

TOWN OF DEERFIELD, NH
MUNICIPAL BUDGET COMMITTEE MEETING
George B. White Building
8 Raymond Road, Deerfield, NH 03037
6:30pm Tuesday, 17 December 2015
MINUTES

Call to Order 6:32pm

1. Pledge of Allegiance to the Flag

2. Moment of Silence/Prayer

3. Roll Call

Present: Kevin Verville, Chairman; James Spillane, Vice Chairman; Karen Cote, Troi Hopkins, Members, Andrew Robertson, Select Board Rep Member; Peter Menard, School Board Rep Member

Excused Absence: *Fred McGarry, Carol Levesque, Steve Giovinelli, Members

Unexcused Absence: David Carbone, Brendan O'Donnell, Members

Also Present: Amber Wheeler, SAU #53 Business Administrator; Deborah Trottier, Deerfield Special Education Coordinator; Patricia Sherman, SAU #53 Co-Superintendent, Paul Yergeau, Deerfield Community School Principal; James Deely and Zachary Langlois, Deerfield School Board Members

4. Approval of the Minutes

Motion: Vice Chairman Spillane moves to approve the MBC minutes from Saturday 5 December 2015 as written.

Second: A. Robertson

Discussion: Chairman asks if anyone is aware of any errors or omissions. Chairman Verville notes that on p. 8 (3/4 of the way down "Mr Young states...)" "the" is misspelled, p. 10 (halfway down) year but they, p.13 GBW Second is by F. McGarry Discussion Chief Tibbets, p. 14 "asmuch" should be two words, p. 15 (3/4of the way down) "is" not "us", last page (2/3 of the down) Chairman "wanted" not "wasnted".

Vote to approve the minutes from Saturday 5 December 2015 as written: Yay: 4, Nay: 0, Abstained: 2 - Motion

Carries

Motion: Vice Chairman Spillane moves to approve the MBC minutes from Tuesday 8 December 2015 as written.

Second: A. Robertson

Discussion: Chairman asks if anyone is aware of any errors or omissions. K. Cote notes that there is a misspelling on page 8 1/2 way throughout (not throught)

Vote to approve Yay: 5, Nay: 0, Abstained: 1

5. Citizen's Comments

None seen

6. Discussion and Review of 2016-2017 School Budget

Chairman Verville states that there has been an update to the budget and asks P. Menard for further details updates/changes. P. Menard notes that the update that has been handed out has the corrected figures. Tuition figures from Concord High came in lower than expected. Line 23 was \$2,184,000 now it is 2,004,000. This also impacts Line 20. It had been up 2.29% now it is up .74%. Previously there had been a question about the tuition worksheet. It has been incorrect. The new version is updated and corrected with the new Concord High figures.

Amber Wheeler, SAU #53 Business Administrator, speaks about the Catastrophic Aid line item. She explains that there was a change due to an originally high estimate of 80%. Now it is estimated at 70% which brings it down \$13,000.

Chairman Verville asks what the reason is for money coming in to the school in the form of Catastrophic Aid.

A. Wheeler responds that it is for students with placements in district.

Chairman Verville asks that someone looks into why this line is underfunded by the state

P. Menard states that the School Board voted last night to ask the taxpayers to replenish the Paving Expendible Trust Fund out of the budget surplus in the amount of \$35,000 and the Technology Expendible Trust Fund out of the budget surplus in the amount of \$10,000.

Vice Chairman Spillane states that on p.1 the Warrant Article to replenish the Paving Expendible Trust Fund is not noted as coming out of surplus.

P. Menard responds that it is noted wrong and will be recalculated. The Teacher's Contract is the only Warrant Article with impact on the tax rate.

*Chairman Verville recognizes that Member Fred McGarry is now present.

P. Menard states that he would first like to hear any new questions, answer any questions already presented, and then, when possible, answer any of the new questions.

