

DRAFT

**TOWN OF BOW
BUDGET COMMITTEE
MINUTES
FEBRUARY 15, 2010
DRAFT**

George Lagos (Chair)	P	Peter Cheney	E
Kally Abrams (Vice-Chair)	P	Rick Hiland	P
Deb McCann [School Board Rep]	P	Cindy Martin	P
Eric Anderson [Selectmen Rep]	P	Dee Treybig	P

1. Call Meeting to Order 6:30 p.m.

Chairman George Lagos called the meeting to order in the Auditorium of the High School, noted that Mr. Cheney may not make it to the meeting and led the group in the Pledge of Allegiance. Also present were Dr. Dean Cascadden, Superintendent, Duane Ford, Business Administrator and Louise Knee, Recording Secretary.

2. Review/approve Minutes for Meetings of February 2 and 4, 2010

No action required as the 2/2/10 and 2/4/10 Minutes were previously approved.

3. School District Budget – Discussion

Mr. Lagos outlined the plan for the Public Hearing stating that he would provide the highlights of the budget packet provided by the School, ask Dr. Cascadden to address the information from pages 74-82 that includes staffing changes, enrolment costs, class size and test results; then invite comments relating to the proposed staffing changes and budget adjustments; utilize a three-minute time limitation per person per item; review the Operating Budget, section by section and point out the adjustments made to the original School Board budget [that is in the packet], and; note that there may be a motion regarding teacher staffing that may be addressed later in the meeting following the Public Hearing.

Motion made by Mr. Hiland, duly seconded by Mr. Anderson and unanimously voted to recess the 2/15/10 meeting.

4. Public Hearing on School District Budget 7:00 p.m.

Mr. Lagos called the Public Hearing of the 2010-2011 Bow School Budget to order with an introduction of the Committee Members, Dr. Dean Cascadden, Superintendent, Duane Ford, Business Administrator, and noted that Dan Ferreira, Director of Special Education, and the Principals and Members of the School Board were also present.

Mr. Lagos provided a high level overview of the material contained in the Budget Packet and an

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overall summary. The School Board presented an Operating Budget of \$24,082,565. The Budget Committee voted to reduce that amount by \$9,328. This year's proposed Operating Budget of \$24,073,237 represents a 0% increase from last year's budget and Mr. Lagos noted that this is the second consecutive year that a no-growth budget is presented to the voters. The total for all expenditures proposed for the 2010-2011 budget, including all Warrant Articles, is \$24,934,618 as compared to \$25,010,512 last year. Mr. Lagos noted the following regarding the Operating Budget: it includes the proposed BEA contract costs found in Warrant Article #3; does not include Food Services; does not include Capital Reserves funded Warrant Articles; absorbs increased fixed cost of approximately one-half million dollars [\$100,000 attributable to a 2.25% wage increase for the third year of the BEA Contract, \$110,000 for evergreen costs for the BEA contract last year, and \$300,000 for benefit cost increase including retirement costs which have shifted from the State to the School District]; and does not include an increase for non-union professional staff.

Mr. Lagos stated that Bow school enrollment continues to decline and this year's budget takes into consideration that decline and proposes to make significant staffing reduction by eliminating seven (7) full time teaching positions (FTE) – one (1) from the Elementary School, one (1) from the Middle School and five (5) from the High School – which results in an expense savings of approximately \$474,955.

Mr. Lagos stated that there are two Warrant Articles for vehicle purchases and noted that each will be funded from existing Capital Reserve funds, which means that neither Warrant Article has a direct impact on the tax rate. There are no proposed Warrant Articles seeking to fund Capital Reserve accounts from Unexpended Funds and that allows last year's budgeted but unspent dollars to be used to reduce future taxes. In terms of tax impact, the adoption of the proposed budget translates into no increase in the tax rate "all things being equal" as there are several variables that will have an impact on the tax rate which are not known yet.

Mr. Lagos commended the School Board and Administration for their dedication to delivering high quality education to our students, while also taking into consideration the tax impact that these costs have on our community. Mr. Lagos stated that a significant amount of time was dedicated in the review that included such factors as enrollment decline, class sizes, teacher loads, costs per pupil and the test results. Mr. Lagos noted that when the Budget Committee voted, there was a motion made to add back \$268,927 to the budget to fund four (4) of the seven (7) teaching positions and that motion failed by a vote of 3:5. Mr. Lagos added that it is his understanding that the same motion will be made at the conclusion of this Public Hearing.

