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APPROVED
TOWN OF PELHAM
BUDGET COMMITTEE - MEETING MINUTES
Monday, October 27, 2014
APPROVED – November 3, 2014

CALL TO ORDER – at approximately 7:30pm

PRESENT: Mr. Daniel Guimond, Mr. David Cate, Mr. Bob Sherman, Mr. Dave Cronin, Ms. Daryle Hillsgrove, Ms. Amy Spencer, Mr. Michael Bilby, Mr. Leo Rush, School Board Representative Megan Larson, Selectmen Representative Doug Viger

ABSENT: Greg Smith (excused)

Also present: School District Superintendent Amanda Lecaroz, School Business Administrator Steve Martin, Human Resources Director Deborah Mahoney, Food Service Director Kelly Rambeau, Technology Coordinator Thomas Mersereau

PLEDGE OF ALLEGIANCE

MEETING MINUTES

October 20, 2014

MOTION: (Sherman/Cate) To approve the October 20, 2014 meeting minutes as amended.

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

October 23, 2014

MOTION: (Cronin/Cate) To approve the October 23, 2014 meeting minutes as written.

VOTE: (9-0-1) The motion carried. Mr. Viger abstained.

2015 SCHOOL BUDGET PRESENTATION

School District Superintendent Amanda Lecaroz, School Business Administrator Steve Martin came forward for budget presentation/review.

Food Service

The Food Services budget was presented in sections: District Wide, Pelham Elementary School, Memorial School and Pelham High School.

Beginning with District Wide, Mr. Martin explained the bookkeeper position was previously a part-time bookkeeper/part-time elementary school food service worker. In reviewing the internal operations and having additional accounting controls, the position was now a full-time bookkeeper. The salary has been moved from the elementary school to the district wide account. Mr. Larson added that Ms. Rambeau reviewed personnel and how the department operated. Positions were shifted to allow for work to be done more efficiently and effectively. Mr. Martin noted there was no additional incremental costs with the reorganization of the department and reminded the Board that it was a self-funded program.

District equipment showed a decrease as a result of it being budgeted at the specific location. Mr. Cate questioned if the renovation cost was included in the budget. Ms. Lecaroz answered yes (under the 734 account at the high school for additional equipment).

Ms. Larson commended Ms. Rambeau for how she handled the department.

Mr. Sherman questioned if the high school would need to offer more lunches after the renovation project was complete. Ms. Lecaroz replied they would have more space. The number of lunch periods wouldn't increase, unless there was an increase in enrollment. Some of the new equipment would allow the lunch program to offer additional foods to students, which was expected to increase participation. Mr. Guimond questioned what percent of school population participated in the lunch program. Ms. Rambeau stated they served approximately 1,300 meals per day between the three schools. Mr. Martin noted there may be an additional staff person at the high school in FY17 because the a la carte line would be added.

Mr. Rush understood that the St. Patrick's request was turned down at the last Town Meeting. If approved this year, he wanted to know if it would be reflected in the food service budget. Ms. Larson replied the food service worker at St. Patrick's was contained in the food service budget (district employee - under the elementary school budget).

Mr. Guimond thanked Ms. Rambeau for meeting with the Board and felt she was doing an excellent job.

Grants

Mr. Martin reminded the Board that the budget was gross appropriated; they didn't have any grants yet for FY16. Detail budgets for staff was included because it came out of personnel budgeting module. The budget is allocated out as they apply for and receive approval for grants. Mr. Martin noted they didn't spend anything in fund 22 unless they had an approved grant.

Mr. Viger wanted to know if the budget met the requirement for matching grants. Ms. Lecaroz explained the budget was primarily the federal entitlement grants. Usually they are informed late spring how much money was allocated to Pelham.

District-Wide

Mr. Martin discussed how the budget was composed and what it included.

Mr. Sherman asked for the daily rate for substitutes. Mr. Martin replied they paid \$65 per day. Mr. Sherman questioned if they had any problems getting substitutes. Mr. Martin answered yes; they encountered problems because of the rate they pay and other schools having specific computer software that allows them to capture substitutes before Pelham can contact them. He stated Pelham looked into obtaining the software, but found it very expensive.

Mr. Cronin asked for confirmation of how the salary line was structured for the person listed in the 110 account (described as TEA IAC). Mr. Martin explained there was one person expensed to the account; most of the items listed were required by the collective bargaining agreement ('CBA'). A similar framework was used in other areas of the budget for salaries.

Mr. Cronin asked if it was possible to have the number of days substitutes were used in FY14. Mr. Martin discussed how the information was listed in the budget. Ms. Mahoney indicated she would gather as much information for the Board as possible. Mr. Cronin said he would like the number of long-term substitutes there were for FY14 and how many would be used in FY15. Ms. Lecaroz indicated for FY15 they already knew about seven long-term substitutes that were needed. Based on history, she anticipated possibly two or three more before the end of year. Mr. Martin added that long-term substitutes were paid per the teacher contract.

