

CONWAY MUNICIPAL BUDGET COMMITTEE

Wednesday, January 11, 2023

Professional Development Center

Kennett Middle School, Conway, NH

The meeting was called to order at 6:30 PM. The following Budget Committee members were present: Chair Peter Donohoe, Vice-Chair Frank Jost, John Colbath, Bob Drinkhall, Jim LeFebvre, Dave Jensen, Randy Davison, Bill Marvel, Terry McCarthy, Kit Hickey, Quentin Lewis, Ellin Leonard (arrived at [REDACTED]), and Stacy Sand (arrived at [REDACTED]).

Pledge of Allegiance was led by Mr. Colbath.

Chair Donohoe provided opening remarks:

- The nonprofit packets are available at the Town Hall outside of Krista Day's office. All members are encouraged to get to town hall prior to 4:30 pm to pick up your packet, but any leftovers will be brought to the January 18th meeting.
- No minutes are available currently.

3. Approval of Outstanding Minutes (1/9/2023):

Stayed until the minutes are completed.

4. School Review:

Unit 8 Technology: **Mr. Richard** noted the budget is down \$16,000.

Mr. Anderson noted the budget is flat compared to previous years with some reductions and one notable increase. The \$22,500 increase is for a district wide subscription to Adobe suite and software that will track the chrome books. Reductions include the district wide technology line used to maintain network infrastructure was reduced, cloud and firewall filtering as standardized firewalls have been installed in all schools, and computer replacement at KHS with the implementation of a four-year rotation on chrome books. Approximately 225 chrome books will be purchased this year for KMS and the elementary schools, but it will depend on enrollment. Some interactive smart boards are budgeted for next year as well as an upgrade to KHS Wi-Fi. There is a possibility grant funds could cover the Wi-Fi upgrade this year.

- **Mr. Colbath** inquired if there were specific lines for the chrome books. **Mr. Anderson** noted lines 2336, 2337, 2338, 2319, and 2320 reflect chrome books. The new computer lines are for desktop and laptop purchases.
- **Vice Chair Jost** inquired if the chrome books were part of the new and replacement lines. **Mr. Anderson** said they are part of the replacement lines.
- **Mr. Marvel** inquired if there are grant monies available. **Mr. Anderson** said he was advised by Dr. Wilson that there might be funds available.
- **Mr. Colbath** inquired if there is a disposal program for the chrome books. **Mr. Anderson** explained they use North Coast Technologies, a licensed disposal company, who will pay a nominal amount for the computers, servers, network switches, etc. but charge for the disposal of printers. Prior to the chrome books going to e-waste, they are stripped down for spare

45 parts. **Mr. LeFebvre** inquired if figures were available on how much was saved by using
 46 saved parts and doing the work in-house. **Mr. Anderson** said he does not have that figure,
 47 but the cheapest replacement screen is \$35, and it takes staff 10 minutes to change the screen.
 48 ▪ **Mr. Lewis** asked of the meaning for network infrastructure. **Mr. Anderson** explained they
 49 will be looking at the Microsoft licensing to save the district money.
 50 ▪ **Mr. Marvel** said his wife purchased a chrome book for \$200, why is the school paying \$350.
 51 **Mr Anderson** explained it depends on the model, the district purchases HP 14-15 and \$50 per
 52 unit for site license.
 53 ▪ **Vice Chair Jost** inquired of the level of damaged or abused equipment. **Mr. Anderson**
 54 explained only the high school students take their chrome books home and by policy they are
 55 responsible to pay for any damage.
 56

57 Unit 9 Career Tech Center:

58 **Ms. Schrader** noted the biggest change is \$17,000 reduction due to the reallocation of the health
 59 science technology instructor from .8 to .25 and applying the funds to contracted services within
 60 the community to provide industry recognize credentials in high school at a high wage for high
 61 demand jobs in the medical field. There is a cost increase for supplies and materials for eight of
 62 the programs, which is being offset by several reductions in computers, software, books, and
 63 equipment. The 4th year of STEM Aviation / Aero Space and field trips have increased. Grant
 64 funds have been leveraged to continue to provide a state-of-the-art facility for students.
 65

