

GILFORD BUDGET COMMITTEE MINUTES

December 9, 2010

6:30 p.m.

Town Hall

Members Present: Dick Hickok, Dale Dormody, Kevin Roy, Fred Butler, Dave Horvath, Sue Greene, Paul Blandford, Skip Murphy and Pat Labonte

Members Absent: Gus Benavides, Phyllis Corrigan, Terry Stewart

Also in attendance were Superintendent Paul DeMinico; Asst. Superintendent for Business Scott Isabelle; School Board members Sue Allen and Rae Mello-Andrews; Gilford High School Principal Ken Wiswell; Director of Student Services Esther Kennedy; Athletic Director David Pinkham 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 stated that they would be reviewing the Special Education and Gilford High School budgets. He also pointed out that the District Wide budget has not been voted on. Chairman Hickok also noted that the review of the Gilford Elementary School budget has been changed from Tuesday, December 14th to Thursday, December 16th.

Tonight's review began with Special Education. Sue Greene made a presentation on behalf of the sub-committee, which was comprised of herself, Dave Horvath and Pat Labonte. She provided an overview of the budget, including statistics on the number of students and staff members. She also provided examples of how the function of the Special Education Department has grown over the past few years.

Sue Greene highlighted the key additions and deletions within the Special Education budget. This brought about extensive discussion on the subject of the English as Second Language program. The sub-committee brought up consideration of reducing this line item to \$1, since there are no students in the program this year. Paul Blandford cautioned Committee members that this budget covers next year's school year and there is no way of predicting the need for this program.

Fred Butler questioned the increase of \$148,000 in Contracted Services/Handicapped. Esther Kennedy responded that these increases are due to additional nursing staff and legislation enacted that after 2008, requires para-educators to be present for Special Education students participating in extra-curricular activities. This increases salary expense.

Returning to the review of the ESL program, Esther Kennedy explained the laws and process involved. She is seeking to retain enough funds so that, if necessary, an initial evaluation(s) could be performed. Dave Horvath asked if this line is "zeroed out" and

they need to perform an evaluation, if they would be able to find the funds for it. Dr. DeMinico responded that he would like to have someone identify a line in the budget where those funds could be taken from. Paul Blandford further emphasized the importance of having funding available for the program, if needed, to which Dave Horvath inquired about how many contingency funds were needed by the District.

Skip Murphy added that he is not happy with a 3.5% budget increase and agrees with Dave Horvath that the budget needs to be cut more. Paul Blandford responded that the District does not have a "rainy day" fund and the School Board looks very closely at each position to determine its need. He also does not think it is fair to compare the School District's budget to the Town, because the Town is able to utilize the Undesignated Fund Balance and the District must turn any excess funds back to the Town.

Scott Isabelle reiterated that the District did reduce funds under the ESL program, but left enough funds (\$6,500 total) if an initial evaluation is necessary. The vote on the Special Education budget will be taken upon confirmation of an exact figure by Scott Isabelle.

Moving onto the High School budget, Dale Dormody provided the sub-committee's review, which was comprised of himself, Kevin Roy and Terry Stewart. He noted that the entire High School's budget is \$4,332,070, which is a .02% increase over last year's totals. A total of \$36,333 was cut from the discretionary line items, although this does reflect an increase of \$14,000 for the Jump Start Program and digital database subscriptions, resulting in a net decrease of \$22,133.

The cost of vocational students has increased by \$29,795, a result of five additional students and a reduction in State funding. The Driver's Education Program will be discontinued when the vehicle reaches the end of its useful life. At that time, the service will be contracted out.

Dale Dormody moved to recommend \$4,332,070 for the High School budget. Kevin Roy seconded. Motion carried by a vote of 9-0.

At this time, the Committee returned to the Special Education budget. Scott Isabelle indicated that the total figure is \$2,864,240. Dave Horvath moved to recommend \$2,857,740 for the Special Education budget, a reduction of \$6,500. Sue Greene seconded. Motion carried by a vote of 8-1.

Chairman Hickok asked the Committee to vote on the Food Service and Federal Projects budgets, which were discussed at last week's meeting. Paul Blandford moved to recommend \$744,361 for the Food Service budget. Sue Greene seconded. Following brief discussion, the motion carried by a vote of 9-0.

Sue Greene moved to recommend \$426,140 under Federal Projects. Dave Horvath seconded. Motion carried by a vote of 9-0.