Mr. Viger questioned how the school budgets for people who were retiring. Mr. Martin explained that the CBA required people to notify them by November 1st a year ahead of the year they had to budget. (Example – Employee notifies the district by November 1, 2014 so the FY16 is where it would be scheduled.)

Mr. Guimond inquired why the instructional assistant salaries had increased. Mr. Martin spoke of the requirements to provide one-on-one instruction. He noted that the high school had been holding a half position in their budget to cover costs of an instructional assistant to attend a student's school activities (outside of the classroom). The high school budget was reduced in that area and the cost was now being reflected in the district wide budget.

Mr. Cronin referenced a note for item 321-Professional Edu Services that indicated the item was missed in the FY15 budget. He questioned where the funding previously came from. Ms. Lecaroz replied the FY15 budget was creased based on the line items, not knowing that the line had been paid for from other places. The FY16 budget corrected the oversight to accurately reflect the budget line. This budget line is for students that

91 have finished four years at the high school; the district is responsible to continue to educate those students until age twenty one. The goal is to
92 have those students in community based programs so they can become familiar with a work environment.

93
94 Mr. Cronin spoke of the legal services lines and questioned if the school could utilize a similar service as used by the Town. Mr. Viger noted the
95 Town used New Hampshire Municipal Association (Local Government Center) who had on staff lawyers they were able to utilize more so than
96 counsel. The Town has realized some savings in doing so. Mr. Martin replied they didn't specialize in schools. He stated special education
97 attorneys were an elite group. Ms. Spencer inquired who provided the school legal services and what they provided. Ms. Lecaroz stated the
98 school worked with Wadley, Starr & Peters who ensured the school remained in compliance and assisted with due process hearings and other
99 services.

100
101 There was a brief discussion regarding item 564 tuition to private schools, which anticipated a student placement, and item 569 tuition residential.
102 Transportation cost for the private school is listed in the transportation line. Ms. Lecaroz noted if the money for tuition wasn't used, it would be
103 returned; those funds are not spent in any other area of the budget. It was pointed out that the day placement cost for one student at St. Anne's
104 was \$54,274; residential placement for one student was \$155,790. Ms. Larson called attention to the fact that the day placement cost was
105 inexpensive when compared to some of the other schools listed. Mr. Cate noted that the school received a small percentage back called
106 catastrophic aid. Mr. Martin believed they received approximately \$227,000. Each year the percentage changes. Mr. Rush wanted to know if the
107 budget could be reduced by the grant amount. Mr. Guimond answered no; these lines were structured for gross appropriation, which required the
108 total expense be shown in the budget because the catastrophic aid was considered a revenue. He pointed out that the Town was also based on
109 gross budgeting. Ms. Lecaroz provided the Board with a number breakdown of special education students by grade level; there are presently 324
110 special education students within the district. Mr. Cate questioned if the School Board planned to have a warrant article to place money into a
111 special education capital reserve. Ms. Larson answered yes; it was on their warrant article schedule.

112
113 In reviewing the special education budget. Mr. Rush asked if anyone was lobbying legislature to fund mandates that are handed down to the Town.
114 Mr. Sherman replied there was a change passed in the late 1980's to the New Hampshire constitution that prohibit the State from passing down
115 new programs. He commented things such as retirement weren't "new" programs. He stated Pelham currently had one representative at the State
116 and hoped the four candidates running would be elected during the upcoming election.

117
118 Mr. Viger didn't feel the situation was a matter of the Town's representation; it was a matter of education for individual children and how they
119 function in society. He commented that the School Board fought hard to ensure those students were taken care of in-district as much as they could
120 be. He didn't want legislature saying they couldn't take care of children that live in the Town. He felt the budget was a small price to pay for
121 children to be able to contribute in society. Ms. Spencer agreed with Mr. Viger. She believed Mr. Rush's point was if mandates were coming
122 from the State or Federal government, if those mandates could be funded by the government entity making that mandate rather than paying at the
123 Town level. Mr. Rush replied his comment was in reference to the English as a second language program. He felt people in the country should
124 learn to speak English. Ms. Lecaroz replied the program was designed for that to occur.

Mr. Guimond questioned how many students were in the extended school year. Ms. Lecaroz replied there were approximately 130 students during the summer of 2014. She spoke about the program, which was primarily designed for special education students to continue education during the summer so their development wouldn't regress.

Mr. Bilby wanted to know what caused the \$8,000 adjustment in the 2210 improvement instruction budget for curriculum meetings required by CBA. In proofing the budget they found it to be a duplicate entry that was also budgeted in the 1210 account – extra salaries for staff to attend after school meetings, assessments etc. Mr. Martin noted there was an additional line under 1100. He told the Board it was listed as a separate line item last year, but in proofing the budget found it was part of another line item, so the adjustment was made for FY16.

Mr. Cronin asked how many employees were eligible for item 291 - TSA match contribution. Mr. Martin believed there may be 15 people eligible. They will provide an exact number. Mr. Cronin also wanted to know what rate was used for item 271 – course reimbursement PEA. Ms. Lecaroz answered it was based on the University of New Hampshire rate.