- 66 ▪ **Mr. Davison** spoke of the benefits of the career tech center and the draw from sending towns.
- 67 ▪ **Mr. Colbath** spoke highly of the health science and business programs and the scheduling
 68 difficulties that created a decrease in enrollment. The community needs to support the trades
 69 as much as possible and thanked Ms. Schrader for being so passionate. He inquired about the
 70 computer science program. **Ms. Schrader** advised they have a fulltime program with several
 71 offerings that also provide early college credits. The instructor is a cluster leader for the State
 72 of NH and in charge of designing the statewide curriculum and stays on top of trends and
 73 aligns the courses with the post-secondary instruction. **Mr. Colbath** noted the fastest growing
 74 industry is information technology.
- 75 ▪ **Ms. Sand** inquired about the \$10,000 increase in the substitute line. **Ms. Schrader** advised it
 76 is due to the increase in the daily rate of pay for substitutes.
- 77 ▪ **Mr. Marvel** expressed concern with career tech programs infringing on academics by being a
 78 requirement for graduation. **Ms. Schrader** said it is not a requirement for graduation. **Mr.**
 79 **Richard** said there was a requirement years ago and a principal could sign off on it, but the
 80 requirement has been changed.
- 81 ▪ **Mr. Davison** spoke of the exceptional instruction and running start classes including their
 82 financial and academic benefits. **Mr. Colbath** explained high school students can be co-
 83 enrolled in WMCC and obtain college credit. His granddaughter will graduate this year with a
 84 high school diploma and associates degree from WMCC.
- 85 ▪ **Mr. Lewis** inquired about the significant increase in the health insurance line for the ELO
 86 Coordinator. **Mr. Richard** said the position went from part-time to full-time. **Ms. Schrader**
 87 said the salary increase is grand funded.
 88

89 Unit 10 District Wide:

90 **Mr. Richard** explained this unit includes the maintenance director and his staff, bus drivers,
 91 maintenance, operation of plant, and school board services.

92 **Mr. Hill** discussed the bus rotation and the future increase of the equipment / bus capital reserve
 93 account due to the increased cost of buses. Contracted services has a \$45,000 increase for an
 94 engineering and architecture firm to come in a review all the school roofs and provide a
 95 replacement plan with anticipated cost.

