

DRAFT
TOWN OF PELHAM
BUDGET COMMITTEE – MEETING MINUTES
Thursday, October 19th, 2023

1 **CALL TO ORDER** – Ms. Meg Bressette opened the meeting at approximately 6:36 PM.

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4 **PLEDGE OF ALLEGIANCE**

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7 Ms. Bressette called attendance:

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9 **PRESENT:** Chair Meg Bressette
10 Secretary Deborah Ryan
11 Bob Sherman
12 Phil Haberlen
13 Ellen Cormier
14 Paul Grant
15 David Silva
16 School Board Representative David Wilkerson
17 Selectmen Representative Jason Croteau – *not present during roll-call; arrived at 6:40 PM*
18 Recording Secretary Heidi Zagorski

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20 **ABSENT:** Garrett Abare – *excused*
21 Vice Chair Greg Smith – *excused*

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24 **BUSINESS**

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27 **MINUTES REVIEW: October 12th, 2023 and October 14th, 2023**

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29 Ms. Bressette asked to change \$1 to \$2 on line 330 from the October 12th, 2023 minutes.

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32 **MOTION:** (Sherman/Ryan) To place the October 12th, 2023 Budget Committee Meeting minutes on file as
33 amended.

34 **VOTE:** (7-0-1) The motion passed.

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37 **MOTION:** (Sherman/Silva) To place the October 14th, 2023 Budget Committee Meeting minutes on file.

38 **VOTE:** (5-0-3) The motion passed.

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41 **REVIEW SCHOOL BUDGET**

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44 **PELHAM ELEMENTARY SCHOOL**

45 Ms. Bressette welcomed Superintendent Mr. Chip McGee, Business Administrator Ms. Deb Mahoney, Assistant
46 Superintendent Ms. Sarah Marandos, and Pelham Elementary School Principal Ms. Jessica VanVranken.

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Mr. McGee explained that he would like to provide an overview of where they are in the budget process, and key elements of the fiscal year 2025 budget.

Mr. McGee began with enrollments and said this is a key driver of the school district budget. Mr. McGee said the projection for 2024-2025 is 1,623 students. He said this year on October 1st, they had 1,647 students so they are anticipating a 24-student decline overall. He said they are beginning to anticipate an increase at the Elementary School, remaining fairly steady at the Memorial School, and anticipating a decline at the High School. Mr. McGee said the graduating class of 2023 was 143 students. He said the current first-grade class has 104 students. Mr. McGee said the current Kindergarten class is the largest they have seen. He said they have 122 Kindergarten students currently.

Mr. McGee said with any enrollment change there are implied staffing changes. He said staffing comprises a vast majority of the budget. Mr. McGee said there is a proposed reduction for a Special Education Teacher by one full-time equivalent. He said that has been unfilled this year and reassigned to the Elementary School for a full-time Nurse position that was required. Mr. McGee said a Science Teacher at the High School went unfilled this year and is not to be budgeted so there is a reduction there. He said this has been reassigned due to the number of kindergartners. He said they needed to have an extra classroom for Kindergarten. Mr. McGee said through retirement, they plan to go down from four Business Teachers at the High School to three given their enrollments and demand for courses. Mr. McGee said the Memorial School has remained stable with no change in the number of classroom teachers. Mr. McGee noted over the last two years, they have reduced three classroom teachers from core instruction, adding two were offset by adding Family and Consumer Science and STEAM. He said at the Elementary School they have added to the budget a full-time nurse for the Preschool program, adding this position is already there and filled because it was needed for a student in the preschool program. He said the Kindergarten position added from the High School is currently filled and they want to budget for it in the right place. Mr. McGee said they would like to add a Kindergarten Instructional Assistant. He said the Kindergarten classrooms have a Kindergarten Teacher and an Instructional Assistant in each classroom and this year they have had to fund that from the general fund, and they want to budget for it next year.

Mr. McGee said one of the things the School Board does to help them prioritize how to build the budget and how to operate during the school year is setting goals. He said they have set three goals. He said the first goal is to improve student performance in mathematics. He said they are in year 3 of that 3-year goal. He said with the reduction last year of a Math Teacher at the High School, they were able to reassign this position to a Math Coach at the Elementary School. He said they have also invested in a new math program called Reveal, an enormous amount of professional development, and curriculum development to improve their math performance.