Mr. Cate asked for a status update regarding the technology plan. Ms. Lecaroz spoke about the plan schedule, which was not yet fully implemented but was progressing. They were in the process of rewriting the plan for FY17-19.

Mr. Bilby wanted to know what was provided with the audit services (item 2317) and legal services (item 2318). Mr. Martin replied the district had an annual audit conducted by Plodzick & Sanderson, similar to a standard audit any company would have done. The audit service handled the Federal government single audit. The legal services were handled by Soule, Leslie, Kidder, Sayward & Loughman (general counsel) and comprised of any legal service other than special education.

Under item 2620 – building services, Mr. Cate questioned if the number should be adjusted downward if it included work at the high school since the renovation was occurring. Mr. Martin noted there were two types of summer work: custodial help to clean the buildings and painters. He mentioned during the summer there would only be one quarter of the high school not operational, plus the addition would be included in the schedule. Ms. Lecaroz said the high school wouldn't have a lot of summer painting, which would allow for more painting to be done at the other schools. She noted they generally don't get all the painting done during the summer and it would allow them to try to catch up. Mr. Sherman questioned who would move supplies from the high school into the new addition. Ms. Lecaroz said there was a plan pending discussion with the School Board; she believed that plan would be covered by the project budget.

Under item 2630 – grounds services, Mr. Cate wanted to ensure the budget was adequate. Ms. Lecaroz explained Boyden Landscaping was contracted with the Town and the School. Currently, they are providing additional service to the Town to maintain fields (Muldoon and Raymond) for the school's use. The plan is to have the school utilizing their own fields next year. The field maintenance was weather dependent;

158 if for some reason the school fields didn't take, they may need to utilize Town fields. Mr. Cate questioned if the budget figures were contracted
159 amounts. Mr. Martin pointed out that the budget was allocated to the individual schools and not all in the district wide budget.

160
161 Mr. Sherman asked when the portables (behind the high school) would be removed. Ms. Lecaroz stated the removal would be included in the
162 FY17 budget.

163
164 Mr. Cronin inquired how many buses were used in regular transportation. Ms. Lecaroz replied there were fifteen buses. Mr. Cronin asked how
165 many special education buses were utilized. Mr. Martin answered special education was on an as needed basis. There were currently three
166 buses/schedules utilized. It was noted that the decrease in specialized transportation was due to the program being reviewed and consolidation of
167 routes. Mr. Rush noticed a line for diesel and questioned if the district paid for fueling the buses. Mr. Martin answered yes; it was included in
168 the five-year contract. They were currently in the third year of the contract.

169
170 Under 2840 – technology services, item 230 consulting support, Mr. Cate understood the school had IT support and questioned why consultants
171 were needed. Mr. Martin stated consultants were utilized for specialized needs and advanced networking. There was a brief discussion regarding
172 data communications. Technology Coordinator Thomas Mersereau came forward and explained the purpose for the upgraded internet access
173 service. He pointed out each electronic device entering the school had the ability to have multiple applications that could ping the internet for
174 updates to status and other things. A typical smart phone has approximately seventeen simultaneous connections going back and forth from device
175 to the service. Mr. Mersereau said they didn't anticipate the number of connections being so high, which slowed the system down. The situation
176 was handled by upgrading the connection to the school.

177
178 The Board concluded their budget review.

179
180 Mr. Rush spoke of a question he raised last year regarding making a cut to the budget. He asked the same question this year. He questioned if
181 there was a percentage that could be cut from the School's budget. Ms. Lecaroz she didn't believe a cut could be made without significantly
182 impacting the provided services. She noted without factoring in the high school bond and other high school requirements, the budget was coming
183 in with an approximate 2.3% reduction. Ms. Hillsgrove added that the savings the school had was on the FY14 year; they haven't yet realized the
184 impact of the FY15 budget because the year hasn't been completed. She commented that the proposed FY16 budget was much more defined with
185 better explanations than with the FY14 budget. Mr. Guimond pointed out that the remaining balance for FY15 should not be the same as FY14,
186 which had unanticipated revenues and one-time items.

187
188 Mr. Larson discussed since Ms. Lecaroz and Mr. Martin had come on board with the District, they've done a good job looking at the district as a
189 whole and how improvements could be made. She said they continued to do so along with the individual schools and departments. As
190 educational practices change, the budget will be adjusted accordingly. Ms. Larson felt the most confident with the proposed budget than she has
191 with prior budgets. She believed they were doing a great job.

192
193 Mr. Guimond commended Ms. Lecaroz and Mr. Martin, along with their staff, for the work they do to put together the budget and streamline the
194 process. He felt the presentations have been outstanding.
195

196 **ADJOURNMENT**
197

MOTION: (Sherman/Cate) To adjourn the meeting.

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

198
199 The meeting was adjourned at approximately 9:12 pm.
200

201 Respectfully submitted,
202 Charity A. Landry
203 Recording Secretary