

**Town of Chester
Budget Committee
January 9, 2017
Minutes of Meeting**

I. Meeting to Order

Chairman Weider called the meeting of the Chester Budget Committee to order at 7:10 pm on Monday, January 9, 2017.

II. Pledge of Allegiance

Chairman Weider led the meeting in the Pledge of Allegiance.

III. Attendance by Roll Call

Present were:

Rhonda Lamphere, Vicechair
Chuck Heuer
Brian Shankey
Michael Weider, Chairman
Richard Trask, Selectman Liaison

Becky Owens (pending)

Members of the Public Present at Various Times:

Sheryl Rich, Business Administrator Chester Academy
Chester SAU Superintendent Dr. Darrell Lockwood
Royal Richardson, Chester School Board

Absent were:

Stephen D'Angelo
Mike Romick

IV. Appointment of Members – Becky Owens

Selectman Trask recognized Becky Owens, as she has previously attended at least two prior meetings of the Chester Budget Committee, and made a motion to approve Ms. Owens as a member of the Chester Budget Committee. Vicechair Lamphere seconded his motion, all in favor, so moved.

Ms. Owens was directed to see the Town Clerk, Erin Newnan, tomorrow to arrange for swearing in and advised that she may have to wait until the Clerk has received a draft of the minutes of this meeting, in order to proceed.

V. Announcements by the Chair – Welcome

Chairman Weider acknowledged members of the Chester School Board, SAU Superintendent and Business Administrator, who were then present, and invited them to be present at the table.

VI. Public Comment

Superintendent Lockwood addressed the Budget Committee to present the Chester School District 2017 Budget.

Superintendent Lockwood introduced their intent to highlight and overview the proposed 2017 budget at this time and return to meet with the Budget Committee again on January 30, 2017.

Superintendent Lockwood began with Draft Warrant Articles.

1. Reports
2. Openings
3. **Budget Article**
4. Collective Bargaining Agreement
5. Special Needs (if Article 4 doesn't pass)
6. Unanticipated Funds
7. (3) Funds – Special-Ed; Maintenance; and Retention Fund
8. Any other business that needs to be transacted

Discussion:

Article 7 – Heuer suggested that a better word than “disabled” as people may be offended.

Looking at 1.89% Operating Budget is 1.94%, take out debt service 2.11%, \$234,000.00.

Pinkerton Tuition – 326 kids. Next year based on same number of kids, 3.5%, \$127,000.00 increase.

Selectman Trask asked how much is that per student, a little over \$11,000.00, \$385.00 per child? Dr. Lockwood responded that it was one of the lowest in the state, that they had done a comparison with other towns, having to reach out to Weare to find same or lower and that offerings-wise, they can get vocational to AP classes, that you don't find in many other districts, at the rate of \$16-\$18,000 per child. Mr. Shankey asked if there was a specific reason for flat-lining the Pinkerton attendance. Dr. Lockwood responded that they had 88 kids going out, 87 coming in and one coming back in, anticipating the same number, that

number could change as these figures are drawn in October. Chairman Weider asked about funding for special circumstances in enrollment fluctuation and Dr. Lockwood replied that while they were not doing the older model tuition fund any longer (with that being eliminated by Budget Committee four years ago) that it is now covered under the Retention Fund, which has a protocol for drawing down with permissions, to make those dollars available.

Dr. Lockwood continued that in summary they have cut one teacher from regular-ed., health insurance continues to rise having negotiated a high-deductible plan two years ago with \$2,000 Family Plan cards to encourage individual cost management. While it is still an increase of about 5%, it is still better than any other double-digit horror stories. Teacher retirement continues to increase as we are still paying for prior years' mistakes. Chairman Trask added that 12 years ago it was 48% funded, now 73. Heuer agreed that it was huge numbers annually. Dr. Lockwood added that the teachers are also having a large portion taken out on their end, as well. New account for funding grade level class trips: *Adventure Lore, Project Respect and Enterprise City*. While this has been part of the budget for ongoing years and is mutually funded by the PTA and public, the school board has simply moved the funding to a new account. Text Books are up due to the requirement to replace textbooks in Gr. 1-6 Language Arts every six or seven years. Other highlights include Special Ed enrollment, cutting paraprofessionals, \$63,227.00 (based on enrollment) tutor salaries works \$12,000 increase, tuition to public high school under SPED is down \$40,000.00. Occupational Therapy salary down with switch from contracted services to our own staff member, full-time O.T., less on salary, more on benefits. Couple of kids with vision services, \$6,300.00. First time line item for kids with English as second language, Spanish, Russian and one other, due to state requirements. Plan to hire out for that rather than have someone on-staff. Doing well right now. Course reimbursements per teacher contract settlement agreement, budgeted \$30,000.00, last year was \$20,000.00. Chairman Weider asked what the actual cost had been and Dr. Lockwood reported, \$6,100.00. 8th Grade SPED, all in Masters' Degree programs, can do up to 12 credits per year at UNH rate so we will definitely spend more than \$6,000.00. Vicechair Lamphere questioned whether it would be as high as \$30,000 and Dr. Lockwood replied that he hoped it would be under that.

Technology is down. We do have Chromebooks Grade 5-8 and letting 7th and 8th graders take them home. Next week staff from Pinkerton are coming to view our program and talk with Sheryl to learn more, they're looking into doing the same thing.

School Board line is down primarily because we requested \$5,400.00 under the previous budget, we are pleased with the auditor as well.

Software. Moving software to the *Cloud* is something we will need to do. Selectman Trask asked for clarification on whether that would be a one-time fee or a fee and a subscription and Dr. Lockwood responded that it would be both. Dr. Lockwood added that they have an off-campus backup currently for disaster recovery.

