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APPROVED
TOWN OF PELHAM
BUDGET COMMITTEE - MEETING MINUTES
Thursday, November 1, 2018

CALL TO ORDER – at approximately 7:30pm

PRESENT: Mr. David Cronin, Mr. Dave Cate, Mr. Bob Sherman, Ms. Daryle Hillsgrove,
Ms. Meg Bressette, School Board Representative Deb Ryan, Selectmen
Representative Doug Viger

ABSENT: Mr. Michael Bailey (excused), Ms. Amber Capone (excused)

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MEETING MINUTES

October 25, 2018

MOTION: (Cate/Sherman) To approve the October 25, 2018 meeting minutes as amended.

VOTE: (7-0-0) The motion carried.

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OLD BUSINESS

Prior to the meeting The Board was forwarded via email answers to questions from the prior meeting. Before the meeting commenced Business, Administrator Deb Mahoney provided the Board with a list of the district's open positions, a history of the CTE program centers and the 2016-2019 agreement between the Pelham Education Association and the Pelham School Board.

Fiscal Year 2020 SCHOOL BUDGET REVIEW

Presenting the School budget was Superintendent of Schools Bill Furbush and Business Administrator Deb Mahoney.

Mr. Sherman was surprised that there were no advanced placement U.S. History courses were offered. Ms. Ryan replied they offered college credit U.S. History. Mr. Furbush explained they were moving away from advanced placement because they were moving toward earning college credits. Mr. Sherman questioned what foreign languages were taught in the high school. Mr. Furbush replied they taught French and Spanish. Mr. Sherman inquired what type of calculators are provided to teachers. Mr. Furbush replied the calculators were T180 (scientific calculators).

Discussion of School Facilities (all schools)

Facility Director Alan Miller came forward for the discussion. Ms. Mahoney opened the discussion by speaking about the elementary school building services. She noted they currently had an open custodial position. She discussed how they budget for water, septic and disposal by looking at the current bills and extrapolate out the twelve months and adjust a small amount for inflation. They were comfortable with the budget numbers based on their current billing. She noted they budget repairs and maintenance by taking the total square feet of the building and multiply it times an industry standard rate for maintaining school buildings; each year the rate is adjusted by \$0.01 to reflect inflationary-type changes. That number is then split between building

43 services-repairs/maintenance and the non-instructional equipment contracted
44 repairs/maintenance.

45

46 Mr. Sherman saw that approximately \$5,000 was cut from the budget for window shades (in
47 several classrooms) and wanted to know if those shades would help keep heat out of the
48 classrooms. He questioned if the funding for the shades should be reconsidered given the air
49 conditioning project wasn't going to be done. Mr. Furbush was unsure if the proposal had been
50 for replacement or new shades. Mr. Miller stated they will be addressed in this year's budget; the
51 order was placed yesterday. He said they are in the process of replacing damaged and missing
52 shades.

53

54 Ms. Mahoney called attention to the electricity, propane and fuel oil/heating oil lines. She
55 explained they budget using a formula-based method by taking the utilization (in a typical year
56 and use the 3-year average) and then anticipate the cost going forward. She said electricity
57 always goes up and there had been new Federal regulations (for supply). All the vendors have
58 increased their supply costs even with contracts in place; regulatory changes can be passed to
59 customers. Ms. Mahoney told the Board she was a little worried about the electricity lines in the
60 current year; however, they use a third-party consultant that helps to determine where the budget
61 should be based on forward market pricing. Mr. Cate asked for this year's contracted price for
62 propane and heating oil. Ms. Mahoney stated they had been trying to prepare toward making a
63 switch to natural gas. As a result, she had avoided signing contracts and hold down the rate when
64 possible. She said she didn't have a contract until this past summer for fuel oil and propane. She
65 worked with the consultants to find the best time to do so. Knowing that the switch over
66 wouldn't happen during the current year she signed a contract for \$1.399; the budget is \$1.38.
67 The fuel oil budget is \$2.15 and the contract amount \$2.3464. She understood that they were
68 over on both and would see what kind of winter they had. She said they weren't doing the septic
69 project, so they could draw from it to cover utilities. They won't draw from the classroom first.

70

71 Mr. Viger asked when they anticipated to transfer propane to natural gas. Ms. Mahoney replied
72 they were working with the consultant EET (same group that worked with the Town). She
73 suspected there would potentially be something brought up during reconsideration.

74

75 Understanding there were regulatory changes, Ms. Hillsgrove inquired what impact it had caused.
76 Ms. Mahoney made a note and will respond back to the Board. She believed it went into effect
77 June 1st.