Mr. McGee said the second goal is called a Culture of Belonging. He said with this goal they want to create a place where students, staff, and families feel they belong. He said they had asked for a reset of this goal and are in year one of this three-year goal. He said they have a task force looking at how they can make progress in enhancing that culture of belonging.

Mr. McGee said the third goal is to make Pelham one of the best places to work. He said they want to recruit and retain excellent staff. He said they are in year two of this three-year goal. He said a progress indicator would be getting in front of the community a contract for their teachers and seeing that passed. Mr. McGee said they are also working on the other things that help make the Pelham School District a great place to work by offering support with the onboarding process. Mr. Paul Grant asked if there are bonuses for teachers in addition to their base salary. Mr. McGee said no.

Mr. McGee said the next topic is budget priorities. Mr. McGee said he and Ms. Deb Mahoney provided all the Directors and Principals with a set of guidance. He said he wanted to hit the high-level points for the Budget Committee. He said he asked every Principal and Director to strive towards a zero increase for the operating budget by reducing any remaining

95 areas of historical overbudgeting and offsetting increases with reductions when possible. Mr. McGee said they asked
96 them to adjust supplies and equipment based on projected enrollment changes. He said he asked them to follow the long-
97 term plans adding that there are three that are critical to the Pelham School District. He said the first is the Future Ready
98 Plan which is where their technology budget is reflected. He said they are 1:1 with students being able to take devices
99 home starting as early as fourth grade and they have full classroom sets for K, 1, 2, and 3 grades. Mr. McGee said they
100 have a Textbook Replacement Plan also known as Instructional Materials Plan to provide updated materials for curriculum
101 revision. He said the last is the Capital Improvement Plan which has to do with maintaining the facilities that the
102 community has and is investing so much in to make sure it stays at the high level that they have supported. Mr. McGee
103 said they have prioritized professional development in Math, Social Emotional Development, and other academic areas.
104 He said to be careful and deliberate with any staffing changes, he has asked for those to be submitted in writing.
105

106 Mr. McGee moved on to particulars for the fiscal year 2025. He said three drivers have the most significant impact. He
107 said the first is they are in negotiations with the Pelham Education Association, which is the professional association for
108 teachers. He said the intent and plan is to bring a negotiated agreement forward to the Board, the Budget Committee, and
109 the Town as a separate warrant article. Mr. McGee said the second is Technology. He said the technology plan is
110 scheduled to have network switches to be replaced throughout the entire district. He said this is to ensure the network
111 continues to work at the necessary level to run upwards of 2,000 devices every day. He said this would be a \$94,183
112 increase from the previous year. Mr. McGee said the third is Special Education, which has increased significantly by
113 \$775,099. He said it is driven primarily by out-of-district tuition. He said for students in unique situations where the
114 district cannot provide the necessary program, it is by law and by the student and family's rights to make sure they have
115 access to appropriate public education. Mr. McGee said if they cannot provide that program, they are required to pay the
116 tuition for a student to attend, adding this is primarily day programs but it can also be residential programs, extended
117 school year, and related transportation costs. Mr. David Silva asked if this was a known increase in services or anticipated
118 or was an increase in cost. Mr. McGee said it is budgeted for known students. He said there is a reality that an additional
119 need may come up. He said they have budgeted for the residential programs, and everyone is a student that they know
120 they will have next year. He said they do have one anticipated position for the day program, and every other one listed are
121 known students.
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123 Mr. McGee said this year they also have three unusual circumstances. He said last year to this year they made a
124 significant change to health insurance offerings to non-affiliated employees. He said the change was to shift from paying
125 up to 96% of non-affiliated staff premiums and shifted this down to 80% for the primary plan. He said that shift could put
126 a significant burden on the non-affiliated staff's pay so they had an offsetting increase in salary for them. He said it was a
127 trade of salary for greater cost share for the primary plan. He said they also offered an additional plan called site of
128 service with a deductible that has an incentive to use within a smaller network of providers. He said a lot of the health
129 insurance lines budgeted for the Pelham School District for next year are lower. He said this has helped put them in a
130 healthier place this year.
131

