

APPROVED

**TOWN OF PELHAM
BUDGET COMMITTEE – MEETING MINUTES
Thursday, October 27, 2022**

CALL TO ORDER – Ms. Bressette opened the meeting at approximately 6:33 PM.

PLEDGE OF ALLEGIANCE

PRESENT: Meg Bressette
Eduardo Martony
Garret Abare
Debbie Ryan
Megan Larson
Paul Grant
Bob Sherman
Ellen Cormier
Jason Croteau
Gregg Smith

ABSENT: Philip Haberlen (excused)

MINUTES REVIEW

Regarding the meeting minutes from the October 20, 2022 Budget Committee meeting; Ms. Larson said to change Mr. McGee to Dr. McGee throughout the minutes.

MOTION: (Mr. Sherman/Mr. Martony) To place the October 20, 2022, meeting minutes on file, as amended.

VOTE: (9-0-0) Motion passes.

BY-LAW UPDATE

Ms. Bressette said she we will be voting on the revised by-laws tonight. She sent out the redlined version of what was changed.

Mr. Gregg Smith joined the meeting.

Ms. Bressette said Section 6 - Conduct of Meetings, open meeting was changed to non-public session. Section rules of order, section B shall update that formatting at that meeting in which a forum is present as is provided by RSA 3215 and discussed in the opinion of the attorney general dated March 9, 1990; that was deleted per Attorney Ratigan's suggestion.

Ms. Larson asked about Section D3, procedure for review of budgets; it says town and school budget presentations to the budget committee shall include prior year appropriation expenditure Prior year appropriation expenditure, selectmen recommendation. She thinks you need to include school board recommendation and budget committee.

Ms. Bressette said she will update that change and asked if anyone objected to that? No one spoke.

MOTION: (Mr. Martony/Ms. Cormier) To approve the by-laws as revised.

VOTE: (10-0-0) The motion passed.

REVIEW OF SCHOOL BUDGETS – DISTRICT WIDE

Ms. Bressette said the amount for 2023-2024 recommended budget is \$15,309,280.00.

For food service fund it's \$1,206,027.00

Grants fund \$705,865.00

Special fund is \$52,000.00

DISTRICT WIDE

Dr. Chip McGee introduced himself as the superintendent of schools, Dr. Sarah Marandos, the assistant superintendent and Ms. Mahoney introduced herself as the business administrator for the school district. The directors are also in the audience. He introduced Taryn Temmallo, director of nutrition services, Joan Cote director of human resources, Brendan Hoffman, director of student services and Keith Lord, director of technology.

Dr. McGee said they would start on page 127. The big concept is the district-wide portion of the budget, and this has the same functions they spoke of before at each of the schools, but these are district-wide. A lot of the money and discussion this evening has to do with special education and the key indicator is the number of identified students and as of October 1, we have 276 identified students out of the total population of 1,693. That's 16.3% that's below the state average. Last year we had 283 students identified out of 1,678 and that was 16.9%. We have reduced by six tenths of a percent by last year. Those are for students currently in district and there are a number of students who are also placed out of district. He said this committee received answers by email from last week's questions. He also handed out some samples of the Scholastic magazines for the different grade levels. He encouraged any questions to be emailed to them.

Dr. McGee said on page 1, salaries. He said this section contains areas that are requirements in their collective bargaining agreements. The first line is \$23,436.00 and that is primarily due to relocating a high school music position to district wide. Now they are able to have a choral program at all three levels.

Ms. Mahoney said there is an increase in the daily substitutes on line 120 and it reflects full-day at new rate. The new rate was increased to \$110.00 per day. That was effective partially in the prior year. This is the first full year in the budget reflecting that full amount. That increase is for \$25,000.00. This new rate has been found to be more helpful in hiring substitutes.

Ms. Larson wanted to remind everyone that in column FY22 actuals, they won't see anything close to that because they're expensed to the individual schools.

Mr. Grant asked what perfect attendance payments are, like who gets them and for what reason?

Ms. Mahoney said this is for their teacher's group (PEA) collective bargaining agreement.