78

79 Ms. Mahoney reviewed the Pelham Memorial building services budget lines. Ms. Bressette
80 believed Ms. Capone (who was absent) previously had a question about utility costs being so
81 different between the elementary and middle school. She asked for the size of the schools. Ms.
82 Mahoney replied the middle school was 56,867SF and the elementary school is 127,296SF. She
83 then went over the building services lines for the High School. She noted there were 2.5 vacant
84 custodial positions. She stated they were experiencing some odors in the high school auditorium
85 and had implemented a charcoal filter. She noted the filters were working and they would
86 continue to use them, although they are expensive items. The air quality has been tested and the
87 odor has been deemed a 'nuisance odor'. For the proposed fiscal year, they adjusted the
88 Memorial School square footage to include the new portable building. The budget figures for
89 utilities in the high school were based off a two-year average based when construction was
90 completed; they will use a three-year average for next year's budget.

91

92 **District / SAU - \$10,785,092 School Board recommended**

93 2019 adjusted budget: \$10,976,905

94

95 Under salaries, Ms. Mahoney pointed out the reduction; most of which was based on retirement.
96 She went over the substitute line and told the Board the way they expense the line is based on the
97 department they work in. Mr. Cronin asked for the number of daily substitutes used in fiscal year
98 2018. Ms. Mahoney made a note to provide information. Mr. Cronin also asked that information
99 be provided regarding the number of long-term substitutes and the total number of days for fiscal
100 year 2018.

101

102 Ms. Mahoney summarized the regular education-education programs. She discussed the various
103 programs, which ones were new and who utilized each.

104

105 There was an overall reduction of \$92,319 in the district regular education programs.

106

107 Ms. Mahoney then reviewed the special education lines. Under salaries she noted the Registered
108 Behavior Tech was a new position that was put in place because of an IEP need with multiple
109 students. There was also an expansion of five extra days for Special Education teachers during
110 the summer to perform several tasks, such as prepare for the new school year, evaluate students
111 etc.

112

113 Mr. Cate questioned the Superintendent's reduction of the Certified Behavior Analyst. Ms.
114 Mahoney stated it was possible they would need the position in the future. She said there was
115 some discussion at the School Board level whether they should pursue it at this point; they
116 currently have a contract program. She believed they would be making a switch and the School
117 Board would review information about hiring a position. Mr. Cate asked if they would remain in
118 compliance without the position. Mr. Furbush answered yes; every student is receiving the
119 amount of services they are required to receive.

120

121 Mr. Cronin questioned the difference between a Registered Behavior Tech and a BCBA. Mr.
122 Furbush replied a BCBA went through quite a bit of schooling in order to earn that credentialing.
123 He explained that the behavior tech would work under the guidance and training of a BCBA.

124

125 Ms. Mahoney noted that the Instructional Assistant salary line included stipends (per the CBA)
126 for CPI training (behavior modification program). The staff is required to attend training. The
127 budget line to re-train the CPI trainer had been moved from the Special Education Administration
128 line into the 'workshops non-union' line.

129

130 Mr. Sherman saw that the social work services line had been eliminated and inquired if the school
131 or Town was handling the cases. Ms. Mahoney replied they had a social work budget line and
132 new position that was initially grant funded and was now in the District budget.

133

134 Ms. Mahoney pointed out the reduction in professional services of \$80,038 that was mainly for
135 translation services (based on IEP). She stated they were having significant needs in the charter
136 school lines; there are six current students, one anticipated and a few more that have been
137 referred. Mr. Cronin asked where the services were provided. Ms. Mahoney replied they were
138 currently all at the charter school. She said they could be transported back but weren't at this
139 time. Mr. Sherman questioned where the charter schools were located. Mr. Furbush replied the
140 schools were located in other areas; however, the students were all Pelham residents. Mr.
141 Sherman questioned if there had been any discussion between Pelham District and other districts
142 to cost share the services between districts. Ms. Kimberly Lessard, Director of Student Services
143 came forward. She stated Salem and Windham were two primary areas that have charter schools;
144 they were in the beginning stages of creating a group for special education administration and

145 pull resources together. Pelham has one occupational therapist that travels to a charter school;
146 however, most of them are contracted out.

147
148 Ms. Bressette questioned who provided the services for the multi-state billing and Medicaid
149 billing. Ms. Mahoney replied they hired a contracted service that collected all the documentation
150 and submitted it for reimbursement. She noted there were a number of people within the district
151 that provided information and spoke about the importance of having correct documentation.

152
153 Ms. Mahoney continued reviewing the budget. Mr. Cronin questioned if it would be worthwhile
154 to hire person for physical therapy services versus contracting a person. Ms. Mahoney replied
155 they currently contracted because they didn't have a district-wide need to hire someone.

