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**Draft Minutes of the
Litchfield Budget Committee Meeting
Held on November 15, 2018**

8 The Litchfield Budget Committee held a meeting on Thursday, November 15, 2018 at Litchfield
9 Town Hall, 2 Liberty Way, Litchfield, NH 03052.

10 **PRESENT:** C Couture (Chair), K Douglas (Vice Chair), J Bourque, J Martin, N Fordey, J
11 Whitnell, B Hodgkins, R Meyers (School Board Representative), J Brunelle (Selectmen
12 Representative)

13 Absent:

14 **1. CALL TO ORDER**

15 Mrs. Couture called the meeting to order at 7:00 p.m.

16 **• PLEDGE OF ALLEGIANCE**

17
18
19 **2. PUBLIC INPUT**

20 There was no public input.

21
22 **3. REVIEW / ACCEPTANCE OF MINUTES**

23 **• November 1, 2018**

24 The minutes were deferred.

25
26 **4. CORRESPONDENCE**

27 Mrs. Couture indicated that she received information and updates to the budget from the district.

28
29 **5. OLD BUSINESS**

30 **• Follow up of questions from last meeting**

31 There were no questions.

32
33 **6. SCHOOL BUDGET PRESENTATIONS**

34 Dr. Jette provided some updates from the recent School Board meeting to the Budget Committee.

35
36 Enrollment Projections

37 Dr. Jette explained there was a long term practice of using a 3 year weighted average to project
38 enrollment in the district. He indicated that the district sought outside sources for projections,
39 but neither source was available to us this year. He noted that we ran the numbers ourselves and
40 brought in Sugar Maple Consulting (SMC) to review those numbers and make recommendations.
41 He commented our projections for grade 1 and kindergarten were off this year due to the
42 implementation of full day kindergarten and the increase in grade 1 enrollment.

43
44 Dr. Jette reported that SMC was asked to go through the numbers and focus on the full day
45 kindergarten number. He noted there is great value in having an independent consultant review
46 the work and have their input. He indicated SMC recommended switching the projection
47 methodology for projections and recommended to discontinue using birth rate to project

48 enrollment in grades k and 1 as it does not capture families moving into the community and other
49 factors that contribute. He explained because full day kindergarten is newly implemented there
50 is no past data to use and that the current enrollment should be carried forward. It was
51 recommended discontinuing using 3 year weighted averages for projections and that a 3 year
52 unweighted average would be more accurate since the difference between the two is minimal.
53 Our numbers fluctuate in a way that causes spiking in the 3 year weighted average projections.
54 SMC also recommended taking class size information and incorporating it into the projections,
55 while making note of outside factors that contribute to enrollment.

56
57 Dr. Jette reported that PK enrollment is capped at 40; Kindergarten will be carried forward at 80;
58 Grade 1 will be projected at 90. He indicated a staffing projection for GMS shows class sizes
59 and staffing change from the current years. He mentioned that the School Board took action at
60 their meeting last night after a discussion of class sizes and lowered the class size policy for
61 kindergarten to 18.

62
63 Mrs. Couture indicated that last night the School Board considered a second reading if the class
64 size policy and revised the number for kindergarten. She noted the policy still requires a final
65 reading.

66
67 Dr. Jette indicated that he was directed by the School Board to bring that change to the Budget
68 Committee and request an additional kindergarten teacher at GMS based on the projections and
69 class size. He commented GMS is predicted to grow over the next three years; LMS is projected
70 to decrease over the next three years and the staffing projection reflects keeping staff numbers at
71 LMS at their current level; CHS is projected to decrease over the next three years, but there is no
72 class size projection for the high school due to running various courses and caps on lab sizes, as
73 well as varying numbers in elective courses.

74
75 Mrs. Couture commented numbers for grades 7 and 8 indicated that a teacher can be reduced in
76 grade 7, but no reduction was suggested.

77
78 Dr. Jette indicated that the district is not planning to reduce staff at that grade level as the
79 students work through a rotating schedule and have a double session of math. He explained
80 teachers for middle school are required to have content certifications and it is not viable to make
81 a staff reduction programatically.

82
83 Mrs. Bourque commented when looking at what will be coming into grade 7 over the next two
84 years it would seem to make sense to reduce a teacher.

85
86 Dr. Jette indicated that grade 3 at GMS will be smaller next year which allows us to reduce one
87 teacher and put that position in grade 2.

