LITCHFIELD SCHOOL DISTRICT
DELiberATIVE SESSION
February 4, 2017
The State of New Hampshire

Time, Place: The meeting was called to order at 10:00 a.m. in the Campbell High School Auditorium.

Present: Moderator, Mr. John G. Regan, presiding.

School Board members: Mr. Brian Bourque, Chair; Mr. Derek Barka, Vice Chair; Mrs. Janine Lepore, Mrs. Christina Harrison, Mrs. Paula Izbicki.

Mr. James L. O’Neill, Superintendent of Schools; Mr. Frank Markiewicz, Business Administrator; Mrs. Michele Flynn, Administrative Assistant; David Sayward, Attorney for the District.

Budget Committee members: Mrs. Cynthia Couture, Chair; Mrs. Keri Douglas, Vice Chair; Mr. Chris Pascucci; Mr. Robert Keating, Mrs. Jennifer Bourque, Mr. Dennis Miller; Mr. Andrew Cutter (absent)

Ballot clerk: Mrs. Trisha Regan

Mr. Regan invited members to join him in the Pledge of Allegiance.

Mr. Regan introduced Mr. Phil Reed, Vice Moderator, and reviewed the Moderator’s rules and protocol for the Deliberative Session according to state law.

Mr. Regan introduced Mr. Brian Bourque, School Board Chair. Mr. Bourque introduced School Board members, SAU staff, and attorney.

Mr. Regan introduced Mrs. Cynthia Couture, Chairperson of the Budget Committee. Mrs. Couture introduced Budget Committee members.

Mr. Regan reviewed the Moderator’s rules and announced that elections will be held on March 14, 2017 from 7:00 am – 7:00 pm at CHS.

Note: The order of business of the Deliberative Session is sometimes conducted out of the warrant articles’ numeric sequence. Recording activity in chronological order would make the minutes difficult to follow; therefore, the articles will be listed, with action taken thereon, in the order in which they were listed on the warrant.

As is customary, Mr. Regan asked voters if they were in favor of allowing non-voters and employees of the school district who were in attendance to comment during the meeting.

The majority was in favor of allowing non-voters and/or employees of the district to comment during deliberative session by voice vote.
Mr. Regan read Article A.

**ARTICLE A.**
To elect by ballot the following School District Officers:

- School District Moderator 3-Year Term
- School District Treasurer 3-Year Term
- School District Clerk 3-Year Term
- School Board Member 3-Year Term
- School Board Member 1-Year Term

The Moderator opened discussion of Article A.

Hearing no discussion, the Moderator indicated **Article A stands as written**.

Mr. Regan read Article 1 and indicated that Mrs. Couture would speak to the article.

**ARTICLE 1**
Shall the Litchfield School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote at the first session of the annual school district meeting, for the purposes set forth herein, totaling Twenty-One Million, Eight Hundred Twenty-Seven Thousand, Two Hundred Twenty-Three Dollars ($21,827,223)? Should this article be defeated, the default budget shall be Twenty-One Million, Seven Hundred Seventeen Thousand, Five Hundred Eighty-Six Dollars ($21,717,586) which is the same as last year, with certain adjustments required by previous action of the Litchfield School District or by law; or the School Board may hold one special meeting, in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only.

*This Article has an estimated tax impact of $0.42 and was recommended by the School Board by a vote of 5-0-0. The Article was recommended by the Budget Committee by a vote of 6-2-0.*

Mrs. Couture made the following statements:

The School District Budget was received in November. The Superintendent and Business Administrator reviewed district goals for Budget Committee members. The budget was reviewed line by line over 5 meetings in November and December. The budget information was presented by the School Board representative, Superintendent, Business Administrator and department heads as needed before voting. Final votes on budgets and Warrant Articles were made on December 22.

**Decision Criteria**
Mrs. Couture explained the Budget Committee made their recommendations based on the following criteria:

- Consider history of actual spending of previous years
- Consider School District Priorities as presented
• Consider year to date actual spending of current budget
• Consider student enrollment projections
• Consider the rationale for why dollars are being requested by the school district and educational professionals as well as any data presented.
• Consider what was a reasonable budget to present to the voters given fixed cost increases and revenue projections.

Mrs. Couture presented the school district budget review:
• The School District Budget submitted to the Budget Committee was $731,493 more than last years approved budget.
• Projected revenues are down slightly.
• Enrollments continue to decline (last 10 years lost 268 students).
• This would have been an increase of 3.59% and a tax increase of $0.92.
• The Budget Committee made numerous reductions that resulted in a proposed budget that is $443,110 less than the school proposed budget.
• The Recommended budget is $288,383 more than last years approved budget.
• The projected increase is 1.41% with a tax impact of an increase of $.42.
• The Default Budget is $109,637 less than the proposed budget.

Areas of Major Impact

• Health Insurance $193,695 Increase
  Our health care provider, School Care, increased health insurance 9.5%

• New Hampshire Retirement $149,917 Increase
  Rate increase for both employees and teachers

  • Transportation $24,670 Increase
    Contractual increase

  • Technology Services $137,205 Increase
    New computer purchases as replacement, curriculum changes in technology

  • Special Services $118,726 Increase
    This includes a reduction of $99,432 in Handicapped Tuition

  • Salaries ($184,174) Reduction
    Decreases in attrition, Superintendent’s salary; increases in staff and hours

  • Utilities ($42,850) Reduction
    Lower prices in oil and gas

  • Textbooks ($58,311) Reduction
    Use of digital resources instead of print.
Budget Committee Action

- Special Services $105,030 Increase
  Traditionally the Budget Committee reduces by historical underspend, but motions to make these reductions failed. There was an addition of $106,000 for a new student.

