premium cost associated with the type of plan  
93 they have.  
94 ○ Pay raises include anyone on the step plan will get a 2.75% increase and anybody with 19  
95 plus years in the district will get a 3.25%.  
96 ○ Sick time, new employee hired will get 1-day per month, 180-day contract get 10 days per  
97 year, full year contract gets 12 days per year, which will be capped at 90 days.  
98 ○ The evaluation numbering system has changed and allows the district to hold back raises and  
99 place employees on improvement plans when needed.  
100 ○ **Mr. Richard** spoke of the previous change in retirement for new employees.

101 Article 8, establishing a capital reserve fund, the word “heavy” was removed from the wording.

102 Article 9, the amount has changed from \$216,000 to \$219,000, due to the cost increase for the  
103 buses.

- 104 • **Mr. Sares** inquired if Article 10 would be categorized as a must or want. **Mr. Mosca** noted  
105 in his opinion it is a must, based on the increased traffic. There is a collaboration between the  
106 school and town, where the town will provide the labor and equipment without a cost. **Mr.**  
107 **Richard** noted traffic is being rerouted based on the congestion of vehicles and buses, as  
108 well as safety reasons, losing 50 parking spots and creating a need to use the back parking  
109 lot.

- 110 • **Mr. Edgerton** inquired if the teacher evaluations are objective or subjective. **Mr. Richard**  
111 advised the CESP criteria and bench marks increased and the evaluation instrument was  
112 revised. Teachers have a 65 criteria rubric they are evaluated on.
- 113 • **Mr. Steiner** inquired why Mr. Mosca voted against the budget. **Mr. Mosca** advised he felt it  
114 was too much and asked for more cuts. **Mr. Steiner** commented about affordable housing,  
115 the taxes are driving affordability through the ceiling and increased taxes get put on the  
116 tenants.
- 117 • **Mr. Steiner** inquired if Hales Location pulled their children from KHS and are now going to  
118 Fryeburg Academy. **Mr. Richard** advised they have 2 different agreements; therefore, they  
119 have some kids going here and exploring other options as they are a free agent.

120 Updated tax rate information includes CESP negotiated agreement was provided to committee  
121 members.

- 122 • **Mr. Mosca** noted every negotiation affects health insurance. **Mr. Lentini** mentioned the  
123 health insurance language in the contracts now states the insurance carrier would be Anthem  
124 or an equivalent.
- 125 • **Mr. Colbath** noted the majority of Unit 2 is federally mandated and unable to be changed.
- 126 • **Mr. Sares** asked what the needs are and must have in the budget. **Mr. Mosca** advised the  
127 budget is prepared as a need-based budget, so everything is a need. **Mr. Richard**  
128 commented on the process the administrators go through in preparing and recommending  
129 their budgets.
- 130 • **Mr. Steiner** inquired if during the budget process if reducing class size was considered. **Mr.**  
131 **Richard** advised of the extensive process and noted a study had been done in the past. A  
132 further discussion ensued regarding reducing class size and the impact of closing a school.
- 133 • **Mr. Mosca** reminded the committee in accordance with Chapter 32, their prevue is to look at  
134 the budget and make recommendations on the budget and not to set school policy.
- 135 • **Mr. Fougere** noted the members of the committee are elected to take in information and  
136 judge the merits of the budget, not politics or mechanisms.

137 **Mr. Richard** offered if there are any follow up or clarity questions related to this budget, you  
138 can call or email him.

139 **OLD BUSINESS:** None

140 **NEW BUSINESS:**

- 141 • Next meeting is February 6, 2019 at 6:30 PM at Kennett Middle School.
- 142 • February 13, 2019 is the public hearing at KHS, and all voting will occur at the conclusion  
143 of the public hearing.
- 144 • **Chair LeFebvre** suggested committee members review previously noted documents that  
145 are available on the SAU #9 website

146 **PUBLIC COMMENT:** None

147 **ADJOURN:**

148 **Mr. Jensen moved, seconded by Mr. Edgerton to adjourn the meeting at 7:49 PM.**

149 **Motion carried unanimously.**

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153 Respectfully Submitted,

154 Lisa E. Towle, Recording Secretary