

TOWN OF ALLENSTOWN
Budget Committee
16 School Street
Allenstown, New Hampshire 03275
December 11, 2014

Call to Order.

The Allenstown Budget Committee Meeting for December 11, 2014 was called to order by the Chair at 6:00pm.

Roll Call.

Present on the Board: Dave Coolidge, Jeff Gryval, Dave Eaton, Mike Frascinella, Keith Klawes, Stephanie Tallini, Melanie Boisvert, Carol Angowski, Deb Carney; Jerry McKenney; and Tom Irzyk.

Excused: Chris LaValley

Resigned: Carol Merrill

Others Present.

Residents of Allenstown:

Others Present: Kathleen Murphy, Special Education Coordinator; Anthony Blinn, AES Principal; Mark Dangosa, ARD Principal; Gail Paludi, SAU #53 Superintendent; and Peter Aubrey, SAU #53 Business Manager.

Other Public Officials:

Allenstown Staff: Shaun Mulholland, Town Administrator.

Letter of Resignation

The Chair read a letter of Resignation from Mrs. Merrill which stated;

“Attention Budget Committee Chairman Allenstown NH,

I, Carol M. Merrill, on this day November 24, 2014 am submitting my resignation from the Budget Committee. I applied for a part-time job within my career field and got accepted. This
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job will allow me to work at least four days a week. Whereas I am now employed outside of my own business, I can no longer do the work that is required of a Budget Committee member.

Sincerely,

Carol M. Merrill”

Motion. Mr. McKenney made a motion to accept the letter of resignation from Carol Merrill. Mr. Klawes seconded the Motion. There was no additional discussion.

A Roll Call Vote was taken: Mr. Coolidge-Yes; Mr. Gryval- Yes; Mr. Eaton – Yes; Mr. Frascinella – Yes; Mr. Klawes – Yes; Mrs. Boisvert – Yes; Ms. Angowski – Yes; Mr. Irzyk- Yes; Mrs. Tallini – Yes; Mr. McKenney – Yes; and Mrs. Carney-Yes. The Chair declared the Motion passed.

School Budget Presentation

Mr. Irzyk stated the budget will be \$9,499,224 and should it be defeated the default budget would be \$9,535,993. He stated their current year budget is \$9,756, 468 which is a decrease of \$257, 244 or 2.64% decrease to the budget.

Mr. Frascinella asked Mr. Irzyk to explain why page two of the handout looks like there is a budget increase when the presentation says there is a decrease. Mr. Irzyk stated it is the breakdown of what the budget will be and what the revenues are. He stated the revenues from the States are down.

Mr. Aubrey explained the tax rate sheet shows decrease in total appropriation less estimated revenues which are down \$393,984 which raises taxes. Mr. Frascinella stated this introduces confusion because the slide shows a decrease however the handout says it ~~are~~ is more. Mr. Irzyk stated the increase Mr. Frascinella is seeing is because of less revenue from the State. The Chair stated the overall proposed budget is \$257,244 less but because they are taking in less revenue it is going to affect the tax rate.

Mr. Frascinella stated this presentation is deceiving because it is not what people are going to pay their taxes on. The Chair stated the presentation is only taking in the overall proposed budget and not including revenue.

Mr. Irzyk stated they have a not to exceed 18.1% for Medical Insurance, no increase on dental insurance, NH Retirement System has an increase of 14.16% to 15.67% and FICA, Unemployment, and Workman’s Compensation is driven by the salaries of the employees.

Mr. Irzyk stated the SAU budget is shared fiscal and technology services, shared instructional management services, and coordinated Special Education Oversight. He stated the total cost of the SAU for the five districts is \$1,511,505. He stated 84.4% of the SAU budget is salaries and benefits for the staff. He stated Allenstown's portion for next year is \$187,427 which is an increase of \$12,830.

Ms. Angowski asked what the current superintendent position salary is. Mr. Irzyk stated there are two superintendents with a total of \$225,000 for both positions which is split in half. Mr. Coolidge asked what the increase for the position was between last year and this year. Mr. Aubrey stated it is about three to four percent increase.

Mrs. Boisvert asked if all five school districts share equally. Mr. Irzyk stated it is all based on the needs of the district. Mr. Aubrey stated there is a formula and explained the breakdown. He stated Allenstown has 12.4% of the budget based on their needs.

Mr. Irzyk stated there are a couple of increases to utilities which are up about 5.3%. He stated there have been increases in natural gas, water, sewer and other utilities. He stated they had some operational increases such as adding the athletic field.