Chairman Hickok then stated that the Committee would return to the matter of the Superintendent of Schools, which was discussed at length last week. Skip Murphy stated that he would like to invite Jorge Mesa-Tejada of Hampstead to a Budget Committee meeting to explain the thought process involved in a report on the viability of not having a superintendent. Mr. Mesa-Tejada is a former School Board Chair and Budget Committee member in Hampstead, NH. Skip Murphy moved to invite Jorge Mesa-Tejada to the December 16, 2010 Budget Committee meeting. Dave Horvath seconded. Sue Allen commented that Mr. Mesa-Tejada came to Gilford approximately nine years ago and spoke on the same subject.

Dale Dormody asked if the goal of having Mr. Mesa-Tejada come to Gilford is to reduce the budget by the amount of Superintendent's salary. Chairman Hickok replied yes, according to comments made at last week's meeting by Terry Stewart. Dale Dormody further commented that the School Board is empowered to make this sort of policy decision, not the Budget Committee. Skip Murphy asked how much money is generally turned back to the Town at the end of the year by the School District. Scott Isabelle replied that it is usually less than 1% of the total budget, or under \$200,000.

Extensive discussion ensued regarding the role of the Budget Committee and the opinion of some Committee members that the 3.5% total budget increase is too high and they would like to see it further reduced. Paul Blandford replied that this increase should be acceptable since the School District does not have a fund they can dip into, as is the case with the Town. At this time, Dave Horvath read from the LGC Basic Law of Budgeting Handbook, describing the role of the Budget Committee. RSA 32:1 states that the purpose of the budget committee is "to assist voters in the prudent appropriation of funds."

Dave Horvath further asked that in light of declining student population, what would be the harm in having Mr. Mesa-Tejada come in to speak to the Budget Committee. Paul Blandford stated that the Budget Committee is the wrong forum for determining the need for a superintendent. Dale Dormody added that he would like to have other experts come in, with opposing views, to speak to the Committee.

Chairman Hickok stated that he supports having a superintendent, but also supports Mr. Mesa-Tejada coming in and making a brief presentation. Following more discussion on this subject, Dr. DeMinico stated that Dr. Judy Fillion of the NH Department of Education informed him that the State Board of Education could only consider a school district having no superintendent if they have less than 400 students and no more than two buildings. In this case, the district could be administered by a principal/superintendent. Since Gilford has more than 400 students and more than two buildings, it would not be possible for them to forego having a superintendent.

In light of this information from the State Department of Education, Dr. DeMinico stated that if the \$175,000 budget reduction was approved, it would have to be taken from instructional portions of the budget, which would be very difficult. Brief discussion

ensued on how other states are structured with superintendents. Chairman Hickok reiterated his previously stated position that the School District does need a leader. He also reiterated his concern with a 3.5% budget increase. Dale Dormody stated that if the \$175,000 reduction is approved that the Budget Committee would need to help the School District find where to make the cuts.

Kevin Roy stated that he is in favor of keeping a superintendent, but thinks that the budgeted amount for a new superintendent could be reduced. Skip Murphy moved the question. A vote indicated 7-2. Motion carried.

Returning to District Wide Maintenance, Kevin Roy moved to recommend \$1,894,180. Paul Blandford seconded. Prompted by a question from Skip Murphy, brief discussion then ensued regarding the proposed purchase of a tractor. Tim Bartlett provided the Committee members with the details of the agreement between the School District and Town regarding plowing and maintenance of athletic fields. Chairman Hickok stated that at a previous meeting it was determined that the Town sidewalk plow and School District tractor could not take care of all snow removal on sidewalks and at the school because they must all be taken care of at the same time, which is not possible with one piece of equipment. Motion carried by a vote of 8-1.

Sue Greene moved to recommend \$195,000 for the warrant article to replace the Elementary School boilers. Dave Horvath seconded. Motion carried by a vote of 8-1.

Scott Isabelle stated, in response to a question at last week's meeting, that the additional cost of the monthly delayed entry is \$3,600. He further stated that in return, First Student is not billing the District for a fuel surcharge.

Kevin Roy made a motion, seconded by Sue Greene, to approve the minutes of the December 2nd meeting. Motion passed 8 to 0, with Skip Murphy abstaining.

Paul Blandford made a motion, seconded by Kevin Roy, to adjourn at 8:38 p.m. The motion passed unanimously.

Respectfully submitted,

Sandra Bailey
Executive Secretary