Chairman Verville requests definitions/decriptions of the Federal Grants listed on p. 2 in the amount of \$88,394 (an increase of \$7,394). Also, requests a reason for the 16% increase of \$26,360. Why is there an anticipated 13% increase in lunch sales when there was a 7% actual reduction in the previous budget cycle. He requests the reason that on p. 4/8 the Curriculum Stipends line item is up by \$6000. Staff Course Reimbursement line 144 was underfunded by \$10,000 but p. 5/8 appears to be overfunded by \$10,000. Chairman Verville notes that the SAU Budget Share is growing at 7.5% a year. At this rate it will double in less than ten years. He asks what is being done to address this issue. He also asks for explanation of the dramatic changes in lines 219 and line 238.

F. McGarry notes that on p. 1/8 it states there are 187 high school students total but it actually adds up to 186.

P. Menard explains that line 20 reflects 186 students plus 1 student at PACE for 187 student total.

There was previous question regarding line 86 Special Education in the amount of \$191,615.00 projected cost and how are site for out-of-district placements chosen.

Deborah Trottier, Deerfield Special Education Coordinator, responds that placements are selected based on students' programming needs in the least restrictive possible. If needs cannot be provided adequately at DCS, a school that can best meet the student's needs is chosen. Proximity is taken into account. Placement is sometimes short term. Student specific programs are chosen on a case by case basis.

T. Hopkins notes that because Catastrophic Aid falls below need, the school budget covers the remaining cost.

P. Menard explains that on p. 6/8 Telephone line 238 was reduced by \$15,000 which was moved to Communications line 219 because previously ethernet was paid from the Telephone line and moved more appropriately to Communications. Telephone increased by \$13,000 towards a new telephone system. Thirteen telephone proposals were considered the leasing option in the total amount of \$27,000 over three years was chosen.

There was a previous question about why there are thirty-eight paraprofessionals, what is the criteria for hiring them, what are their roles and responsibilities, is there one in each classroom.

D. Trottier responds that there are thirty-seven paraprofessionals (31 Special Ed paras, 5 classroom paras, 1 library aid).

Paraprofessionals are hired based on the needs of the students. There are over 500 students at DCS. 20% are identified and then 20% of those 100 students are diagnosed with autism. Paras help these students access the curriculum. Twenty-one are 1:1 aids and ten paras provide services/support to students in the classroom. All Kindergarten classrooms have a classroom aid. Preschool has a classroom aid. Case Managers oversee the paras that work in their grade level. D. Trottier also oversees and evaluates. Bus monitors are required in some IEPs. Currently there is one para on one bus morning and afternoon. Paras rotate through the schedule so as not to go over 40 hours total a week.

P. Menard states that there had been a question about why there was a "0" on the projected line next to Ms. Tatulis.

Paul Yergeau, DCS principal, states that there are currently three 5th grade classes. Next year there will be two 5th grade classes. To reflect this, there was "0" placed on the line next to Ms. Tatulis but that does not indicate that there is a specific teacher leaving this grade level.

Questions about Catastrophic Aid and Federal Grants will be sent to P. Menard and distributed appropriately.

A. Wheeler comments on questions about Food Service budget. She states that previously the Food Service Director had not been involved in developing the budget. She had them look at sales, projected sales, inventory, and waste.

Chairman Verville states that Federal Food Programs offer more nutritiously balanced meals but testimony at the MBC meetings has

also shown that there has been increases waste. He reiterates a previous request to quantify this waste.

A. Wheeler notes that the increase is also due to health insurance changes/increases.

P. Menard states that the School Board has voted to increase the cost of a lunch from \$2.25 to \$2.50.

A. Wheeler notes that they also looked at the the projected increase in number of students.

Chairman Verville states that the price change reflects an 11% increase in cost of a meal. He asks when the last increase was.

P. Menard responds that last year it was changed from \$2.20 to \$2.25.

Chairman Verville asks to have at the next MBC meeting the per meal price changes for the past 5-6 years.

