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APPROVED
TOWN OF PELHAM
BUDGET COMMITTEE - MEETING MINUTES
Thursday, October 22, 2020

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CALL TO ORDER – at approximately 7:00pm

Chairman David Cronin opened the meeting and read aloud “A Checklist To Ensure Meetings Are Compliant With The Right-to-Know Law During The State Of Emergency” (*regarding access to the meeting*)

Mr. Cronin asked Committee members, when their name is called, to please confirm their presence and to please identify as the right to know law requires, who, if anyone, was in the room.

ROLL CALL VOTE:

PRESENT: David Cronin – Present in person
Amber Capone – Present in person
Bob Sherman – Present in person
Meg Bressette – Present in person
Eduardo Martony – Connected via Zoom - Inaudible
Philip Haberlen – Present in person
Jason Croteau – Present in person
Kannan Sasi – Present via Zoom
Jas Moorjani – Present via Zoom
School Board Representative Deb Ryan – Present in person
Board of Selectmen Representative Bob Haverty – Present in person

ABSENT: None

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PLEDGE OF ALLEGIANCE

MINUTES REVIEW:

October 8, 2020:

MOTION: (Sherman/Capone) To approve the October 8, 2020 meeting minutes (red-lined revision dated October 19, 2020) as amended.

ROLL CALL VOTE: David Cronin – Yes
Amber Capone - Yes
Bob Sherman – Yes
Meg Bressette – Yes
Eduardo Martony – Yes
Philip Haberlen – Yes
Jason Croteau – Yes
Kannan Sasi – Yes
Jas Moorjani – abstained
Deb Ryan – Yes
Bob Haverty - Yes

(10-0-1) The motion carried.

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2021 SCHOOL BUDGET REVIEW

Coming forward in person for budget review were: Superintendent Chip McGee, Director of Curriculum, Instruction and Assessment Sarah Marandos and Business Administrator Deborah Mahoney.

Mr. McGee provided the Committee with a brief summary of school operation (in person and remote), changes to schedule, meals, classroom spacing and other aspects of learning at this time due to Covid. Thus far he has found it to be a pleasant experience. He spoke about the school and district staffing and position changes that had occurred. He believed the district was in a good place because of the community-wide effort to follow certain protocols during Covid. Mr. McGee informed the School Board had set out three big goals for the coming year which has shaped some of the budget work: 1) health and safety, 2) propose and pass Pelham Memorial School renovations/upgrades and 3) work on culture and climate within the schools (retention of leadership/staff). He mentioned the pandemic had a significant impact on the budget, which has been ‘frozen’ for this year. Because of the switch to remote (March 2020) certain day-to-day expenditures were down quite a bit. He noted none of the emergency positions that were filled for the current year were included in the proposed budget unless specifically spelled out. Regarding Special Education costs, he mentioned they are driven primarily by State and Federal law requiring the district to provide a free and appropriate public education to all students residing in Pelham. Mr. McGee ended by speaking about technology and instructional materials. Knowing they were looking at a difficult economic time in the country, he gave guidance to the leadership team to develop a level services budget and did not ask them to plan on new/innovative programs for next year.

Ms. Mahoney began by referencing the Executive Summary and budget summaries as recommended by the School Board.

General Fund:	\$33,720,135
Food Service Fund:	\$ 1,134,298
Grants Fund:	\$ 705,865
Other Special Revenue:	\$ 52,000
TOTAL:	\$35,612,298 (representing a 4.35% increase)

Ms. Mahoney pointed out much of the increases throughout the budget related to salaries and benefits. They are currently in year three of the Collective Bargaining Agreement with the teachers. They are in year two of the Collective Bargaining Agreement with the instructional assistants. Medical and dental benefits are based on the current plans; the rate calculation increase is based on a guaranteed maximum rate provided by the health provider. This year’s rate (included in the budget) is 9%. There is no change to dental. The ancillary insurance increases are estimated at 10%. They were notified by the State that the Legislature has changed the rates for New Hampshire retirement; rates are included in the budget.