The rest of health insurance, administrative salaries are down, and up, if you flip a page, you simply move a staff member. Mrs. Leahy has put in her intention to retire in June. Board suggests that we put in a health plan, a family plan would cost more. In terms of operational

costs, pgs. 14-15 \$30,000.00 for continued work on HVAC and baseball fields, sealcoating and striping the parking lot. This was in last years' budget and you asked us to take it out.

Custodial is up \$6,000.00. Electricity is down \$4,000.00 and propane is down \$16. Selectman Trask inquired as to how the electric bill was lowered substantially and Dr. Lockwood replied through usage control. Selectman Trask asked about whether they considered an LED upgrade and about Eversource funding this year being over. Selectman Trask recommended that they had saved a lot at the town level by shopping it through a consortium.

Chairman Weider asked for an outline on repairs going forward, anticipated and scheduling. Dr. Lockwood discussed the inadequacies of the heating system (not air conditioning) at \$30,000.00. Chairman Weider wanted to make sure that over the course of time, are not spending more each year over and above the cost of replacing the entire system. Dr. Lockwood replied that he didn't foresee a need down the road to replace any part of the system, other than the boiler itself.

Buses. End of Bus Contract Year for regular buses with First Student. We have 8 regular buses, 4 go to Pinkerton early morning and come back and do a second route. We have received two bids from First Student concerning new buses and continuing on with existing older buses, circa 2009. Mr. Heuer shared that he rode the same antique bus with few problems for many years. Additionally there would be no cost savings reflected from the lowered fuel prices due to the cost increase for drivers and EPA standards. Vicechair Lamphere and Chairman Weider asked if there were any concerns raised or likely to be raised about adding seatbelts to buses at this time. The contract was put out to bid with little or no other response due to the distance and small number of buses. First Student came up with a new price, \$431,000.00, which is 7.75% better than 26.5. We went out for an RFP for SPED and had multiple good responses for the same product, so that is down \$26,259. Vicechair Lamphere corrected that Special Transport had an error last year so they really didn't get a better contract, the new company came in same price as now. Field Trip transportation – Page 15, \$2,000.00 for that for the 6th, 7th and 8th grade field trips.

Debt services down. This is the next to last year, your bond payment is July 15, 2018 and the following year is zero. Heuer stressed that he was hopeful when this happens it goes back to the taxpayers rather than being absorbed into the budget.

Mr. Shankey asked if the line item for legal expenses was a place-holder. Dr. Lockwood explained that while they had little use for legal services in the past that teacher contract negotiations would be coming up next year and in the past we have used a legal firm to provide services for that.

SESPA contract. 2.11%, 2.10 in year three increase. 20 individuals this year. Vicechair Lamphere asked if it has been ratified, approved by the board and association so that it is available to us. Dr. Lockwood explained that we don't sign it until it has been voted in by the community but the board has agreed to it.

State education grant down, comes from State, 16-17, \$260,000 put towards this years' budget. Catastrophic aid, SPED, 3.5 times state average tuition will get a portion of those dollars back and can possibly be larger, .79 cents on the dollar.

Selectman Trask asked them to watch out for full-day Kindegarten with the new governor elect and Common Core, new tests, unfunded mandates, etc.

Heuer asked for an explanation in the fluctuation of numbers for Kindegarten to First Grade from 40-50 kids and Dr. Lockwood explained that for two reasons, both concerning half-day enrollment, one being that parents send their children privately elsewhere because its only half-day, and the second being that should the new governor want full-day Kindegarten that number could change.

Psychology is down \$2,140 explained Dr. Lockwood with the behavioral specialist replacement costing less in both salary and health insurance.

Revenue Summary. Chairman Weider asked Sheryl Rich to send him a replacement page with \$383,032 on bottom.

Vicechair Lamphere asked if there was a breakdown for the \$21,642 athletic services salaries.

Selectman Trask left the meeting briefly at 8:27pm and returned at 8:28 pm.

Dr. Lockwood, Sheryl Rich and Mr. Richardson thanked the Committee for their time and departed the meeting at 8:28 pm.

VII. School District Updates (Mike R.)

Mr. Romick was not present to deliver the School District Updates.

VIII. Approval of Minutes

October 17, 2016 – Tabled. Members have not had a chance to review these minutes.

December 12, 2016 – Chairman Weider motioned to amend these minutes, as written, specifically:

Line 28: Remove Cass Buckley

Line 46: remove “thin” and substitute in its place “in”

Line 148: remove “financials” and replace with “budgets in its place

Line 161: remove “didn’t work out” and substitute “she could not attend” in its place.

Selectman Trask motioned to accept these minutes, as amended above. Chairman Weider seconded his motion, all in favor, so moved.

229 IX. **Old Business**

230
231 a. Budget

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233 Chairman Weider reported that it was sent in with justification for overage.
234

235 b. Financials

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237 Chairman Weider reported that they did not get school's side yet.
238

239 c. CIP

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241 Based on what we have currently, \$1,200,000.00 for discussion to be made with BOS and
242 Planning Board scorings.
243

244 d. Budget Review Process

245
246 At the next meeting: October minutes; School District Budget questions, specifically:
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248 Reduced teacher, School Bus Contract, Second-Year Teachers' Contract, Health Insurance,
249 Retirement of Principal Leahy.
250

251 e. Budget Committee Calendar

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253 It was agreed, by all those present, that the Budget Committee would, in fact, meet on the
254 January 16, 2017 holiday. None were opposed.
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256 X. **Adjournment**

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258 Mr. Heuer motioned to adjourn the meeting. Selectman Trask seconded his motion, all in
259 favor, so moved. The meeting of the Chester Budget Committee was adjourned at 8:42 pm
260 on Monday, January 9, 2017.
261

262 Respectfully submitted,
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266 Nancy J. Hoijer, Recording Secretary