Mr. Lagos stated that before proceeding to review the Operating Budget section by section and the Warrant Articles, that Dr. Cascadden would provide a walk-through of the information contained in pages 74-82 and then open the meeting for public comment. Mr. Lagos stated that there will be a three (3) minute limitation on all speakers and that each speaker is to state their name and address.

Dr. Cascadden stated that there's been a reduction of 177 students since 2006 with a continued enrolment drop expected over the next few years. The cost per pupil has increased since 2006 with the major contributors arising from health insurance [14% increase], retirement expense

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[41% increase] and Special Education [17% increase]. Dr. Cascadden noted that those three (3) cost factors account for 1/3 of the budget. Dr. Cascadden stated that since 2006, the budget has increased 8.6% and the number of students has decreased 9.6% and that contributes to a slight increase in cost per pupil. Dr. Cascadden noted that there has already been a reduction of approximately eight (8) staff members since 2006. Additional information was provided for cost comparison of Bow schools to other schools in the district by size and geography, NECAP test results and historical class sizes since 2003 with proposals for 2011 and 2012 school years.

Mr. Lagos opened the meeting for public comment.

(1) Van Mosher, 99 Allen Rd., asked if a school size of less than 400 is foreseeable. Dr. Cascadden referenced page 75, October 1, 2009 Enrollment by Grade, and stated that any combination of four years would provide a fairly accurate count.

(2) Clarence Bourassa, 8 Betty's Lane, asked if the statistics to Class Size and Cost per Pupil included Special Education. Dr. Cascadden confirmed and added that Special Education has been a significant cause of the increase.

(3) Mark Blount, 1 Morgan Drive, stated he has two (2) children at the High School and asked what the rationale was to eliminate an entire team and questioned if that was premature. Ms. McCann explained that team teaching occurs in the lower grades and that seniors use more electives and AP classes. Ms. Treybig stated that she made the motion to add back teachers as she too feels it is one year too early.

(4) Jim Hoffman, 3 Albin Rd., commented on the due diligence done and questioned the correlation of an 18% enrollment decrease to only a 5% FTE reduction. Ms. McCann explained that the correlation between students and teachers is not the same for the High School as it is for the Elementary or Middle Schools; that the High School has core classes as well as elective subjects, AP (Advanced Placement) courses and programs like Project Lead-the-Way. Anne Baier, School Board Member, added that there have been staff reductions in the past two years.

(5) Jeffrey Marks, 13 Crocket Dr., stated that the numbers make sense if cost was linear and asked if the proposed budget is taking away from the mainstream.

(6) Tina Kirkpatrick, 3 Beaver Brook Dr., stated that the only "budget control" should be "quality education control", that the schools are why she moved to Bow and paid a higher price for her home and to please keep excellence in school and keep smaller class size.

(7) John Martin, 96 Woodhill Rd, questioned why there's a "sky is falling" syndrome. Dr. Cascadden stated that he and his staff explored the impact of cuts and determined that size does matter if class size goes above twenty (20) and the teacher load of over a hundred (100) does have an impact with correcting papers and help tutoring.

(8) Jean Rich, 11 Nesbitt Dr., stated that we live in a global world and the National average is 15.8 students to 1 teacher and Bow currently has 15:1 for the High School, 14:1 for the Middle School and 11:1 for the Elementary School.

(9) Tim Fraser, 33 Hampshire Hills, stated that he has a Freshman daughter with Team Classes and questioned the teacher loads and whether the curriculum would need to be changed or will the students just have to get less 'hand-holding'. Dr. Cascadden stated that Bow has great teachers and with skillful teachers there will be no impact and added that his concern is more the papers to correct and feedback opportunities.

(10) Janice Brunelle, 18 Pepin Dr., asked if Bow still had a high enrollment in Special Education. Dr. Cascadden replied that Bow is slightly less than the State average, stated that if one took a tour of the Elementary School hallways, they would see four (4) wheelchairs and

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added that the expectation is to have education provided to the level of peers with peers. Mr. Lagos noted that pages 22-24 of the operating Budget outlines the Special Education costs and noted that approximately \$4.5 million of the budget is Special Ed costs.

