

# Joint Meeting with Candia School Board and Town of Candia Municipal Budget Committee Approved Meeting Minutes

**Meeting Date:** December 5, 2018  
**Location:** Media Room at the Henry W. Moore School  
**Attendees:** Lynn Chivers (Chairman)  
Bob Stout  
Dick Snow  
Sue Young (Selectman)  
Katrina Niles  
Stephanie Helmig  
Jodi Hedstrom  
Kaycee Vitale  
Kathryn Duncan (Director of Student Services)  
Becky Wing (Principal)  
Karen Lessard (Business Administrator)  
Marge Polak (Assistant Superintendent)  
Charles P. (Phil) Littlefield  
Matt Woodrow (Chair of the Candia School Board)  
Dana Buckley  
Mark Chalbeck  
**Absent:** Susan Gill  
Todd Keating

Chairman Chivers opened the meeting at 7:00 PM

Pledge of Allegiance

Introductions of the Budget Committee and the School Board

## **Questions for the School Board 2019-2020 Budget**

Chairman Chivers read the below questions to the School Board (in italics) and the subsequent answers are written below:

*In which line will we see the decrease as a result of the elimination of one administrative position? Will we lose a staff member or will someone just be moved?*

- Karen Lessard answered that the line that reflects the change is the very first line on the budget, Regular Teacher Salaries. She explained that the reason we do not see a decrease is because there was a position eliminated but the board included a Spanish Teacher.
- Chairman Chivers noted that the Spanish Teacher will not have the same salary as the administrative position and Karen Lessard concurred. Karen Lessard also clarified that technically no positions have been eliminated but will be in the spring.
- Dr. Littlefield also gave clarification. One position that is referred to as administrative is falls under the teacher contract. This year we have 4 administrative positions; Principal, Assistant Principal, Director of Student Services, and the Curriculum Coordinator. Next year we will only have 3 administrative positions and we do not know what the job title will be or what the structure will look like.
- Chairmain Chivers asked for more clarification because we are losing an administrative position, gaining a Spanish Teacher, and a teacher is retiring which should show a reduction of one staff member. She also clarified that there is a \$25,000 stipend for the teacher that is retiring. Karen Lessard concurred with the \$25,000. Discussion ensued.

*When will the decision be made about the placeholder position?*

- Karen Lessard answered early spring

*How many staff members are leaving and how many will be or have been hired? What is the net change?*

- Karen Lessard answered that the net change is zero. We have a teacher retiring but we are adding a Spanish teacher.
- Dr. Littlefield clarified that the administrative change is a reduction of 1, the retirement is neutral because someone will be hired into that role, then the board added a foreign language teacher as an addition of 1 thus netting 0. Initially it was submitted to the board to have a reduction by 1 position. In the September and October meetings, there was significant parental input from parents around being competitive in foreign language so the board added a position.

*Regular ed teacher salaries – How many are included?*

- Karen Lessard answered 25 salaries, the retirement stipend, and a performance stipend per the collective bargaining agreement.
  - Chairmain Chivers asked how much is the performance stipend?
    - Karen Lessard answered \$15,000 in total.

*Please show how these numbers were computed? How many students at each school and the capitol costs?*

- Karen Lessard passed out the Regular Ed High School Tuition report that broke down Candia Capital Cost and estimated tuition and enrollments to Manchester, Pinkerton, and Non-Manchester Schools.
  - Chairman Chivers asked if the Estimated Base Tuition (second line of the report) was for Central. Karen Lessard answered it was for Manchester and it does not matter what school they are at, it is the same amount.

*How many students are in elementary or high school special education programs? What percentage is this of all our students?*

- Karen Lessard answered 72 are enrolled in special education programs which is 14% K-12.
  - Bob Stout asked if there was a break down between high school and grammar school?
    - Karen Lessard answered no but we can get it to you if you need it.
  - Selectman Young asked if that was just IEP's, not 504's or title?
    - Kathryn Duncan answered yes, just IEP's

*How many students receive math and reading title services?*

- Karen Lessard answered 73
  - Chairman Chivers asked if this was the same students or a separate group of students.
    - Kathryn Duncan answered separate.
  - Selectman Young asked if title services end at elementary?
    - Kathryn Duncan answered K-8

