

Town of Lyme  
Budget Committee  
January 3<sup>rd</sup>, 2008  
7:00PM  
Selectmen's Office

Approved: February 12, 2008

Present at this meeting: Selectmen: Richard Jones & Simon Carr. Budget Committee Members: Barney Brannen, Josh Kilham, Freda Swan, Jeff Lehmann, Gibb Cornwell, Dave Caffry & Elizabeth Glenshaw. School Board Representative: Kathy McGowan. School Board Chair: Peter Glenshaw. Superintendent: Gordon Schnare. Principal: Jeff Valance. Public: Earl Strout, Barbara Roby. Staff: Administrative Assistant Carole Bont & Bookkeeper/Scribe Dina Cutting.

The meeting was called to order at 7:00pm by Chair Brannen.

- 1) Mr. Jones moved to approve the minutes of December 19<sup>th</sup>, 2007. Seconded by Mrs. McGowan. Mr. Carr offered a correction. Motion voted 6 in favor, with 2 abstentions (Mr. Brannen & Mr. Lehmann)
- 2) Mrs. McGowan referred to the executive summary for the review of the proposed 2008-2009 school budget. Mr. Glenshaw and Mrs. McGowan used a power point presentation to address the following issues of the proposed school budget.
  - 2008/2009 budget is an increase of 2.4%. This is the smallest budget increase in more than 6 years due to lower special education expenses, fewer high school students, and modest health care cost increases.
  - This proposed budget has a significant addition to the high school reserve fund.
  - It includes a modest investment in instruction and technology.
- 3) Followed was a discussion concerning the population of students, tuition growth, and large high school classes coming up in 2010.
  - The high school reserve fund was discussed at great length. 34% of the 2008/2009 budget is high school expenses.
  - The 6% increase is due to the \$200,000.00 allocation to this tuition reserve fund.
  - Next year, the Lyme High school student population will go from 87 down to 81.
  - Mrs. McGowan reviewed the area high school tuition increases in the coming school year. It was noted that the School Board will be reviewing the contract for Hanover High School in the coming year. This could be to Lyme's advantage; the feeling of school board members is that Hanover will be looking for more tuition students. Thetford's tuition increase projection is 5% plus a \$1,600.00 building project fee. Questions were asked about this fee and if it would be an ongoing cost per student. The School Board will need to get more information concerning the long range plans for Thetford's costs. The School Board reviewed the projected

high school enrollments, the high school tuition growth, and the high school population.

- 4) Special Education costs were reviewed.
  - Special Education is 15% of the total budget.
  - High School special education costs have decreased \$92,000.00. There are no residential placements anticipated for next year.
  - 3 students are expected to attend Connecticut River Academy at \$30,000.00 per student plus \$32,000.00 for the transportation of these students.
  - An additional student is expected to be court-placed at an outside school at the cost of \$32,000.00. This will be for educational costs only.
  - Special education charges for Lyme students at the area high schools are included in the total special education costs.
  - Elementary special education cost will increase by approximately \$50,000.00. This is due to 1.1 additional aides required, clerical assistance for data input, pre-school consultant, pre-school tuition, additional speech therapy services, and psychological services.
  - No additional monies will be allocated to the special education reserve fund. The proposed budget is a decrease of \$25,000.00 from the 2007/2008 budget. The reserve balance of \$144,000.00 is adequate to cover unanticipated expenses.

Followed was a brief discussion concerning the state requirements for special education costs, the positive outcome of early intervention for special education children and the cost savings from this program.

- 5) Elementary School and administrative costs make up 51% of the budget.
  - The negotiated agreement with the teachers will be 3% increase.
  - An additional .56 FTE for the differentiation coordinator is included in the proposed budget. This position was privately funded last year. The benefits gained from this position are significant. It is a relatively small investment that allows the school to better educate a broad range of students.
  - A \$4,000.00 additional expense in the proposed budget is to cover the cost of setting all aides' wages at \$14.00 per hour. Followed was a discussion concerning paying all aides at the same rate. There were concerns voiced with paying a new employee the same rate as one with many years of experience. All other staff and administration salaries were increased 3% with possible performance bonuses given to selected employees.
- 6) Other expenses in the proposed 2008/2009 school budget were reviewed:
  - Health insurance costs increased 3%. The School had the health insurance analyzed by an outside source. The School is doing its best to give a good package and be cost effective. Some changes in employee insurance plans have saved money in this category.
  - Teacher retirement continues to require employers to contribute 5.8% of teacher's gross salary.
  - Fuel costs increased approximately \$10,000.00 due to increases in energy prices.
  - To support academic goals of the strategic plan the following budget amounts are requested:

\$4,800.00 for teachers' summer work

\$2,500.00 for substitutes while the teachers are doing professional development.