- Buildings & Grounds $51,500 Reduction
  Utility van, signage, prioritizing repairs and delaying those that can be done as part of the buildings review.

- Total Schools $8,110 Reduction
  Destination Imagination was asked by parents to be independent of schools. Other small adjustments were made.

- Salaries and Benefits $453,985 Reduction
  Historical underspend, Superintendent’s salary (full time position budgeted prior to acceptance by the Superintendent to stay on another year) and benefit adjustment.

- Conferences and Travel $25,000 Reduction
  Reduction based on historical spending.

Potential Tax Impact

The Recommended budget, $21,827,223, is projected to have a tax impact of $0.42, which would be an estimated $147 increase on a home valued at $350,000 if the recommended budget is approved.

The Default budget, $21,717,586, is projected to have a tax impact of $0.26, which would be an estimated $91 increase on a home valued at $350,000 if the recommended budget fails.

All recommended articles would have a tax impact of $0.98 if they are approved, which would be an estimated $343 increase on a home valued at $350,000. This includes the recommended budget (Article 1).

Mr. Bourque made the following statements:
The Recommended budget is $288,383 above last year’s budget, which includes $106,000 added for a new special education student. Non-discretionary spending, which totals $549,272, includes increases for health insurance, dental insurance, NH retirement, long-term substitutes, an additional Grade 2 teacher, an LMS special education teacher, vocational tuition and a 5% contractual increase in transportation.

Subtracting these non-discretionary costs from the recommended budget total results in a $260,000 decrease over last year’s budget.

Prior to review by the Budget Committee, the School Board made reductions to the FY18 Recommended budget of $111,638.
Mr. Regan opened the article for discussion.

Hearing no amendments or discussion, Mr. Regan indicated that Article 1 will appear on the ballot as written.

Mr. Regan read Article 2 and indicated that Mr. Barka would speak to the article.

**ARTICLE 2**

*Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Education Association, which calls for the following increases in salaries and benefits at the current staffing level:*

<table>
<thead>
<tr>
<th>Year</th>
<th>Estimated Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-2018</td>
<td>$282,018</td>
</tr>
<tr>
<td>2018-2019</td>
<td>$293,644</td>
</tr>
</tbody>
</table>

*and further to raise and appropriate the sum of Two Hundred Eighty-Two Thousand, Eighteen Dollars ($282,018) for fiscal year 2018, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels.*

*This Article has an estimated tax impact of $0.32 and was recommended by the School Board by a vote of 5-0-0 and was recommended by the Budget Committee by a vote of 6-2-0.*

Mr. Barka presented data regarding the negotiations of the teachers’ contract. He mentioned he was a member of the negotiating team with the LEA and the two main objectives were to:

- **Maintain competitive salaries, recruit, and retain high quality teachers:**
  - Offer competitive salaries compared to our local competitors
    - Currently 5-6% below local market
  - Maintain staff stability with a 2yr contract

- **Continue to strive for Healthcare Savings**
  - Increases in co-pays for office visits, prescriptions, urgent care, and emergency room visits
  - 1% increase in employee contributions

Mr. Barka explained how the teacher salary step schedule works.

Teaching staff is paid based upon the salary schedule approved in the collective bargaining agreement. When hired, an educator is placed on a “LADDER” or “Grade-Level” based upon their degree or education status.

<table>
<thead>
<tr>
<th>Bachelors</th>
<th>Masters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bachelors + 15 credits</td>
<td>Masters + 15 credits</td>
</tr>
<tr>
<td>Bachelors + 30 credits</td>
<td>Masters + 30 credits</td>
</tr>
</tbody>
</table>
Within that ladder, they are placed on a **STEP** based upon their years of experience.
- Each school year with a contract, teachers move up one step on the experience scale.
- When there is no contract, there is no step movement.
- Teachers at top step no longer move steps.
- Occasionally, the contract will also include step modifications to keep the salary schedule competitive and to provide raises for members at the top step.

Mr. Barka explained items negotiated in the LEA contract.

**Year 1: 2017-2018**

Schedule Modification – slide schedule 1 Step Up
- Remove 1st step (old Step 2 becomes Step 1)
- Add new 15th Step
- Increase each step 1.5%
- Teacher remains on current step

Healthcare
- Increases in co-pays for prescriptions and doctor/urgent care/ER visits

Benefits
- Starting/Top salary is more competitive.
- Salary schedule more competitive

**Year 2: 2018-2019**
- Teachers move up one step
- Steps increased 2.00%

Healthcare
- 1% increase in Employee Premiums

Result
- Top Steps receive 2% increase
- Staff on the schedule receive step + 2%
- District saves 1% on healthcare premiums.

Mr. Barka indicated that the LEA salaries in Litchfield were compared with several other towns. He indicated that the increases were necessary to not only attract new teachers, but to move our schedule closer to competitive schedules. He noted the cost for Year 1 is $283,179 and for Year 2 the cost is $294,117.

