# Town of Chester Budget Committee Meeting Monday, January 6, 2020 Municipal Complex Approved Minutes

# I. Call to Order/Pledge of Allegiance

Vice Chair Lamphere called the meeting to order at 7:14 pm and led with the Pledge of Allegiance.

#### II. Attendance

#### **Committee Members Present:**

Mike Weider, Chairperson (arrived at 7:41 pm) Rhonda Lamphere, Vice-Chair Ephraim Dobbins Kathy Guilmette Brennan Holmes, School Board Liaison Stephen Landau, BOS Liaison

### **Others Present:**

Ben Kilar, Chester Academy Technology Director Darrell Lockwood, SAU 82 Superintendent Sheryl Rich, SAU 82 Business Administrator Royal Richardson, School Board Chair

Possibly Others Unknown to this Recording Secretary

#### III. Member Comment

There was no Member Comment.

# IV. Welcome and Announcements by the Chair

Vice Chair Lamphere noted that Chairman Weider is running late.

Vice Chair Lamphere welcomed the School Board Chair Royal Richardson and Superintendent Lockwood. She noted that the agenda has only the presentation of the school budget as the single item of business for tonight.

#### V. Public Comment

There was no Public Comment.

#### VI. New Business

# a. School District Presentation on Budget Direction

Superintendent Lockwood and School Board Chair Richardson joined the Committee at the meeting table to present the proposed 2020-2021 Chester School District Budget.

Superintendent Lockwood noted that the Members have been presented with the school budget book. He reviewed with the members the layout of the book; he pointed out the budget summary in the front of the book and the revenue and tax impact review in the back of the book.

Superintendent Lockwood said that he would present a PowerPoint presentation tonight, reviewing each slide. He noted that he would email the presentation to the Chair to ensure all members had the ability to review it in depth.

Superintendent Lockwood said that the budget that he is presenting tonight is \$132,000 less than the budget which he presented to the School Board and he added that he would explain.

Superintendent Lockwood said that the School Board and CESPA (Para educator organization) have approved the mediated agreement to move forward to Budget Committee and the Town. He noted that he would explain the money implications of that mediation.

Superintendent Lockwood proceeded to present the PowerPoint presentation.

Superintendent Lockwood presented the slides of the presentation. He explained the Proposed Expenditure Summary slide:

Operations Budget	\$12,	.150,413	\$1	.2,711,887	\$12	2,579,887	\$561,474	3.53%
Debt Services	\$	0	\$	0	\$	0	0	0%
Fund Transfers	\$	0	\$	0	\$	0	0	0%
Total General Fund	\$12	2,150,413	Ş	\$12,711,887	\$	12,579,887	\$561,474	3.53%
Federal Funds	\$ :	205,275	\$	133,477	\$	133,477	(\$71,798	34.98%
Food Service Fund	\$ :	172,500	\$	179,000	\$	179,000	\$ 6,500	3.77%
Budget for All Funds	\$12	,528,188	\$	13,024,364		\$12,892,36	54 \$364,17	6 2.91%

Superintendent Lockwood said that the variance is the difference between the CSB (Chester School Board) proposed budget and the current budget.

Superintendent Lockwood explained that the house valuation has changed from the \$350,000 to the \$450,000, based on the community wide reevaluation that was just completed.

Superintendent Lockwood noted that the proposed budget does not reflect the CESPA staff increase which will appear in a separate warrant article.

Superintendent Lockwood said this slide is the same summary without the administrative column:

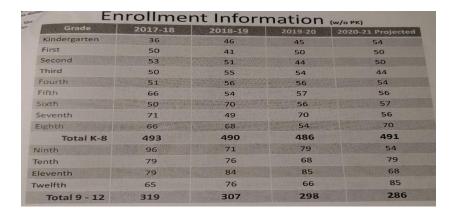
Operations Budget Debt Services Fund Transfers	\$12,150,413 \$ 0 \$ 0	\$	79,887		9,474	3.53%
		2.5	0			
und Transfers	\$ 0			\$	0	0%
		\$	0	\$	0	0%
otal General Fund	\$12,150,413	\$12,57	79,887	\$42	9,474	3.53%
ederal Funds	\$ 205,275	\$ 1	33,477	(\$	71,798)	34.98%
od Service Fund	\$ 172,500	\$ 1	79,000	\$	6,500	3.77%
dget for All Funds	\$12,528,188	\$12,8	92,364	\$3	64,176	2.91%

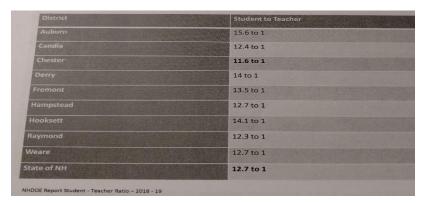
Superintendent Lockwood explained the challenges they face noting that although the retirement contribution rate for teachers, administrators, and all employees remains the same, the State has slowly been moving the cost from the State paying to the Towns paying. He said that other challenges include the loss of State and Federal Special Ed. Aid, loss of Kenogarten funds from the State for 2019-2020, accurately projecting Kindergarten and First Grade enrollments, Pinkerton Academy ACT program Tuition rising, and the increase in health insurance rates by 8.60%.

Selectman Landau asked if Chester is being charged for the development that is being done to the additional road and parking that was built and if the new work strictly benefited the athletics without providing any benefits to academic programs.

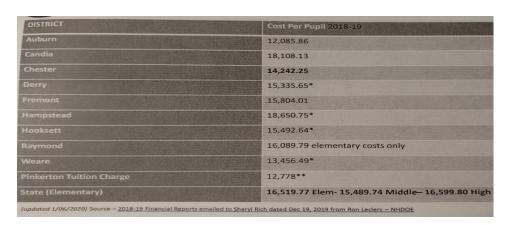
CSB Chair Richardson explained that Chester did contribute towards the new road and parking project with a previous budget from the tuition budgets of 2017-2018. He said that the new road and parking was not for athletics but was a capital project that has alleviated the parking lot congestion improving access for emergency vehicles.