\$1,500.00 for additional training on NWEA tests.

\$10,000.00 for special instruction of teachers and students aimed at maintaining the high level of language arts instruction.

The School Board believes this is a unique opportunity to complete the items listed above.

- 30 laptops are the goal for the technology department. Classes have up to 28 students and all children should have a laptop so the whole class can work together on projects. Followed was a discussion on the pros and cons of having all lap tops purchased at the same time and then having to replace them all at once. Lyme is behind in the technology department. The School Board will look into the option of starting a capital reserve fund for this department.
- The food service operations have stabilized. The average meals sold per day is 99. The menu has been improved and the increase in meals per day has raised the daily food costs. The projected 2008/2009 budget is a loss of \$7,500.00. The 2007/2008 projected loss was \$7,000.00 to \$9,000.00.
- 7) The cost per pupil for NH Department of Education was reviewed. It was noted these figures do not include high school students.
- 8) Mr. Glenshaw noted the School Board requested that the administration cut \$50,000.00-\$60,000.00 from the original budget proposal. The administration worked hard to find this money and not affect programs.
- 9) There was a brief discussion concerning how many keys to the school are out in the community. Mr. Schnare stated the lock can be re-keyed if necessary. Mr. Valance will check into this.
- 10) The following areas were reviewed, questions were asked for clarification
  - Funds for the person directing the play. A small stipend for the people who have been doing this for years.
  - Furniture: Chairs are adjustable for different height of children.
  - Performance bonuses: These are for the staff not the School Board.
  - Principal office staff development: these funds are for staff that the principal feels needs additional training.
  - Mr. Glenshaw noted the finance recommendations for the strategic plan briefly.
- 11) The School Board is planning 2 public forums: the 1<sup>st</sup> is on the strategic plan and the 2<sup>nd</sup> is on the School's proposed budget.
- 12) The public asked for clarification on the Library situation: The school's library program is the same as last year. It was noted at this time that the facility for the school Library will not change.
- 13) At this time, Mr. Brannen asked if there were any unanswered questions concerning the School's proposed budget. There were none.
  - Mr. Jones moved to approve the 2008/2009 school budget in the amount of \$4,595,526.00. Seconded by Mrs. Glenshaw. The motion was voted unanimously in favor. This is a non-binding vote.
- 14) Followed was a discussion on the concerns Mrs. Glenshaw expressed about trying to have more time to think and plan strategically about the budget issues and the budgeting process. It was noted that a lot of this information will be in the Capital

- Improvement Plan when it is completed. It is too difficult to just look at the various accounts and know what is in them. The budget process was reviewed and discussed. The differences in how the town deals with the School and the Town budgets were discussed. Mrs. Glenshaw and Mrs. McGowan feel the Budget Committee's obligation is to have a discussion on the services that the Town wants and needs. It was noted that the various committees in town are manned with volunteers. Most people do not have the time to investigate issues in more depth than they are doing presently. Mrs. Glenshaw stated she appreciated the discussion at tonight's meeting. Long term members felt they had the historical perspective, but agreed an analytical review would be useful for new members.
- 15) The next Budget Committee meeting will be held on January 9<sup>th</sup>, 2008 and this meeting will be for the Town Offices Committee to present their numbers to the Budget Committee. If these numbers are not ready, Mr. Carr will contact Mr. Brannen.
  - 16) The Public Hearing on the bond for the Town Offices will be held January 30<sup>th</sup>, 2008.
  - 17) Mr. Brannen noted the Mr. Cornwell's seat is up on the Budget Committee and he has decided not to run again. The Budget Committee wishes to thank him for his years of service for the town.
    - It looks like the Budget Committee will possibly have 4 seats to fill: Mr. Cornwell, Mr. Tullar (has not been coming to any meetings, do not know what is going on), Mr. Caffry (will run again), and Mr. Roundtree (not sure).
    - The Committee needs to be thinking about who may be interested in running for any of these seats.
  - 18) At 9:25pm, Mr. Jones moved to adjourn this meeting. Seconded by Mr. Kilham. Voted unanimously in favor.

Respectfully submitted,  
Dina Cutting