156
157 Under computer technology, Ms. Mahoney pointed out that they were continuing to follow the
158 technology replacement schedule. Mr. Sherman questioned if students were given a program to
159 learn how to type. Mr. Furbush answered yes; they begin to learn in third grade. Ms. Mahoney
160 noted there was a program called 'Keyboard without Tears' listed in the budget.

161
162 Under Superintendent Services – District wide salaries, Mr. Cronin inquired what groups were in
163 the non-bargaining pool. Ms. Mahoney replied there were: 18 administrators, 11 SAU IT techs,
164 13 professional staff, 19 custodial/maintenance and 13 clerical (non-SAU).

165
166 Mr. Viger informed that the Town was in the process of hiring an IT position and asked if the
167 School District had a specific IT position on payroll. Ms. Mahoney replied they had a Director of
168 IT, Network and Systems coordinator and three techs. She noted there was a section in the budget
169 (#2840) that covered those positions. Mr. Sherman hoped that the Town and School could
170 coordinate some of the computer/technology services. Mr. Furbush replied they could have
171 conversations regarding such.

172
173 Ms. Mahoney informed that each year the GASB requirements change, and in the proposed
174 budget there was funding to do a full GASB 75 valuation which was a reduction from the
175 previous year's requirements of doing a GASB 84. From year-to-year they budget what they
176 need.

177
178 Under Facility Operations Ms. Mahoney explained they had taken the administration
179 assistant/facilities/tech and split the role out because it was a split position; however, the prior
180 budgets didn't reflect this. She said they wanted to make sure the functional groups both had the
181 expenses, it was now 60% facilities and 40% technology.

182
183 Under Building Services – Insurance Property/Liability Mr. Cronin asked for further explanation
184 of the proposed budget reduction. Ms. Mahoney explained they budgeted the current rate plus the
185 cap from the prior year. Their experience was less, and they had to budget the 'cap'; therefore,
186 they always budget 'current' plus 'cap'. The budget showed a savings of \$8,098.

187
188 Under Building Services – gasoline/diesel Ms. Hillsgrove inquired if the district equipment went
189 to a regular gas station or the Town fuel pumps. Ms. Mahoney replied they filled up at the Town
190 pump and the Town billed the District.

191
192 Mr. Sherman questioned if there was an annual rental/lease for the SAU building. Ms. Mahoney
193 replied the last payment will be in July 2019 and the District will own the building.

194

195 Under Ground Services – Contracted Repairs & Maintenance Mr. Cate asked for an explanation
196 for the increase. Ms. Mahoney explained that there was a new request to add an outside service
197 contract which included snowplowing at all three schools. That service would work with the
198 District staff. Mr. Miller stated they were requesting the outside service to assist with
199 snowplowing throughout the District. He explained how the work was done in the past and stated
200 they were looking to reduce the number of school days missed because of snow removal. Ms.
201 Ryan pointed out that the high school had increased size, added sidewalks and eliminated places
202 to put snow storage. Mr. Miller noted that the high school also had permeable surface in the
203 parking lot that required a specific type of maintenance to not damage the surface. Sidewalks
204 will continue to be maintained in-house.

205
206 Under HR Staff Services – New hire expenses Ms. Mahoney explained it was a new budget line
207 and hoped it would help with some of their recruiting challenges that had recently come up. Ms.
208 Hillsgrove questioned if 200 criminal records check would be adequate. Ms. Mahoney answered
209 yes; the previous year they had 130 new hires and 13 contracted services. Going forward they
210 hoped to hire more substitutes. They felt the proposed budget was a good place to start. Mr.
211 Viger questioned if new hires were fingerprinted after they were hired. He wanted to know if
212 there were people who had been fingerprinted that didn't go on staff. Ms. Mahoney replied they
213 fingerprint at the time people are going through the new hire process (before they start). It occurs
214 after they've been offered the job, not as part of an initial background check.

215
216 There was a new request under Technology Services to expand one of the IT Tech positions to
217 year-round. Also new was a line for 'data security audit'. Ms. Mahoney told the committee there
218 was a new State regulation (HB 1612); currently they plan to budget the audit on a bi-annual
219 basis. As new information comes forward with the bill, the District will budget accordingly.

220
221 The reduction under Rental/Lease Software was due to having a new solution for document
222 management hosting. That change has resulted in a new fee structure.