Mr. Cronin asked for information regarding the number of employees that have signed up for medical insurance and those who have waived insurance. Ms. Mahoney informed as they review the budget, she will take note of questions and will send information back (via email) to the Committee.

Mr. Moorjani asked for clarification of the figures for the general fund (\$33,720,135) and the total budget request (\$35,612,298). He wanted to know what made up the difference between the two amounts. Ms. Mahoney replied the \$33,720,135 was the figure for just the general fund. The total budget request of \$35,612,298 included four different funds (as shown above); three of which are self-

73 funded and the other is taxpayer based funded. The budget summary showed the details. Mr. Moorjani
74 asked for expanded information regarding the estimated revenues from other sources. He wanted to
75 know what they would be asking for from the Town. Mr. McGee suggested Mr. Moorjani provide his
76 question via email, so they know what information to provide. Ms. Capone believed the \$33 million
77 figure referenced the taxpayer amount (minus State revenue). She said the other funds were self-funded.
78 Ms. Mahoney stated there were offsetting revenues that would reduce the \$33 million figure. Mr.
79 Sherman saw that the Adequacy Aid Grant showed a projected reduction of approximately \$250,000.
80 Ms. Mahoney replied the figure was an estimate; the real number doesn't come in until November.

81
82 *Elementary School*

83 FY2021 Adjusted Budget : \$7,360,223

84 FY2022 School Board Recommended: \$7,771,727 (increase of \$411,504)

85
86 Ms. Mahoney began to review the sections within the budget. Mr. Sherman asked what rate was used
87 for gas and diesel (626). Ms. Mahoney replied in that line they had a small amount of money in the
88 District wide budget for trucks and they had a budget for an overage of regular transportation. She said
89 they were flat budget amounts; they budget a 'pool' of money based on previous experience. She noted
90 there were certain items throughout the budget that were deferred in FY21 but were important to the
91 program. They would like to continue getting those items; therefore, the budget contained notes
92 regarding such.

93
94 Ms. Capone asked if they expected to receive any relief from the government for Covid-related costs.
95 Ms. Mahoney answered yes. She said the estimated revenue does not include the Cares Act money as
96 she was not certain how much they would be eligible to receive at this time. She's heard the State is
97 preparing to provide additional funding to schools, but she didn't have an official notice regarding the
98 amount. If money were to come into the District it would be posted as unanticipated revenue and offset
99 the overall expenses. She noted they could only spend what they appropriate. Mr. Sherman commented
100 if the school were notified, they would be receiving funds from the government they could ask for a
101 budget adjustment during reconsideration.

102
103 Mr. McGee spoke to the Special Education Coordinator position within the budget. He described the
104 responsibility of the district and the position. He said the position was expanded this year on an
105 emergency basis and was currently filled as a full-time position. They would like to maintain the
106 position given the case load and intensity of cases. There was a brief discussion regarding the expansion
107 of the nurse position from half-time to full-time. Mr. Sherman felt based on the standard per-student
108 recommendations, the school was understaffed.

109
110 Ms. Mahoney continued to review the budget lines. Mr. Sherman inquired if the school was able to use
111 Pennichuck Water. Ms. Mahoney answered yes; they were seeing increases in the current year. She
112 mentioned they work with an energy consultant to understand what the forward market looks like.
113 Based on the forward market they were informed the rates in the current plan is appropriate for them to
114 budget again for all but propane. Propane was the only area with an increase. She noted because they
115 went remote for the second half of last year, they weren't able to assess their average, therefore they
116 maintained the average within the current budget. Ms. Mahoney spoke about the elementary school
117 parking lot that was experiencing significant damage at the entrance. They are monitoring the situation
118 and included the replacement of the parking lot in the capital improvement plan. In the interim, they are
119 looking to sealcoat the parking lot next summer and defer the replacement; they will revisit the capital
120 improvement in the spring. Mr. Sherman asked if there was any thought about bringing irrigation to the
121 front of the school. Ms. Mahoney replied they needed improvement to the front sections but had not
122 been directed to do something. Mr. Sherman understood the playground area sometimes flooded in the
123 spring and questioned if the issue had been taken care of. Ms. Mahoney replied it had been taken care