Mr. Regan opened the article for discussion.

Bill Spencer, 9 Cranberry Lane, asked for an understanding of what the changes were in healthcare benefits, current and new, and the competitiveness of other towns.

Hollie Messenger, Director of Human Resources, explained current health plans are School Care Red and Green. She indicated that there is no change in the Red plan with a $250 deductible for single coverage and $500 for family coverage. She commented the changes to the Green plan include an increase to a $30 copay for doctor office visits, $50 copay for Urgent Care and $100 copay for the ER.
Mr. Spencer asked what percentage the district contributes for health insurance and what percentage employees contribute for health insurance.

Mrs. Messenger indicated the distribution is as follows:
- Green Plan: District contribution 83%; Employees 17%
- Year 2 of Contract: District contribution 82%; Employees 18%

Red Plan: the distribution is 85%/15%.

Mr. Spencer asked how that compares with other districts.

Mrs. Messenger indicated other districts are close with a distribution of 85%/15%.

Will Leverton, resident, commented that he has been an educator for 15 years. He indicated he cannot afford to work in this town as an educator because the salaries are far below market value. With regard to healthcare, he noted his wife works in Londonderry and the distribution is 85%/15%.

Frank Byron, 8 Mallard Court, commented the cost item numbers in the presentation differ from what is written in the article.

Mr. Barka explained his numbers are off a bit from the warrant article. He indicated the numbers in the warrant article are accurate.

Dennis Miller, 37 Wren Street, asked why Hudson was excluded from the survey.

Mr. Barka explained Hudson was initially used, but was pulled from the graph for room concerns.

Mr. Miller commented if healthcare keeps going the way it is we are looking at a $500,000 increase if healthcare increases are included with this contract. He indicated we are paying $22,800 for family plans. He commented that we would be hard pressed to find a business that pays that amount for health coverage.

Mr. Miller indicated most businesses are moving to high deductible plans and we are not. He commented salaries and benefits are approaching 80% of the budget.

Mr. Barka indicated the difference is we are not competing with businesses. He commented healthcare is going up almost 10%, but the decreases in the contract reflect it.

Betty Vaughn, 19 Stark Lane, commented that she works in human services and one of the ways her company retains her is to pay vacation time, sick time and a higher portion of healthcare costs.
Corey Izbicki, 3 Kokohekas Circle, commented comparing school districts to businesses is not a fair comparison. He indicated these discussions happen across the state, but we still have to provide those benefits.

Hearing no further amendments or discussion, Mr. Regan indicated that Article 2 will appear on the ballot as written.

Mr. Regan read Article 3 and indicated Mr. Bourque would speak to the article.

ARTICLE 3
Shall the Litchfield School District vote to approve the cost items included in the collective bargaining agreement reached between the Litchfield School District and the Litchfield Support Staff Association, which calls for the following increases in salaries and benefits at the current staffing level:

<table>
<thead>
<tr>
<th>Year</th>
<th>Estimated Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-2018</td>
<td>$ 62,787</td>
</tr>
<tr>
<td>2018-2019</td>
<td>$ 57,662</td>
</tr>
</tbody>
</table>

and further to raise and appropriate the sum of Sixty-Two Thousand, Seven Hundred Eighty-Seven Dollars ($62,787) for fiscal year 2018, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels.

This Article has an estimated tax impact of $0.07 and was recommended by the School Board by a vote of 4-0-1 and recommended by the Budget Committee by a vote of 7-0-1.

Mr. Bourque mentioned that he and Mrs. Harrison were on the negotiating team. He indicated that Year 1 and 2 salary increases would have been received even if there were no contract. He explained that insurance costs were reduced by 1% in Year 1 and by 1.5% in Year 2; copays will be $20 for doctor office visits, $50 for urgent care and $100 for emergency room visits; paraprofessionals will get a day of professional development. Mr. Bourque indicated that the cost items are low.

Mr. Regan opened the article for discussion.

Natalie Hirtle, 14 Lund Street, commented that paraprofessionals are invaluable and help provide support for teachers in the classrooms.

Hearing no amendments or further discussion, Mr. Regan indicated that Article 3 will appear on the ballot as written.

Mr. Regan read Article 4 and indicated Mrs. Izbicki would speak to the article.
ARTICLE 4
Shall the Litchfield School District vote to raise and appropriate the sum of Ninety-Two Thousand, Eight Hundred Eighty-Five Dollars ($92,885) to be added to the operating budget for the purpose of funding salary and benefits for a full time Special Services Coordinator position to support the Special Services Director and Special Services Department?

This Article has a tax impact of $0.10 and was recommended by the School Board by a vote of 5-0-0 and recommended by the Budget Committee by a vote of 8-0-0.

Mrs. Izbicki provided comments and facts regarding the proposed special services coordinator. She indicated the position will support the Director of Special Services and the Special Services department. She noted the position was supported 100% by the School Board and Budget Committee.

Mrs. Izbicki made the following statements:
Currently, there are 161 students identified with disabilities in the district. 95 students at GMS and 66 at LMS and within that number are a spectrum of needs that can range from an out of district placement to a child who may need speech services twice per week. Special Education is a robust job that requires much meeting time and review of paperwork. Every meeting requires an LEA representative that is not a case manager or anyone who services the child, which means this job needs to be done by an administrator.