Superintendent Lockwood reviewed the enrollment information and the student to teacher ratio.



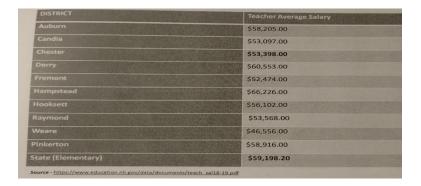


Superintendent Lockwood reviewed District comparisons for cost per pupil, valuation per pupil and teacher average salary.



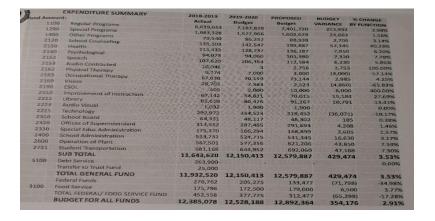
DISTRICT	April 1, 2017 Eq. Valuation	2017-18 Average Daily Membership in Residence	2017 Eq. Valuation Per Pupil 917,037		
Auburn	809,825,829	883.09			
	483,739,667	463.72	1,043,172		
	649,689,911	803.46	808,615		
	3,209,467,436	5,077.70	632,071		
	480,953,595	623.46	771,427		
	1,248,788,229	1,277.03	977,885		
	2,099,079,668	1,894.88	1,107,764		
	1,014,725,486	1,264.49	802,478		
	590,298,323	969.93	608,599		

Superintendent Lockwood pointed out that the teacher salary is an average salary; he noted this will change if one hires many new teachers, so a better comparison may be the teacher salary schedule.

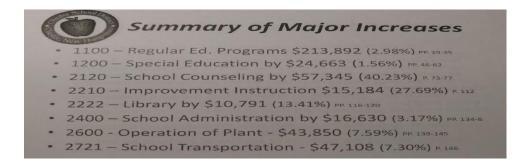


Superintendent Lockwood reviewed the expenditure summary. He explained that the Federal Funds are \$71,798 less than last year's budget because of the way the Federal Government attaches funds to specific student. The problem is that the funds have been given to Derry because the student attends school in Derry. Superintendent Lockwood explained that the sending town is not getting the proper funds.

Superintendent Lockwood said that as of yet, Derry has not spent those funds. He noted that this problem is affecting many New Hampshire districts. The problem is being worked on by the State at this point.



Superintendent Lockwood gave a summary of the major increases to the budget:



Mr. Dobbins asked about the student transportation breakdown.

Superintendent Lockwood explained that the last time they sent the transportation out to bid they only had two bidders with whom they could negotiate.

Superintendent Lockwood reviewed each of the individual line items from the major increases.

Superintendent Lockwood and the Committee discussed the reading specialist position and the full-time enrichment program.

Superintendent Lockwood said that the school has never had a full-time enrichment teacher; he advised the position is proposed based upon the report of the Enrichment Committee spearheaded by interested parents. He said that they replaced the previous part-time enrichment program with a full-time STEM teacher.

Superintendent Lockwood and the Committee continued to discuss each individual line from the major drivers of increases to the budget summary, including 1200 Special Education and 2120 School Counseling.

Superintendent Lockwood and the Committee reviewed the 2600 Operation of Plant items, with Ms. Rich explaining the difference of General Maintenance and Repair Sand Repair Plant and Building.

Selectman Landau and Superintendent Lockwood discussed the elevator yearly certification.

Superintendent Lockwood reviewed the Summary of Major Decreases:

- 2162 Physical Therapy -\$4,000 (-57.14%)
- 2169 Vision \$4,860 (-65.83%)
- 2225 Technology \$36,071 (-10.17%)
- Federal Funds \$71,798 (-34.98%) Superintendent Lockwood noted that he didn't know when the IDA Federal Funds issue would be resolved but, he did not think that the NH AG had yet written the letter.

Superintendent Lockwood said that the next steps will be to get a list of questions from the Budget Committee which they will respond quickly to be ready for the next meeting with the Budget Committee on January 20<sup>th</sup>.

Superintendent Lockwood said that CESPA and the CSB have come up with a three-year agreement.

Superintendent Lockwood reviewed the pay increase schedule for the para educators with the Committee, as well as, explaining the difference of the para educator's levels.

Superintendent Lockwood explained the changes that were made to the CIP by moving projects out to different years.

Superintendent Lockwood said that by using \$60,000 to minimize the impact of the tax rate to the taxpayer, they are avoiding large blips in the tax rate.

Chair Weider, who had arrived at 7:41 pm, joined the Committee at the meeting table.

Chair Weider asked about the warrant articles and the unreserved fund balances.

Ms. Rich gave an explanation.

Superintendent Lockwood and CSB Chair Richardson stated that should any Budget Committee member have any questions to please contact them.

Superintendent Lockwood confirmed that he is emailing to the Budget Committee Chair the PowerPoint presentation and the CESPA contract.

Superintendent Lockwood, CSB Chair Richardson, and Mr. Kilar departed the meeting at 9:02 pm.

#### VII. Member Comments

There was no Member Comment.

#### VIII. Public Comments

There was no Public Comment.

IX. Next Meeting Date(s): Monday, January 13<sup>th</sup>, 2019

# X. Adjourn

Vice Chair Lamphere moved to adjourn the meeting; Mr. Holmes seconded the motion. The vote was unanimous in the affirmative; motion carried.

The meeting adjourned at 9:06 PM.

Respectfully submitted,

C. Molly Qualters, Recording Secretary