F. McGarry notes that there is a 2.8% increase in student population.

Vice Chairman Spillane notes that there is a 7.1% deficit in food sales with the 13% proposed increase in food sales it actually reflects an anticipated 20.1% increase in food sales.

A. Wheeler comments on the p. 4/8 Curriculum Stipend line 142 increase in the amount of \$6,000. This increase is in the form of stipends for two teachers who are doing extra work on curriculum development and updating curriculum.

P. Yergeau states that this curriculum development/updating is a year-long process with weekly work which includes curriculum writing, analyzing data, coordinating meetings with other teachers. 3-4 hours weekly in meetings and an additional 3 hours a week throughout the calendar year.

A. Wheeler comments on the p. 4/8 Course Reimbursement line 144 and p. 5/8 Workshop line item. She explains that there is a pool of money that moves between the two lines.

Chairman Verville asks how it is decided to overspend one line over another or equally fund each line item.

P. Yergeau states that it is a contractual amount due to negotiations. It is left up to the administration which one to spend out of.

President is given to initiatives of the school. For the first time they have run out of Professional Development money in the Fall of this year.

Chairman Verville asks if there is an unserved want that the District is not servicing pertaining to Professional Development.

P. Yergeau states that is not the case and that the lack of Professional Development money was due to servicing workshops based on the school-wide initiatives this year.

A. Wheeler comments on the 7% increase in the SAU Shared Budget line 197. The increase was approximately 3% and the remaining increase is based on increase in student enrollment.

P. Menard asks if there are any additional questions.

Chairman Verville asks to look at p. 1/8 General Supplies line 38. He points out that at the beginning of each school year, parents receive requests for supplies such as pencils, erasers, folders, glue, etc. These are items that are required to complete activities for learning. He asks if this is a practice throughout the school or if it is grade specific.

P. Yergeau responds that it is throughout the school.

Chairman Verville asks if these supplies were once purchased by the school and the removed under budgetary pressure.

P. Yergeau responds that this was the case but he is unsure when this took place.

Chairman Verville also notes that there are requests made to parents for tissues, paper towels, and wipes. The school currently purchases many of these items but the tissues are industrial grade, and the paper towels in the case of spill are not absorbant.

Motion: Chairman Verville moves to increase the General Supplies line item (001.1100.610.108) for the purpose of purchasing high quality classroom supplies for student use to discontinue the practice of requiring students to purchase work materials in the amount of \$25,000.00 based on an estimated \$50 per student, 500 students for a new line item total of \$59,000.00.

Second: Vice Chairman Spillane

Discussion: Chairman Verville states that it is reasonable and appropriate for the school to furnish items towards direct student services which is the primary purpose of a school. It results in a very small (.2%) increase to the bottom line.

Vice Chairman Spillane points out that the .2% increase was based on the previous bottom line and would actually be a slightly higher increase.

T. Hopkins notes that this could create a management issue distributing the supplies fairly. It could also be difficult to find storage space for these items at the beginning of the year. Parents who donate do so to contribute to their children's education. She states that this is not a line item issue.

Chairman Verville states that the primary driver for this motion is the classroom student supplies. \$50 per student is a generous number. This amount of money goes further with the buying power of the school purchasing in bulk.

P. Menard asks for a further breakdown of what is currently purchased through this line item.

A. Wheeler responds that some items include projector bulbs, ink toner, paper, construction paper, markers.

Vice Chairman Spillane agrees that it is a good idea to not burden the parents. He would like to see a breakdown of what students actually use during the school year.

F. McGarry states that he would like an estimate of the value of the items that are on the list that is sent home to parents.

T. Hopkins state that it is impossible to breakdown per pupil. Could be broken down by classroom usage.

Vice Chairman Spillane states that it would be beneficial to breakdown even based on grade level.

T. Hopkins responds that a breakdown by grade level could be done.

P. Menard calls on Zachary Langlois, School Board Member.

Z. Langlois states that a per student cost cannot be produced.

Chairman Verville states that the per student cost was based on the list he received as a parent.

