

**Hill Budget Committee
Meeting Minutes
December 15, 2021**

Approved December 22nd, 2021

Present: Carol Asher, Betty Hanks, Joann Irving, Paul Meyerhoefer, Paula McDonough, Don Moyer, Thomas Pavelka, Wendy Rosa, Thomas Seymour, Chris Vlitass.

Absent with notification: Marshall Bennett

Public: Brian Connelly, Michael Limanni (Representing for School District)

Michele Munson (Representing School Board)

Thomas Angeley, Shaun Bresnahan Jr, December Fortin, Stephen Thomson

Meeting Minutes:

Called to order 7:00 PM

This evening, the Budget Committee will receive a fully approved Budget from Hill's School Board. It includes the finalised tuition of 47 students to High School and 13 to Middle School.

The first question to clarify the array of numbers came from Joann Irving. She established that, the now 3%, pay raises in the Instructional line did not include the offices of Principal or Superintendent. That was confirmed and overall, it was relayed that this budget would only increase Appropriations by 0.3 percent.

Discussion wondered about a net decrease in overall instructional spending, even though a 3% pay increase was a part of that line. It was disclosed that one position was now no longer being accounted for in that line. The 0.2 FTE of Physical Education would now be a Contracted Position, and listed outside of Instruction proper.

The increase in Substitute Teaching funding was questioned. It all gets down to the Covid. If we can get by that strain on resources, that line could go back to normal.

Mrs. McDonough asked about the current wage paid for substitutes. It is a modest \$65.00 per diem. There are no savings to be had here.

Nor are there any in Health Care Insurance. Quelle surprise. The policy will see a 6.2 increase this year. Try and negotiate with an Insurance Company. Especially in a time where sheer numbers of claims is on the rise because of...

Talk then shifted to the demise of the windfall that was supposed to be outliving the 20 year Bond on the JDB School Building. Again, Covid flight netted us with 1 additional Middle School Student and 7 High School admissions. 82% of the savings foreseen in the absence of the Bond are being claimed by

unanticipated tuition.

Talk then focused on a certain amount of turnover in the staff of the JDB. Specific positions cited were those of Cook, Nurse, Special Education and Para-professionals.

The nurse position was elucidated upon. The present Nurse took over not too long ago, when the position opened because the previous Nurse passed away. The present employee has communicated that they are going to retire. It was proffered that to hire a new Nurse, the pay may need to remain at parity. There even exists the possibility to increase the wage if an applicant is more qualified than the present staff member.

At this point, Wendy Rosa asked for what duties the Nurse was tasked with. Her refinement was in asking if the Nurse could provide services that were tasked elsewhere, thereby possibly offering a means to reduce costs. The Nurse currently is responsible for Health Screenings, Instruction of Health and Wellness, in addition to the proverbial balm that cut sustained in recess or figure out if a kid is coming down with a contagious pathogen.

Ms. Rosa again asked if there was nothing that position could do to offset costs even associated with assessing a extra learning or other needs. This moved the Committee onto a very deep discussion of extra needs and the recent incorporation of Pre-K programming.

How do special needs become apparent? In our current system there are multiple avenues for that to occur. A Teacher can start the assessment process. Of course, the Parent themselves can ask that testing be done. Finally, any Medical Professional that has seen a Student, be it from Primary Care Physician, to Specialist, may be the catalyst for testing and evaluation.

Brought about by general increases in expenditures including Behavioral Counseling and Individualized Education Plans, Chris Vlitaz asked two pointed questions that required a follow up answer.

The first and seemingly simple was a breakdown of increased Speech Services between this year and the next. That was not on hand and would be provided.

The Second honed in on whether or not there was an absolute requirement for IEP services prior to actual matriculation into Kindergarten. His insistence was that a reading of the law required testing Pre-K, however, a district was not required to provide services until a tested student was actually in Kindergarten. Mr. Connelly agreed to provide the requisite proof to disprove Mr. Vlitaz' statement.

IEP's continued to be a topic of discussion. Mrs. McDonough added to that by asking for clarification on the age in which an IEP is entertained. By Federal Mandate, it stretches from 3 to 21. She then asked about the reality in an assessment being unduly influenced by age. Her supposition was that perhaps a quirk exhibited at 3 would be worked out without need of intervention by the age of 5.

The answer first touched upon the genesis of additional help so young. It was hoped that extra attention at a young age, would obviate the need for extra attention at a later. Then it alluded to the yearly and extended re-evaluations that are a part of an IEP.

Mr. Vlitas then asked for a clarification of the overall pursuits of an Occupational Therapist, as delineated in the budget. To him, most in the public would ask what could you possibly be talking about in so far as occupations at the elementary level. Indeed, that service has little to do with talking to kids about what it takes to get into Medical School or other pursuits of an Occupation. Rather, it has to do with four specific aspects of human cognition. Services in this area concentrate upon the Psychological, Speech, Behavioural and Motor Skills.

Mr. Vlitas then asked for a number of students at the JDB that were currently under an IEP. The answer was 13. Additionally enumerated was a single recipient at the Middle School, and 5 at the High School level.

Mrs. McDonough then asked about the circumstance where an IEP was assessed, but a parent was not interested in pursuing the plan. In that case, the parent does indeed have ultimate say.

Mr. Meyerhoefer then asked for the details on testing cycles. Once an initial evaluation and plan has been recorded, a full re-assessment is required three years thence. In the interim, yearly updates were provided by instructors. At the end of a three year period, all assessments done at the beginning are repeated. In the case of Psychological testing, the battery can last 3 hours for a single aspect. More concrete pure learning needs usually do not exceed an hour testing. None the less, this testing is not without its cost. Now compound with the number of students under an IEP.

The next fine line under scrutiny was Behavioural Services. Chair Moyer asked if there was a quantifiable reason it increased \$1000.00 from last year. He asked if there was a metric by where billable hours were to increase. It was here that Mr. Limanni offered that in part, some of their increases were influenced by the need to project costs using a lens of need trends and trends in pure increases in per hour costs. Mr. Moyer asked for that line to breakout a true increase in total number of hours being billed.

Mr. Thompson from the public participants was then recognised. His question honed in on the Fund to offset unanticipated tuition needs in the district. In the December 1st proceedings it was found that this fund was used almost to depletion in offsetting the unexpected increase in Middle and High School Students over the summer. At first the School District had sought to restore that level in their Budget proper. That amount has been removed. In its stead will be a stand alone Warrant Article to appear for the voters to consider on the Agenda for the District Meeting, now scheduled for March 16th, 2022.