132 Mr. McGee said the second is the Capital Improvement Plan. He said the School Board on their recommendation has
133 made a change to this. He said after an evaluation at the parking lot at the Elementary School, the evaluation shows it
134 does not need to be replaced next year, it can be crack-filled, seal-coated, and restriped to provide three years of useful life
135 before it needs to be replaced.
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137 Mr. McGee said the third unusual circumstance is they anticipate the Pelham Memorial School construction to be
138 complete by the end of this school year.
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140 Mr. McGee spoke next about the bottom-line budget. He said the Elementary School budget was up less than 1%, the
141 Memorial School was down .21%, and the High School was down 3.42%. Mr. McGee said the Elementary School added
142 two teacher positions that they shifted from the High School and are proposing an additional Kindergarten Instructional

143 Assistant and are still only up .87%.

144
145 Mr. McGee said he focused most of his effort on the General Fund. He said those are the funds raised through State
146 Adequacy Grants, Statewide Equalizer Property Tax, unreserved fund balance contributions, the previous year's budget,
147 and after all that is taken out, then by local taxes. Mr. McGee said the adopted budget for the year they are in is
148 \$39,103,377, and the budget they are presenting for the General Fund is \$39,867,165 which is a change of \$763,788, or a
149 1.95% increase.

150
151 Mr. McGee said Food Service is a self-funded program based on students paying for their lunch and Federal support. He
152 said due to better alignment of anticipated expenses, this is down \$62,604. He said for the total operating budget, they are
153 proposing a 1.71% increase.

154
155 Ms. Bressette said the Pelham Elementary School budget is \$9,030,47.

156
157 Mr. McGee began with teachers' salaries. He said the line-item post from personal budget is 2.6 million. Mr. McGee said
158 they post the total anticipated position could cost of salaries for regular education for teachers. He noted you will see
159 \$1500 for class coverage, and you will see a note for the 7th Kindergarten teacher funded by the transfer of teacher
160 position from Pelham High School. Mr. McGee stated that they do not have an agreement for next year to know what an
161 increase would be.

162
163 Mr. McGee said next is instructional assistant salaries. He noted there is a new request to add one regular Instructional
164 Assistant (IA) to cover seven full Kindergarten classes. He said this is listed at \$20,000 and this is the salary portion,
165 adding it will also be reflected in anticipated benefits.

166
167 Mr. Sherman said they have two IA positions that are vacant and listed as Lunch Monitor and Recess Monitor. Ms. Deb
168 Mahoney said she noticed there was no SAU note there. Ms. Mahoney said the first vacant position for Lunch Monitor is
169 one full-time equivalent and the second line for Recess Monitor is four full-time equivalents. She said it is the same count
170 they currently have plus they are asking for the additional Kindergarten IA.

171
172 Mr. McGee moved to subsequent salaries and long-term salaries. He said this is where they expend out.

173
174 Mr. McGee said the next line item is Health Insurance. He said this particular line is down almost \$40,000. He said this
175 is likely down due to election choices made and also because their health insurance guaranteed maximum rate increase as
176 provided by their risk pool is an 8.6% increase.

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178 Mr. McGee said the Dental Insurance increase is 4.7%.

179
180 Mr. McGee said teacher retirement changes every two years, and this is the year it is stable.

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182 Mr. McGee said there is a \$3,297 increase under the line-item rental lease of software due to the increasing cost of current
183 software.

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185 Mr. McGee said under supplies you will see it says level two Superintendent reduction for headphones to one per grade.
186 He explained the superintendent reduction is after each Principal and Director present their budgets, he finds areas he sees
187 as important to trim in looking at the overall budget.

188
189 Mr. McGee said the next item is furniture replacement. He said this reflects a decrease in part because, at the end of the
190 year last year, they had purchased cafeteria tables and fourth-grade tables with a portion of their unreserved fund balance.

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192 Mr. McGee said you will see an increase in line 890 to make the district one of the best places to work and to foster
193 belonging for students and staff, they would like for all teachers and staff to be able to wear the same tee-shirts for events.