Mr. Irzyk stated some of the major increases include the Sped transportation line being up by \$88,990 and health benefits packages up by \$103,111. He stated some of the decreases include eliminating a teacher and cutting back staffing. He stated it equals to almost two full-time positions which have been eliminated from the budget. He stated there was a decrease in SPED placement by about \$293, 216.

Mrs. Boisvert asked if it is for out of district placements. Mr. Irzyk stated it is. Ms. Angowski asked why SPED transportation is going up if placements are going down. Mr. Irzyk stated they have the little buses, the vans and other types of transportation. He stated it also depends on the amount of travel for the students.

Mr. Irzyk stated the proposed budget is 9,499,224 for 2015-2016 budget year.

Mr. Irzyk stated the presentation includes a history of the Fund 1 balance over the last ten years. He also discussed a breakdown of their surplus history over the last 11 years which averages about \$260,003 per year in surplus.

Ms. Angowski asked about the school returning surplus to the town and if there is a way for the school to keep the money. Mr. Irzyk stated they have a warrant now which they can maintain 2% of the funds but it is only for catastrophic incidents and if they need to use it, they have to ask the

State to expend the money. He stated they do have some Trust Funds they can use. He stated they have put in warrant articles throughout the years to put money into the Trust Funds.

Mr. Irzyk stated the almost one million surplus in 2011/2012 was mandated SPED funds which they try to turn back what they can.

Mrs. Boisvert asked how much is currently sitting in the Trust Funds. Mr. Irzyk stated they have a Building Maintenance Expendable Trust fund with a balance of \$33,043.60 and the fund is for keeping the buildings going and cover any major repairs. He stated they have a Special Education Expendable Trust Fund which as a balance of \$46,530.97 and is for Special Education costs. He stated they have a High School Tuition Expendable Trust Fund should they get more students throughout the year they can pull out of it and there is \$22,221.13. He stated they have a Technology Replacement Expendable Trust Fund which is at \$10,234.68 and a Facilities Acquisition Expendable Trust Fund which is at \$5,547.35. He stated the total for all the Trust Funds is about \$117,577.73.

The Chair asked what the process is for being able to expend the funds from those accounts. Mr. Irzyk stated the School Board authorizes the agents to expend. Mr. Coolidge asked if they have to be keep for the specific purposes. Mrs. Murphy stated you could put a warrant article to change the intent but it has to be approved by two third majority.

Mr. Irzyk stated they had to return the money from the Claremont lawsuit several years ago.

Ms. Angowski asked if code 101 is for AES and 102 is for ARD. Mr. Irzyk stated she was correct. Ms. Angowski asked if there are two different people for the Guidance salaries under 101 and 102. Mr. Irzyk stated there are two different people for the guidance salaries.

Ms. Angowski asked where they are in the contracts for the teachers and paraprofessionals. Mr. Irzyk stated they are in the third year and they have a four year contract.

Ms. Angowski asked what they estimated for students at Pembroke Academy. Mr. Irzyk stated they estimated 150 students and it is a constantly revolving scale. Ms. Angowski asked what they estimated for Special Education students. Mr. Irzyk stated they generally start watching them at preschool and are prepared and pay for it all along. He stated they have to budget for exactly what they have for Special Education.

Mrs. Carney asked Mr. Irzyk if they have found people are moving out of town. Mr. Irzyk stated it is pretty stable and they may lose one or two students per year.

The Chair asked if they could review the revenues. Mr. Irzyk stated the revenues are down \$405,391. Mr. Aubrey stated the biggest factor is the return of the surplus of the \$232,000 this year. He stated they lost almost \$115,000 in the Adequate Education Grant. The Chair clarified the Adequate Education Grant is from the State.

Mr. Coolidge asked how much it is per student now. Mr. Aubrey stated it is based on 20 or 30 factors. Ms. Angowski asked if they think the grant might go down some more if the government is looking to cut some more funds. Mr. Aubrey stated they did calculate next fall. Mrs. Paludi stated the State has said they could lose revenue because if there is a shortfall it is going to come from education.

The Chair asked where the catastrophic aid comes from. Mr. Aubrey stated it comes from SPED costs which go over a certain factor. He stated it is based on the prior year so they won't get the return on this year until next year. He stated they don't get the full percentage they are supposed to get.

Ms. Angowski stated if the State says each student who is in the Special Education formula gets \$40,000 and the school gets student who needs additional Special Education which is going to cost \$100,000, the school has to submit information to the State for the additional amount. She stated if the State doesn't approve the school petition for the excess funds [Federal funds] then the taxpayers will end up paying because it is included in the school budget.