Betty Hanks then asked about the nature of transfer Students. Presumably, those students were a part of appropriations elsewhere before they moved. Should not that money flow forward? Would that we live in a functioning world. If a student leaves one district, the money appropriated for their education stays as a windfall with that district, should they move during the school year. In fact, should that student have the most complicated and costly of IEPs, and move to Hill, we are on the hook to make sure their IEP is undisturbed and completely funded in transition.

The next item of discussion disclosed that Mr. Limanni has instructed Mr. Connelly to start bidding out his services for a new provider. Currently Mr. Limanni charges the District \$150.00 per hour.

This discussion segued into the complexities of and surrounding his provided services and that which is undertaken by the administrative assistant that serves in the capacity of supporting the pursuits of

Principal's office and Superintendent duties. No simple topic, it landed upon that discussed in previous session surrounding the consideration of scale with respect to the Town of Hill.

Minutia touched upon was centered on the complexity of competently going about the quotidian of payroll and payables, to the highly technical of making sure the books will stand up to absolute auditing. To do so, requires more than just your average bear's level of bookkeeping skills. This necessitates a level of training, or proven skill set. Ultimately this discussion pointed to a much needed discussion on the topic of Economies of Scale. This was not the last time that concept would enter into deliberations.

Ancillary, but not an unimportant consideration, outsourcing became a buzzword as well as objectively considered reality in this and subsequent dialogues.

Here Mr. Bresnahan Jr. veered into the nature of School Administrative Units. Should we seek to harness Economies of Scale, by entering into Co-Operative agreement with a larger SAU, is it given that we will receive those returns promised by scale? Not always does reality express itself in linear fashion. Indeed, as backed up by Mr. Limanni, the specter of shooting ourselves in the foot does exist in jettisoning our small District organisation for participation in a full sized District.

As the renegotiation is in our future, our contract runs out with Newfoundland in 2025, Mr. Connelly stated he would fully support, "What is best for the School and Community."

From here, the discussion then re-focused to the narrow. It was delineated that 5k was going to be allocated for a person to help in the overall writing of Grants, as well as tracking and reporting for compliance to awards. Currently we have 6 sources which add up to about 55k in awards. Mr. Vlitas talked about rates of administration that were commonly accepted among Non-Profit Organisations. A 10% level concerned him. Mr Limanni countered that better ratios might be achievable through outsourcing.

It was from there that the Committee plowed into a general discussion of wage/salary increases. Absolutely the School Board took into consideration the meeting of December 1st, as well as an unscheduled School Board meeting on December 8th. The upshot is that a previously proffered increase of 5% has been adjusted to 3%.

Paul Meyerhoefer was in support of the reduction and felt that the new number was warranted. He went on to support that the compromise would be acceptable to the Taxpayer, and help reduce turnover; also a topic of repeated occurrence in deliberations.

Mr. Seymour raised a concern that deliberations to date had the Committee requiring each presenter to provide a 5 year history of wages for that department as part of data to consider. It was at this point that Chair Moyer went to make copies of historical wage data.

In review of that data, Mr. Vlitas stated that he could not support any increases this year.

Rev. Asher was moved to say that as a member of the School Board, she fully supported wage increases based upon the work it takes to keep the JDB functioning during such a tumultuous time. She went on to find it insulting that a pay raise not be considered.

Ms. Rosa countered that it was not insulting. She personally did not oppose a pay raise. However, given the history of the JDB being a multiple classroom endeavour, she wondered if there was not room to enter into a discussion of absolute staffing levels to student enrollment. Was there not overlap that could help consolidate positions, which might allow for pay raises with reduced burden on Taxpayers. She added that she was a product of the JDB which did not offer all the services that currently were in place. Even so, it was her experience, that her peers were always ahead of the curve as they transitioned to Middle, High School and beyond.

Mr. Connelly replied that there was no overlap in his stewardship.

Ms. Rosa again raised a possibility that certain duties could be discharged by full time teachers at large, as opposed to being tasked to the many part time para-professionals that are on the payroll.

Herein arose another dissection of the exact duties of the Guidance Counselor. That position is in residence one day a week. During that time, they attempt to address the stresses exerted upon students socially and emotionally. It was accepted that this exceeds what is nominally experienced as bullying or discrimination day in and out on the playground or in the classroom. It also attempts to address the stresses that are a part of daily existence in our modern world.

Ms. Rosa capped the conversation by asking if the public had full awareness of this aspect of ventures on the part of Public Education, and if it should not be up to the Taxpayer to decide if this was a worthy expenditure. She continued in affirming her belief that the panoply of services offered were impressive, however, she expressed concern of their absolute necessity. As an example, she proffered that bullying and discrimination could be dealt with the monitors of the play ground or teachers proper, as opposed to being the purview of a specialist.

Carol Asher replied that in order to receive all of the Adequate Education Aid from the State, we needed to provide the State with proof that we are compliant with State Mandates. To alter these considerations would be to engender a withholding of funds on the part of the State.

Talk then centered between Joann Irving and Mr. Moyer over his 7 page og charts (to be included online) that compiled many sets of data on State wide statistics as compared to Hill's measure in a cornucopia of metrics. His handouts included dissections of State wide aggregate measures, as well as a subset of 40 School Districts that matched Hill's basic profile of student enrollment and staffing.

Talk then moved back to pay raises. Mrs. Hanks asked how many years had the District considered a pay raise of only 1% as those on fixed incomes in Hill all too often only received about a 1% raise in their income. She went on to point out that when a Department asks for a 3% raise, yet those on a fixed income are having to deal with barely 1%, the ask was biting off more than it should chew. It was then offered that a compromise might be in only getting a 2% raise. Why, she asked, would that not be fair? Especially in light of those on fixed incomes continually having to scrimp, in order for budgets as presented always seem to be accepted.

It was further reinforced that not only are those on fixed incomes having issues. Those in Hill that are the sole wage earner in a house-hold might find themselves classified as the working poor. Or, there are all too many house-holds that have two earners, but each are working at least two jobs apiece.

Next on the seemingly never verboten topics was risk mitigation. Specifically it surrounded the possibility of incurring undue turnover.

Ms. Irving summed up the probable improbability of correctly seeing in the crystal ball given the range of factors that go into a person giving up one job for another, especially factoring the contravening considerations of rent, gas and the range of realities associated with swapping a job close to home with one that pays more, yet invariably requires a substantial increase in commute. Concomitant would be a system does not enjoy the class room size as offered by working at the JDB. These realities might mitigate turnover overall.

