

DRAFT: Subject to Board Approval

WINCHESTER BUDGET/BOARD PUBLIC HEARING
JANUARY 11, 2007
ELEMENTARY SCHOOL CAFETERIA

Budget Committee Members Present: R. Kelton, D. Lincoln, G. Rokes, D. Freeman, J. Beaman, K. Gardner, T. Croteau, S. Tedford, M. Curtis, H. Crowell
Board Members Present: V. Cole, B. Moser, C. Duquette. B. Campbell, C. Thompson
Administration Present: M. Sullivan, T. O'Connor, D. Funkhouser

The meeting was called to order at 7:02 pm by Budget Committee Chair, T. Croteau.

T. Croteau read **Article One** and reviewed the MS 27 line by line.

P. Bigelow advised that the spelling of principle and interest is incorrect and should be fixed.

T. Croteau read **Article Two**.

T. Sepe asked for the percentage of salary increases that the teachers are getting.

B. Campbell explained; the first year - 5.01, second - 4.6 and third - 4.62 increase in salaries.

M. Sullivan advised figures do not include benefits; each line is reduced by a give-back.

T. O'Connor explained the breakdown of the total increase.

T. Sepe asked if we have more teachers from this year to next year coming on.

B. Campbell advised a Guidance Counselor staff member that was cut.

Joan Franklin - Advised she feels the numbers are misleading; for the teachers off scale their increase is 4.1%.

M. Sullivan advised the increases are different throughout. That is the total new money of the total package.

V. Cole advised it is not the Winchester Federation of Teachers as it reads in Article Two, but the Winchester Teachers Association.

T. Sepe believes last year the Budget Committee instructed the School to look into benefits to see if they could be lowered for teachers and staff. Was that done?

B. Campbell explained the way that this contract reads the teachers have agreed to a give-back of a total of 5% over the contract.

C. Duquette - At the SAU level Hinsdale, Winchester and Monadnock were asked about looking at this issue and we agreed that the SAU could go out and look for a broker and look at plans. At our first meeting in February the SAU is coming back with information on that to ask the Winchester School Board if we want to participate in obtaining quotes through brokers for other insurers.

T. Croteau read **Article Three** and C. Thompson spoke to it.

A citizen advised the calculation comes to about \$20.00 per hour.

C. Thompson advised that is approximately right; \$20.00 an hour times two hours a day - \$40.00 for school days. Explained there is a person in Town who just completed safety traffic certification for the State. He works for approximately \$20.00 an hour so that was the number used when suggested to the Board.

B. McGrath - If approved, what approach will the Board take to fill it?

C. Thompson advised that it is preliminary at this point. Once the voters give us approval, the Board would meet and decide what method to come up with.

A citizen asked if certification would be a requirement for the position.

C. Thompson - That is something we would have to figure out. Don't know about certification laws; would probably need to check into that.

T. Croteau read **Article Four**.

T. Croteau read **Article Five**.

T. Sepe asked how much is in there (Expendable Trust) right now.

M. Sullivan advised \$100,000.

T. Croteau read **Article Six**.

B. McGrath advised that it seems like every year they ask for \$50,000 in Article Five and every year we have a surplus. Why ask every year?

C. Thompson advised that once we raise and appropriate the money in our budget set aside for Special Education, there is no more money for Special Education once that money is exhausted. We need this money to be able to pay the bills we are required to pay by law. At the end of the fiscal year, up to \$50,000 can be taken out and put into this account. It can only be expended for Special Education uses.

B. McGrath - Has any of that money been spent elsewhere in the past?

C. Thompson - No; can't by law. That Special Ed Trust is only for Special Ed expenses. At the last meeting we were somewhere in the \$400,000 range in the hole in Special Education. If a child needs services we need to provide those services, we don't have an option.