(Example of the time required at one building):
95 identified students at GMS that each require an annual meeting that last at least one hour and require paperwork that includes the IEP, the written prior notice, notes taken from the meeting, other forms such as Medicaid, parent rights forms, etc. The LEA must review all the paperwork (approximately 20 pages per meeting). The amount spent for the meeting and paperwork can easily total 2 hours or more. With 95 students only receiving the annual meeting, that totals 190 hours.

Some students (20) are up for re-evaluation that is required every 3 years for those on IEPs. This flow of meetings requires a pre-evaluation meeting, an evaluation meeting, and an IEP meeting. These meetings can run 1 hour or more with the same amount of paperwork. This totals an additional 120 hours.

Preparation also needs to be done for summer school for these students. These meetings require a proposal for ESY and possible amendment to the IEP, which adds to the paperwork. If only half the students are invited to ESY, that is 80 hours (1 hour meeting, 1 hour paperwork).

The LEA representative is also responsible for approving all IEP paperwork that is submitted into NHESIS (the DOE site that holds schools accountable for following timelines and laws in IEPs). This input is done by case managers, but the LEA representative must review the work and approve in a timely manner. The additional hours are approximately 10 per week.

Another role is preschool. PreK students who are identified come with a whole new set of laws, meetings and unique situations that often make paperwork longer and meetings more complicated. The process can consist of reviewing and accepting the testing, observations,
discussion of services and whether to offer them or not, decision on home education or classroom education. Accepting 10 students can add 100 hours. All decisions have an impact on the budget.

Transition meetings take place from grades PreK to K, Grades 4 to 5 and Grades 8 to 9. Each meeting lasts an hour with additional paperwork involved. There can be additional meetings with parents as well. If 50 students are transitioning, that is an additional 200 hours. This does not include students who go through the process and are not identified. A referred student must go through the process (referral meeting, a pre-evaluation meeting, an evaluation to determine eligibility, and the IEP, if the referring child is eligible). If 20 students are referred throughout the year that is an additional 160 hours. These hours do not include students who are identified who live in Litchfield, but who attend a private or charter school, which the district is still responsible to pay for.

All these responsibilities do not include being asked to conduct an observation, visiting out of district students, budgeting, staffing, building programs, offering supports to help students off IEP’s, often students come with needs that require special mechanisms and or special needs for curriculum, or services that require the district to use a contracted service, sometimes it requires professional development for staff, and it’s the administrator needs to get all that into place quickly, effectively, and all with the best interest of the child at hand.

The total of hours discussed for one school is 860. This number does not include the others or the PreK parent meetings. If you double that number to include the middle school we are at 1720. There are 1080 hours in 180 days of school consisting of 6 hour days. Of course special education runs year round, so you can see just in the numbers why this position is needed.

How does the Special Services Coordinator position help the taxpayer? If your principal and part-time administrator are coordinating all these meetings, how are they properly evaluating teachers, or growing the curriculum, interacting with students, time for parents, time for discipline issues, moving to 21st century learning, paying attention to attendance issue, nighttime events, and budgets for regular education?

Mrs. Izbicki commented she has heard from some parents that an enrichment coordinator is needed. She indicated with a principal with more time, special education focused on by another administrator, can develop teacher best practices of enrichment with zero taxpayer dollars. This would mean that all students would benefit from enrichment, not a select few for a short time in a special place for 30 minutes once per week.

Mrs. Izbicki commented this position will help to breed stability and that investment is needed.

Mr. Regan opened the article for discussion.

Kathy Follis, 8 Mike Lane, asked if this position opens up time for administrators, why do we need a full time assistant principal?
Mrs. Izbicki commented there are other things that administrators do and there are a large amount of students that need to be addressed.

Mrs. Follis commented that if special education is 25% of enrollment that is not a small percentage. She indicated meeting-wise, regular education administrators do not need to attend that many of them. She suggested if the Special Services Coordinator position is approved, keep the assistant principal part time and see how the year works out.

Mrs. Izbicki commented that is a long time to wait and see. She indicated it would be wise to ask how many meetings the administrators attend outside of their building.

Wilfred Henderson, 11 Foxworth Lane, commented an as assistant principal, he does not have enough time to attend all meetings. He indicated there is vast work to do with other students as well.

Natalie Hirte, 14 Lund Street, commented she has a child with special needs and is familiar with the process and meetings. She indicated there are other meetings in other buildings that administrators are required to attend.

Robin Corbeil, 4 Nesmith, commented it is a great idea for administrators to be able to focus on the other 75% of the students. She indicated we may not meet every need these students have. She believes giving the principals a year to do that is fine.

Hearing no amendments or further discussion, Mr. Regan indicated that Article 4 will appear on the ballot as written.

Mr. Regan read Article 5 and indicated that Mr. Bourque would speak to the article.

**ARTICLE 5**

*Shall the Litchfield School District vote to raise and appropriate the sum of Sixty One Thousand, Six Hundred Forty-Five Dollars ($61,645) to purchase security equipment and products to enhance safety and security for the main entrances to Griffin Memorial School, Litchfield Middle School and Campbell High School, and modular classrooms at Griffin Memorial School and Litchfield Middle School, as recommended by the NH Department of Homeland Security?*

*This Article has an estimated tax impact of $0.07 and was recommended by the School Board by a vote of 5-0-0 and recommended by the Budget Committee by a vote of 8-0-0.*

Mr. Bourque commented that the district received a report from Homeland Security regarding safety and security in the schools. He indicated that the items that have the greatest impact were extracted and it is well worth it to add this security for our children’s safety. He noted that the other items can be addressed in the future.