124 of. They worked with the School Board and had additional funds to fix it last spring. Mr. Sherman
125 asked that in the winter when the area is plowed, they keep the area accessible for children to access.
126 Ms. Mahoney noted they had carried a \$35,000 encumbrance for the installation of a potential
127 improvement to the elementary school playground. The parent/teacher association has provided the
128 school with some donations this past spring; however, they have a larger plan for a larger project to
129 improve the playground. There will be some installation costs for work to be done by a contractor,
130 which was the reason for carrying the \$35,000.

131
132 *Memorial School*

133 FY2021 Adjusted Budget : \$5,326,787

134 FY2022 School Board Recommended: \$5,554,169 (increase of \$227,382)

135
136 Ms. Mahoney reviewed the proposed budget. Mr. Haberlen confirmed one of the salary amounts listed
137 as it looked substantially higher than the others. Ms. Mahoney replied the salary amount listed was
138 accurate; it was for an experienced educator. Mr. Sherman noted the position was listed within the union
139 contract. Mr. Cronin inquired if the administration contracts were all single negotiations. Mr. McGee
140 answered yes; there was not a collective agreement. Ms. Mahoney added they had a standard contract
141 for the administrators; they are not individually negotiated; the term is a one-year period. It's a non-
142 bargaining pool of employees.

143
144 *High School*

145 FY2021 Adjusted Budget : \$8,644,907

146 FY2022 School Board Recommended: \$8,864,908 (increase of \$220,001)

147
148 Ms. Mahoney discussed the proposed budget. Mr. Cronin confirmed the school had continued to send
149 students to CTE classes (to Alvirne and Pinkerton) during the present school year. Mr. McGee answered
150 yes. Mr. Cronin questioned how many students were enrolled. Ms. Mahoney believed they had
151 budgeted for seventy-seven students and would verify the total number of anticipated students for next
152 year.

153
154 **General budget questions**

155
156 Ms. Capone referenced back to the elementary school budget and asked for more information regarding
157 the parking lot seal coating. She saw on the Capital Improvement Plan ('CIP') they were scheduled to
158 do the asphalt (\$144,000); however, the budget request was \$40,000 to seal coat. She did a web search
159 and saw the lifespan for seal coating was 3-5 years. She noted the seal coat request was 29% of the
160 overall (CIP) project, which would 'band aid' a situation that would last approximately 3-5 years. She
161 asked for the rationale behind the budget item (to seal coat) and wanted to know if they would be saving
162 money overall. The CIP lists the asphalt in year 2023. Ms. Mahoney replied for the school, 2023 would
163 be in the summer of 2023 and not next summer (2021). Mr. McGee said it was likely they were going to
164 move the paving to at least 2024; it was a matter of how many more years they could get from it. He
165 said it was cost effective to push it out several years. Ms. Capone replied it was not less expensive for
166 seal coating. She said if the (seal coating) cost was broken up over five years it would cost \$8,000 per
167 year. She pointed out the asphalt had a thirty-year life, if the cost were broken out (over thirty years) the
168 cost would be \$4,800 per year.

169
170 Mr. Sherman commented if the Memorial School project is approved by the voters that school's parking
171 lot will need to be addressed. He questioned if there would be a cost savings by doing both schools. He
172 pointed out the high school had porous pavement and questioned if they were monitoring the situation.
173 Ms. Mahoney replied they were monitoring the area. Mr. Sherman believed all three schools should be
174 looked at. Ms. Capone said she would hate to see them spend \$40,000 on a 'band aid' fix. With the

175 discussion, Mr. McGee said their hope would be to have support for the full cost of the parking lot in a
176 year.