88
89 Mrs. Bourque indicated that methodology makes sense.

90
91 Follow Up Responses to Budget Committee Questions

92 Dr. Jette indicated there were three inquiries regarding the high school budget:

93

94 Reality Babies: what will be accomplished by increasing the number of Reality Babies in FACS.

95
96 Dr. Jette indicated that by increasing the number by two the total will be ten babies and with a
97 class of 20 the students will be able to equally share them from semester to semester. The
98 batteries in the babies last 2-3 years and are programmable so we can keep the babies up to date.
99 He noted there is no expectation of requesting additional babies in the future.

100
101 Chairs in the Tech Ed Classroom: question on the number of chairs requested for replacement.

102
103 Dr. Jette indicated there are 18 chairs to replace. The request was for 5 next year and phase in
104 replacements over the next three years.

105
106 Video Cameras in Business Ed: question on the rationale for video cameras.

107
108 Dr. Jette indicated that video cameras are used constantly in the course and are not holding up
109 under that use. He noted that it is anticipated four cameras will be needed on an annual basis.

110
111 Mr. Izbicki commented that there was a statement made at the last Budget Committee meeting
112 about the implementation of full day kindergarten and that the district said it would not have a
113 tax impact in future years. He clarified that was not what the district presented at Deliberative
114 Session. He indicated that what was stated was using resources the tax impact will be reduced in
115 the first year and there will be an impact going forward in staffing.

116
117 Mrs. Douglas indicated she made that statement and is standing by it. She commented that the
118 district gave the impression three people at the middle school would be moved to kindergarten.
119 She mentioned that she takes issue when we present something and then change it.

120
121 Mrs. Bourque commented you don't know what you don't know. She indicated that the district
122 went into this saying it is the right thing for the students and some of these things cannot be
123 predicted.

124
125 Mrs. Douglas commented the ratio of 20:1 is inaccurate because there are two adults in the room.

126
127 Mrs. Couture commented that is the similar to stating we should have anticipated the additional
128 26 first grade students. She indicated when additional students show up you have to make
129 adjustments quickly and have to re-evaluate where you are.

130
131 Mrs. Douglas commented she was not in favor of it and neither were a lot of people. She
132 indicated if we are putting the ratio below the state and school requirement and now we are
133 offering above and beyond.

134
135 Mr. Meyers commented that the voters approved it last year knowing there would be an offset
136 the first year.

137
138 Mrs. Douglas commented that stating there was an offset is inaccurate.

139

140 Mr. Izbicki commented the district never said there would not be an impact. He indicated there
141 was more enrollment than anticipated.

142
143 Mrs. Douglas commented that 81 students is within policy parameters.

144
145 Mrs. Couture indicated it is within the School Board's purview to change the policy.

146
147 Mrs. Douglas commented it is in the taxpayers' purview to say no.

148
149 Mr. Izbicki reported there is an update in the guaranteed maximum for health insurance, which
150 was budgeted at a 9% increase. He indicated that because of a premium holiday the GMR is -
151 1.1%. He also reported that the School Board voted to include a kindergarten teacher and
152 paraprofessional in the budget last night.

153
154 • **Human Resources**

155 Mrs. Messenger presented the FY20 Human Resources Recommended Budget with a bottom
156 line total of \$8,360. She indicated budget drivers include advertising, professional services and
157 new hire expenses. There is a small increase in professional services resulting in an overall
158 increase in the budget of \$25.

159
160 • **Salaries and Benefits**

161 Mrs. Messenger presented the FY20 Salaries and Benefits Recommended Budget with a bottom
162 line total of \$17,291,430. She indicated that current costs for employees are included in the
163 budget and there are currently no increases budgeted for employees in negotiations. Salaries for
164 non-union member increases are reflected in a pool in the budget. Substitute salaries are
165 budgeted at \$76,000 for long term substitutes, which are different than regular substitutes
166 because they cover for teachers on leave and are paid at a daily rate equal to the first step on the
167 teacher salary schedule. 6th period classes are budgeted at \$42,000 based on the CBA.

168
169 Mrs. Couture asked if the budget for 6th period classes should be decrease based on declining
170 enrollment.

171
172 Mrs. Messenger indicated there are more students taking more math classes.

173
174 Mrs. Fordey asked for an explanation of 6th period classes.