Mr. Regan opened the article for discussion.
Sue Seabbrook, 33 James Way, asked to hear more about what was proposed in the article.

Mr. Bourque indicated that the recommendations included additional cameras, ballistic film on the glass for determent of intrusion and fencing around the portables.

Mrs. Seabbrook commented that her son-in-law works in Lowell and when her husband visited the school to play Santa for the children, he had to have his license scanned and could not enter the building until he was cleared. She agreed that more security is needed.

Kathy Follis, 8 Mike Lane, asked if this proposal includes anything to notify people in transit from one school to another if an emergency occurs (i.e. lockdown).

Mr. Bourque indicated that is not included at this time.

Frank Byron, 8 Mallard Court, asked if the cameras will tie the police department into the school as they have been requesting that.

Mr. Bourque indicated that the proposal will not address that. He commented there are ongoing conversations as well as concerns by the district allowing that type of surveillance.

Mr. Byron commented that other districts allow it. Mr. Bourque indicated that discussions are ongoing.

Mrs. Follis asked why we do not allow it. She commented it is more efficient for response by the police to be prepared.

Mr. Bourque indicated there are concerns about individual rights and filming students.

Hearing no amendments or further discussion, Mr. Regan indicated that Article 5 will appear on the ballot as written.

Mr. Regan read Article 6 and indicated that Mr. Bourque would speak to the article.

**ARTICLE 6**

*Shall the Litchfield School District vote to raise and appropriate up to One Hundred Thousand Dollars ($100,000) to be added to the Special Education Capital Reserve Fund established in 2004 and authorize the use of that amount from the June 30 unreserved fund balance available for transfer on July 1 of this year; and to designate the School Board as agents to expend? This is a special warrant article.*

*This Article has an estimated tax impact of $0.00 and was recommended by the School Board by a vote of 5-0-0 and not recommended by the Budget Committee by a vote of 4-4-0.*

*The balance of the Special Education Capital Reserve Fund as of June 30, 2016 is $104,210.10.*
Mr. Bourque commented that it has been brought up that there is always a large underspend in Special Services. He indicated that the way the budget is being written going forward you will not see that large underspend. He noted we are now projecting for an underspend of $68,000 in FY17. Mr. Bourque presented two charts that reflected expenditures for Special Services from 2011 – 2017 and underspends that have occurred in the years prior to 2017.

Mr. Bourque reported that there is the potential of another student coming into the district and the underspend will not be enough funding. He indicated there are potential students that will be placed and the district needs the funds to cover those costs.

Mr. Regan opened the article for discussion.

Bill Spencer, 9 Cranberry Lane, asked to hear from the Budget Committee members who voted on the article recommendation and their rationale.

Mrs. Couture commented this year there were several motions to reduce the Special Services budget by a historical underspend and they all failed. She indicated historically there is $250,000 in the budget than has been spent. She noted the Budget Committee felt that because of what is in the fund and in the budget there would be sufficient funds to cover.

Mrs. Douglas echoed Mrs. Couture’s comments. She commented the underspend shown for next year is because of what was removed last year. She indicated we have enough in the budget to absorb additional students. She noted we are in good shape.

Mr. Pascucci commented that there are two sides to the argument driven by two different philosophies. He indicated when emotion is brought in it always feels nice, but this boils down to taxing in this town. He commented it feels good to have padding in the budget, but it is taking money away from people in this town that is not needed. Mr. Pascucci indicated when the conversation switched to numbers that is why some people did not support it. He noted $106,000 was added to the Special Services budget. He commented he did not see any difference in the way that budget was prepared.

Mr. Miller commented prior to the budget hearing $106,000 was added to that budget. He indicated the budget was approved prior to that addition. He noted given the $68,000 underspend, you would expect the budget to come in that way. He commented there have been years with a $700,000 underspend. He expects if the reserve fund was spent in that school year it get the support of the community versus building the fund up for the unknown.

Mr. Spencer commented projecting a $68,000 underspend so early in my experience is not accurate.

Natalie Hirte, 14 Lund Street, commented in her experience with the schools she has seen talented people working with our children and some who are not. She suggested spending this money to train them.
Robin Corbeil, 4 Nesmith, commented we are smarter as a country and able to diagnose more needs than before. She indicated if 25% of our students are identified that means more are identified in other districts, which leads to the chance a student with special needs could come into our district. She does not believe that $100,000 in the reserve fund is enough. Mrs. Corbeil commented that she would instead like to see $500,000 in that savings account. She commended the School Board and the Superintendent for the method of budgeting this year and wanting to increase that fund so it does not impact anything else. She indicated that she hears over and over let the town vote and decide. She strongly requested not to zero this number and to let the taxpayers vote on whether or not they will approve the article.

Olga (last name inaudible), resident, commented the article states ‘raise and appropriate up to $100,000’. She asked for an explanation of the types of services that can be drawn from that fund.

Mr. Bourque commented anything for the needs of the students that falls under Special Services except salaries and benefits.

