Town of Epping

Budget Committee

December 8, 2021

Call to Order:

The budget committee meeting was called to order at 6:30pm. Pledge of allegiance followed by a moment of silence for the troops

Attendance:

Budget Committee Members: Michael Charkowski-Chairman, Steve Ozols-vice chairman, Ben Leavitt-School Board Rep, Marty Dyer, Jen Chapman, Robert Hodgman, Mark Vallone-zoom, John Cody-Town Selectman Rep, Mike Lecuyer, Steve Thomas and Cynthia Hounam. Cody Belanger is not present

Other Attendees:

Christine Vayda, Dave Mylott, Robin O’Day, Bill Furbush, Heather Clark and Deb Brooks.

Michael Charkowski asked for any questions, if not we will start with the dues & subscriptions.

Dues & Fees: Bill Furbush read off the complete list (see attached).

* Deb Brooks said it is not just a dues they pay, they actually receive publications to go to workshops at a reduced rate. It is a good investment for the staff, administration and school board.
* Michael Charkowski asked if he looked at all the schools in the state would all the dues be the same, Bill said yes.
* Steve Ozols asked if any of these dues are mandatory, Bill said the accreditation dues
* Jen asked under dues varsity sports is says 19, is that how many varsity sports they have at the middle and high school, Heather said it was boys & girls sports as well as JV.

Michael asked for any other questions on dues and subscriptions or on any other aspect of the budget.

* Mike Lecuyer asked what the advertising line was used for, Bill said it was for hiring outside agencies to conduct searches, job postings and posting warrant articles. Mike said last year was budgeted $300 and only spent $155.50, Christine is not sure why, but she will look at the years prior.
* Mike Lecuyer asked about the Tuition NH Public High, Bill said sometimes they get into arrangement with other schools to meet students needs, homeless students and special circumstances.
* Mike Lecuyer asked about the homeless line, Bill said it was for the transportation for wherever that student may be to Epping or if they are too far away we pay for their tuition. It is called the McKinney Vento Act.
* Mike Lecuyer asked if curriculum study is the same as the climate culture survey, Christine said that is for CIT Planning, DTO and other training. It was increase because it was consolidated from other lines. Mike asked if it was contractual, Christine said yes.
* Mike Lecuyer asked about the climate culture survey line, he said it was put in 2 years for a 3-year period with a $20,000 grant and never used. Dave the 1st year they used it but the 2nd year was covid. Heather said the grant paid for the first year and we started it back up again with us paying for the remaining.
	+ Mike said we budgeted for $34,000 in school budget other and now we are budgeting for $35,000, should it be decrease. Ben said he believes it is the same cost each year of $35,000.
	+ Bill said he just signed a 1-year contract, he is not sure about any previous contract. Mike said if it was multi-year contract it should be in the budget, Christine said she will look into it.
	+ Mike said since it is a year-to-year contract it should not be in the default, Christine said it is in the default because she thought it was 2 year, she will go back and double check.
	+ Steve Thomas asked if it shows obligated for 2023 and it is not it will come out, Bill said yes.
* Mike Lecuyer asked if they could explain the DW Core Stipend line. Christine said it was for support work study practice and emergency planning stipends.
	+ Work study practices: Group leading, other teachers research and provide professional development
	+ Emergency planning stipends: Any emergency planning that happens outside of the school, maintains all the contract with emergency services, keep plans up to date and state mandated emergency.
	+ John asked what kind of emergency contract you would have, Bill said different local places to send the children in case of an evacuation, training for public education in case of an active shooter, etc.
* Michael Charkowski asked if alot of the new stipends created due to covid are being rolled back. Bill said not many stipend were created, CBA has a majority if our stipend. Heather said the stipend that were created due to covid were for teachers working remotely from covid, those are now gone and paid out of our grants.
* Christine said the ESSER grants is for covid related expenses and are not in the budget. Bill said the ESSER grants are used to offset cost anticipated and unanticipated.
* Michael Charkowski is concerned the SEL (social emotional learning) program for roughly $90,000 is being covered by the ESSER now but is this something that is going to be put into the budget when those funds run out, Bill said they have spent $49,000 for the initial purchase and the other the additional $42,000 they have 2+ plus years to spend it.
* Michael Charkowski asked if you see that once the program is started and implemented that you will keep it or in 3 years you will get rid of it. Bill thinks that it will be beneficial and keep it. Deb said it depends on the data, if it helps the students we will continue if not we will not re-invest.
* Michael Charkowski is concerned that once you put something in the budget it is hard to roll back and the things that are in the SEL line will be in added in later and causing us problems down the road.
* Mike Lecuyer said last year we asked to cut the proposed budget to where you eliminated mutli positions and toward the end you asked for $80,000 for a special ed instructor just in case you need, how do you justify cutting positions but adding new programs for thousands of dollars. John also with having the climate culture survey as well, btwen them they could have had a teachers position.
	+ Bill said it was an initial $49,000 for the program versus roughly $100,000 per year for a new hire and it is a need.
	+ Bill said that the SEL and the culture climate control was what they need to focus on not to add a position they may not need.
	+ Mike Lecuyer thinks this could have waited until the tax rate leveled, Bill said the ESSER grant does not affect the tax payers.
* Steve Ozols asked when ESSAR 3 starts, Christine said it could start now but they have to spend ESSAR 2 first. ESSAR 2 has bn spent but has not approved fully yet, they cannot start until all ESSAR 2 is reported to the state. Steve Ozols asked how many years ESSAR goes for, Christine said she thinks 2024-2025 budget year, but she will have to look it up.
* Marty asked if the scanners on ESSAR 3 are to replace or are they new. Christine said they are desk top scanners that were purchased for secretaries that need them.

