

**GOFFSTOWN SCHOOL DISTRICT
GOFFSTOWN SCHOOL BOARD MEETING
Goffstown High School – Library - 27 Wallace Road, Goffstown, NH 03045
Wednesday, October 26, 2016 – 7:00PM**

School Board Members: Dian McCarthy, Reta Chaffee, Steven Dutton, Dan Cloutier, Heather Trzepacz, Lorry Cloutier, Kristie Curtis, Ginny McKinnon (arrived 7:02pm), Jenelle O'Brien (arrived @ 7:08pm)

Administration: Ray Labore, Business Administrator

Call to Order: Dian McCarthy called the meeting to order at 7:01pm.

Public Comment: None

Continued 2017-2018 Proposed Budget Discussion: Ray Labore reviewed the Emergency Repair line information and stated that the values were in total across the district. The items listed was for approximately \$20K of the \$30K budgeted and \$10K for unpredictable items such as the MVMS air handling problem, a lift rental needed to correct the problem, the Maple Ave roof drain problem causing ponding issues necessitating a vendor to to jet blast the clog. Ray explained that this was Randy's reasoning in creating the emergency line. Ray shared that these amounts are based on actual experience and we can always expect to replace glass or address plumbing issues or drainage issues and broken downspouts. Ray stated that the maintenance lines are for maintenance contracts: Honeywell - building maintenance and the HVAC system, Stanley Elevator - inspection and maintenance of our elevators, yearly boiler inspections, fire systems, alarms, fire extinguishers and sprinkler system. History showed a need to increase the line as we were flat for a many years. The annual costs and maintenance costs needed to be refreshed and these were the revised budget proposals that Randy shared with the Board.

Steven Dutton referenced the Bartlett Emergency Repair line (433 line) and stated that he understands that it remains the same year to year and that we have unknown repairs such as plumbing etc. and requested clarification on the general repair and the emergency repair lines - what qualifies as a non-emergency. Ray explained the 433 line did not exist over the last couple years and we had to take from the 432 accounts to cover emergency activity which would leave less to cover maintenance activity. Ray will bring forward a better definition of the 432 line with updated budget amounts and will consider this as part of the 433 line. Steven commented that if this is what is needed to keep our schools maintained perhaps it should be part of general repairs in 432 and transfer the funds from the 433 line into the general repairs category.

Dan Cloutier stated that the Administration Budget is down by \$80K from the Principal's Budget and asked if the Board was looking to present a budget to the Budget Committee that would be \$85K over default and if issues arise, we address as we have in the past. We will also need to decide what needs to be tax funded.

Ray explained the potential tax impact: The Principal's Budget includes all of the requests presented earlier by the schools, facilities and athletics. No reductions have been made. There is a \$169K difference between Default and the Principal's budget. Administration's budget includes adding the 2 new teaching positions (MVMS .4 teacher and the Maple Ave full time teacher) for \$83,629 (salary and benefits included) to the default budget. That would bring the delta to \$85,374 after the adjustment. Default Budget would be \$39,511,270 and the Administration's Budget \$39,594,899. Revenue projections presented, brought the local tax rate for next year's Principal's Budget to \$14.30 (an increase of \$0.75/thousand). Adjustments would take the total net assessed value for the district off this year's tax bill and increase it .25% on next year's budget. Ray reminded the Board if consideration is given to depositing in a CRF, every \$100K deposit would have the net effect of adding \$0.07 to next year's tax rate.

The Board reviewed the GHS NEAS&C budgeted item of \$30K. This expense is necessary to keep our accreditation. Ray asked if the Board had a specific number in mind for the Default Budget. Dian McCarthy stated that her intent is to bring in a sensible and responsible budget forward and that she did not have a specific number in mind.

New Non-Default Items: Ray addressed Randy's facilities numbers and reiterated that the Emergency Repair and Building and Grounds lines are new spending increases which were not looked at before. The Building and

Grounds line includes; vehicle maintenance and registration, equipment rentals and leases (i.e. lifts to maintain gym lights and ventilation units) which were not budgeted for in previous years. Board members expressed the need for further clarification regarding the difference between general and emergency repairs and consolidation of the lines. Ray stated that past practice has been to go into other supply lines to address unanticipated problems, sometimes borrowing from one school to the other and the intent of setting up the lines as presented was an attempt to fix that. Ray will create a supply line spreadsheet supporting the costs, will address the money trail and will forward the spreadsheet to Board members upon completion. Steven Dutton stated that the spreadsheet would assist in making tough decisions on these lines. Steven voiced concern that many of the items listed in the New Non-Default Items listing look like safety issues and is concerned that they would not be addressed because funds are needed to address emergency repairs. Ray stated that should a critical situation present itself, that it would be addressed regardless of how it was budgeted in the past. Ginny McKinnon requested a thorough review of the New Non-Default Items to make sure that there are no items listed that should be in the default budget and also make sure that items that belong in the default budget are not cut. Steven Dutton agreed and as the Board make our tough decisions to cut items that we do not cut items that belong in our default budget.

Lorry Cloutier reiterated her concerns regarding the passing of the GESS contract. Ray stated we have been successful in passing our budgets for the last 3 years and that we came in close to the default budget. Dan Cloutier suggested the Board consider the default budget plus the teacher positions for (\$84K or .4%) making that the proposed budget with possible inclusion of the \$30K for NEAS&C. Dan commented that what should be looked at is the delta of the last time we had a tax rate. Ray will bring this information back to the Board at the next meeting.