194

195 Mr. McGee said he would get into specific departments next.

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197 Mr. McGee said Art Education supplies are a small increase. Mr. McGee noted with full-day Kindergarten, Ms. Jessica
198 VanVranken and her team were able to get Unified Arts into the experience for Kindergarten students for seven groups of
199 students taking art who hadn't previously taken art.

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201 Mr. McGee said Physical Education is nominal increases based on costs.

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203 Mr. McGee said Math Education, textbook replacement you will see a \$116,441 reduction because this year they bought
204 new instructional materials for mathematics. He said all they are applying to the budget for next year is \$5,500 for
205 supplemental math to support the curriculum.

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207 Mr. McGee said Music Education had no significant changes.

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209 Mr. McGee said Science Education, supply line there is a request to reduce books and increase supplies instead. He said
210 the supply line is up \$1,200. He said textbook replacements are down \$1,200. He said this is because the program
211 through science is more supply-intensive.

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213 Mr. McGee said next is Social Studies materials. Mr. McGee said he did reduce Kindergarten per grade allocation and
214 also for SEL (Social Emotional Learning). He reduced that from the requested \$500 to \$300 per grade.

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216 Mr. McGee said the STEAM program has a supply line that is down just a small bit.

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218 Mr. McGee said Reading Education under supplies there is an increase of \$1,281 due to writing material. He said two
219 years ago they purchased an extensive reading program and needed to purchase supplemental materials to fill in the gaps
220 in the following years. Mr. McGee said they have variations between one grade and the next. He said they need to make
221 sure they have enough when they have 122 Kindergarteners and 104 first graders adding they have to account for that
222 variation.

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224 Mr. McGee said next is Information Access Fees. He noted that the increase is due to budgeting needs for the seventh
225 Kindergarten class.

226

227 Mr. McGee said he would now be discussing the Special Education section.

228

229 Mr. McGee said you will see a vacant position for a Nurse for Special Education with a salary. He said this special
230 education line has increased by \$79,000. He said the vast majority of that increase is a result of moving a nurse position
231 which had previously been a special education teacher position. He said that has now been eliminated and will be
232 removed at the High School.

233

234 Mr. McGee said the next item is Instructional Assistant Salaries. Mr. McGee said the School Board can also make
235 reductions or additions after they have presented the budget to them. He said this is called a level three change. He said
236 they asked themselves how many Instructional Assistants (IA) they anticipated needing next year. He said they were able
237 to take 2.5 IAs out of the Elementary level which is a salary change of \$51,656. He said it has proportional changes for
238 related benefits. He said the overall IA salary line is down \$31,000.

239

240 Mr. McGee moved to health insurance. He said this line is up \$48,000 due to the normal variation of different elective
241 decisions by that group of people.

242

243 Mr. McGee said the software has a reduction of \$1,430. He said they were able to drop a piece of software from that line
244 that is no longer used.

245

246 Mr. McGee said under furniture replacement there is a \$3,000 request for a classroom called the SEL room and they
247 would like to update the furniture to accommodate those needs. Ms. Bressette asked how many pieces of furniture are
248 included in the \$3,000 budget. Ms. Sarah Marandos said this is a three-year plan to replace the furniture in the room and
249 they are in year one. Mr. Silva confirmed with Mr. McGee that there would be a \$3,000 ask each year for three years if
250 the Budget Committee supports the request.

251

252 Mr. McGee said under co-curricular, the first set is zero. He said there is a modest amount for supplies for extracurricular
253 activities as well.

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255 Mr. McGee said next is self-funded programs. Mr. McGee said they need to have a gross appropriation for all expenses,
256 and they cannot exceed that amount.

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258 Mr. McGee said the next category would be Social Work Services. Mr. McGee said these are very stable funds.

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260 Mr. McGee said under Guidance Services, they have three Guidance Counselors and a reduction in salary. He said this
261 happens when you have a more experienced Guidance Counselor leave and hire one with less experience. He said the
262 reflected benefits are there along with supplies. Mr. McGee said he asked them to take a small reduction in supplies. He
263 said overall Guidance is down \$48,000.