Michael asked for any other questions.

* Mike Lecuyer asked about target allocation for ESSAR, it has a 3.2% next to it, are you paying interest on this grant. Christine said no the indirect costs are basically tehe administration costs. The state automatically builds that in, that is the max you are allowed to spend.
* Mike Lecuyer asked what the difference is between custodian district wide vs custodian for each school, Christine said it is broken down to where the custodians are based. Mike asked if those lines include salary, Christine said that is just salary, there are 6 custodians in line 720, 4 in line 721, 2.5 in line 722 and 2.5 in line 723.
* Steve Thomas asked if the special coordinator salary line is one person, Christine said that is the special ed director.
* Steve Thomas said the internet line was 18.25% over budget, was that put out to bid. Christine said this is for all local networks and wireless network, cost on contract for internet. Tom Rup, facilities director, yes I was put out to bid, last year was a transition period so it went over budget. Some of the cost of the change is for licensing fee and need to be accounted for.
* Michael Charkowski asked about the special ed secretary salary, there was a big jump have they added staff or increase in pay, Christine said that is for 3 special ed secretaries and reallocating of duties from last year. Michael said the previous 2 years was only a slight change and this year is a big difference, Christine said was not sure about last year but she will look into it.
* Steve Thomas asked about the special coordinator with a 51.5% increase dues, what are those dues, Christine said she will have to check and see.
* Robert said looking at the FTE feels that classes could be consolidated to have more students in each class to reduce the budget.
	+ Deb said that schools have to offer a certain amount of course and electives and that is why you see number like that.
	+ Bill said if they consolidate some of the classes, then students from SST would not be able to take them because they would only be offered in the morning and the same with the electives.
* Mike Lecuyer asked if we are receiving less state aid because of our decrease enrollment, Bill said yes it depends on the number of students. Heather said another thing that cause a change in the state revenue is this year breakfast and lunch are free so they don’t feel the need to fill out free-reduced lunch forms. She said they have to make sure they fill those out. Steve Ozols asked if it was mandatory, Bill said no.
* Bill said you asked them to come in a 2.1 budget, we came back at 2.5 but feels the committee is asking for more. Bill suggests that they meet during the school year and talk about what they could do and come up with a target. Bill supports this budget and is the asking the committee to not cut it anymore.
* John said asking the town and school budget to be 2.1% is a large difference in the overall budget. The schools budget is so much larger. You need to look at the budget now and add onto it.
	+ Michael Charkowski does not agree, you should look at the year to years costs. The schools has stayed below inflation costs and the town has not. He thinks you should have increase each due to inflation but make sure we are getting the value for the money.
	+ John said the town cannot afford this increase.
	+ Mike Lecuyer says that they are cutting money each year and they are still giving money back at the end of the year. That is money that tax payers are paying up front. Does not feel comfortable added on the budget because he is not happy where it is now.
* Deb said that the committee was given the budget prior to Thanksgiving and you are now asking the school to cut it a week before.
* Mike Lecuyer does not think it is fair to rush through the budget, it is 80% of the taxes.

Michael Charkowski asked for any other questions.