Dr. McGee doesn't know the particular rules, but it is for the teachers who aren't absent any days for personal or sick during the year. He doesn't remember the formula but will get that for the committee. Ms. Mahoney said there is specific language, and it is on our website, she will look that up and get back to us.

Mr. Sherman said it's in the contract and until that comes up for renewal, this has to be available.

Ms. Mahoney said yes, and this is where all of this is budgeted all the things in the contracts and the costs associated with them.

Dr. Marandos said on page 3, line 446 rental software there is an increase of \$6,893.00. That is inflation with the exception of an expansion of our universal screener that's been used for the last five years at the elementary school. This is being piloted at the middle school and hopefully expanding it next year at the middle school.

Ms. Mahoney said at the bottom on page 5, special education district section. Professional services and there is a reduction of \$72,156.00. That is specific to a contracted role position for Gillingham reading services that is not anticipated to be needed in 2024.

Dr. McGee said on page 7, special education line 564 tuition to private schools and line 569 tuition residential. The concept is federal law requires appropriately that we provide a free and appropriate education to all students with very few exceptions in town. Depending on if some students have disabilities their ability to access education is limited in the public-school setting. For a limited number of students, we pay tuition for them to attend a private school. In a more limited way, a residential school. He said we budget for those actuals and anticipated placements in those two private and residential placements each year. After a difficult conversation, they decided to remove one of those positions and they still don't know exactly who is going to need to be in those placements next year. One was removed from private and one from residential. As a result, for private school, the tuition line is down \$92,902.00. For residential because of other shifts, it is up \$86,700.00. You can see the level 2 reductions on both lines. He said legally if there is a student placed, it is our legal obligation to present them with an education and we will. They think this is the right, realistic balance of conserved budgeting.

Ms. Bressette asked if that budgeting was for two placements before? Dr. McGee said it's more complicated, but for private school there are 5 anticipated and he removed 1, so that leaves them at 4. This decision was made four weeks ago, and this is all dynamic and is difficult. He said right now, for private, they are anticipating 4 in addition to the ones that they have. For residential, they had 3 and he reduced it down to 2.

Ms. Larson said the Pelham school district does have a capital reserve fund which has \$200,000.00 (she can't remember the exact amount). She said that is available if something happens and that is an area that's kept a close look on. She said this can come back at reconsideration either way up or down. She also reminded the committee that the special education budget goes up every year and we manage it separately from the budget. If there's an underspend in the special education budget, they commit to returning that and it doesn't get used or moved into regular education for other things.

Mr. Smith asked if there are any federal funds to pay for this education? Dr. McGee said the answer is yes, at about 40% of what the actual costs are and that is a nationwide figure. Dr. McGee said in NH it's all in arrears and after they show expenditures. They submit to the state expenditures that are and if it's \$50,000.00 or more they can be submitted for reimbursement and those get funded at the state level and distribute evenly based on requests. That's under revenue that is anticipated. He said by no means all of the mandates are funded.

Dr. McGee said on page 10, tuition to private and residential schools always have an extended school year or summer program. There are also additional costs reflected there because these students, without that program, may regress and by law, we participate. We call it ESY (extended school year).

Dr. McGee said on page 11, district-wide social work services. There is a significant salary increase there and the first point is through transition they were able to hire a licensed mental health clinician. There was a clear need for this given the impact of the pandemic. This was a priority for our students social, emotional health and wellbeing.

Ms. Mahoney said on page 12, psychological services and there are three vacant positions for three psychologists. The budget is \$75,600.00, and we are currently paying significantly more than this for our contracted positions that we've filled these with. That is an increase of \$27,675.00.

Ms. Bressette asked if the contracted was for 3 or for 5 days? Ms. Mahoney said they have multiple contracts to support. Ms. Mahoney said they have one full and a half-time contracted to fill the current need.

Mr. Abare asked what post-personnel budgeting was? Ms. Mahoney said when they do their budgeting for salary and benefits, we use a personnel budgeting module that works with their software. They pull the live data into this module and then apply the changes. This then gets posted back to the budget from this module. That line shows what got carried over. She pulls in details to make the totals match.

Ms. Larson said it reflects four positions.

Ms. Mahoney said it's a reporting to help document down what's carried over from another module.