175
176 Mrs. Messenger indicated there are five instructional blocks at the high school level and teachers
177 may have an additional class beyond that instead of a study hall or planning period.

178
179 Dr. Jette added the money they get for that is because they are planning for two different classes.

180
181 Mrs. Messenger indicated grade changes are for certification or degree changes; severance
182 payouts are budgeted based on employees that have submitted intent to retire letters and is based
183 on the CBA.

184
185 Mr. Hodgkins commented that we are paying them for leaving.

186
187 Mrs. Messenger explained retirees receive 1/3 of the sick days they have left and 1% of their
188 salary if their tenure is 20 years or more.
189
190 Mr. Hodgkins commented that we should consider negotiating that out of the contract. He
191 indicated if he leaves his job he forfeits his sick time.
192
193 Dr. Jette indicated it is an incentive.
194
195 Mrs. Bourque commented that is not out of the realm of the private sector either. She indicated
196 some business pay out unused sick days.
197
198 Mr. Hodgkins commented he understands that may be the way it is in all districts, but when the
199 taxpayer has to pay for someone not using sick time the taxpayer may not be aware of that. He
200 asked if the district considers that when negotiating a contact.
201
202 Dr. Jette commented when we go through the contract we look at things that become issues and
203 they bring recommendations. He indicated we negotiate on everything.
204
205 Mrs. Couture explained when a CBA is ratified it goes to the community and you get that
206 feedback. She indicated at Deliberative Session the detail is provided and the community can
207 provide feedback on that agreement. She noted all the information is present and communicated.
208
209 Mr. Meyers commented it is good for when teachers who are at the high end of their tenure and
210 can severance out because you get a new hire with a lower rate.
211
212 Mr. Hodgkis asked if there is ever an issue of sick time being used or not used when a teacher is
213 really sick.
214
215 Dr. Jette indicated that the district monitors that information.
216
217 Mrs. Douglas asked if we keep track of five or ten year exposure.
218
219 Mrs. Messenger indicated that information is given to the auditors so we do have an accounting.
220
221 Dr. Jette explained if you have a teacher making \$70,000 and they retire, they receive a payout of
222 \$40,000 and you hire someone at \$40,000, saving \$30,000 in salary.
223
224 Mrs. Couture commented when someone is retiring with 20 plus years they are obviously at the
225 top of the salary schedule and we do not hire at the top of the scale. She explained that is
226 attrition, although there may be times someone is hired at a higher rate, but that is two different
227 topics.
228
229 Mrs. Messenger reported that health insurance rates increased 1.7%, but due to a premium
230 holiday our rates decrease -1.1%; dental insurance rates increased 2.3%; NHRS rates are 17.8%
231 for teachers and employee rates decreased by 1.9%. She indicated \$4,000 was budgeted for

232 administrator vacation buyback; Special Education added \$6,000 for staff meetings; \$8,0000 was
233 budgeted for extra-curricular paraprofessional support; and the summer school staff line
234 increased \$16,000.

235

236 New and Expanded Positions

237 Mrs. Messenger reported the School Board will move forward with an Enrichment tutor and
238 Math tutor, which will be placed on the warrant. The School Board approved the addition of a
239 kindergarten teacher and paraprofessional, and the increase of 25% for a guidance counselor in
240 the budget. She indicated we will keep the 5th grade 1 teacher and reduce a position from grade
241 three that will be moved to grade 2. She noted the total increase in Salaries and Benefits is
242 \$540,794 or 3.2%.

243

244 Mrs. Couture commented last year an attrition reduction was taken. She asked why it did not
245 work this year.

246

247 Mr. Izbicki explained that last year the district applied an attrition reduction of \$200,000 across
248 salaries and \$50,000 across health insurance; however, in completing the calculations and current
249 staffing we will not have the funds to sustain another attrition reduction like that again as there
250 are too many unknowns.

251

252 Mrs. Douglas commented the employees that issues their intent to retire may not retire, but we
253 budget for severance.

254

255 Mr. Izbicki indicated if they do not retire they do not get the severance. We have to budget for
256 the severance upon their intent to retire.

257

258 Mrs. Couture commented for many years there has not been an attrition reduction at the high
259 school because of the specialized content areas and classes. She noted there has been some at the
260 middle school, but usually the largest attrition occurs at the elementary school. She indicated it
261 was interesting to have it come forward last year.