Olga (last name inaudible) commented that it was mentioned we are on track for the underspend, but have a new student that will cost $100,000. She asked what would happen if another student comes into the district.

Mr. Bourque indicated there is a potential student other than the one added to the budget.

Olga (last name inaudible) asked if the current reserve fund is gone now that the student has been added. Mr. Bourque responded in the negative.

Olga (last name inaudible) commented that she is an educator with children in schools who are identified students. She recognized the school district for their work with her children. She asked if there is no tax impact, why not appropriate the money?

Mr. Bourque indicated there is no tax impact because it comes out of the remaining end of year funds.

Olga (last name inaudible) commented because it is worded ‘up to $100,000’ she feels it is not “robbing Peter to pay Paul” and that the school district will only ask for what they need at that time. She indicated she supports the warrant article.

Mr. Pascucci commented that zero tax impact does not mean there is no tax impact. He indicated when taking the money from the end of year funds or underspend, that money cannot be returned to the taxpayers to offset or lower the tax rate. He noted there is a tax impact for that reason.

Mr. Bourque commented if writing the budget was as easy as going to the movies it would be simple.
Maureen Sherwin, 29 Century Lane, commented she has been a paraprofessional at GMS for 17 years. She asked if the $68,000 is an underspend?

Mr. Bourque answered in the affirmative.

Mrs. Sherwin commented every year we want workshops for paraprofessionals, but hear there is no money in the budget. She indicated in the past there were wonderful workshops the district paid for, but now we have to pay out of pocket. She asked if there is an underspend, why are we not being trained?

Mr. Bourque indicated there is professional development in the new contract for paraprofessionals.

*Bill Spencer, 9 Cranberry Lane, made a motion to reduce the amount in Article 6 to $0. The motion was seconded by Mrs. Spencer.*

Mr. Spencer commented that a $68,000 underspend is shot in the dark and will be larger at the end of the year. He indicated the existing reserve fund has been there for 10 years and never been touched. He noted when the Budget Committee looked at the budget this year it was a 50/50 vote. Mr. Spencer indicated it is fully funded in the proposed budget.

Robin Corbeil, 4 Nesmith, requested to hear from everyone who voted on the article. She strongly urged that the rights of the people to decide are not taken away. She indicated that the people in this meeting should not be allowed to take away our ability to vote.

Jarod Jozitis, resident, echoed Mrs. Corbeil's sentiments. He indicated to use a parliamentary trick to zero out the article and take away the decision from the people who vote is not right.

Betty Vaughn, 19 Stark Lane, commented that she was hoping with the addition of Special Education teacher there would be a shift of how Special Services would be used. She indicated many are upset with Special Services because they are not getting the services their children need. She wondered if there has been such a push not to spend money that educators are thinking there will be pushback if they request training. She noted this would help improve Special Services.

Mr. Keating asked how many people in the audience have insurance (many hands were raised). He asked how many have used it (no hands were raised). He commented this is a $100,000 insurance policy. He indicated that emotions have been discussed. Mr. Keating commented it is emotions. He indicated it is easy to sit on the other side when you do not have that. He noted as a town we are better than this. He indicated he is not going to zero out the article a second year in a row.

Mrs. Bandurski, Director of Special Services, commented there is an increased population of students with various disabilities in the district. She explained we ensure a student will make adequate progress. She indicated when making decisions for students it is about needs. Mrs. Bandurski commented for professional development we do the best we can. She indicated three
years ago there were grant funds for special services, but we no longer have those. She noted it is hard to budget 18 months in advance. She commented the budget is based on current students and needs change every day – changes in need, medical diagnosis. She urged the public to allow the warrant to go forward as written.

Mrs. Couture clarified that the tax impact is true, but not true. She explained $100,000 has already been paid in taxes, but by not spending it you can defer next year’s taxes. She commented it does not have an increase on taxes, but if it goes back into the fund it decreases taxes. She indicated based on the budget, students’ needs have always been met or you would not have $300,000 - $400,000 left over. She would like the warrant article to stand and let the people vote.

Mr. Spencer clarified the reason for Deliberative Session is not to make changes, but talk about the budget and make changes based on what we heard. He commented there is money in the fund to use for additional students. He indicated the fund has not been used in the past and there is money in the budget. He asked the public if they want the money to sit there or to reduce your taxes? He commented when going to the polls in March many will not have any idea about the tax impact of the article.

Mrs. Corbeil commented that she did not hear from all the Budget Committee members and School Board members about the right to vote.

Mr. Bourque commented the article should go to ballot.

Mr. Pascucci commented he hopes in the future when a handful of people add money to the budget in this room they believe the same philosophy that has been spoken of. He indicated taxes are going up and the he hopes people inform themselves. He believes the article should go to ballot.

Mrs. Izbicki commented that she is speaking for the School Board members that the article should go to ballot. She indicated if it is not approved, the School Board will ask for it again next year.

Mr. Reed, the Vice Moderator, made a point of order. He indicated on the floor the question is should we vote to zero out the article or not.

Mrs. Izbicki commented we are in support of leaving it on the ballot as written.

Mrs. Bourque supported leaving it on the ballot as written.

Mr. Kevin Bourque supported leaving it on the ballot.

Mr. Miller supported leaving it on the ballot.

Mr. Keating supported leaving it on the ballot as written.
Mrs. Douglas supported leaving it on the ballot.