177

178 Ms. Bressette clarified that the school's request would be to maintain the base coat and not 'rip up' the
179 entire parking lot. She understood seal coating would do this to save future costs. Ms. Mahoney said
180 they were trying to protect the substrate to make sure it was maintained for when they do the topcoat.
181 She said the \$144,000 was not as much as the project could cost if the substrate were damaged below it.

182

183 Mr. Cronin stated a few of the Committee members were fortunate to have a guided tour of Memorial
184 School. He provided members with a hand-out provided during the tour.

185

186 In looking at the proposed budget, Mr. Moorjani believed the school was asking the Town to provide
187 approximately \$26.7 million and asked for verification of the amount. Mr. Cronin wanted to know if
188 Mr. Moorjani was asking for clarification of his question raised at the beginning of the meeting the
189 budget regarding the amount remaining (as Town responsibility) after the State money was subtracted.
190 Mr. Moorjani believed someone should provide the Committee with information about how much the
191 Town would have to pay for the school system. He wanted to know the exact budget number and if
192 someone present (in person) who understood his question. Mr. Cronin believed the information Mr.
193 Moorjani was referencing were numbers conjectured at the time because they didn't have an accurate
194 count (of revenue). Mr. Moorjani said he was having difficulty understanding the response and wanted
195 to know if anyone present could understand his question. Mr. Sherman asked Mr. Moorjani if he was
196 referencing the information on page #4 of the first seventeen pages of the proposed budget that lists a
197 general fund table. He stated the information indicated the Town was expected to pay \$33,720,135 but
198 that figure didn't include the figures from Food Service, Grants Fund and Other Special Revenue, which
199 would make the total school budget \$35,612,298.

200

201 Mr. Moorjani referenced pages 8 and 11 of 17. He understood the schools request was \$33,720,135 but
202 then they show revenue from other sources as being \$6.95 million, which meant to him that the school
203 expected the Town to provide \$26.7 million.

204

205 Ms. Ryan suggested Mr. Moorjani submit his question by email directly to Ms. Mahoney. She felt the
206 question wasn't as simple as it appeared. Ms. Mahoney explained the revenue page referenced by Mr.
207 Moorjani was an 'estimated' revenue. It was her first estimate on what revenues might look like next
208 year. Mr. Moorjani understood nothing was exact. He wanted to know the approximate amount of what
209 the Town had to provide, which was in the millions and not a figure in the thousands. Ms. Mahoney
210 noted it dealt with gross appropriations. She believed it would be helpful for Mr. Moorjani to email her
211 the specific question. She will be able to provide an example using the current year since the budget for
212 next year was estimated. Mr. Moorjani stated again that he understood the figure would be an estimate
213 within the planning process. He commented that the Town had to fund the school system and therefore
214 wanted to know how much would be expected to do so. He was asking the question because he was
215 unable to get the total revenue amounts from the Town. Mr. Cronin asked for the discussion to remain
216 on topic regarding the schools. He will be able to discuss other points at another time. Mr. Moorjani
217 stated he would forward an email to Ms. Mahoney.

218

219 **ADJOURNMENT**

220

MOTION: (Capone/Croteau) To adjourn the meeting.

ROLL CALL David Cronin – Yes
VOTE: Amber Capone – Yes
Bob Sherman – Yes

BUDGET COMMITTEE MEETING Thursday, October 22, 2020

Meg Bressette – Yes
Eduardo Martony – Yes
Philip Haberlen – Yes
Jason Croteau – Yes
Kannan Sasi – Yes
Jas Moorjani – Yes
Deb Ryan - Yes
Bob Haverty - Yes

(11-0-0) The motion carried.

221

222 The meeting was adjourned at approximately 9:25pm.

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224

Respectfully submitted,

225

Charity Landry

226

Recording Secretary