Ms. Larson asked if it was for four positions for psychological services?

Ms. Mahoney said three. Dr. McGee said three at \$75,000.00 each. Ms. Mahoney said on the top of page 13 she has a note that says our vacant psychologists are a 3.0 FTE at \$75,600.00 each.

Ms. Mahoney said normally when the roles are filled, they would be broken out because it's live data.

Mr. Abare asked if there was a total of 4 open positions? Ms. Mahoney said there's 3.

Mr. Abare asked if these were new? Ms. Mahoney said no, they've been in the budget and in the past had 2 folks filling them and there was 1 vacant in the prior year budget and this year there are 3 vacant. Mr. Abare asked if they are all unfilled right now? Ms. Mahoney said correct.

Dr. McGee said right now we are contracting with a service provider and that is more expensive, and we don't get to have direct supervision.

Ms. Mahoney said on page 14, district-wide speech services and there is a request to add 1 speech and language pathologist. Below that is a note to cut the speech-language assistant to partially fund that new position. In addition, this position is budgeted as a contracted service. On the next page, there is a reduction on page 15 that reflects the cost of the new position. So, if we got this new position as part of our budget, we wouldn't need to fill it as a contracted service, and it would get moved in and take that reduction.

Ms. Larson said if it was cut, would we add back in the contracted service? Ms. Mahoney said correct and it's a service that's required. We need to have five providers for speech and language. There are four current district positions in our budget, and one is a contracted position. Those five support our needs, but we want to take one from contracted and move it up to speech as a district position, rather than a contract position and that would save us some money.

Mr. Abare asked if that was required by law? Ms. Mahoney said services are. Mr. Abare asked if it was 5 required? Dr. McGee said it's not the number, it's the services to individual children that we've added up to requiring 5.

Ms. Mahoney said on page 16, physical therapy services (PT services). This contracted service was reduced based on our current need by \$7,100.00.

Dr. McGee said on page 17, line 330 professional services and he wanted to note this can be stressful. He said they've also done an internal review of related services. He is in occupational therapy now and was able to identify this is something we can provide internally going forward. It was in there at \$23,000.00 (it is now reduced to 0).

Dr. Marandos said on page 19, under 2212, which is 110 salaries: they are planning to expand their summer institute for curriculum work and one district goal is to improve the math scores. They will look at additional time for our PEA teachers to attend professional development during the week following the end of school and that is an increase of \$10,200.00.

Ms. Bressette asked how many days do they do now? Dr. Marandos said two.

Dr. McGee said on page 21, line 442 rental lease and equipment, computer instruction. He said the big picture is we have a lease program for the student chrome books. That is in our technology replacement plan. The new lease was initially going to be \$52,000.00 for 430 pieces. Two factors have influenced this 1) we are looking at the next generation of chrome books and the price per unit has gone up 2) the total number of required units for this year has gone down, instead of 430, they are looking to purchase 400. This line has increased \$17,957.00.

Dr. McGee skipped to 24 and this is district-wide superintendent services. Ms. Mahoney said this is where we budget our non-bargaining salary pool, and we have a 3.5% salary pool. This is for the non-union staff. This includes (non-teachers, instructional assistants, custodians, tutors, administrative assistants, IT staff, SAU staff, service providers, speech, OT, language and psych). It contains 78.5 positions, and this is where those are budgeted. The next two lines have been the same budget, they are for needed adjustments for non-union staff, that \$5000.00 is the same for administrators, year 3 of 3, which is a market adjustment plan that we've been doing over the last 2 years, and this is the 3rd year.

Dr. McGee said the last line is part of the retention effort for the district team. They have administrators that don't use all of their vacation days. This would be a way of reimbursing them for leaving those on the table, it's part of their contract going forward. He talked to his leadership team to add this for the upcoming year. This is on page 24.

Mr. Abare asked if they don't use that vacation, does the school get a discount for paying those out or do they need to pay out the full PTO? Mr. Abare said he's not familiar with how PTO gets paid out. He asked if this would normally go unused? Dr. McGee said yes. Mr. Abare asked if it would be exhausted the next year? Dr. McGee said no, there is a bank system and he's not sure what the cap and payouts are. Mr. Abare asked if there is an option to pay that out? Dr. McGee said yes, and this would be an option exercised by the administrator if they had some unused in a year.