*The motion was defeated by voice vote.*

Hearing no amendments or further discussion, Mr. Regan indicated that Article 6 will appear on the ballot as (written or amended).

*Sue Seabrook, 33 James Way, made a motion to close Article 1 for reconsideration. The motion was seconded. The motion passed by voice vote.*

*Corey Izbicki, 3 Kokohekas Circle, made a motion to close Article 6 for reconsideration. The motion was seconded. The motion passed by voice vote.*

Mr. Regan read Article 7 and indicated that Mr. Bourque would speak to the article.

**ARTICLE 7**

*Shall the Litchfield School District vote to raise and appropriate up to Fifty Thousand Dollars ($50,000) to be added to the Building Maintenance Capital Reserve Fund established in 2004 and authorize the use of that amount from the June 30 unreserved fund balance available for transfer on July 1 of this year; and to designate the School Board as agents to expend? This is a special warrant article.*

This Article has an estimated tax impact of $0.00 and was recommended by the School Board by a vote of 5-0-0 and recommended by the Budget Committee by a vote of 7-1-0.

*The balance of the Building Maintenance Capital Reserve Fund as of June 30, 2016 is $101,007.69.*

Mr. Bourque commented that the money proposed in the article would be added to the existing fund in the event of a catastrophic occurrence.

Shana Dodge, resident, asked if the money only comes from the underspend in that category of the budget.

Mr. Bourque indicated it comes from the underspend in the entire budget.

Mrs. Dodge asked if the articles are approved, how is it determined to which fund the allocations will be made.

Mr. Bourque indicated it is based on the order of the articles.

John Regan, 9 Chasebrook Circle, asked if the Budget Committee did not have a problem with this article, why was there a problem with the Special Services Capital Reserve Fund article?

Mrs. Couture commented it is more likely to see a failure of systems. She indicated we have facility needs. She noted that earlier someone asked about the wording in the article that states
“up to $XXX dollars”. She indicated that does not mean the School Board decides how much to put in the reserve fund, but simply means whatever is remaining from the general fund at the end of the fiscal year.

Olga (last name inaudible), resident, asked how the order of the articles is determined.

Mr. Board indicated the School Board decides the order of the articles.

Mrs. Dodge asked if we can vote to switch the order.

Mr. Sayward, Attorney for the District, indicated that he does not believe the order can be switched, but will check on it.

Mrs. Dodge asked what happens if we need the money in the second article more.

Mr. Bourque commented we put the Special Services article first because we put students before the buildings.

Robin Corbeil, 4 Nesmith, commented that we were shown a graphic on how the trend of spending on buildings has declined. She indicated we have been deferring things that are needed. She noted we are currently having an assessment done and she was concerned if we need more than what is in that fund. Mrs. Corbeil commented if the company performing the assessment recommends an emergent need and we need this money to address that next year, we may not have that money.

Kathy Follis, 8 Mike Lane, asked where the money came from to fund the added facility manager position.

Mr. Markiewicz indicated there were originally three facility managers in the district. He commented the money comes out of the general fund.

Mrs. Follish asked if that means there is more money in there that can be budgeted.

Mr. Markiewicz commented the district had three facility managers a few years ago and now has one for the entire district. He indicated the facility manager job description was changed and we hired a maintenance manager.

Bill Spencer, 9 Cranberry Lane, commented this fund is for an emergency and is not to be used for the subsequent year’s budget.

Mr. Bourque indicated that is correct.

Hearing no amendments or further discussion, Mr. Regan indicated that Article 7 will appear on the ballot as written.

Mr. O’Neill provided a presentation on cost per student. He indicated that much research was done and the cost to educate students varies from district to district. Cost per pupil is based on
current expenditures (taken from the DOE-25), less tuition and transportation costs. He noted
that the per pupil cost for Litchfield is lower when compared with other districts of like size and
the State average.

**Comparative Costs per Pupil**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>State Avg</td>
<td>$14,001.08</td>
<td>Litchfield Avg</td>
<td>$12,714.64</td>
<td></td>
</tr>
<tr>
<td>Elementary</td>
<td>$14,200.30</td>
<td>Elementary</td>
<td>$13,407.04</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>State</td>
<td>$14,374.56</td>
<td>Litchfield</td>
<td>$12,826.75</td>
<td></td>
</tr>
<tr>
<td>Elementary</td>
<td>$14,581.48</td>
<td>Elementary</td>
<td>$13,315.35</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>State</td>
<td>$15,033.57</td>
<td>Litchfield</td>
<td>$13,815.47</td>
<td></td>
</tr>
<tr>
<td>Elementary</td>
<td>$15,033.57</td>
<td>Elementary</td>
<td>$14,533.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Mr. O'Neill commented that the average median income in Litchfield was also compared with
other districts of like size as well as the state average. The results reflect that the median family
income in Litchfield is significantly higher than the average median income in the State of NH.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>State Avg</td>
<td>$77,646</td>
<td>Litchfield Avg</td>
<td>$80,812</td>
<td></td>
</tr>
<tr>
<td></td>
<td>State Avg</td>
<td>$85,873</td>
<td>Litchfield Avg</td>
<td>$105,093</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Litchfield Avg</td>
<td>$99,901</td>
<td>Litchfield Avg</td>
<td>$110,185</td>
<td></td>
</tr>
<tr>
<td></td>
<td>State</td>
<td>$32,269</td>
<td>Litchfield</td>
<td>$33,973</td>
<td></td>
</tr>
<tr>
<td>2013-2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>State</td>
<td>$33,821</td>
<td>Litchfield</td>
<td>$36,021</td>
<td></td>
</tr>
<tr>
<td>2014-2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>State</td>
<td>$35,925</td>
<td>Litchfield</td>
<td>$37,456</td>
<td></td>
</tr>
<tr>
<td>2015-2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

When you look at the average income per capita, it is not as dramatic; however, you will find
Litchfield ranks in the 22nd percentile in the state.