223
224 Ms. Mahoney told the committee that they were transitioning from using printers to using copiers.
225 Mr. Sherman questioned if students could make copies. Ms. Mahoney replied student in the high
226 school had access to do so (at no cost). Technology Director Holly Doe came forward and spoke
227 to the contract for copier users with help with the promotion of supply conservation and prevent
228 waste. There was a discussion regarding the cost for Child Information Protection Act ('CIPA')
229 that protected/blocked students and staff from accessing inappropriate websites.

230
231 Ms. Mahoney thanked the Directors for attending the meeting and for all the work they had done
232 to prepare the budget.

233
234 **Nutrition Service Fund - \$1,211,209 School Board recommended**
235 2019 adjusted budget: \$1,095,324

236
237 Ms. Mahoney reminded the committee that Nutrition Service was a fully self-funded fund. The
238 budget had no tax impact for the Town. She noted there hadn't been any changes in staff or an
239 expansion of the positions. Under salaries is a request for a \$1/hr. market adjustment for all food
240 preparation staff. They were having challenges with recruiting and retaining staff; \$10/hour was
241 not a competitive salary.

242
243 Mr. Sherman asked if the school was familiar with giving students fruits/snacks in the middle of
244 the day. Nutrition Service Director Kelly Rambeau came forward. She said to participate in the
245 program the District would need to have a free/reduced rate of 50%; however, Pelham didn't

246 qualify. She said they offered breakfast throughout the district. They have a refrigerated vending
247 machine at the high school that students could use their account. The budget had a request for
248 another vending machine; they haven't yet decided where it would be located.

249

250 Mr. Sherman had a list of the Nutrition Service equipment replacement plan and asked if the
251 director had a copy. Ms. Rambeau said she had a copy and would be interested to see Mr.
252 Sherman's list. Ms. Mahoney stated she would take a copy.

253

254 Under Operations – Equipment Replacement Ms. Mahoney called attention to the new walk-in
255 refrigerator/freezer. She said they had some issues with the existing unit and had tried to resolve
256 it; however, it was time to replace the equipment. She commented that they would also ensure it
257 had the proper cover which was the reason for the equipment to be damaged. Water had come
258 down the wall and buckled the floor. After the latest audit, the budget contained a reserve of
259 \$222,720. Ms. Mahoney said they estimated the cost for the replacement to come from that
260 reserve account. Mr. Cronin wanted to confirm that the situation that caused the problem would
261 be addressed. Ms. Rambeau explained when the walk-in was originally installed there was no
262 flashing which created a gap between the building and the walk-in. Flashing has since been
263 installed; however, it didn't correct the damage that had already occurred. She stated the quotes
264 included the cost for new flashing to be installed with the new unit. The problem wouldn't repeat
265 itself.

266

267 Mr. Sherman understood there may be remodeling at the middle school and wanted to ensure that
268 Ms. Rambeau was involved in the process. Ms. Rambeau said she hoped to be. Mr. Sherman
269 wanted to know the arrearage owed by students at the end of last year. Ms. Rambeau replied
270 there was approximately \$3,000.

271

272 Ms. Mahoney thanked Ms. Rambeau for coming forward.

273

274 **Grants Fund - \$700,000 School Board recommended**

275 2019 adjusted budget: \$750,000

276

277 Ms. Mahoney explained the grants fund is a special revenue fund where the District budgets all
278 the State and Federal Grants. She noted that the ERATE and Wellness have been moved out of
279 this budget and into the Special Fund budget.

280

281 **Special Fund - \$348,650 School Board recommended**

282 2019 adjusted budget: \$0.00

283

284 Ms. Mahoney explained this is a new fund for special revenue. She said there had been a change
285 in the government accounting standards board and they came out with a new pronouncement –
286 GASB 84. She explained that student activities funds that are governed by policy and overseen
287 by district staff are required to be special revenue funds effective June 30, 2019. Currently there
288 were a lot of interpretations going around in the State. Ms. Mahoney understood that it was
289 money that had never been appropriated, but it will be fully offset by funds that are in the
290 accounts already or funds that they will continue to raise through student activities groups. She
291 said they will work with the schools to be the least intrusive, but still meet the requirements.

292

293 Mr. Viger asked if there had been any conversation about the budget becoming a revolving fund
294 similar to Police Details or Parks and Recreation. Ms. Mahoney replied there hadn't been a lot of
295 talk at the State level.

296

297 Budget review concluded.

298

299 Mr. Cronin asked the Board to email any questions to the Chair and Vice Chair prior to the next
300 meeting. He also noted that the Board would be reviewing warrant articles at their next meeting.

301

302 **ADJOURNMENT**

303

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

VOTE: (7-0-0) The motion carried.

304

305 The meeting was adjourned at approximately 9:31pm.

306

307

Respectfully submitted,

308

Charity Landry

309

Recording Secretary