- 96
- 97 ▪ **Mr. Colbath** commended Mr. Hill and Mr. Grigel on their working relationship with the
 98 Conway Rec Center and handling projects like the new parking area that allow for increased
 99 participation in rec programs.
- 100 ▪ **Ms. Sand** asked about the \$40,000 increase for the “mothballed” space. **Mr. Hill** advised it is
 101 operating spaces not attributable to the tuition from sending towns. **Mr. Richard** added it is
 102 also for the space occupied by the Rec Center.
- 103 ▪ **Mr. LeFebvre** asked if smaller buses could be used and if there was consideration of using a
 104 bus service. **Mr. Hill** explained the larger buses are more dependable and when they reach
 105 75,000 to 100,000 miles, they are rotated to be used for cocurricular and the larger buses are
 106 necessary to transport students to sporting events. Based on a study that was done in 2011, the
 107 fleet, drivers, and maintenance relationship with the town, we have the best economy to scale.
 108 **Mr. Richard** said privatizing the bus services does not work for Conway. Additionally, an
 109 SUV that holds 6 students was purchased for smaller groups.
- 110 ▪ **Mr. Colbath** asked if transportation was mandatory. **Mr. Davison** said only for grades K-8.
 111 **Mr. Richard** added concern with the rural area and disadvantaging students who don’t have
 112 alternative transportation, as we want them to come to school. **Mr. Hill** noted the number of
 113 students on the buses decreased during covid, but they must cover the miles.
- 114 ▪ **Mr. LeFebvre** asked if the decrease in enrollment would allow some routes to be
 115 consolidated. **Mr. Hill** said Ms. Shaw reviews the routes every year with the drives and
 116 adjusts them accordingly.
- 117 ▪ **Mr. LeFebvre** inquired if the 170 students attending charter schools impacted the bus routes.
 118 **Mr. Hill** noted the buses were full prior to COVID, and the numbers are coming back.
- 119 ▪ **Mr. Marvel** inquired if minivans could be used instead of a bus to transport students and save
 120 money and if it would be economically feasible to discontinue transporting high school
 121 students. **Mr. Hill** said there are transportation standards and there is a reason they are big and
 122 yellow with flashing lights. He agrees with Mr. Richard not to disadvantage students who
 123 don’t have alternative transportation.
- 124 ▪ **Mr. Davison** commented on previous fiscally sound decisions he felt the board made, but
 125 there is more to be made, addressing decreased enrollment and the number of facilities in the
 126 district that will need repairs.
- 127 ▪ **Mr. Hill** noted school buses are the safest mode of transportation for students. The 5-year
 128 plan that was presented shows the anticipated maintenance on the horizon. He suggested when
 129 the bond is paid, taking that money, and setting it aside for long term capital improvements.
- 130 ▪ **Mr. Jensen** inquired if the sending towns and Conway could share buses. **Mr. Hill** said they
 131 are already doing that and provided some examples.
- 132 ▪ **Mr. Richard** responded to questions from Mr. Lewis and Ms. Hickey noting, line 2612 is to
 133 address low test scores in math, such as summer school. Lines 2605-2611 were broken out
 134 from a combined line item. Line 2629 is for a service that is hired to prepare the paperwork
 135 for Medicaid reimbursements. It is a safeguard to have the legal budget, especially with
 136 upcoming union negotiations.
- 137 ▪ **Mr. Colbath** inquired about the last time the school board members’ salaries were increased.
 138 **Mr. Richard** noted approximately 15 years ago. **Mr. Davison** said he had brought it up
 139 recently. **Mr. Colbath** recommended reviewing the salary for a potential increase.

140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183

Default Budget:

Mr. Richard noted the default budget is \$89,000 less than the proposed operating budget. He explained how the default budget is calculated, by backing out one-time expenses.

Vice Chair Jost inquired what the default was last year. **Mr. Richard** explained funding for staff remains the same as the previous year, therefore the operating budget has one less administrator, but the default budget includes it.

Warrant Articles:

Articles 2, 3, & 4 must stay on the warrant as they are part of the tuition contract where Conway and the sending towns are obligated to contribute to the facilities maintenance trust funds.

- ✓ Article 2 calls for \$54,000 to be added to the KHS fund, with \$35,000 of that coming from sending towns. The current balance is \$718,700
- ✓ Article 3 calls for \$17,000 to be added to the KMS fund, with \$7,391 of that coming from sending towns. The current balance is \$259,640
- ✓ Article 4 is for elementary schools. The current balance is \$134,546
 - **Ms. Sand** asked why KMS, and the elementary school trust funds are significantly less. **Mr. Richard** noted there is a non-discretionary general maintenance fund as seen in article 8, that has a balance of \$298,541. **Mr. LeFebvre** asked, with the general maintenance fund being capped at \$500,000, he assumes there is an approximate \$300,000 balance. **Mr. Richard** said the balance is \$298,541.
 - **Mr. Colbath** inquired about the status of the window at KHS. **Mr. Richard** said the project is completed and paid for with the use of ESSER funds and they were a great company to work with.
 - **Vice Chair Jost** said people have asked why there are multiple categories for maintenance funds. **Mr. Richard** replied prior to the tuition contracts there was only one.
 - **Mr. Lewis** asked how the amount raised is determined. **Mr. Richard** said it is based on a percentage that was generated back in 2006 and the number never changes. **Mr. Lewis** inquired what would happen to the funds if a school closed. **Mr. Richard** said there would only be an issue if KMS was closed, which would require a new agreement.
- ✓ Article 5 is for the CEA agreement with the Conway School Board and the Teachers Association. The agreement was ratified on Monday by both the CEA and School Board.
 - **Mr. Richard** discussed the history of teacher salaries in Conway and the need to be competitive to recruit and retain teachers, which aligns with the strategic plan. This year’s agreement brings the starting salary to \$40,500, which is 95% of the median and includes step increases. Included in this agreement is cocurricular funding with a cap amount, see appendix D; to incentivize attendance they will receive \$100 per day for up to 3 days of unused personal days; elimination of benefit cards that were provided to offset the uninsured amounts; health insurance waiver is capped at \$4,800; dental insurance went from 5% - 10%; and cleaned up outdated language and that for retiree benefits.