Dian McCarthy commented that in the past, the school district had LGC and teacher turnover money which was used to address capital items such as a new boiler and high efficiency burner at Maple Ave and the school district re-purposed the originally budgeted money. This year the school district is experiencing a reduction in adequacy aid and increases in health and retirement costs. What is important is that we garner wide spread support as in the past 3 years. Ray Labore added that we were very conservative with the budget as there is approximately \$1mm that the district will not have this year (\$400 retirement and \$400 health insurance increase and \$100K decrease in adequacy funding). Heather Trzepacz suggested the Board re-visit Randy Loring's budgeted items and determine if cuts can be made to some of the items presented. Ray stated that the increases seen in the maintenance lines are over currently budgeted amounts. Ray also added that the intent is to bring the budget up to what we are spending.

The Board reviewed the New Non-Default Items: Field Trip Transport Line (\$30K - New Non-Default Item) - Ray stated that field trip transport between the MVMS and GHS athletics transportation increased. Those increases were included in the budget to match what we are spending. The Board considered cutting the transport line and taking \$10K off emergency line to narrow the gap. Steven Dutton suggested cutting everything other than the \$30K NEAS&C item. Heather Trzepacz suggested perhaps cutting the Field Trip Transportation line in half (\$1.5K). The Board discussed the \$2,650 MVMS Naviance Program and questioned if this item could be re-visited next year.

Dan Cloutier offered to make a motion to decrease the emergency repairs line by \$10K as long as he can include the repurposing and titling and moving the balance into the 432 line in his motion. ***Dan Cloutier motioned to reduce what was currently called the emergency repair line by \$10K and moving the balance of what isn't reduced into the 432 account as a necessarily budgeted item for a purpose, seconded by Steven Dutton. Vote: 9-0-0 All in Favor – Motion Passed***

Lorry Cloutier suggested Randy provide a multi-tier level information sheet of what his needs are. What we have in front of us is over \$90K and it is not actual spending. If priorities are listed, then we can focus on the other items next year. Board members referenced the annual roof inspections and questioned if all inspections listed were necessary - it was noted that safety inspections are done annually. Ray stated that it is a responsible expense for cost avoidance adding that small problems that are uncovered during an inspection can be addressed before they cause extensive damage. Steven Dutton suggested that a sensible approach may be to decrease the maintenance contract and repairs lines by \$20K from \$40K and re-visit next year.

Board members re-visited the equipment and rental line. Ray stated that the increases in the equipment and rental line is due to new spending and cannot be considered default budget items. Ray reviewed which items are included in the default budget (contractual obligations such as employee contracts and benefits, and bus transportation contracts) and emphasized that the only items that can be considered for inclusion in the default budget are

contractual obligations. This year we were able to come up with a better electricity package and it reduced the amount in the default budget.

Ray reported that the 5 year Honeywell contract at \$55/yr. is due to expire. The district will be going out to re-bid that service however, this will not be done before the final budget. Ray stated that there is a good possibility that the school district can lower the \$55K/year cost significantly and that the savings could be placed in a reserve and re-purposed. A hard number for maintenance will be available in 2018-2019. Ray suggested reducing the maintenance contract and repairs line by \$10K. ***Steven Dutton motioned to reduce the new spending non-default items of the maintenance contract and repairs line from \$40K to \$30K, Dan Cloutier seconded. Vote: 9-0-0 -All in Favor – Motion Passed***

The Board reviewed the legal line which was based over a 3-year history. It was important to note that included in that history were legal charges incurred for the AREA Agreements, potential land acquisitions, etc. ***Steven Dutton motioned to reduce the new non-default items for legal services line from \$8K to \$4K, Dan Cloutier seconded. Vote: 9-0-0 – All in Favor – Motion Passed.***

Ray stated that the GMR came in at 18% however Primex will be reviewing the percentages again in January. This could be good news as there may be a possible reduction in our percentage. Ray noted that adjustments (if any) would not be known until January.

The Board discussed the MVMS Naviance Program and stated that they would be comfortable waiting on the purchase of this item. ***Steven Dutton motioned to cut the MVMS Naviance Software Package out of the new non-default items software and subscriptions line bringing the line down from \$5K to \$2,350 seconded by Dan Cloutier – Vote: 9-0-0 All in Favor – Motion Passed.***

Ray reviewed tonight's budget actions: The following was added to the 2017-2018 Administration's Proposed Budget of \$39,594,899 + \$30,000 (NEAS&C) + \$26,650 (reductions made) = \$39,598,249. The total 2017-2018 Proposed Principals' Budget is \$39,680,273 making a difference of \$55,374 or .001%. Tax Rate of \$14.27 about a \$0.72 from this year's rate.

Ray will present detail information regarding the facilities lines and will request Randy prepare a priority list of his needs. Ray stated that the \$2MM CIP items have not been addressed and funds from this year's reserve may be used to fund some of the CIP items. The Board discussed a Capital Reserve Fund for bigger ticket items such as trucks etc. The Board will meet on November 7th for further budget discussion.

Other Business that May Legally Come Before The Meeting: None

NON-PUBLIC SESSION RSA 91-A: None

Lorry Cloutier motioned to adjourn the meeting at 8:37pm, seconded by Heather Trzepacz. Vote: 9-0-0 – All in Favor – Motion Passed.

Respectfully submitted by:

Denise F. Morin
Recording Secretary