Betty Hanks re-inforced this point with a bit of forecasting. Yes, someone might find better pay elsewhere. However, can they also stay rooted in our local? If not, would the differential in pay actually be more than the increase in housing cost if they have to re-locate in order to maintain a reasonable distance from employment to residence?

If it has not been apparent here-to-fore, please consider that your Budget Committee is indeed asking those questions which are the hardest to ask. They are so, because, there is not immediate and concrete answer to them. In fact, they precipitate even more questions be answered, in order to answer that which was broached.

Here the age old reality of Market Economics was stated categorically once again. Mrs. McDonough reminded any Teacher is free as well as able to assess their worth, and with this assessment can negotiate employment in the present Market.

The next topic of discussion, briefly, touched upon the possibility of Student Teachers being harnessed to mitigate costs. This is seemingly a non-starter.

A new wind came about through Rev. Asher. Her crux surrounded the nature of Fair Funding. To that end, she encouraged all to attend the January 25th Presentation at 6PM in the Franklin High School Cafeteria, that hopes to gain support to pass legislation requiring the State more fully and fairly fund the equitable education of students in New Hampshire regardless of physical location. (Please consult their website for info and sign up for the session: <http://fairfundingnh.org/>)

The findings of the Commission behind this legislative initiative posit that 78% of the Districts in New Hampshire are struggling to fund education, due to the apathy and disregard of our elective representatives at the State Level. Only with a sustained and vastly increased participation of the Taxpaying populace can this be achieved. Therefore, it is imperative that these events, and others beyond, be maximally attended as possible. Otherwise, we all just need to shut up and pay the piper, no matter what their fee.

Wendy Rosa revisited the pay raises. She acknowledged that there was a strategy that placed a premium on retention. However, she wondered if a 3% increase for all was absolutely necessary to retain 100% of the staff. Again, nothing conclusive came of this deliberation. However, this again shows the extent to which your Budget Committee has questioned what goes into your Taxation.

As a benchmark, it was at this point that the Budget revealed an ability of the District to fill a pre-

existing cipher with actual number. Somehow, they will be able to offset Taxation with a transfer of 100K from previously received revenues that were unspent. This greatly reduces the expected increase in Taxation, which still does not conform to the differential in Appropriation.

From here, the conversation once again circled back to wages. Not only the increase asked by the District, but of wages of the resident of Hill.

Mr. Pavelka has had time to confer with as many as he usually does. He relayed that none come any where near the indicated mean of 80K as claimed in the last session. Discussion returned to that aggregate and realities surrounding the onus of those making a decent wage to conder that percentage of the populace that will never be in that ball park.

Then the Committee turned to some brass tacks. A motion was made and seconded to vote on whether the Committee as a whole could support the ask for a nominal 3% pay raise. Discussion ensued.

Some were in favor. Some not.

Further discussion factored in the true reckoning might not be had until more spending trends were verified through statements of spending issued in January. This led to the ability of the Committee to extend deliberations to a third session in January.

Discussion then moved to a hashing out of a non-binding, vs binding vote that evening. Issues under consideration were the time available, absolute need to, and Committee willingness to extend these deliberations to a third. With no conclusive path apparent, discussion turned back to pay raises.

A first round of voting on a 3% wage increase ensued. It was motioned and seconded that the Committee approve a 3% wage increase as recommended by the School Board.

During the process three members abstained. Three voted in the affirmative. Betty Hanks, Paula McDonough, Chris Vlitaz and Thomas Seymour voted against. 3% did not pass.

Discussion revolved from topic to topic at this point. Again the Committee revisited the needs of other Departments to increase spending and the mitigating factor that should cast on other Departments and/or the Town vs. School District. In addition, the Committee talked about time available to continue deliberations versus time constraints that can not be ignored.

Discussion then moved to the fine points of a 2% as opposed to a 3% raise. Carol Asher opined that if the Board did accept a 2% increase, most likely, the School Board would creatively adjust their Bottom Line Budget such that employees still received a 3% raise. More than once this was bandied about pro and con, by both those in support of a 3% raise, and those in favor of a tempered increase.

Many on the Committee expressed a split inclination. While on one side they appreciated and understood the determination and willingness of those employed to truly educate at the JDB out of their hearts being behind the pursuit of education, they also realised that personal financial goals factored into all of our decisions with respect to remaining employed where we are; as opposed to seeking a better pay check elsewhere.

Conversation honed in on the abilities of the elderly and those who are struggling to make a living wage in the modern economic reality as compared to the burden of Taxation.

Mr. Seymour gave a poignant soliloquy. In it he compared the process to a pauper asking a beggar to spare a dime. He went on to indicate that the Town is headed towards a precipice. He questioned the ability of our residents to afford the trends that have been established. He offered that one of the Select Board was delving deeply into the possibility of rescinding our incorporated status. While it, on paper, would remove a bunch of State Mandates, we would, none the less, become a ward of the County. Again a quagmire of does that really save us from the overarching requirements that seem to be at the heart of Taxation?

Once again this proves the axiom. Asking questions may not actually remove uncertainty, it may prove to increase it. Yet, that should not remove the onus of our duty to ask all questions.

At this point, Mrs. Hanks motioned a compromise of 2% pay raises; seconded by Paul Meyerhoefer.

In the discussion, Ms. Irving brought up the reality of the last voting cycle. In it, she encapsulated that the plebiscite had sent a message that they were not completely behind the totality of spending that occurred in the District. Whereas, in the same vote, they had ratified the rules of participation as well as the increases in spending proposed by Town operations. She finished with a lauding of current staffing levels, but wondered if they were sustainable given the past two years of Federal Spending, and the concomitant increase in Federal Taxation over the next ten years to pay for that spending.

A new vote for the 2% also failed. Hanks, McDonough and Rosa voted in the affirmative. The rest voted against. It should be noted that the nays differed in conscious. Some voted because they were not in favor of any raise. Others voted no because they supported a 3% raise, therefore, would not accept a compromise.

At this point a very theoretical conversation ensued surrounding Game Theory. Mr Vlitaz relayed that since people were voting conscious, which is actually a good thing, a vote on 0% pay would also fail. That would leave a very unsettling possibility with the Public at large.

He then proffered an integration of all that the Committee had agreed upon to this point, along with willing acceptance of the not only the School Board, but Mr Limanni and Mr. Connelly.