*Historically we have overbudgeted for the special education health insurance line. What is the reason for the big increase this year?*

- Karen Lessard answered the way we budget health insurance, not just for special ed but everywhere, is we take the actual number of employees at the time of our budget and what they have for an election at that time. We budget that going forward for the next year. If we have any vacancies, and it is a teacher vacancy, we budget a two-person plan for that vacancy not knowing what that person is going to take. Then if it is a para, we budget a single plan because according to their collective bargaining agreement, that is all the district will pay for. If they want a two-person plan they can but they have to make up the difference. There are two vacancies right now in the para line so we have budgeted for single plans for those two vacancies.

*There is a big variation in the cost of out of district placements. How is it decided where a student will go and is there any oversight?*

- Karen Lessard answered the IEP team determines out of district placements and the schools are determined based on the individual students needs. Throughout the school year, the Director of Student Services communicates regularly with the out of district schools to ensure that the placement and services are appropriate. In addition, there is at least one additional IEP team meeting to formally review the needs and placements.

*Page 195 of our budget book shows Medicaid reimbursement support of \$5,000. What is this expenditure for and what have we done in the past? This page and the amount expended in 17-18 does not agree with the line in the budget. (note: There are other budget pages where the expended 17-18 shows 0 but the budget sheet shows that there was an expenditure that year.)*

- Karen Lessard answered this is for the Medicaid billing service that we use to ensure maximum reimbursement for eligible special education services. The district has utilized this service for at least 13 years and we see almost \$22,000 in reimbursement for the 17/18 year. So, we pay for them to do all that administrative work to get the money back.
- Selectman Young asked for clarification on the budgeted amount and Karen Lessard answered that the service gets about 9% of all monies reimbursed
- Karen Lessard also clarified that the book had incorrect numbers but the correct numbers are on the updated budget.

*How many students use ELL services?*

- Karen Lessard answered 7 students are eligible for ELL services
  - Selectman Young asked if that was K-8?
    - Kathryn Duncan answered K-12

*We would like to see the detailed SAU budget. What percentage does each town pay?*

- Karen Lessard passed out the SAU 15 19-20 approved budget. The first two pages is the SAU budget and the third page is an appropriation summary. Hooksett is just under 60%, Candia is a little over 14%, and Auburn almost 26%.
  - Stephanie Helmig asked if this was just based on population?
    - Karen Lessard answered that it was ½ average daily membership and ½ valuation. Candia's assessment is down about \$10,000 for this budget year.

*On page 121 of the budget book it shows we are repairing the intercom system. On page 148 we are updating the system. Why are we spending money to repair it when we will update it later?*

- Karen Lessard answered that the current intercom system isn't being replaced all we are doing is making it so that it is integrated with the new phone system. There could still be a need for repairs.

*Where is the nurse's room being relocated? What is driving this move?*

- Karen Lessard answered that the nurse's room will be expanded into the classroom next door because there is already plumbing there so we will be able to access that plumbing and save some money during this expansion. The reason we are doing it is because the current bathroom is not ADA compliant, a stretcher cannot fit through the door, and there is no privacy when multiple students are utilizing the nurse's office.
- Mark Chalbeck also added that it was worth noting that the current Nurses office is the size of a closet and if a couple of kids are in there with a contagious condition, it can easily spread.

*What have we done with the \$121,750 budgeted for building improvements for this year? What additional projects do we have planned before the school year is completed?*

- Karen Lessard answered we had a brand-new roof in the front of the building, we abated lead in the cupola and painted it, we made some safety repairs to the barn we own, we retiled the hallway in the 7<sup>th</sup> and 8<sup>th</sup> grade wing, we replaced several windows, we installed a 6 ft overhang in the existing backstop in the field and 50 feet of new fence. We also added security shades to several platforms including the media center and the staff room. Projects that are going to be worked on the rest of the year include re-seaming the rubber membrane loop, loop transition repairs, resurfacing carpet in the main entrance lobby and install emergency strobe lights where needed.

*Wage pool admin / other salaries – What will this money be used for?*

- Karen Lessard answered that it is a 2% increase for all non-represented staff; i.e. administrative, custodians and food service.