(11) Deb Alfano, 10 Ogden Dr., stated that she has triplets in 5th Grade and there has been a difference in class size with 14 at BES and 11 at BMS and cautioned against full potential jeopardy with higher class sizes to save money and end up producing mediocre schools.

(12) Rob Vig, Longview Dr., questioned the correlation of property taxes with comparable school districts and if Bow school's NECAP become mediocre, what would be the impact on property taxes. Mr. Lagos stated that the correlation was discussed. Ms. Treybig stated that she spoke with Realtors and Bow's school system is a factor directly correlating to property values.

(13) Ann Bouchard, 2 Sharon Dr., stated that NECAP does affect property values, that she did some comparative research and, in her opinion, Bow does not have to sound alarm bells yet.

(14) Terry Large, 16 Van Ger Dr., noted that a few years ago when dealing with peak enrollment, consideration was given to modular rooms and questioned if the current solution and concern for student/teacher numbers will impact co-curricular and extra-curricular activities. Dr. Cascadden stated that there is no proposed decrease or cuts in co-curricular.

(15) Robin Martin, 8 Heather Ln., asked why the sports budget has increased. Mr. Ford stated that the bulk of the increase is attributed to benefits.

(16) Van Mosher, 99 Allen Rd., stated that the tax rate increase is why businesses are not coming to Bow and questioned why teachers are being cut instead of Vice Principals and Administration. Mr. Lagos stated that those proposals were reviewed and considered during the process. Dr. Cascadden added that SAU runs "lean".

(17) Ann Bouchard, 2 Sharon Dr., asked if there's a requirement based on school size that requires fulltime principals and vice-principals.

(18) Paul Alfano, 10 Ogden Dr., offered three (3) opinions: (a) the quality of teachers is a critical key; (b) should cut excess, not principals; and (c) the school system is a Town asset.

(19) Mark Blount, 1 Morgan Dr., asked if class sizes were compared to other schools. Mr. Lagos stated that a comparative analysis is only valid for grades 1-8. Dr. Cascadden provided the following statistics: Grades 1& 2 carried an average of 17.4 students/class and Bow has an average of 16 students/class; Grades 3&4 averages 20 students/class with Bow at 23.5 students/class; and Grades 5-8 also averages 20 students/class with Bow at 22.2 students/class.

(20) Kathleen Jenkins, 4 Stoneybrook Dr., thanked everyone for their hard work, stated that she has a Senior, a Sophomore and a Fourth Grader, noted that her older children have a good experience with the High School, added that the 4th grade class is huge and asked if tuition students would be possible in order to keep the teachers. Dr. Cascadden stated that they have accepted two (2) students from Hooksett and those figures appear in the Revenue budget but do not appear in the Operating Budget.

(21) Paul Hammond, Bow Center Rd., noted that there are many "empty-nesters" in Town and when they sell their houses families could move in and impact the school system. BHS Principal House-Myers stated that class size could be affected and emphasized that the 'sky is not falling', that quality education will be provided and added that his biggest fear is setting a new standard of larger class sizes.

(22) Marge Welch, Bow Center Rd., stated that she is proud of Bow's schools but cuts need to be fair to everyone in Town and the budget must consider other people in Town besides the students. Dr. Cascadden noted that the original school budget submitted carried a 2% increase and was cut by the Budget Committee to 0%.

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(23) Bruce Fosburgh, 15 Poor Richards Dr., commended the Board for doing a great job but it is time to take the budget as proposed and put it before the Town for a vote.

(24) Tom Duval, 6 Briarwood Dr., questioned why the Budget Committee voted against the reinstatement of four (4) teachers. Mr. Lagos stated that the Budget Committee believed that the budget presented by the School Board was a reasonable budget and that they are in the position to understand the educational needs of the schools, and that the proposed budget allows those educational needs to be met.

(25) Pansy Bloomfield, Buckingham Dr. and School Board Member, stated that she has been in Bow 25 years and a 24-year volunteer in the School system and offered her assurance that quality education at reasonable cost has always been paramount.