The Town is at a Crossroads. Many tough questions lie ahead and afore any real decisions can be made. At the crux of our conundrum is the very nature of Hill as a Town. Simply stated, can we as a Town stand on our own any further without serious repercussions? Manifold among this distinction is the very nature of how our State Mandates services be provided, plied against the ability of property owners to be 100% of Taxation.

Here the discussion got real deep and in all candor, went off record.

What was concluded is that the Budget Committee did not feel it in their purview to do much more than opine on pay raises. Mr. Vlitaz wanted to pursue the ability of the Budget Committee to discuss and vote on reducing the School District's Budget through the recommendation that positions be cut. Mr. Vlitaz then proffered a capitulation.

Within reason, it was within the means of the Committee to telegraph a need for reduction. To that end, he motioned for a vote be cast to recommend 0% raises, and end deliberations there. It would obviate a need to continue the excruciating yet deliberative nature of their pursuits to this point. It would absolutely indicate that this body was not a Rubber Stamp. Finally it would define where the future lie. That future is in the hands of the voters and the School Board. Our body has done as much as it can to mitigate this budget seasons concerns, yet has laid a definitive groundwork for the School Board to pick up and continue.

A vote ensued.

Hanks, McDonough, Rosa, Irving, Vlitaz, Pavelka and Seymour voted in the affirmative.

Moyer, Asher and Meyerhoefer voted against.

The Budget Committee will now go the the public hearing recommending a number that reduces the School Board's recommendation by the 3% in wages and commensurate adjustment to benefits. That ends the deliberations of the Budget Committee to date on the School District's budget.

Matters then fell to reviewing and editing the meeting minutes from December 1st. A couple of paragraphs were stricken wholesale. One was re-written completely by Rev. Asher. Then there was a few spelling mistakes and a couple of sentences re-worked. Mr. Vlitaz had no objections to any revision and accepted all as proffered.

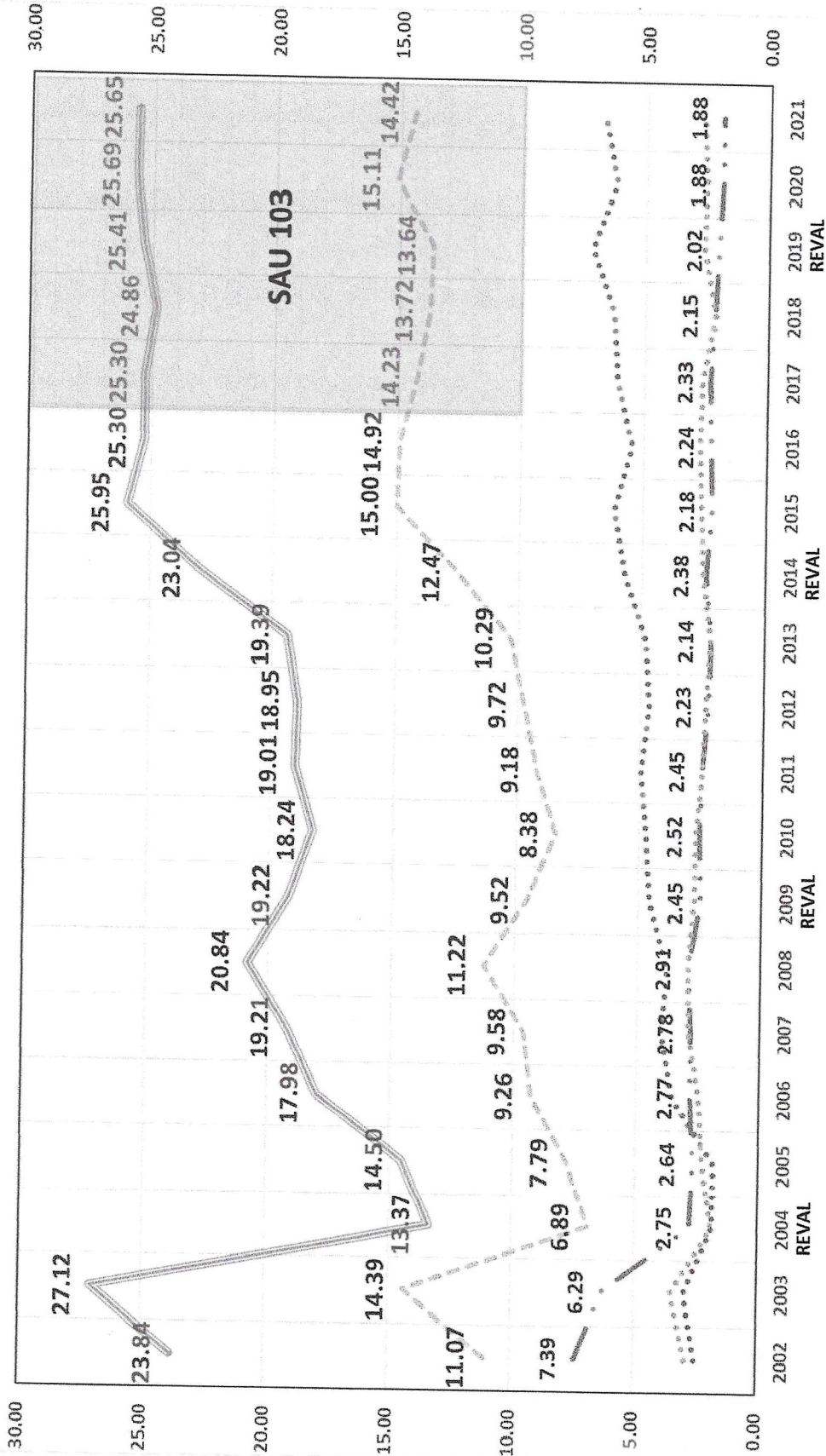
Carol Asher then moved to adjourn. Betty Hanks Seconded. At the interestingly repetitive hour of near Eleven O'clock, the Committee parted and went home...