264

265 Mr. McGee said next is Nurse Services. He said the Special Education Nurses are members of the Teachers' Association.
266 He said on line 330 under professional services you will see this is an area of special expertise, clinical training, and they
267 have been trained in a student data system called Snap. He said they were able to remove the data system Snap training
268 for this year because they have all been trained. He said the supply line has been reduced because they have moved the
269 emergency backpack supplies from nurse to emergency. He said nurse services are down \$5,180.

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271 Mr. McGee said next is Psychological Services. Mr. McGee said testing supplies and speech services are related to Special
272 Education requirements. Mr. Sherman asked if they were hiring outside for the psychological position. Mr. McGee said
273 yes, they continue to want to hire these positions themselves and are having a difficult time finding candidates to serve as
274 a school psychologist. He said if they cannot hire the person, they contract out for it.

275

276 Mr. McGee said next is Occupational Therapy Services. He said these related services are required by law through the IEP
277 (Individual Education Plan) process.

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279 Mr. McGee noted that he is out of the Special Education Service Section now.

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281 Mr. McGee said the misc. 890 category is school assemblies. He said they have been budgeting \$2,000 for presenters and
282 it is simply not enough.

283

284 Mr. McGee said next is improvement in instruction which there is a small amount there for publications.

285

286 Mr. McGee said next is Library Services. He said supplies are fairly flat and are textbook replacements.

287

288 Mr. McGee said next is Computer Technology which is down a small amount. He said there is an additional equipment
289 request specifically for an Ozobot which is a way of teaching students coding.

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291 Mr. McGee said under School Administration, you can see the change he spoke about in health insurance and salary is
292 clearly reflected. He said they are budgeting for a \$27,00 wage increase and a \$20,000 health insurance increase.

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294 The next line Mr. McGee spoke of was line 442, the rental release of equipment.

295 He said the copiers are included here and they went through a bid process in the last year and have been able to reduce the
296 total number of copiers in the district and get copier leases at a better rate. He said there is a reduction here of \$4,284. Ms.
297 Bressette asked if this lease would increase year to year. Ms. Mahoney said no it would not increase. Ms. Mahoney said
298 they got new equipment and reduced the operating cost year over year. Ms. Bressette confirmed with Ms. Mahoney that
299 this would be the first year to use secure prints district-wide on these machines.

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301 Mr. McGee said you will see posted in general expenses, printing, travel, and mileage. These are down. He said this is
302 where the whole team worked to aim for a zero increase in budget. Mr. McGee said supplies were kept flat. He said in
303 software there is an increase related to a new tool called Pick-up Patrol.

304

305 Mr. McGee said under furniture replacement, they need to begin to replace the furniture in the Main office.

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307 Mr. McGee stated that he would go onto Support Services. He said these are additional stipends paid to salaries to the
308 team leaders. He said they would like to increase these from \$1400 to \$2000.

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310 Mr. McGee said that Building Services starts with the custodial crew. He said the overtime salaries for 2023 reached
311 \$19,476, but they are budgeted \$8,000 for this year and \$8,000 next year. He said this had gone up significantly when
312 they took the gym at the Memorial School away due to construction. He said the Elementary School has been handling an
313 enormous amount of community use.

314

315 Mr. McGee said there is a new request for boiler repair and maintenance. He said their Director of Facilities, Brian Sands,
316 has requested to roll into place rooftop equipment maintenance contracts with two reviews per year. He explained they
317 have a great deal of mechanical equipment on their roofs, and this would be a twice-per-year maintenance plan for that
318 equipment to extend its life.

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320 Mr. Sherman asked when the water billing for 2024 would be complete. Ms. Mahoney said they budgeted for what they
321 were currently being billed plus they added an estimated inflation to that to provide the \$26,156 as their requested budget.

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323 Ms. Mahoney said just below that you will see utility disposals. She said they do work with the town. She said the
324 Highway Department has a contract that includes the school. She said they budgeted that 5% increase in their budget that
325 they are expecting based on the vendor estimate.