T. Hopkins states that she will vote to increase this line item but she does not support the discontinuation of sending home a letter requesting items.

Chairman Verville states that this motion does not include discontinuing the list. That is an administrative/schoolboard decision.

A. Robertson moves the question.

Vote: Yay: 7, Nay: 0, Abstained: 0 - Motion Carries

Chairman Verville states that the Health Office has put out a request in the Bridge for supplies. He asks to have information from the schoolboard or administration about an estimated value that the Medical Supplies line item (001.2134.610.108) could be increased to cover items such as disinfectant wipes and items that would fall under hygiene.

P. Menard states that at the next MBC meeting he will have the adjusted bottom line.

7. Discussion and Review of 2016 School Warrant Articles

P. Menard states that the first School Warrant Article is the school budget.

The second School Warrant Article is the three year collective bargaining agreement with the teachers.

The increase breakdown per year is; first year \$216,906, second year \$145,164, third year \$69,601. The main issues centered around healthcare and the "cadillac tax"- penalty imposed upon employers for offering too rich of a healthcare policy. There was a 5.5% increase in healthcare costs. Teachers stated in negotiations that the current \$1,500 healthcare buyout for those opting not to take the offered healthcare was too low. The highest-cost healthcare option was eliminated, there was an increase in medical visit copay and medication copay. The insurance buyout was increased to the following; \$2,000 single, \$2,500 couple, \$3000 family. Language allows to reopen for negotiations if the contract falls back under the "Cadillac tax". The increase in buyout money still allows for a significant savings if the teacher doesn't take the healthcare through the school.

The split pool for Course Reimbursement/Workshops was increased by \$5,000 and will be released in phases.

Longevity payments were not competitive with other districts. They were increased as follows; 10-13 years changed from \$600 to \$800, 14-18 years changed from \$900-\$1,200, 19+ years changed from \$1,200 to \$1,500. These changes start in year two of the contract.

The Retirement Benefit had been that if a teacher gave a three year notice of retirement, they would receive \$3,000, \$2,000, and \$1,000 spread out over those three years. This has been changed to a one time payment of \$6,000 with a one year notice of retirement.

Either policy allows for three teachers to give retirement notice and participate in the program each year.

Chairman Verville notes that the three year policy and subsequent benefit was to allow time to make adequate changes to transition when the teacher retires.

Co-Superintendent Patricia Sherman states that the teacher is to give notice in November of not returning for the following school year.

Chairman Verville asks for the history of the number of people each year who have participated in the program.

A. Robertson notes that this is a negotiated piece of the contract the this MBC cannot change.

Chairman Verville responds that it is important to have the information in order to be able to vote up or down the support of this warrant article.

P. Menard continues to highlight aspects of the negotiated contract. The Salary Schedule is as follows; Step 11 remains constant, Step 12 is added, the lower Steps were brought in line with other schools in the district.

Chairman Verville asks P. Menard to provide a copy of the current teacher contract and the proposed contract.

P. Menard states that the third Warrant Article is \$35,000 from the surplus for the third phase of paving.

Vice Chairman Spillane notes that the warrant article does not state that it will come from the surplus. Instead it states "...to raise and appropriate..." but it does not "No amount will be raised from taxation."

Chairman Verville asks if the School Board knows what the parking lot will cost to pave taking in to consideration the need to comply with the requirements that were added to the warrant article.

P. Menard states that the original estimate was \$60,000-70,000.

James Deely, School Board Member, state that the \$60,000-70,000 was original estimate before the requirements for permeable surface and working with the Conservation Commission in reference to the Lampry River watershed.

P. Menard states that the fourth Warrant Article is for \$10,000 from the surplus to the Expendable Technology Trust Fund. The current balance of this trust is \$20,000.82.

Chairman Verville asks why the new telephone system didn't fall under the Expendable Technology Trust Fund.