262

263 Mr. Izbicki indicated he will continue to revisit the analysis.

264

265 Mrs. Couture commented in comparing last year's budget to this year it is difficult to project
266 where it will come in. She indicated any information from last year would be helpful. She asked
267 for justification for the increase in hours for the guidance counselor at the high school where a
268 decline is reflected.

269

270 Dr. Jette explained when the education rules changed some years ago districts were given an
271 opportunity for Extended Learning Opportunities (ELOs). He added with that freedom to
272 exercise it there needs to be a degree of oversight. He indicated currently the guidance
273 department has been overseeing ELOs, but we need to expand that oversight because students
274 are taking more ELOs and expanding ELOs will require more time to work with a multitude of
275 students to ensure there is oversight on that expansion. He noted we need to make sure students
276 are earning and getting the accurate credit.

277

278 Mrs. Douglas was concerned about students who are not being served as well as they could be.
279 She indicated those students can take advantage of a program like this.

280
281 With reference to co-curricular salaries, Mrs. Couture commented that the salary rates for co-
282 curriculars are laid out in the contract. She believes the wording was in the contract that it is the
283 principal's decision which co-curriculars will be run. She indicated although the full cost is in
284 the budget there is an amount that can be reduced and traditionally the Budget Committee makes
285 that reduction.

286
287 Mrs. Bourque commented that many of those positions have been open for a long time and
288 others are offered but not run because there is not enough enrollment. She indicated she would
289 like to see what was budgeted and what was spent over the last two years.

290
291 Mrs. Messenger indicated there is an increase because we did not take the reduction at this time.

292
293 Mrs. Couture commented the clubs that run are listed, but it should be stated that they may not
294 all be run.

295
296 Mrs. Bourque asked if the administrative assistant for Athletics is needed with declining
297 enrollment.

298
299 Dr. Jette indicated that the administrative assistant is needed for coverage when the Athletic
300 Director is in classes.

301
302 Mrs. Couture commented sports teams enrollment can decline, but you still have to have a
303 certain number of players on the field.

304
305 Mrs. Douglas asked for the percentage of salaries in comparison to the overall budget.

306
307 Mr. Izbicki indicated that in FY19 it is 78.48% and in FY20 it is 79.44%.

308
309 Mrs. Douglas asked if the district believes we will have a contract.

310
311 Mrs. Messenger indicated that we hope to have a contract.

312
313 Mrs. Fordey asked for a separate breakdown of what is on a separate warrant article and what is
314 included in the budget.

315
316 Dr. Jette commented because we are requesting new positions, they will go on the warrant. He
317 noted expanding positions are driven by specific factors, such as an increase in enrollment,
318 programs or support.

319
320 Mrs. Douglas commented up until recently increasing hours has always been on a warrant article.

321
322

- **SAU and School Board**

323 Dr. Jette presented the FY20 SAU Recommended Budget with a bottom line total of \$27,796,
324 which reflects an overall decrease of \$5,800.

325

326 Mrs. Couture commented that historically there is less spent in travel, but it was increased last
327 year. She asked why we are keeping that number and what the amount is attributed to.

328

329 Mr. Izbicki commented last year it was increased because we were cognizant that we would have
330 a full time Superintendent.

331

332 Dr. Jette indicated there is a national conference, which is what the cost reflects. He noted that
333 we will have a more exact cost once we get to that point.

334

335 **• School Board**

336 Dr. Jette presented the FY20 School Board Recommended Budget with a bottom line total of
337 \$72,826, which reflects an increase of \$549. With regard to the Conferences/Workshops line, he
338 explained the NHSBA restructured their workshop costs by adding a season pass of \$250. He
339 noted that there is an increase anticipated in the printing of ballots.

340

341 Mrs. Couture asked why the district is maintaining \$50,000 for legal fees.

342

343 Dr. Jette commented the heaviest use will be this year because of collective bargaining.

344

345 Mrs. Fordey asked if any more manifest educational hardships are anticipated.

346

347 Dr. Jette indicated that is unknown as we can never be sure if that will occur.

348

349 Mrs. Couture commented the heaviest years for legal fees has been in years with negotiations,
350 but not in years with none.

351

352 **• Business**

353 Mr. Izbicki presented the FY20 Business Recommended Budget with a bottom line total of
354 \$47,236, which is an increase of \$535 due to software leases.