Cost Estimates		
Year One	Year Two	Year Three
Teachers / Cocurricular	Teachers / Cocurricular	Teachers / Cocurricular
\$542,455 / \$2,700	\$558,000 / \$7,000	\$580,000 / \$8,000

- 184
 - 185
 - 186
 - 187
 - 188
 - 189
 - 190
 - 191
 - 192
 - 193
 - 194
 - 195
 - 196
 - 197
 - 198
 - 199
 - 200
 - 201
 - 202
 - 203
 - 204
 - 205
 - 206
 - 207
 - 208
 - 209
 - 210
 - 211
 - 212
 - 213
 - 214
 - 215
 - 216
 - 217
 - 218
 - 219
- **Chair Donohoe** inquired of the average tenure and if there is a trend. **Mr. Richard** noted the three-year agreements helped stabilize staffing. The attrition rate has been the rule of 3 per new teacher and the demographic is 50% have been here less than 20 years and 50% have been here more than 20 years. Teachers in the 10–20-year range will go somewhere else to make \$15,000 more.
 - **Mr. Richard** commented on the \$3.4 million headline in the Conway Daily Sun, noting the total increase is \$1.7 million. **Mr. Marvel** said with the phrasing of the article the cost is cumulative making the total cost \$3.419,739. A discussion ensued
 - **Mr. LeFebvre** confirmed the language for warrant articles are approved by the DRA.
 - **Ms. Leonard** said we must be competitive in having teachers to teach the children.
 - **Mr. Marvel** repeated his staffing concern related to the number of students per teacher.
 - **Vice Chair Jost** inquired if teachers sign annual or three-year contracts and the reduction of force language especially if the decision is made to close a school. **Mr. Richard** said teachers sign an annual contract and there is a reduction in force process that is based on years of service and certification.
 - **Mr. Drinkhall** suggested having fewer staff to reduce the budget and the difficulty with hiring. **Mr. Richard** said the tax rate is lower than it was in 2017, but the operating budget and maintaining staff are two different pieces.
 - **Mr. LeFebvre** commented on the “property rich - income poor” residents and the proposed homestead operation. The tax rate has gone down but the properties will be reassessed in 2023 and their taxes will increase. **Mr. Colbath** commented on the homestead operation, noting the bill needs to be rewritten and go back through the legislative process.
 - **Mr. Davison** discussed two possible reductions to the budget, better utilization of the facilities, and hiring highly qualified personnel.
 - **Ms. Sand** said she contacted the legislators and there is no new legislation this year, but they are willing to hear from and represent us in ways that could increase income. Recommendations included rewriting the homestead exemption and a local rooms and meals tax that would go directly to the town. Further noting her disappointment in the lack of a proposed budget that included the closing of a school as it is no longer sustainable.
 - **Mr. Marvel** discussed the tax rates that **Mr. Richard** presented and that there are the same number of teachers (182.4) now as there was in 2003, but 30% fewer students. If the teaching staff was reduced by 30% it would save the district \$10 million. **Mr. Colbath** said salaries are only one part of the story, especially with the lack of affordable housing, but they need to be competitive along with other factors to recruit and retain someone.