Hill School District Data

12/9/2021

- Twenty Year Tax Rate History – Town of Hill
- Ten Year History - Hill School Tax Rate
- State and Local Education Tax as % of Total Town Tax
- Cost Per Pupil – Statewide and Small School
- Four Year History – Hill, Newfound Area and Franklin Proficiency
- Average Teacher Salary – Statewide and Small School

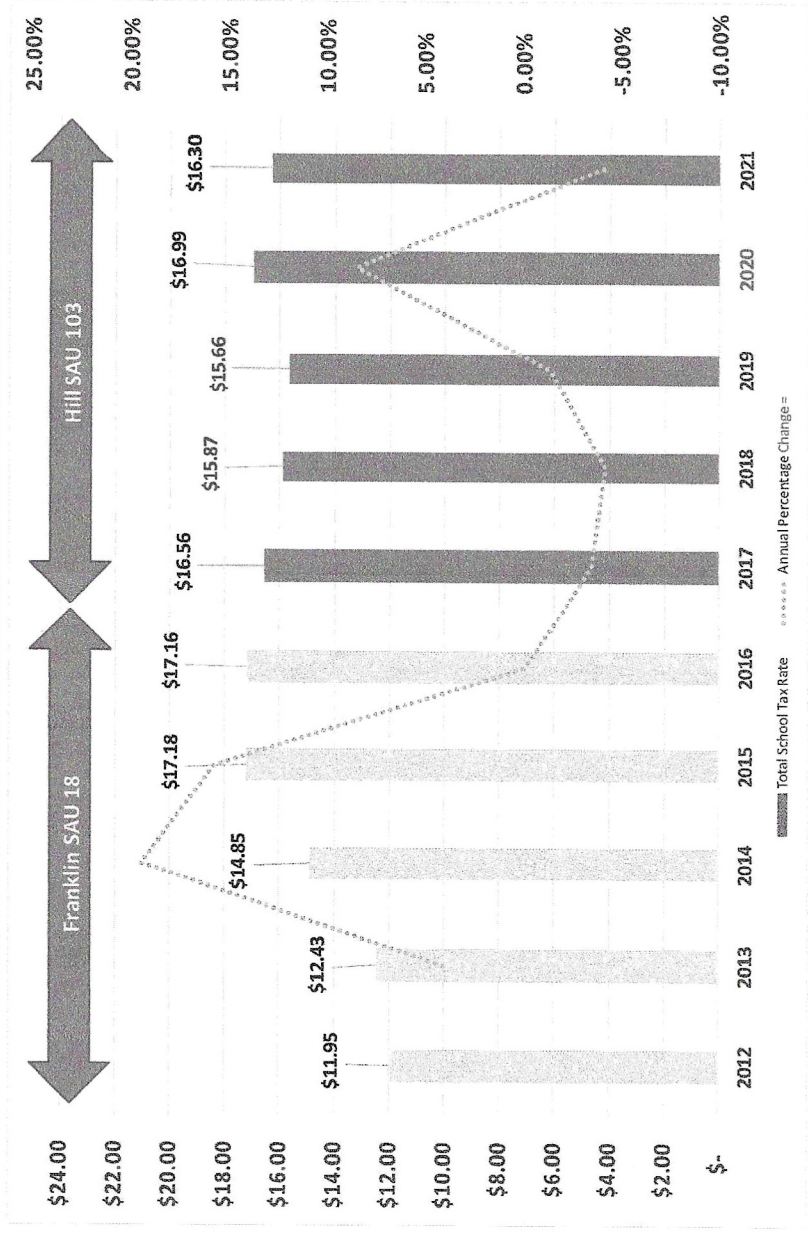
Twenty Year Tax Rate History - Town of Hill