Mr. Irzyk stated some questions he received were cost per pupil and was asked to be broken down by regular education and special education. He stated they don't estimate the cost per pupil that way. He stated in Allenstown they are at \$15,050.70 per pupil, Chichester is at \$14,239, Deerfield at \$16,335, Epsom at \$13,375 and Pembroke elementary \$13,484 and high school at \$11,665.

Mr. Irzyk stated he was also asked about the cost Allenstown pays to PACE Academy. He stated for the 2014-2015 school year the total amount per student is \$3,834.42. Mrs. Boisvert asked how many children go to PACE. Mr. Irzyk stated he doesn't know how many are in PACE right now. Ms. Angowski asked how much it costs them to send students to Pembroke Academy. Mr. Irzyk stated the tuition is \$11,629.

Mr. Frascinella asked what the current estimated total enrollment. Mr. Irzyk stated they have 191 at AES, 169 at ARD, and 173 at Pembroke Academy. Mr. Frascinella stated it sounds like they should pay Pembroke to teach the Allenstown students.

Ms. Angowski asked who the School Resource Officer is. Mr. Irzyk stated Becky King is the SRO and she is part of the police force. He stated the Police Department and the school have a

contract for the SRO. Mrs. Carney asked how many hours a week it is. Mr. Irzyk stated it is full-time.

Mr. Klawes asked if they have a huge dropout rate at Pembroke Academy. Mr. Irzyk stated he doesn't know what the numbers are for Allenstown but he knows Pembroke Academy as a whole is at less than 1%.

Mr. Klawes asked how many diplomas Pembroke Academy has. Mrs. Paludi stated there is one diploma. He also asked if they pay if a student no longer attends because they opted out early or only go part-time. Mrs. Paludi stated they are only charged for the time the student goes to the Pembroke Academy.

Ms. Angowski asked how many secretarial staff they have at AES. Mr. Irzyk stated they have two staff at AES.

Mr. Frascinella asked Mr. Irzyk to explain the State Education tax as on the first page it is worded as \$594,195 to be raised and on the second page it looks like revenue. Mr. Aubrey stated it is part of the mechanism the State put in. He stated it is raised in taxes but it is based on a different factor when the tax rate is put together. He stated they calculate the tax rates in two different ways and they call it revenue because it's an offset from raising it through taxes.

Mr. Frascinella asked if it means they are raising the taxes and then giving it back to themselves. Mr. Aubrey stated the way it is structured it becomes part of the revenue. He stated when they do the first piece it's based on the assessed valuation at the time but there is still another piece which is called the Stated Education tax rate which is based on assessed valuation without utilities. He stated the money goes to the town and they pay the School's portion to be able to cover expenses for utilities and such.

Ms. Angowski asked about contracted services for Special Education. Mrs. Murphy stated contracted services can include increases in physical therapy services for students as well as rates they pay for children who are attending for charter schools who qualify for special needs student if they are in the ages of middle school and high school.

Ms. Angowski asked how many custodians they have at AES and ARD. Mr. Irzyk stated they have three; a day and night custodian at AES and a day custodian at ARD. He stated they are in the process of hiring a night custodian.

Ms. Angowski stated she is sorry to see they are not funding the gifted and talented lines. Mr. Irzyk stated they used the budget line to bring people in to help the students but there are teachers who help the students.

Ms. Angowski asked how many guidance officers they have. Mr. Irzyk stated they have one at AES and one at ARD and a nurse at each school as well.

Ms. Angowski asked them to define the Special Education appraisal line. Mrs. Murphy stated it is the school psychologist which are shared at the SAU level and any prodigals and testing they would need. She stated they have one full-time and one part-time. She stated the line includes the salary and any testing and prodigals.

Mrs. Boisvert asked how many librarians there are. Mr. Irzyk stated there is a full-time media librarian who goes between both schools and an aid who runs between the schools as well.

Mr. Klawes stated he is looking at the teacher's retirement on page 10 and if they could have teachers opt out of the retirement system and going into a 403(d) program. Mr. Irzyk stated they can't do it because they belong to the teachers union and the union is a direct fund to the State retirement system. Mr. Coolidge stated this is what they talked about before with the State downshifting the cost to the towns.

Ms. Angowski asked how many buses they have in town. Mr. Irzyk stated there are three different bus routes and they run the late bus for the after school programs.