- 220 ✓ Article 6 is the operating budget as recommended by the School Board.
- 221 ✓ Article 7 is the equipment / school bus capital reserve that went into effect in 2019 and used to
- 222 purchase school buses and other heavy equipment for the school. The current balance is
- 223 \$208,390
- 224 ✓ Article 8 is the general maintenance trust fund that has \$298,000 and the board placed
- 225 \$200,000 to bring up to \$498,000 for upcoming capital improvements.
- 226 ▪ **Mr. Jensen** inquired how much of the proposed budget is attributable to Conway taxpayers.
- 227 **Mr. Richard** said it usually runs around 50%, but he can get the actual numbers to him.
- 228

229 Warrant Articles Removed by the School Board:

230 **Mr. Richard** discussed the articles that were removed starting with Project SUCCEED, which

231 was on the warrant for \$100,000. Project SUCCEED cost \$300,000 to run, they get \$200,000

232 from grants or revenue. This article has historically been on the warrant to support the program
 233 from local funds. ESSER grant funds were utilized to reduce expenditures, including funding
 234 Project SUCCEED from January 1, 2023 - June 30, 2023. Project SUCCEED will return to the
 235 warrant the following year unless another funding source is available. The second article
 236 removed was \$81,000 for the Sp. Ed. reserve fund. With a balance of \$419,000, money not
 237 been withdrawn for many years, and a sum of money turned back they are comfortable not
 238 increasing the account this year.

- 239
- 240 ▪ **Mr. LeFebvre** inquired if the Sp. Ed. fund has a cap. **Mr. Richard** said it does not have a
 241 cap, but there is a recommendation of having a balance of \$500,000.

242

243 **Mr. Colbath** inquired if Mr. Richard would be needed at the January 18th meeting where
 244 everything was covered that evening. **Mr. Richard** noted if he is needed, he will be there and
 245 he is happy to provide answers to any additional questions.

246 Committee Discussion:

247 **Vice Chair Jost** inquired if the committee wanted Mr. Richard to come back on January 18th.

248 **Chair Donohoe** suggested using the meeting to have an open discussion on information received
 249 from the school and town or to have the town move up and present on the January 18th and 23rd,
 250 leaving January 30th as a time for open discussion.
 251

252

253 A discussion ensued regarding the school budget and recommendation for cuts, as well as the
 254 procedure for deliberating and voting after the public hearing.
 255

256 **Mr. Colbath moved, seconded by Mr. LeFebvre, to move the town presentations forward to**
 257 **free up future meetings, the town's presentations would be January 18th and 23rd, freeing up**
 258 **January 30th. Motion Carried (unknown)**
 259

260 5. Follow-up Questions from Previous School Session:

261 (Previously covered)
 262

263 6. Town Default Budget Group:

264 **Vice Chair Jost** noted the group met last evening and everything is done except for getting some
 265 clarification information and a further meeting is unnecessary. He did inquire about Mr. Richards
 266 understanding of what budget is used if the current budget is less. **Mr. LeFebvre** noted he would
 267 reach out to the DRA to obtain an answer.
 268

269 **Mr. Colbath** inquired about the members of the Default Budget group. **Vice Chair Jost** advised
 270 it is himself, Chair Donohoe, Mr. Jensen, Ms. Ryan, and Mr. Eastman, Ms. Golding, and Mr.
 271 DegliAngeli from the town.
 272

273 7. Old Business:

274 **Mr. Marvel** provided the committee with two drafts he prepared related to school staffing, one
 275 for the increase in staff and decrease in students. The second graph has two lines reflecting the
 276 academic performance for the 8th and 11th graders based on State testing scores.
 277

278 **Mr. Jensen** suggested removing Sp. Ed. expenditures from the budget as it is mandated but not
279 funded. Also, the socioeconomic effect on test scores using data from the free and reduced lunch
280 program.

281
282 **Mr. LeFebvre** inquired if the SAU #9 report card was used to correlate the test scores. Mr.
283 Marvel noted the numbers vary.

284
285 **Mr. Colbath** noted several students at the charter school did not take the test and if that had an
286 impact on the results. Mr. Marvel said the scores are based on 95% participation as the same
287 happens at the public schools, if students don't take the test, they get a zero.

288
289 8. New Business: None

290
291 9. Public / Media Questions or Comments: None

292
293 10. Adjourn:

294 **Mr. LeFebvre moved, seconded by Mr. Drinkhall to adjourn the meeting at 9:50 p.m.**
295 **Motion Carries (13-0-0)**

296
297 Respectfully Submitted,
298 *Lisa E. Towle*,
299 Recording Secretary