TOWN
 SCHOOL
 STATE SCHOOL
 COUNTY
 TOTAL TAX RATE

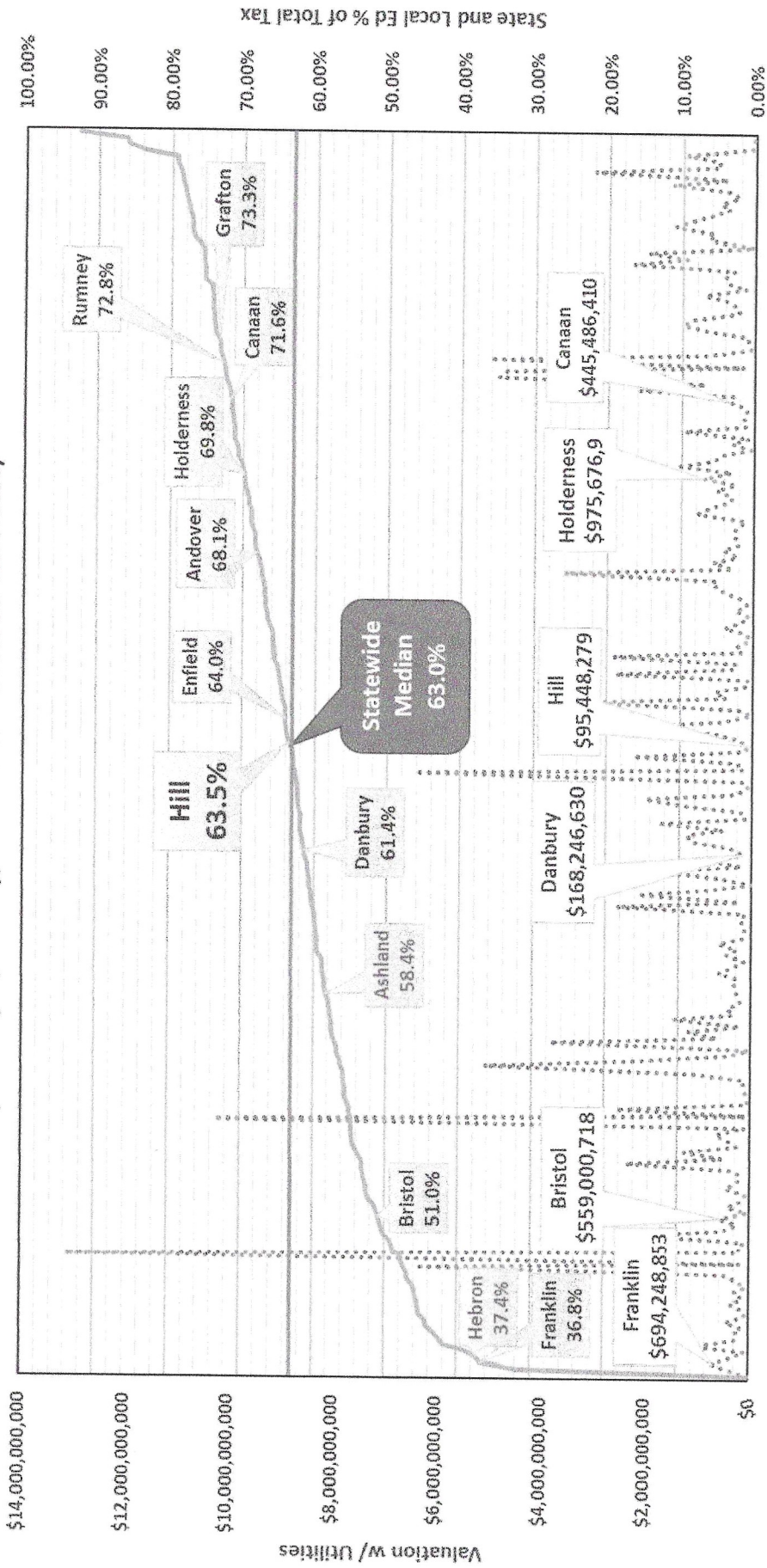
Ten Year History - Hill School Tax Rate

		Hill SAU 103									
		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Local Education Tax	\$	9.72	10.29	12.47	15.00	14.92	14.23	13.72	13.64	15.11	14.42
State Education Tax		2.23	2.14	2.38	2.18	2.24	2.33	2.15	2.02	1.88	1.88
Total School Tax Rate	\$	11.95	12.43	14.85	17.18	17.16	16.56	15.87	15.66	16.99	16.30
Annual Percentage Change =			4.02%	19.47%	15.69%	-0.12%	-3.50%	-4.17%	-1.32%	8.49%	-4.06%
		Franklin SAU 18					Hill SAU 103				
		Franklin Four Year Average Change					Hill SAU 103 Five Year Average Change				
		9.8%					-0.9%				



State and Local Education Tax as Percent of Total Town Tax Rate - 216 Towns

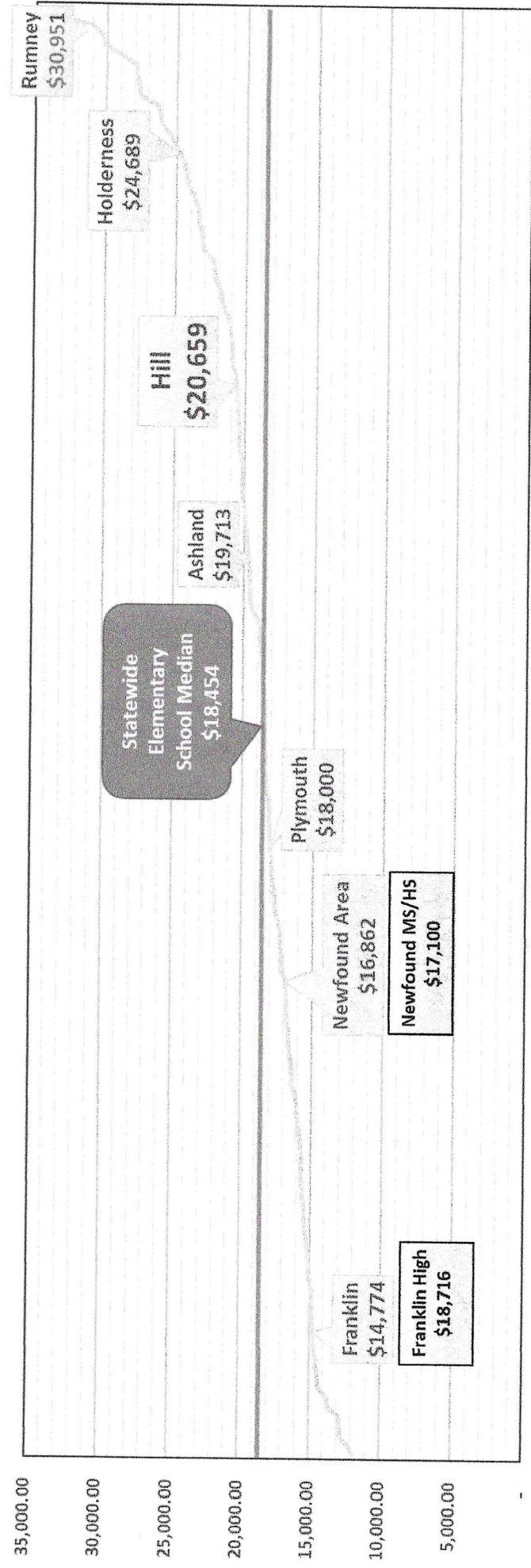
(Municipal, County, State Ed and Local Ed Tax Rates)



Source: NH Dept of Revenue Administration Completed Public Tax Rates 2021

..... Valuation w/ Utils — State and Local Ed % of Total Tax

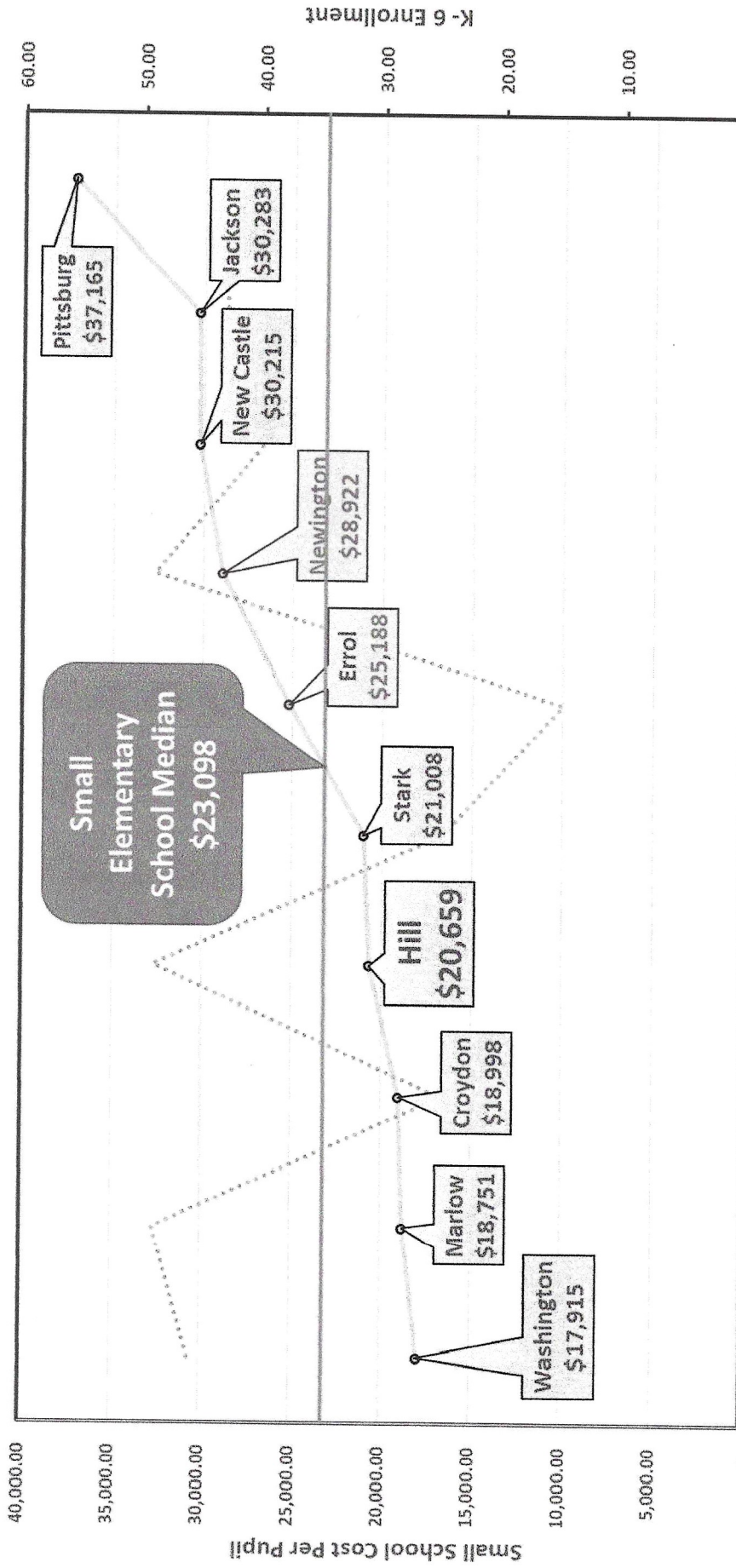
Statewide Elementary School Cost Per Pupil 153 Districts