Dr. McGee said on page 25, this was a new position request, and this is to expand the SAU receptionist and the administrative assistant to our business administrator to full-time, it is currently ¾ time. He said this is the salary portion increase. The vast majority of this would be the full-time health benefits on line 11. He asked them to picture the district office with the front desk being unstaffed when parents and employees come to ask questions about the district. The BA also doesn't have a full-time assistant and he thinks that would help the district be more presentable and competent for the community.

Mr. Smith said to move to a full-time position, it's not a significant salary increase? Dr. McGee said correct. Mr. Smith said the benefits are more of the cost? Dr. McGee said yes. Ms. Larson said it is actually a \$6,000.00 increase because in that line are the increases from last year's budget to this years for the other people in those line items. Dr. McGee said to look on the last line of 110.

Dr. McGee said on page 32. Mr. Abare asked what outside speakers are on page 26? Dr. McGee said line 330, professional services. Dr. Marandos said we are using a contractor from town working on our belonging goal. Dr. McGee said for district initiatives, for the leadership team and teacher leaders regarding belonging and connections.

Mr. Abare asked about the website design and maintenance services for \$6,000.00? He asked what that's for yearly? Dr. McGee asked if he's spent time on their website. Dr. McGee said this service pays for the maintenance and the design tools with a team led by Keith.

Mr. Abare asked if it was like WordPress? Dr. McGee said it is a more advanced tool than that and it interfaces with some of their calendar and staffing databases. Ms. Larson said there is an app associated with that.

Mr. Sherman asked what the TSA match contribution? Dr. McGee said that is part of his contract and TSA is a contribution to his 403B. Ms. Mahoney said it is Tax Shelter Annuity.

Ms. Mahoney said on page 32, this is an expanded position for a full-time maintenance position (it is currently a half-time position). This would allow for us to have coverage for the second shift and give us a faster turnaround with work orders and become more efficient. This provides support in our maintenance area, which the needs are always increasing. The incremental cost for this is \$22,454.00 for the salary and the benefits are listed on the lines.

Dr. McGee said Mr. Ray Wilkins provides maintenance services through the district for the last 40-plus years. The elementary school is now the oldest school, the middle school is doubling in size and this position would allow us to have someone pick up the work that Mr. Wilkins has been managing for us for many years and we now need a second person.

Mr. Smith asked if these would be floating through all of the facilities in the district? Ms. Mahoney said yes and there are 2 maintenance positions, one is a full and one is a half currently, and we need two district-wide. Ms. Bressette said we have separate custodians for each school.

Ms. Bressette asked if our elementary school was the largest in the state? Dr. McGee said it isn't the largest, but it is one of the largest. Ms. Mahoney said we have six custodians for that building.

Ms. Mahoney said on page 36, this is for the regular transportation and there is a reduction there for \$89,046.00. they also had a reduction in the contracted daily bus rate so that is reflected on that line. below that, we no longer have a fuel surcharge in our contract, so that is a reduction of \$15,000.00. Just below that is special education transportation and there's an increase of \$89,050.00. When they went out to bid, our past rate was under what the market and so we went with our best price option, but we still see an increase in the daily rate. We are on a three-year contract with the option to extend two more years.

Ms. Bressette asked if that's what our last contract was? Ms. Mahoney said our last one was for five years. Dr. McGee said he talked with the first Lego league, and they were interested in a project related to engineering new ways to save money on this line. These are third and fourth grades on this team.

Dr. McGee said on page 37, human resources and staff services on line 280, new hire expenses (this relates to one of the school board goals – to make Pelham one of the best places to work). One of the things we want to improve is our intake process for new hiring. He said they want to have live fingerprinting scanning. Currently, they fingerprint both volunteers and all new hires. They use the old ink and pad system currently and a fair number of those get rejected. This is scanning on a glass plate, and this reduces rejections significantly. This increase is for \$7,193.00.

Mr. Grant asked why they don't come and use the police department's live scan system?

