

GILFORD BUDGET COMMITTEE MINUTES
December 3, 2009
6:30 p.m.
Town Hall

Members Present: Sue Greene, Dick Hickok, Margo Weeks, Dale Dormody, Phyllis Corrigan, Fred Butler, Mark Corry, Kevin Roy, and Terry Stewart

Members Absent: Skip Murphy and John O'Brien

Also in attendance were Superintendent Paul DeMinico; Asst. Superintendent for Business Scott Isabelle; School Board members Sue Allen, Derek Tomlinson and Paul Blandford; School Principals Jack Billings, Marcia Ross and Ken Wiswell; Director of Student Services Esther Kennedy; Technology Director Brenda McGee; and Building and Grounds Supervisor Tim Bartlett. Also in attendance was Executive Secretary Sandra Bailey.

The Budget Committee recited the Pledge of Allegiance.

Chairman Hickok welcomed the Committee to this evening's meeting and turned the meeting over to Dr. DeMinico, who proceeded with a PowerPoint presentation for the Committee. He stated that he would be providing the Budget Committee with an overview of the 2010-2011 budget and there are very few changes from last year.

The proposed 2010-2011 budget is 0.3% less than the current year, which represents a decrease of approximately \$60K. The District has proposed no general fund staff reductions or additions, as well as no program reductions or additions. Collective Bargaining Agreement salaries show a 3% increase, as do the salaries for support staff. Administrative salaries are budgeted at 2%.

Dr. DeMinico further stated that overall enrollment is projected to be down by ~3% and the guaranteed maximum rate for health insurance indicates a 28.3% increase. He also reviewed other issues which the District considers to be budget drivers, such as implementing goals from long term planning and the sensitivity to a quality education in the existing economy.

As far as enrollment figures, Dr. DeMinico reiterated that these figures are projections and October 1, 2009 is the benchmark for the enrollment figures for each school year. Further discussion ensued among Budget Committee members regarding enrollment figures and class ratios. Dr. DeMinico pointed out that the projected 8th grade class ratio is a problem, but the District has not planned to hire another teacher. Rather, it will be addressed in some other manner. Margo Weeks added that the School Board reviews the enrollment and class ratio figures every year.

Terry Stewart inquired about the guaranteed maximum rate for health insurance – what will happen if the figure comes in much lower than the 28.3%? Scott Isabelle replied that if this were to happen, the funds would be turned back to the Town. Sue Greene asked why the guaranteed maximum rate is so high and Scott Isabelle replied that it is due to utilization and overall increased costs within the insurance pool. This led to extensive discussion regarding other health insurance provider alternatives, and the issue of uncertainty that exists if providers were to be changed.

Dr. DeMinico explained that the Substitute Custodian budget line is always overspent and as

the budget continues to get tighter, the District cannot absorb these extra costs and as a result, are asking that the budget more closely reflect the cost of substitute custodians. Margo Weeks pointed out that with the ongoing threat of the H1N1 virus, it is vitally important for custodians to make an extra effort toward cleanliness.

Moving onto areas of budget decrease, Margo Weeks stated that early retirement is a cost effective way to lower salary costs. Brief discussion ensued regarding the matter of Gilford Elementary School not having an Assistant Principal this year. Dr. DeMinico stated that they have done well with their new principal, Jack Billings, who was accustomed to working in an elementary school setting without an assistant principal. He pointed out that while Dr. Billings was at a recent conference, Asst. Superintendent Scott Isabelle filled in for him.

Further discussion ensued regarding the problems that arise when the enrollment figures are up, which can result in increased class ratios. This can lead to one dimensional teaching. Margo Weeks stated that as a result of budget tightening, teachers are finding and developing innovative teaching techniques, that do not cost the District any money. Chairman Hickok stated that he has seen this change over the last several years and he appreciates the efforts of the District, as do other Budget Committee members.

Dr. DeMinico stated that Gilford has a very strong record with post secondary education placements and a decrease in the number of dropouts. When asked why a 3% decrease in enrollment does not result in a 3% decrease in costs, he stated that the enrollment decreases are across the board and not just one grade or area.

Terry Stewart inquired about Project Unity. This led to discussion regarding this program that has been implemented to deal with bullying. Input was provided from GES principal Jack Billings and GMS Principal Marcia Ross regarding positive, pro-active steps that have been taken in their schools to provide a better "climate" in this regard.

Resident David Horvath had several questions on Dr. DeMinico's presentation, including debt elimination, transportation, early retirement and the Village Sidewalk Project. He also asked if the District felt any impact from the recent opening of the Gilford Community Center. Dr. DeMinico replied that the Town is very fortunate to have the Community Center, as many good things are happening there. As far as any impact, he stated that there is a small decrease in the Gilford Middle School's budget since their summer recreation program has been moved to the Community Center.

The meeting was then turned over to Assistant Superintendent Scott Isabelle, who provided an overview of the Food Service budget. The 3% increase is due to proposed pay raises for support staff. A decrease in the cost of Middle School food is attributed to the fact that their purchases are made through a co-op. Scott Isabelle explained how the Food Service Budget is self-regulated and can only carry over three months of revenue, keeping them on a very tight budget.

Margo Weeks moved to approve \$709,439 for the 2010-2011 Food Service Budget. Terry Stewart seconded. Motion carried by a vote of 9-0.

Scott Isabelle then presented the proposed Federal Budget. He stated that this budget is affected by Stimulus Funds and all of the programs in this part of the District's budget have no impact on local taxes.

Margo Weeks moved to approve \$433,577 for the 2010-2011 Federal Budget. Phyllis Corrigan seconded. Motion carried by a vote of 9-0.

The 2010-2011 Default Budget was the next area of discussion. Scott Isabelle read aloud the definition of "default budget" from RSA 40:13 IX (b). He proceeded to highlight various areas of the default budget, which he provided in two different formats. He encouraged Budget Committee members to review this budget and if they have any further questions to contact him.

The final matter to be discussed was to set a date for the Budget Committee's Public Hearing on the School District budget. The public hearing was set for Tuesday, January 12, 2010 at Gilford High School, at 6:30 p.m. The Deliberative Session was then set for Tuesday, February 9, 2009 at 7:00 p.m. at Gilford High School.

Dale Dormody moved to approve the minutes of the November 19, 2009 Budget Committee meeting. Mark Corry seconded. Motion carried by a vote of 9-0.

Margo Weeks moved to adjourn at 8:20 p.m. Terry Stewart seconded. Motion carried with all in favor.

Respectfully submitted,

Sandra Bailey
Executive Secretary