B. McGrath - Is that funded elsewhere in the budget?

C. Thompson - No; he explained can't forecast an exact number.

B. McGrath - So what was budgeted last year is in the red now?

C. Thompson - Absolutely.

C. Frado asked where the increase in the budget is from.

C. Duquette explained primarily in salary increases and health care and benefits.

C. Frado - What is the percentage on salary and how many staff.

C. Duquette - Advised approximately 4%; doesn't have the number with her.

T. O'Connor advised about 15 people.

C. Thompson explained increases in healthcare can be not only the number of employees but also a lot of employees change plans. One change of a family plan coverage for example, makes a huge wave.

C. Frado asked what the contribution from SAU to their health care is?

C. Thompson advised M. Sullivan is indicating 10%.

T. Croteau reviewed the major increases in the budget.

Roberta asked about tuition to Keene. Does it matter how many classes students take; if they take only one class do we pay full tuition?

C. Duquette - No. Advised M. Sullivan reviews the bills when received and reports any discrepancies to Keene. There have been some issues; but they are being worked on.

M. Sullivan explained.

C. Frado asked how many students are presently going to Keene.

M. Sullivan - 219.

T. Croteau advised 170 Regular Ed and 45 Special Ed students.

C. Frado asked for an explanation regarding the change in Water and Sewer payments.

B. Moser explained the school is used by all residents of Winchester not just those that receive water and sewer from the Town. By making the School Board pay the Town, all of the residents share in the cost of water and sewer here.

C. Frado asked about the teacher retirement bonus.

B. Campbell explained that the teachers who retire from the District have to have worked in the District for 20 years and be 55 and then would get \$250.00 per year as a bonus when they retire. We also buy back their sick days.

C. Frado - Is this in addition to their retirement benefit and part of the contract?

B. Campbell - Yes; he explained.

V. Cole advised retirement benefit is primarily state funded. The retirement bonus is based on years of service and sick days and it is a one time thing.

C. Thompson explained he believes the contract we have now only allows for three retirements per year so we capped the amount of money we could be exposed to in bonus payments in one fiscal year.

B. Campbell - It jumps to five in years one and two of the contract.

C. Duquette - At the end of the contract it reverts back to three.

B. Campbell advised there is something going on with the State retirement system; he explained.

D. Lincoln asked how many people are retiring in 2007-2008.

C. Duquette advised three.

D. Lincoln questioned the amount of money budgeted for three people. Explained they also get their sick days, too.

M. Sullivan advised up to 150 days times \$50.00 a day.

M. Sullivan advised the teachers who are retiring are mainly 30 year teachers.

A citizen asked what the average year of the teachers.

M. Sullivan advised somewhere in the 30-35 range.

Roberta asked if this is a new three year contract.

C. Duquette - Yes, we just reached an agreement to put it on the warrant for this year.

Roberta - asked where they can get information on the contract?

C. Duquette - At the Deliberative Session. If you have specific questions we can share that with you.

Roberta asked for cost of tuition to Keene for this year.

T. O'Connor advised currently we pay \$8,592 - Regular Ed and \$14,301 Special Ed.

Roberta asked if that is full and part-time students.

M. Sullivan - yes.

C. Frado asked for the line item for water and sewer.

C. Thompson the cost is \$7,500.

C. Frado - Is this lowering the rate for people who pay water and sewer bills.

S. Tedford advised it is possible, but he didn't know. His understanding is it should have been done 10 years ago.

T. Sepe asked about aides; did they get an increase in salaries and benefits also? If so, what is the amount.

C. Thompson explained that during a meeting had a motion to increase the aides salaries by one dollar per hour to make them more competitive.

C. Duquette advised aides do not receive medical or health benefits except the Board passed a motion to pay up to \$2,000 on a single plan; but none are taking them up on it. They do get some professional development days and vacation time.

A citizen asked if students to Keene High don't graduate, is the tuition pro-rated?

C. Thompson explained the school is billed only for days they are there.

S. Tedford asked T. O'Connor about default and operating budget; difference in figures.

T. O'Connor explained the procedure from DRA.

T. O'Connor reviewed the default budget. Explained he will go back and take a look at the areas that S. Tedford questioned. Advised dollar amount won't change.

D. Freeman asked about 2600 account. Advised it doesn't add up.

T. Sepe asked about the increase over last year. Hasn't heard anything about increase in programs. Advised over \$600,00 in Keene Tuition and Special Ed. Where is the additional \$400,000?