Dr. McGee said it depends on schedules and simplifying the process for new employees and being able to do that on the school site. Also, we do a lot of hiring during July and August and it is very busy, and he doesn't know if that capacity is there. Mr. Grant asked if they have asked?

Dr. McGee said that's the initial cost with \$949.00 as an annual service fee. Dr. McGee said he can look into that. Mr. Sherman said this isn't just during the summer and it is also for volunteers.

Dr. McGee said yes. Mr. Grant concurred but said there is a functioning live scan in the police department and doesn't know why it would be replicated.

Mr. Sherman asked if the police have a live scan? Mr. Grant said yes.

Mr. Abare said he was just fingerprinted on a machine like this, and it took less than five minutes. Ms. Bressette said it could be hundreds of people. Mr. Sherman said that's another justification for needing a full-time receptionist.

Dr. McGee said continuing with human resources they are looking at new software on line 446, rental lease software called Unified Talent. This connects human resources to our financial package software and this cost is for implementation and an annual fee of \$8,500.00 per year. This would help with onboarding, payroll and sign-offs for trainings. He said this would bring efficiencies in the office.

Mr. Abare asked about the silos with onboarding people now and it's \$8,500.00 yearly, can he expand on this? Mr. Abare also asked what PowerSchool was?

Dr. McGee said PowerSchool is the brand name for student information system we use. It's for electronic records and they have found systems under the same umbrellas create efficiencies. Currently the financial package is part of the PowerSchool set of tools, called E-finance, that's within PowerSchool. The human resource system for absences, substitutes, technology authentication, trainings for staff, all of those are separate systems. He said this and the fingerprinting will pay for themselves in hours earned back from our staff. Mr. Abare asked if we got any efficiency and does this new program encompass anything else that we are already doing with another program? Dr. McGee said we don't know, but we use a tool called Absence management. He wouldn't let that go yet. He said there is a technology database used for maintaining for usernames and both of those are places we may be able to do, but they're not proposed as a one for one swap this year. He hopes we can let some of those go, if Unified Talent can do what we hope it can. Mr. Abare asked if he can look into that more? Dr. McGee said he would.

Mr. Sherman asked if it would keep track of teacher/staff development hours needed for state certification? Dr. McGee said he didn't think it captured that. Mr. Sherman asked if they had a program that did that? Dr. Marandos said we do, it's called Teach Point and they have access to that. Dr. McGee said that probably wouldn't go away. Mr. Abare asked if that was part of PowerSchool? Dr. Marandos said no, but it encompasses so many other applications including Naviance, and they are a company that keeps purchasing other companies and putting them all under the same umbrella. She said many companies have come under PowerSchool over the last couple, of years.

Ms. Mahoney said she has a note that they'll bring back additional information about Unified Talent.

Dr. McGee said on page 39 professional services, technology services. This is further discussion on PowerSchool, and they have been searching for three years for a half-time database manager. This has been in the approved budget, but they haven't found anyone, and they considered asking for a full-time so it could be more likely to be filled. He said he's not bringing that forward instead bring a PowerSchool systems consultant. This was going to be \$15,000.00, he reduced that by \$10,000.00 so it's \$5,000.00 remaining on that line for high-stakes transition such as scheduling or gathering parent information or submitting state reporting.

Dr. McGee said on page 41, Dr. Marandos said line 650 software there is an increase of \$14,275.00 due to inflation but also some are new software. After reviewing this with the new director of technologies, some of these we are currently using.

Mr. Abare asked if they called them and asked for discounts? Dr. McGee said they have and this is actually the deal. They have done all this upfront and this is the number now. He said they can make that call. Mr. Abare said he would make that call if he worked for the school.

Dr. McGee said the implication there is, that we haven't, but we have and we always do. But we can make the call again if that's what he would like. Mr. Abare said he means in conjunction with the new software they are buying. Dr. McGee said they can do that.

Dr. McGee said page 42, technology services, 734 equipment additional, one thing that's become standard in classrooms in projectors. these are the Promethean boards, large, touchscreen boards. At the high school, the projectors are aging, this is part of the plan. This is spread out over 6 years instead of 3. This is to replace all of the projectors with these Promethean boards.