*Where are our costs for the students in charter schools listed? What are the charter school misc. expenditures that are shown for last year?*

- Karen Lessard answered the charter school expenditures are on the last page of the budget, the very last account number. We spent a little over \$15,000 last year and this year we budgeted a little over \$7,000. We are responsible for the special education services of Candia residents that choose to attend charter school.

*In accordance with their contract, what percentage wage increase are the teachers receiving in this budget?*

*What wage increases are all the other staff members receiving?*

- Karen Lessard answered 2% and also picking up 1-2.5% of the health care cost. 2% for the other staff members as well.

*Please explain our special education fund and how and when it can be spent. What is the current balance? What other funds are maintained by the school at present? What are the balances and how and when can they be used?*

- Karen Lessard answered that when that was set up in March of 2003 it was set up for unanticipated expenses of educationally disabled children. We can only access that for students that we were not aware of when we did the budget.
  - Chairman Chivers asked if there was a catastrophic aid?
    - Karen Lessard answered that catastrophic aid was revenue that comes into the district. It comes in the year following the expenditures.
  - Chairman Chivers asked what is the balance in the special ed fund right now?
    - Karen Lessard answered the balance is \$202,797
  - Selectman Young asked if a student comes in during the summer and a student needs services; the voters have already approved the budget; isn't that an instance where you could go to this fund or would you not?
    - Karen Lessard answered that we would not go to this fund right away because if we had money in the budget, we would use that first. We want that money to be there in case, for instance, an out of district child comes to town it gives us the money to use for that.
  - Karen Lessard answered that the school has the School Gym Fund with a balance of \$40,150 that can only be used to set up a gymnasium at the Henry W Moore School and nothing else. Then there is the Building Maintenance Fund that has a balance of \$31,228 that was set up for the purpose to repair and maintain the school building. There is a Capital Reserve fund with \$258,013 that can be used for Candia School District facility needs and cannot be withdrawn without an approval from the town via a warrant article.

#### **Additional Questions for the School Board from the Budget Committee**

*Chairman Chivers asked if the board if they know if they are going to have any warrant articles this year?*

- Karen Lessard answered that we will have the budget and a CBA for the support stadd at Moore School.
  - Selectman Young asked when those were due?
    - Dr. Littlefield answered that they are not due until January but he anticipates the board will make a decision this week because this is the last board meeting before January.

*Bob Stout mentioned that last year and this year the budgets have been well done. If we look out a bit there are uncontrollable that is driving everything. If you look at the cost of educating a High School student, the cost is \$12,778 for this upcoming year. Without subtracting out special education, the rest is costing us about \$22,000 per student. As we look down the road, are we looking to getting together with some of our partners in the SAU to keep some of those numbers down?*

- Dr. Littlefield answered that he thinks at some point. The board is not oblivious to needing a long-term plan. Matt has floated some ideas for the future at the SAU board meeting; that they have us partner with one or two of the remaining SAU school districts. That does need to be looked at. What you (Candia) is suffering from is low enrollment. If you look across the state, you look at small school districts, the per pupil cost is very high because you are maintaining a whole school. Theoretically we could double our enrollment and a bunch of our costs would not increase. We have begun the discussion but it needs to be continued.
  - Bob asked if we could benefit from some of the same because the projections on enrollments are not changing based on the worksheets provided
    - Matt Woodrow answered that as he explained previously, the SAU board as a whole is looking at this together. We are looking at efficiencies and ways we can consolidate across the whole SAU and leverage the fact that each district has a SPED director, each has a technology director, and maybe down the road can we help each other out with some of those resources.

*Selectman Young had a question on the shipping costs. If we combine our efforts with Hooksett and Auburn isn't there anyway, or any companies, who will do something with the shipping charge? We place a \$4000 order and it costs \$400 to ship. Is there anyway we can do a joint purchasing?*

- Dr. Littlefield answered that some of what we purchase we do bid as a SAU. I think that where you see shipping costs, we have put them through the ringer on the public relations aspect of shipping costs. I can guarantee that when they are buying something, the total cost is the most cost-efficient way to purchase it. Discussion ensued.
- An example was given by Marge Polak that when we do our bid text book purchase, we just did science this year, the three towns bought from the same company. So instead of 10% (shipping costs) each district got a 5% purchasing together.