(26) Mark Brunelle, 18 Pepin Dr., asked if any teachers were retiring, noted that new teachers cost less and asked why lay off the youngest teachers. Dr. Cascadden responded that there are no teachers retiring. Mr. Lagos stated that layoffs criteria are specified in the union school contract.

(27) Paula Noonan, 6 Briarwood Dr., stated that it is her understanding that the Budget Committee's charge is to review the School Board's budget as presented, to make revisions and vote on it tonight so that a budget amount can be presented to the Town. Ms. Noonan voiced her displeasure with the current budget as is and motions made this evening to reinstate those four teachers should be included in what is presented to the Town.

Mr. Lagos directed everyone's attention to the Operating Budget [pages 9-70] and proceeded to review the individual departments noting whether there was an increase or decrease from last year. Questions arose regarding Special Education equipment, the sharing of library resources between the schools and Baker Free Library, the life of computers and the tax impact if teachers are added to the budget [1.12% increase].

The Warrant Articles were reviewed. Warrant Article 3, to appropriate \$9,328 to cover salary and benefit increases per BEA contract, received two questions: (1) John Martin, 96 Woodhill Rd, asked if the number is impacted with the positions cut and Mr. Ford stated that the number has to be based on current staffing; (2) Lori Nerbonne, 6 Fieldstone Dr., asked if the SAU is a member of a larger group for health care and Mr. Ford stated that they are part of LGC.

Mr. Lagos asked if there were any other questions. No questions were asked. Bonnie Argeropoulos, 3 Rand Rd, thanked everyone for their hard work.

Motion made by Mr. Anderson, seconded by Ms. Martin and unanimously voted to close the Public Hearing at 9:23 PM.

Mr. Lagos declared a ten-minute break

5. Close Public Hearing; Vote on School District Budget

Mr. Lagos called the meeting back to order at 9:32 PM to address the Warrant Articles.

Warrant Article 2 – to raise and appropriate \$24,782,538

Motion made by Ms. Martin and duly seconded by Mr. Hiland to approve \$24,782,538.

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Motion to amend made by Ms. Treybig and seconded by Ms. Abrams to increase the amount by \$268,927 to keep 1 BES teacher for \$66,149, 1 BMS teacher for \$67,735 and 2 BHS teachers for \$135,043. Discussion ensued, questions were asked and opposing opinions expressed whether it was prudent to address at this level or at School District Meeting. **Vote on amendment was 3:4.** Amendment failed.

Motion to amend made by Ms. Treybig and seconded by Ms. Abrams to increase the amount by \$133,834 to keep 1 BES teacher and 1BMS teacher. **Vote on amendment was 3:4.** Amendment failed.

Motion to amend made by Ms. McCann and seconded by Ms. Treybig to not reduce the school budget by \$9,328 for BEA contract. Discussion ensued. Mr. Lagos stated that the Budget Committee deducted WA3 from WA2 and confirmed that the BEA amount would not be approved twice by this amendment. **Vote on amendment to reinstate \$9,328 into Warrant Article 2 was 7:0.** Amendment passed.

Warrant Article 2 amended to \$24,791,866. **Vote on Amended Warrant Article 2 for \$24,791,866 was 5:2.** Warrant Article 2 approved as amended.

Warrant Article 3 - \$9,328 for salaries & benefits per BEA contract

Motion made by Ms. McCann and duly seconded by Ms. Martin to approve \$9,328 for Warrant Article 3. No discussion. **Vote was 6:1.** Motion passed.

Warrant Article 5 – to raise and appropriate \$98,152 for field trip school bus

Motion made by Ms. Treybig and duly seconded by Ms. McCann to approve Warrant Article 5. No discussion. **Vote was unanimous at 7:0.** Motion passed.

Warrant Article 6 – to raise and appropriate \$44,600 to purchase a tractor

Motion made by Mr. Hiland and duly seconded by Ms. Martin to approve \$44,600 for Warrant Article 6. No discussion. **Vote was 6:1.** Motion passed.

6. New Business – No new business was presented

7. Meeting

Mr. Lagos stated that business has been concluded and that there is no need to meet again before the Town and School District meetings.

8. Adjournment

Motion made by Mr. Hiland, duly seconded by Ms. Martin and unanimously voted [7:0] to adjourn the meeting. The 2/125/10 Budget Committee meeting adjourned at 9:59 PM.

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