Line 738, equipment replacement and it is part of the tech plan, and this is over the next 2 years to replace the wireless access points and switches. First, they will do the wireless access points next year, separate from Memorial, which is part of the bond, but that accounts for the \$150,000.00 line. Because of other reductions, while trying to smooth the tech plan, there are other reductions, and this line is only up \$75,000.00.

Ms. Mahoney said on page 43, debt services. The principal dropped \$27,975.00 and this is year 2 of the Memorial school bond and year 9 of the High school bond. They both have a 20-year term. Below that is the interest and there is a reduction of \$123,878.00.

Ms. Mahoney said the food service budget is a self-funded budget and the amount of money we have for expenses are offset by revenue and the cost of this program does not impact the taxes.

Page 1, there is a non-bargaining salary pool, the same percent as the other group at 3.5%.

There's a non-bargaining group in food service and it includes 22 positions. That covers all three schools.

They provided an equipment replacement schedule to this group for the next 5 years. There is equipment in the elementary school that is needing replacement (that's on the bottom of page 3, for \$30,000.00). That includes double-deck ovens. Page 4, this is to support the Memorial school project, there is one piece of equipment to help with that transition for the new kitchen for \$25,000.00.

Ms. Bressette asked if the double-deck oven is 20 years old? Ms. Mahoney said yes, it's original to the building, so 22 at this time.

Ms. Mahoney said their intention is to move a position from the High school to the Memorial School to support the new kitchen space to be able to cover the new lines. There's no impact, they haven't added a new position, they're just looking to transfer.

Page 5, they were going to lease a refrigerated vending machine and the offsetting sales would pay for the cost of that. This has been deferred for a couple of years due to the pandemic and the lack of access to the buildings. But they are looking to get a vending machine in the High school and the Memorial school. This will be supported through the sale of the products within it.

GRANTS

Ms. Mahoney said this is funded through other means, not taxes. Through our grants such as our Title I and IDEA. The same amount is carried over and is \$705,865.00, that is a reasonable estimate of what we'll get in next year's revenue in federal funding and that is why all the positions are the same listed within this budget unless it's noted. There is no change in this budget.

Mr. Sherman asked if this was just federal funds or federal and state funds? Ms. Mahoney said we budget the positions under federal, (IDEA and Title I) and then we budget on page 1, a placeholder for potential grants. That includes any state grants we could secure. We just got notice we were

eligible for a state grant to upgrade some cameras for the High school. We will use this budget as the appropriations for that need.

OTHER SPECIAL REVENUE

Ms. Mahoney said this fund we use for non-state and non-federal grant money. This is the wellness grant we get from HealthTrust that we use for wellness initiatives. We also get E Rate money, and we budget the same flat rate which is \$52,000.00 to be able to support the expenditures we might get from these grants.

Dr. McGee said if there are any questions, to please email them to Meg and then to Deb on their end and they will get the answers.

Ms. Bressette said next week we'll review the entire school budget. The vote on this will be the following week, along with the vote on the town budgets.

Ms. Mahoney asked what the deadline is for the warrant articles? Ms. Bressette said she would like to get those by early next week. She would like to review them at next Thursday's meeting. She asked if they would only have two?

Dr. McGee said yes, only 2 at this stage and he doesn't foresee any more. He said there could be an update coming out of the board meeting for the warrant article. He asked if she would prefer a draft earlier in the week and then a new version after the board meeting? Ms. Larson said the second warrant article has no numbers right now because it's the PESP CBA.

Ms. Bressette said you don't have the numbers, or you do? Ms. Larson said no. Ms. Bressette said a draft is fine. Ms. Mahoney said they may not have the numbers for that distribution because they have to go through the process of board support. Ms. Mahoney said if she did have it, it would be on Thursday and not earlier. Ms. Bressette will look back at last year to see what they did.

ADJOURN

MOTION: (Mr. Martony/Mr. Sherman) To adjourn the meeting.
VOTE: (10-0-0) The motion passed.

The meeting was adjourned at approximately 7:49 PM.

Respectfully submitted,
Jennifer Castles
Recording Secretary