### **Feedback by the School Board and the Budget Committee**

- Mark Chalbeck wanted to mention that he was listening to a recent audio recording from one of the meetings and some of the budget committee members expressed concern about sometimes they will ask questions on the school side and people will accuse them of not caring about the school. Mark just wanted to say that we (the School Board) understand that making an effort to be fiscally prudent and responsible and also wanting to see this school provide a quality education are not mutually exclusive concepts. It is ok to ask questions or disagree with us. We understand and that does not mean that you do not care about the school.
- Selectman Young wanted to respond by saying whether or not we agree on each item, I feel that the majority of residents have a lot of faith in this board. I think the majority thinks that you will not spend it if you do not need it. I think the majority of the residents have a lot of faith in you. As Lynn or as Bob said, you have done a great job in the last couple years and you are trying as hard as you can to do what's needed vs. what's wanted and I think you are doing a great job personally.
- Mark Chalbeck added that with the facilities we have to abate some of the flooring, maintain some of the health situations, and abate some of the moisture from seeping in different spots. That's why some of the facilities have an increase, to get this building so it is water tight and healthy.

### **The Budget Committee vote on Recommended Budget**

Chairman Chivers asks the Committee if they would like to vote section by section or bottom line.

- Selectman Young would like to see if everyone would like to vote on bottom line at this time. We can't dictate where it comes from anyway if someone thinks it should be cut so maybe if someone doesn't like the bottom line that is presented if we could go by percentages, which is legally all we can give them, we are not wasting a lot of time. You can make your intent clear on where you do not want them to spend it and it might save a lot of time if you want to do it that way.
- Bob Stout said before you present the number, I just want to throw one thing out there. If you look at most of this budget there is nothing in my opinion we can change. I am going to go back to the insurance question. They projected a little more because they did not have the initial rates in when this was created. Then we found out the rates for health insurance stayed flat for next year. So, for example, you are on path to spend \$677,000 in health-related costs this year. I understand that there needs to be a little flexibility in there for teachers coming in. This year the budget is \$802,000. I do not see anything else I would consider looking at. When we looked at the town budget, there was a lot of discussion and we went through it line by line. We ended taking out a small amount of money but it shows that we are making an effort to manage things and use the money wisely. I think we could look at that line, I think we could leave money in there so they have flexibility to spend but I think there is an opportunity to bring it down which will almost make the budget look flat. Discussion ensued on this topic.
  - Multiple member concurred that reducing the health insurance costs between \$45,000 and \$50,000 makes the budget look flat and leaves about \$80,000 in there for flexibility
  - Jodi Hedstrom said that her concern would be if the default budget came in significantly lower than the actual requested budget.
    - Chairman Chivers answered that we can change this budget at the deliberative session if something like that were to occur. We also have an opportunity to change once we see the warrant articles as well. Discussion ensued
    - Chairman Chivers also clarified that the default budget is last years budget plus the contractual obligations minus the one-time expenses.
- Jodi Hedstrom asked how do you close the gym fund?

- Chairman Chivers said as she understands it, the fund was made from private donations and that is all the money can be use for. We have asked how to close it before but since this was a private donation with conditions it can only be spent on a new gym. Discussion ensued.

Chairman Chivers asked if someone would like to do the math and make a motion?

- Bob Stout motions for the purpose of discussion that we set the budget at \$8,651,497.73, Selectman Young seconds. Discussion ensued
- Chairman Chivers calls for a vote
  - 6 favor (Chairman Chivers, Bob Stout, Selectman Young, Katrina Niles, Stephanie Helmig, Jodi Hedstrom)
  - 1 opposed (Dick Snow)
  - Motion carries

### **Additional Business Discussion**

Stephanie Helmig asked about Todd Keating and what the rules are for missing meetings.

- Chairman Chivers said she did reach out and that there is a provision for members that miss meetings and she would look it up. Discussion ensued around the topic, rules, and reelection times.
- Chairman Chivers will look up the whole RSA for clarification. Discussion ensued on what we would do with the open position.

There being no further business, Katrina Niles made a motion to adjourn, was seconded by Jodi Hedstrom and the motion carried.

Meeting was adjourned at 8:13 pm

Submitted by: Kaycee Vitale, Administrative Assistant