T. Croteau explained.

T. Sepe asked if there is any programs going on in the school that wants more money from this year to next year.

C. Duquette advised many accounts in regular instruction went down.

D. Funkhouser spoke to the reduction in the budget. There was a cost increase in prior years with new programs and now maintaining it at this point. Explained when new programs are initiated, would come to the Board and explain why an increase is needed.

T. Sepe advised did not have an issue with D. Funkhouser needing money for materials. Her concern is that the majority of the money went to Special Ed and tuition and a substantial amount of money for salary increases and benefits.

T. Croteau explained that a lot of it is contractual and Special Ed that we have no control over. He explained had a meeting with Winchester State reps. to find out their opinion on how to fund Special Education so it doesn't keep crippling all towns in NH. They didn't have any answers either.

T. Sepe advised since she was on the Board there has been conversation to use space in building to tuition kids for special education or keep kids in this school as opposed to paying Keene all that money but nothing has come out that.

T. Croteau advised it has been brought up every year as well; David does have an Autism program at the school. They are working on some things. Not the Budget Committee's job to force them to do that.

B. Moser explained we do not send Elementary kids to Keene Special Ed. The kids that go out of district for the most part we can never keep here. D. Funkhouser has been working on special programs that might produce some income at some point, but to say just because we have extra space that's not being used we should build something and we'll get all these tuition kids back is not realistic. The kids that are tuitioned are not going to come to any kind of program that can be done here in Winchester.

T. Sepe what about Special Ed kids going to Keene?

C. Thompson explained what services are provided at Keene High for Special Ed students. That is what they achieve for that extra difference in tuition money. Takes exception to the fact that T. Sepe feels not doing anything about the space here. Advised it is discussed repeatedly at different meetings; different forums.

B. McGrath - What is percentage increase over last year's budget?

T. Croteau - For the overall budget? 11.58%

B. McGrath - Failing to hear that there is any active programs to cut costs. Feels the Board needs to take a closer look at reducing costs and maybe eliminating some programs that are not really necessary. Suggested looking at centralizing purchase, group buying. Need to proactively try to keep expenses down.

C. Thompson explained school board has done a good job keeping costs down in this facility and keeping the quality of education where it needs to be. Explained the procedure regarding the manifest, reviewing bills, etc. Many things they can't control.

C. Thompson asked B. McGrath about tax rate in neighboring towns.

D. Lincoln - Tax rate doesn't tell the whole story. If you compare the evaluations, what the homes worth. There are a lot of other factors you need to consider.

B. McGrath - Not hearing that anything is in place where trying to control costs.

C. Thompson advised would go over budget line by line with B. McGrath. Explained they did everything as a Board that they felt they could do to keep the budget presentable to the general public.

Some things have no control over.

T. Croteau reviewed the programs in the budget that were cut. The Board went through the budget and lines were level funded or cut. All supplies have been cut.

C. Frado explained that all references to the Spanish teacher have to do with trust to the School Board. Could have returned money to tax payers, but hired a Spanish Teacher; feels attitude about the Spanish teacher is because of how it was gone about.

V. Cole explained the Board meets the first and third Thursday of every month except once in July and once in August and meetings are open to the public. Decisions are always based on what's best for the kids.

C. Thompson explained it was a year ago the decision was made to hire the Spanish teacher, it was for the benefit of the student body, and it is time to move on.

The Spanish Teacher spoke to the Spanish program. Explained it is a fast growing language; kids need language to get into college; it has it's benefits.

Roberta asked about the bid policy.

B. Moser advised there has been a bid policy change; he didn't have the exact numbers. Believes it is \$5,000.

Roberta asked about insurance broker; has this not been done before and who is the contract with now.

C. Duquette - Not for a long time; because we have contracts we have to get similar benefits.

B. Moser - Local Government Center.

D. Freeman applauded the Spanish teacher.

The Public Hearing adjourned at 8:37 pm.

Respectfully submitted,

Peggy Higgins