* Mike Lecuyer asked for the budget balance for each line:
	+ Mike Lecuyer asked about the Tuition Vocational: budgeted $162,500 and spent $0, Christine said we have not received the bill yet.
	+ Mike Lecuyer asked about the bottom line: remaining budget 1% for $2.167 million projection, is that what you are projecting. Bill said some of the bills have not come in yet. It is not a projection is where they are at right now.
	+ Mike Lecuyer asked about the revenue year to date estimate, is that worded correctly. Christine said that is the revenue they are expecting to receive at the end of the year. Mike Lecuyer asked if there is any other source of revenue, Christine can put something together.

Michael Charkowski said if we are meeting next week to have any questions get them to the school board prior.

* Robert would like the budget committee to consider the advantages and disadvantages of having the $542,000 ESSAR 3 in the budget vs. not in the budget. John asked how much is left in the ESSAR 2, Christine said none.

Michael Charkowski asked if we are trying to get the school board to come back with a new proposal or make changes on our own. The committee will stay and the discuss, the school board can go and we will let Ben know by the end of the meeting if the committee needs them back next week.

Michael Charkowski would like here from those who would like to ask the school board for a new proposal, how much and why:

* Marty: Is not advocating for it
* John: Does not have specifics, has concerns in certain areas put wants to see what the rest of the board has to say
* Steve Ozols: Not planning on proposing any cuts unless someone can sway that decision
* Michael Charkowski: No intention on asking the school board for any new proposal unless anyone else does
* Jen: No intention on asking or any cuts, reasonable okay where the budget is this year
* Mike Lecuyer: Would like to talk about the ESSAR funding and reducing the budget by the ESSAR amount. The pattern is the school board giving thousands/millions back each year, they know they are getting the funding and they pad their budget 2-4%. Would like to explore reducing it by the grant fund money.
* Robert: He agrees with that portion, he thinks the number is between minimum $542,630.50 and maximum $1 million, not sure of the exact number but probably somewhere between $700,000-$800,000. He thinks we can do something similar to what we did last year.
* Steve Thomas: The 2.55% number that has been told to us is not accurate, if you were to take the actual expenditures over 2020-2021 x 2.1% it would be $19,343,668, that is considerably under their 2021-2022 budget and obligated costs in 2022-2023. In reality, the number is closer 2.71%, if the SAU had been budgeting across the board the 2.1% or even 2.55% would be under their proposed budget. He feels there is padding in there and the town of Epping should not be spending the money we are spending per student. He believes there are plenty of cuts to be made and we have to start going backward and continue to do. We are spending far too much money to educate a small number in the SAU
* Ben: No going to propose any cuts, we went back and forth as a board with the leadership to get where we are today. Give the target and the needs of the student we came up with a budget that we stand behind and will us to operate within the needs of our students.
* Robert said that will ultimately be two numbers on the ballot and the town will decide.
* Mark: He does not have any cuts at this point, but the 2.1% would be something to consider. Ultimately, he is good with the decision with no cuts.
* Ben said that he will go back to Christine and Bill regarding the ESSAR 3 fund and get all the documentation on how the funds can and cannot be spent.
* Mike Lecuyer does not think that they should be cutting staff and then adding a new program that costs thousands of dollars, he just does not think that is feasible. Steve Ozols said that if the school board and the superintendent wants this program they are going to get it regardless of what the budget committee says.
* Michael Charkowski thinks we are all in agreement that the costs are too high, but we are not going to come up with a plan within the next week. He thinks they are under budgeting the utilities due to inflation but there are other places they can cut.
* Steve Thomas believes there are cuts there that can be made. He stated we have too many employees at the school and there is a lot of cost savings that can be made.
* Michael Charkowski asked what they would like school board to come back with for reductions:
	+ Steve Thomas at least $800,000
	+ Robert is good with the $800,000
	+ Mike Lecuyer would like more discussion
	+ John: As it stands now, he is for a cut based on what was discussed
* Michael Charkowski makes a motion to ask the school board for a new proposal with a $800,000 cut, seconded by Robert. All in favor – 4, all opposed – 6. Motion does not pass.
* Michael Charkowski makes a motion for the school board to come back at 2.1% rather than the 2.55%, seconded by Mark. All in favor – 4, all opposed – 6. Robert thinks we need to have more discussion. Michael Charkowski thinks we do need to talk more but does not think they are ready to ask the school board for anything additional.

Motion to adjourn and talk about it next week made by Jen, seconded by Robert. All in favor I, all opposed. Meeting adjourned 10:30pm.

Respectfully submitted

Cynthia Hounam