355

356 **• Transportation**

357 Mr. Izbicki presented the FY20 Transportation Recommended Budget with a bottom line total of
358 \$568,410, which is a reflection of a 5% budgeted increase. He indicated that the district will be
359 negotiating with First Student resulting in the School Board decision last night.

360

361 Dr. Jette commented there have been more complaints and issues with buses this year. He noted
362 we are going into the negotiations to ensure we get quality busing this year.

363

364 **• Buildings and Grounds**

365 Mr. Izbicki presented the FY20 Buildings and Grounds Recommended Budget with a bottom
366 line total of \$1,150,231, which is an increase of \$11,000. He indicated that he reviewed the
367 budget with Mr. Ross and Mr. Reynolds and have strived to keep the budget as level as possible.
368 He reported that the Superintendent and he have removed a list of items to address through year

369 end funds (if available). Budget drivers include professional development for managers for
370 certification, roof inspection contract for preventive maintenance, 35% increase in oil prices this
371 year; decrease in Property & Liability insurance, decrease in projects removed for year end fund
372 use.

373

374 Mrs. Couture commented every year we struggle to look at this huge list of repairs and choose
375 what is needed and what is not.

376

377 Mrs. Bourque asked what would cause the increase in GMS supplies with the new portables
378 placed there.

379

380 Mr. Izbicki indicated that it is unknown what consumables will be needed.

381

382 Mrs. Douglas asked how this budget compares with the recommendations from the building
383 assessment.

384

385 Mr. Izbicki commented as Mr. Ross works through the year those items will be addressed.

386

387 Mrs. Fordey asked if the replacement of the three snowblowers is part of a replacement plan.

388

389 Mr. Izbicki indicated they are really old and past the end of useful life. He noted these
390 snowblowers have been continuously repairs over the years.

391

392 Mrs. Couture commented traditionally there is less spent in inspections.

393

394 Mr. Izbicki indicated he will review the line items with Mr. Ross and Mr. Reynolds.

395

396 **7. MEMBER INPUT/ NEW BUSINESS**

397 Mrs. Couture commented that the best way to proceed with the budget process is to go through
398 each section and propose motions for changes. She indicated members can review page by page
399 prior to the November 29 meeting an propose reductions by section.

400

401 Mrs. Bourque commented some places may have to be more detailed.

402

403 Mrs. Couture indicated it is a bottom line budget and it makes sense to make lump sum changes.
404 She noted that reallocation is done by the district. She asked members to come prepared to the
405 next meeting.

406

407 Mrs. Fordey commented just because we propose reductions does not mean we do not support
408 education. She indicated that there are checks and balances.

409

410 Mrs. Couture commented just looking at the history, if something has not been spent in three
411 years it is not needed.

412

413 Mr. Whitnell commented that there is a mentality of 'if you do not spend it you do not get it
414 again'. He felt that would be reckless spending.

415
416 Mrs. Couture indicated that is why we look at history. She commented sometimes you may not
417 need to spend that much and some things are unexpected.

418
419 Mr. Whitnell commented that does not mean that a certain department does not spend the money
420 so they can spend it on something else at the end of the year.

421
422 Mr. Brunelle commented unless it is something that is a lower priority.

423
424 Mr. Whitnell commented he has seen in the past with the town budget that there may be \$10,000
425 in a budget, but only \$7,000 has been spent.

426
427 Mrs. Douglas commented one of the benefits of the way the town operates is that there are
428 checks and balances.

429
430 Mr. Brunelle commented in the last 10 years there has been much focus on the bottom line and
431 saving overages out of the budget. He indicated the town budget is pretty tight and the Board of
432 Selectmen monitors departments. He noted some departments are careful not to spend a lot
433 during the year so we will have that money at the end of the year when it is needed.

434
435 Mrs. Couture mentioned the district has taken a large number of repairs and identified them for
436 year-end spending if the funds are remaining. She indicated it is smart planning.

437
438 **8. PUBLIC INPUT**

439 There was no public input.

440
441 **9. ADJOURN**

442 **MOTION:** by Mrs. Bourque
443 *Move to adjourn the meeting.*

444 **SECOND:** by Mrs. Douglas

445 **VOTE: 9-0-0**

446 **The motion carried.**

447
448 **Next meeting: November 29, 2018**

449
450 The meeting was adjourned at 9:00 p.m.

451
452 **Recorded by: Michele E. Flynn, Recording Secretary**

453
454 **Approved:**