Co-Superintendent Sherman responds that the Board made their decision based on similar items in the past that had been put in to the budget.

8. Old Business

Chairman Verville is concerned that the current proposed budget will not be accepted by the town at the March vote. Only three of the last seven recommended budgets have passed. Two of those three were smaller than the default budget. The 2016 default budget is unknown but it will likely be significantly lower than the proposed 2016 budget which is currently 5.9% higher than 2015 budget. There are many important projects and priorities that will not be accomplished if the proposed budget does not pass.

Motion: Chairman Verville moves to remove the salary increases in each budget from the Municipal Town Budget which represent 44% of the entire budget increase and ask the Select Board to make these salary adjustments into three warrant articles.

Second: Vice Chairman Spillane

Discussion: A. Robertson is against this motion but will bring the suggestion back to the Select Board. \$30,327 was removed from Fuel at the previous Select Board meeting.

F. McGarry states he is against this motion.

T. Hopkins states she is against the motion.

Motion: Chairman Verville moves to change proposed new bottom line to \$201,558 based on an error in calculation.

Second: Vice Chairman Spillane

Vote: Yay: 3, Nay: 4, Abstained: 0 - Motion Fails

Chairman Verville reiterates that he brought this motion forward in an effort to help the proposed budget pass.

Vote: Yay: 2, Nay: 5, Abstained: 0 - Motion Fails

Motion: Chairman Verville proposes to reopen the Solid Waste Collection Maintenance and Repairs line item (01.4323.01.630) and reduce it by \$25,000.00. The revised bottom line to be \$357,576.00. Furthermore moves that the Select Board write a warrant article for the purpose of paving.

Second: A. Robertson

Discussion: Chairman Verville states that Mr. Pelletier has testified that he doesn't care if the paving is in the budget or a warrant article.

A. Robertson states that he will bring this suggestion to the Select Board. It was put in the budget because it was a needed repair. He doesn't believe that the Select Board would be opposed to this suggestion.

Vote: Yay: 6, Nay: 1, Abstained: 0 - Motion Carries

A. Robertson will forward the energy adjustments that the Select Board made and the usage for the past 2-3 years. Initially budget was based on: \$3.50/ gallon oil, \$2/ gallon propane, \$3.50/ gasoline, \$3.50/ gallon diesel. Revised numbers based on two different time frames. First, January 1-June 30, then July 1-December 31. First: \$2.079/gallon oil, \$1.099 /gallon propane, \$2.70/gallon

gasoline, \$3.00/gallon diesel. Second: \$2.70/gallon oil, \$2.00/gallon propane, \$2.70/gallon gasoline, \$3.00/gallon diesel.

Chairman Verville states that the GBW budget will remain tabled until next Tuesday's meeting.

P. Menard asks what more needs to happen to move the School Budget forward.

Chairman Verville states that pending the answers to the remaining questions, it should be able to be moved forward on Tuesday. If the Municipal and School Budgets are finished at the next meeting then the January 9 and 12 meetings should not be needed.

9. Citizen's Comments

Harriet Cady states that previous to these past two years, the Budget Committee had provided Citizen's Packets. These are important to be able to follow along with what the committee is discussing.

School teachers are getting increases in workshops steps and raised while they provide the same services.

She states that she does not understand why Food Service cannot provide a nutritious meal that students will eat. She wants to know how many meals does the government pay or low income students at DCS.

There are more paraprofessional per pupil than any other area school. She asks why can a teacher not handle 15-16 students in classroom. The Highway budget is the highest of any other town around. The number of gallons for fuel should be easy to calculate. She doesn't understand why the town doesn't budget based on what is used.

10. Adjourn

Motion: Vice Chairman Spillane moves to adjourn

Second: Chairman Verville

Vote: Yay: 7, Nay: 0, Abstained: 0 - Motion Carries

Next meeting Tuesday 5 January, 2016 6:30pm George B. White Building