Source: NH Dept. of Education; Dec-21-2020

Elementary School Cost per Pupil

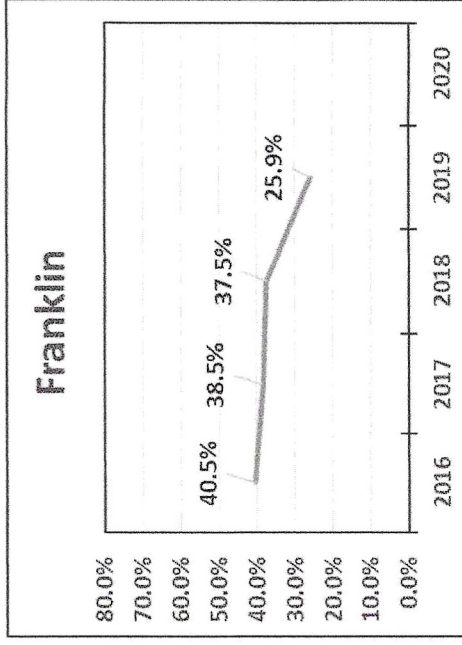
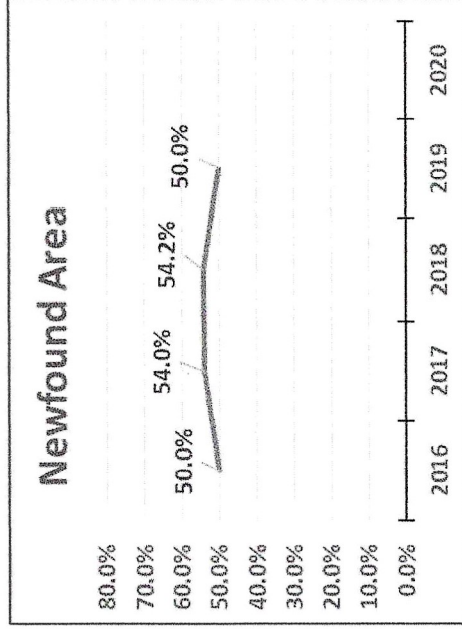
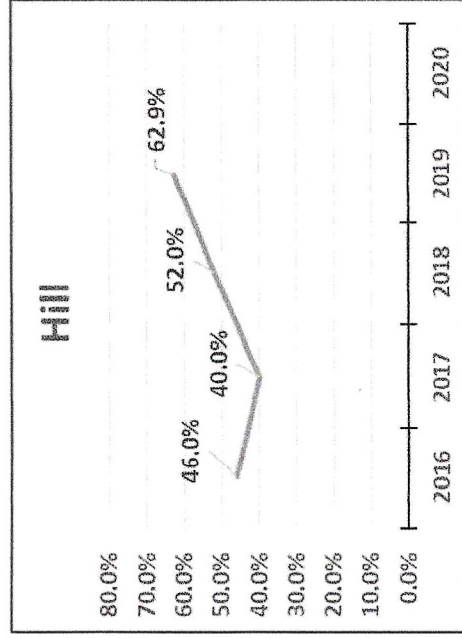
Small School Cost Per Pupil - 10 Districts K - 6 Enrollment Less than 50 Students



