

WEARE FINANCE COMMITTEE

DECEMBER 18, 2018

1. The Weare Finance Committee met on Tuesday 18 Dec at 730pm at the Weare Middle School Library. Present were members Lori Davis, Neal Kurk, Bill Anderson, Keith Erf, Gregg McDowell, Sue Morin, Tom Clow, Donna Osborne, Tammi Hagman, Dennis Aubin, James Drury, Megan Thellan, and Chris Hague. Also present were SAU24 School Superintendent Dr Lorraine Tacconi-Moore, SAU24 Business Administrator Kathleen Sargent, Weare School Board Chair Marge Burke, Stark School Board Chair Zach Lawson, and other school officials.
2. Business. The purpose of the meeting was to receive information from both the Weare and John Stark School Boards on proposed budget and warrant articles for the upcoming year. Note: all budgets and projected warrants are subject to change.
 - A. Weare School Board.
 1. Proposed Operating Budget. The 2019-20 proposed budget is \$15,790,877. The 2018-19 operating budget was \$15,138,975. The difference of \$651,902 represents a 4.31% increase. The primary budget drivers are \$151K increased cost for employee benefits and \$234K in technology upgrades. The school district has operated on default budgets each of the previous two years.
 2. Energy Program. The Weare School Board is looking to improve energy delivery similar to what was done at John Stark last year. Improvements totaling \$865K would include replacing the outdated boiler at Center Woods with a propane unit and upgrading Center Woods and Weare Middle Schools with LED lighting. The improvements would be part of a tax revenue neutral 20 year lease. The program projects a \$54K/yr energy savings with a 15 year payback for initial costs.
 3. Full Day Kindergarten. Voters can expect a proposal for the school district to expand from half to full day kindergarten. If approved the district would anticipate starting the program in the fall of 2019. Implementation would require the addition of 2 kindergarten teacher and 2 para professional positions. The cost would be \$250K a year which would be partially offset by the additional \$1100 per pupil we would receive from the State (Note: The State of NH currently provides \$1800/pupil cost for our half day kindergarten and that would increase by \$1100 per pupil for full day kindergarten), The School district, based on anticipated enrollment, projects the state offset would be approximately \$114K, thus leaving \$136K to be funded by taxpayers in the first year. State reimbursements are set by the legislature and are

therefore subject to change. To create the required classroom space at Center Woods for full day kindergarten the school district is proposing to move the current preschool program to the High School where they feel space is available. School officials answered finance committee questions which expressed concern reference the long term benefit of full versus half day kindergarten as well as the projected mixing of preschool and high school students in the same facility.

4. Teacher Contract. School representatives expressed concern over the high teacher turnover Weare Schools continue to see; they attribute this to low pay as compared to neighboring districts. Weare teachers are not currently operating under a contract; an agreement for a proposed warrant article could not be reached with the teachers union last year. This year's contract proposal would cover two years and move everyone up one step, including starting teachers. Starting salaries for first year teachers would increase from \$35.9K to \$37.7K, which is still below neighboring districts. The cost to the taxpayers in year one is \$206.8K; for year two \$239K. After two years the total cost to taxpayers over current costs would be \$652.6K (2X\$206.8K plus 1X\$239K). There are no changes to benefit packages with 85% of healthcare premiums still provided. When asked what was the district's top priority for passage this year the Weare Board and representatives were non-committal; when pressed by committee member Kurk that this was their opportunity to advise our committee of their priorities, Dr Tacconi-Moore stated the teachers' contract had the highest priority. Teachers are the most important resource the district has and the Superintendent needs this contract to try and stay competitive in hiring/retaining teachers.
 5. Paraprofessional Contract. The School Board is proposing a three year contract for paras. A third tier level is added beyond the certified level 2. Entry para 1 would remain the same. Paras 2 and 3 would receive a 3% pay raise each year. Paras receive no benefits. Cost to taxpayers would be \$44.6K in year one, \$34.5K year two, and \$34.2K in year three; total increase from current costs after year 3 would be \$237K (\$44.6X3, plus \$34.5X2 plus \$34.2).
- B. John Stark School Board. School Board Chair Zach Lawson briefly summarized what can be expected this year. He will meet with our Committee on 3 January to further clarify projected warrant articles as the board is still developing their budget/warrants.
1. Proposed Operating Budget. The 2019-20 proposed budget, subject to further change, is \$13,726,662. The 2018-19 operating budget was \$13,418,229. The difference of \$308,433 represents a 2.3% increase. The default budget is \$13,550,703.
 2. Support Staff Contract. Hiring and retaining support staff (e.g. maintenance, culinary, janitorial) has been difficult when competing with the private sector. The board is proposing a three year

contract to increase salaries to be more competitive. Cost to the taxpayers would be \$70.6K in year one; \$26.5K in year two, and \$27.2K in year three; total increase from current costs after year three would be \$292K (\$70.6X3 plus 26.5X2, plus \$27.2).

3. Expendable Trusts. The Stark Board is considering establishing 2 reserve trust funds, one for CIP projects and another for Special Education. Funds could be raised directly or channeled through a portion of unexpended funds at the end of the school year. While there are other expendable trusts for the high school they are restricted to specific types of projects. The school board would prefer to have a less restrictive fund available to allow the orderly completion of CIP projects.

- C. School Resource Officer (SRO). Proposal would create one school resource police officer position to be shared among John Stark, Center Woods, and Weare MS. It would appear as three separate warrant articles for Town, Weare Schools, and John Stark; each would project a cost of \$28K (total cost \$84K). All three articles would have to pass to create the one position. The position would enhance relations, improve communication, and build trust between students and local law enforcement, while affording a perception of increased school security.

3. Meeting Schedule.

- A. The Finance Committee will meet on Thursday 3 Jan at 6pm at the Town Offices. John Stark Chair Zach Lawson will provide updated budget information and the committee will begin meeting with Town representatives on 2019 budgets. A second meeting is tentatively scheduled for Tuesday 8 Jan at 630pm at the Town Offices for continued discussion with Town representatives.
- B. Public Hearings regarding proposed budgets are tentatively scheduled on 9Jan for Weare Schools, 11 Jan for John Stark, and 13 Jan for Town.

4. Adjournment. The meeting adjourned at 1130pm.

Bill Anderson
Secretary