Mr. Frascinella asked about the principal salaries on page 7. Mr. Irzyk stated they used to have one principal and one assistant principal. He stated they now have two principals and no assistant principals. Mr. Frascinella asked why the salary doubled if they don't have the assistant principals. Mr. Irzyk stated it didn't double and the salary lines used to be split in half between the schools and now it is combined. There was further discussion of the breakdown of the principal salary lines on the budget.

Mrs. Boisvert asked for clarification on the two secretaries at AES making \$75,061 and the one secretary at ARD making \$47,000. Mr. Irzyk stated those amounts are correct. Mr. Aubrey stated they have a budget secretary which is split between the two schools which is part of the salaries line. Mr. Irzyk stated the budget secretary's salary is split between the two schools.

Mr. Klawes asked about the money for transfer to food service and if it is the lunches. Mr. Aubrey stated the food service doesn't make money any more so they have to balance out the costs. Mr. Irzyk stated the transfer is different each year. There was further discussion for the food service guidelines required by the Federal and State governments.

Mrs. Boisvert asked why are AES janitors getting \$24, 486 and ARD janitors are getting \$38,686. Mrs. Paludi stated the head of maintenance is split between the two schools.

Mrs. Boisvert asked what they are looking to do to the buildings this year. Mr. Irzyk stated the \$9,500 is for repaving the back of the school and rekeying AES.

Mrs. Boisvert asked how it went when the town used the school as a shelter. Mr. Mulholland stated the most they had at any one time was fifteen people however they had about 43 people come through. He stated they could house 250 people if they needed to.

The Chair stated they usually wait a week or two before voting on the budget. He stated Mr. LaValley wanted to be here to vote however they have a majority if they do want to vote. He asked if the School was going to have any warrant articles. Mr. Irzyk stated they are not going to have any other warrant articles.

Mrs. Boisvert stated she thinks the School Board and Administration did a great job putting the budget together.

Motion. Mr. Klawes made a motion to accept the Article I for School budget with a bottom line of \$9,499,224. Mrs. Boisvert seconded the Motion.

Mr. Irzyk stated with cutting the budget and doing what they have done and with the help of the administration and SAU they will be offering full-time kindergarten as well. Mrs. Murphy stated it is a long-term benefit for the students. Ms. Angowski stated it is helpful to those who are going to preschool in making the transition through the grades.

Mrs. Boisvert asked if there would be additional busing for the kindergarten students. Mr. Irzyk stated there wouldn't be additional buses for the kindergarten.

Mr. Klawes stated he would like to echo what Mrs. Boisvert said and the School Board has done a great job with the budget.

Mr. Frascinella stated he cannot vote in favor of the budget because it is a service he cannot afford as an unemployed taxpayer. He stated he doesn't see a need to rush to the vote and pick it up the next time. There was discussion on whether or not to make a vote now or to table it for later. There was also discussion of the cost of the school budget to the taxpayers.

The Chair clarified a no vote from the Budget Committee means they don't recommend it and it still goes through on the ballot. Mr. Coolidge stated the residents can vote to change the budget at the deliberative session.

A Roll Call Vote was taken: Mr. Coolidge-Yes; Mr. Gryval- Yes; Mr. Eaton – Yes; Mr. Frascinella – No; Mr. Klawes – Yes; Mrs. Boisvert – Yes; Ms. Angowski – Yes; Mr. Irzyk- Yes; Mrs. Tallini – Yes; Mr. McKenney – Yes; and Mrs. Carney-Yes. The Chair declared the Motion passed.

Other Business

The Chair stated they are meeting next Thursday for the Warrant Articles and will be at the Fire Station at 6pm.

Motion. Mr. Coolidge made a motion to adjourn. Mr. Klawes seconded the Motion. There was no additional discussion.

A Roll Call Vote was taken: Mr. Coolidge-Yes; Mr. Gryval- Yes; Mr. Eaton – Yes; Mr. Frascinella – Yes; Mr. Klawes – Yes; Mrs. Boisvert – Yes; Ms. Angowski – Yes; Mr. Irzyk- Yes; Mrs. Tallini – Yes; Mr. McKenney – Yes; and Mrs. Carney-Yes. The Chair declared the Motion passed.

The Chair declared the meeting adjourned at 7:23pm.

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 BUDGET COMMITTEE
 MEETING MINUTES
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Signature Page

Original Approval:	
 DAVID EATON, CHAIRMAN	2/8/2015 DATE

Amendment Approvals:		
Amendment Description:	Approval:	Date:
General: change 'Mrs. Angowski' to 'Ms. Angowski'; Page 5: 4th paragraph: modified last sentence	 DAVID EATON, CHAIRMAN	2/8/2015 DATE

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