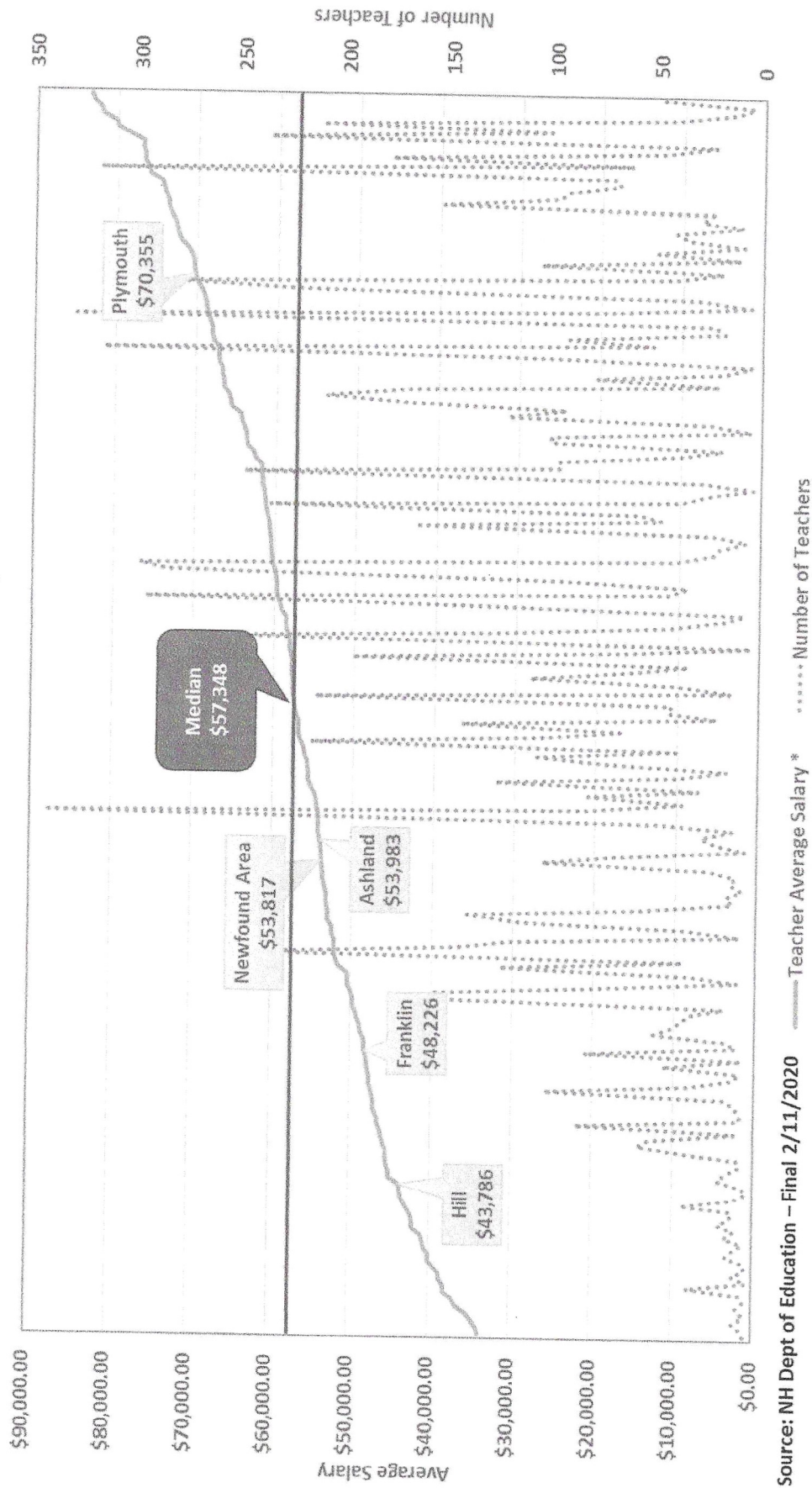
Source: NH Dept. of Education; Dec-21-2020

○ Elementary Cost per Pupil K - 6 Enrollment

Proficiency - Math and English Language Arts (%)



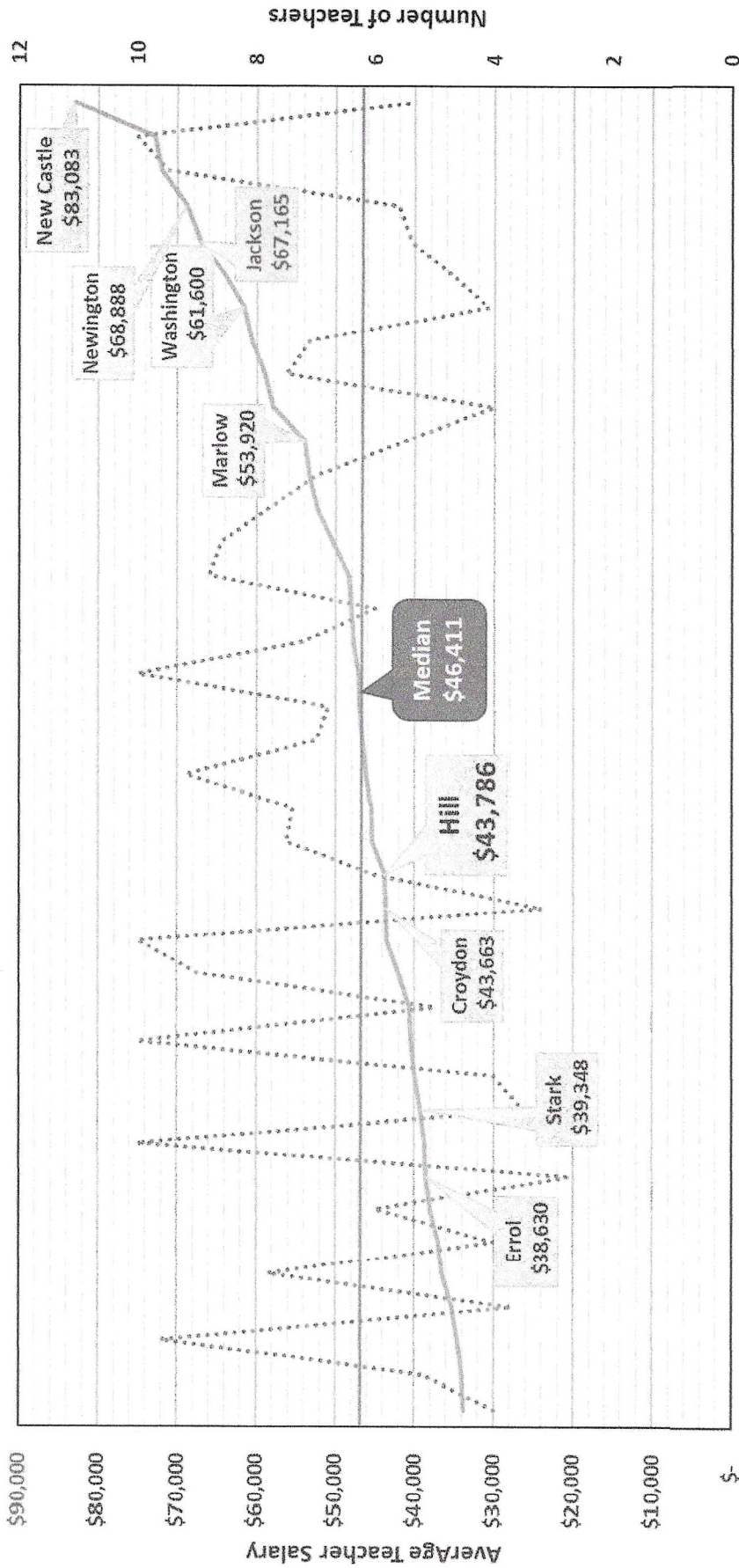
Statewide Average Teacher Salary - 191 Districts



Source: NH Dept of Education – Final 2/11/2020

Teacher Average Salary * Number of Teachers

Small School Average Teacher Salary 40 Districts with 10 or Fewer Teachers



Source: NH Dept. of Education, Feb-11-2021

Teacher Average Salary * Number of Teachers