326

327 Ms. Mahoney said under electricity, they use a consultant to support them and look at the future market. She said they
328 have an estimate of their kilowatt (KW) usage which dropped so they dropped it down to 800,000KW which includes the
329 new air conditioning for the second floor and cafeteria. Ms. Mahoney said they have reduced their estimated usage and
330 have increased the estimated rate. She said it has gone up to 1.625 based on the projection that is provided to them. Ms.
331 Mahoney said they did take another look at it at the Superintendent's level and were able to reduce it to .15525 and the
332 Board has asked them to take one more look at it in December to make sure the future market isn't changing in such a way
333 that they would have to bring something forward. Ms. Mahoney said in addition, they are working towards their solar
334 installation which is going to be achieved in the summer of 2025 and into the fall.

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Ms. Mahoney said you will see next natural gas. She said the therms for natural gas are up by about 1,000 and the rate itself is down from 1.7 to 1.3.

Mr. McGee said overall building services are down \$23,000

Mr. McGee said included in ground services is repair and maintenance which is flat. He said under contract to prepare and maintain they were able to trim, and overall is down \$,2500.

Mr. McGee said included in non-instructional equipment is repair and maintenance as well as contracted repairs. He said both for the burglar alarms, and fire systems and for maintaining their non-instructional equipment such as cleaning equipment in the building. He said that one is down a little over \$4,000.

Mr. McGee said the next section is emergency management. This is where the backpack supplies from nurses were moved too.

Mr. McGee said under Technology is equipment replacement. This has a decrease of 36,536 because they had an end-of-year reserve fund balance expenditure for the public address system.

Mr. McGee said contract to repair and maintenance for site improvement had two requests originally. He said this was the parking lot and the path that connects the Elementary School to the High School. He said the pathway is currently unpaved and the proposal was \$47,000 to pave it. He said this is now in the Capital Improvement Plan. He said the quote to replace the parking lot was \$250,000 and they would like to instead crack-fill, reseal, and repaint lines.

Mr. McGee said that concludes the accounts that have changed and overall the Elementary School was able to come forward with a reduction of \$49,789.

Ms. Bressette stated that at the next meeting on October 26th, they would review the Memorial School and the High School budgets. Ms. Bressette said on November 2nd, it is the district-wide school budget, and on November 9th, they will review any questions on the full budget of the school, and voting will take place on November 16th for school budgets, warrant articles, and town budgets and warrant articles.

OLD/TABLED BUSINESS: Bylaw Review – Language related to numeric tallies RSA 32:5, V-a

Ms. Bressette said the language that Mr. Grant provided is: *Given that part of the Budget Committee's role is transparently assisting voters in the prudent appropriation of public funds, in accordance with NH RSA 32:5 (V-a), that articles shall contain a notation of whether or not that appropriation is recommended by the Budget Committee, and the NH RSA 40:13 (V-a), that all votes of the governing body relative to budget items or any warrant articles or ballot questions shall be recorded votes, and pursuant to a majority vote by the Budget Committee, the numerical tally of any such vote shall be printed next to the affected warrant article or on the ballot next to the affected ballot question, the Pelham Budget Committee will include numerical tallies of all votes. Once adopted, numerical vote tallies will be included by default each year, unless voted otherwise by a majority no later than Reconsideration every year.*

Mr. Sherman recommended changes for clarification purposes. He said the sentence that says *all votes of the governing body relative to budget items or any warrant articles*, he would like to take out the language *budget items or any warrant articles* and rephrase it to *any budgetary warrant articles or budgetary ballot questions*.

383 Ms. Bressette said she would suggest removing the *governing body* from the same section.

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385 Mr. Sherman suggested where it says *no later than Reconsideration every year* to add the language *or required by the*
386 *legislative body of Pelham*.

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388 Ms. Bressette confirmed with Mr. Sherman that he would email his suggested changes to her. Ms. Bressette welcomed all
389 members to email any changes as well.

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392 **ADJOURNMENT**

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394 **MOTION:** (Ryan/Cormier) To adjourn the meeting at approximately 8:13 PM.

395 **VOTE:** (9-0-0) The motion carried.

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398 Respectively Submitted,

399 Heidi Zagorski

400 Recording Secretary