Mr. O'Neill indicated that when researching the wealthiest towns in NH this data will be used
and suggests that Litchfield is in the top 10 wealthiest towns in the state. He commented this
information is relevant to capacity in terms of taxation, which suggests that Litchfield has
significant capacity.
Mr. O’Neill indicated in terms of valuation by district, Litchfield’s valuation per student is calculated as follows:

Equalized valuation (including RR & Utilities) $863,154,804
Divided by the number of students in the district: 1,354
Equalized valuation per pupil $637,278
Tax Rates Assessed Valuation $21.60 per thousand

According to research and data provided by the NH Department of Revenue Administration, Litchfield’s tax rate is lower than all the districts of like size, with the exception of Gilford because Gilford has an amazing amount of total valuation in that district.

Mr. O’Neill provided a list of average income in homes in New Hampshire and it reflects that Litchfield ranks 8th. He believes Litchfield has the capacity to support the budget. He commented that it is a wonderful community to live in, but only as good as the public services and schools. He indicated he is impressed by the public services in Litchfield.

*Cindy Couture, 41 Stark Lane, made a motion to change the order of Articles 6 and 7: Article 6 would become Article 7 and Article 7 would become Article 6. The motion was seconded.*

Mrs. Couture commented that it would make maintenance more important and makes sense to order them this way.

Frank Byron, 8 Mallard Court, asked legal counsel if the motion is out of order because a debate was ensuing with Article 6.

Mr. Sayward, Legal Counsel for the District, indicated that he researched the legality of a motion to switch the order of the warrant articles and it was determined that it can be done. He indicated that the motion is not out of order because it does not change the content of the article.

*The motion was defeated by a show of hands: Yes 14, No 32.*

Mr. Regan indicated the order of Articles 6 and 7 stands as presented.

Mr. Regan read Article 8 and indicated that Mr. Bourque would speak to the article.

**ARTICLE 8**

*Shall the Litchfield School District vote to raise and appropriate up to Twenty-Five Thousand Dollars ($25,000) to be added to the Technology Capital Reserve Fund established in 2016 and authorize the use of that amount from the June 30 unreserved fund balance available for transfer on July 1 of this year; and to designate the School Board as agents to expend? This is a special warrant article.*

This Article has an estimated tax impact of $0.00 and was recommended by the School Board by a vote of 5-0-0 and not recommended by the Budget Committee by a vote of 1-7-0.
The balance of the Building Maintenance Capital Reserve Fund as of June 30, 2016 is $50,000.

Mr. Bourque commented the Technology Capital Reserve Fund is so there will be funds available in the event of a catastrophic event. He indicated education is moving toward technology and costs for textbooks will decrease with the increased use of technology.

Robin Corbeil, 4 Nesmith, commented that we are fortunate for the technology and how the money is spent. She encouraged people to have faith in those that make the decision of the direction we are going.

Natalie Hirte, 14 Lund Street, commented that more and more children will have technology to use and that technology needs to be updated, especially if things start crashing. She suggested with so many using technology there could also be dead spots.

Betty Vaughn, 19 Stark Lane, commented there are two reasons for amazing students: teachers and technology.

Sue Seabrook, 33 James Way, commented most of our standardized testing at GMS has to be done on laptops.

Mrs. Couture commented on the rationale for the Budget Committee vote. She indicated that there was a presentation by the IT Director regarding what types of things could occur and the cost of those items. She noted based on that, we felt what was currently in the reserve fund would be enough to cover those types of unexpected occurrences.

Mrs. Corbeil asked if the Capital Reserve Fund can only be spent in emergencies.

Mr. Markiewicz indicated that is how it is established.

Mrs. Corbeil commented if our network goes down it is an emergency. She indicated if we have to take money out of the budget to replace servers that could cripple our ability to provide more and better technology and access for our students. She noted if we have a catastrophe it could cost $100,000 and having a fund there makes her feel safer.

Mr. Bourque commented if a server goes down and has to be repaired or replaced and it comes out of the general fund, that will impact student education.

Mrs. Couture commented the presentation the Budget Committee received is that the server would be covered by the Capital Reserve Fund. She indicated we based that decision on the presentation by the IT Director that $50,000 would be enough.

Mrs. Corbeil commented the town should decide.

Hearing no amendments or further discussion, Mr. Regan indicated that Article 8 will appear on the ballot as written.
The Moderator thanked all who attended and accepted a motion to adjourn at 12:20 p.m. The motion was seconded. The motion passed unanimously by voice vote.

Recorded by:

Michele E. Flynn, Administrative Assistant to the School Board

A true record of the
Litchfield School District Deliberative Session
Attest:

Jason Guerrette, School District Clerk

Submitted: February, 2017