

WILTON-LYNDEBOROUGH COOPERATIVE SCHOOL DISTRICT

2/6/2020 Budget Hearing Minutes Final

7:00 PM WLC Library/Media Room

Public Hearing called to order by Chair Leslie Browne at 7:04 PM. Ms. Browne introduces committee members: Jennifer Bernet (Secretary), Kevin Boette, Dennis Golding, Jeffrey Jones, Adam Lavallee, Lisa Post, William Ryan (Vice-Chair), Christine Tiedemann, Jonathan Vanderhoof (School Board Liaison).

Ms. Browne presents Power Point explaining last year's budget shortfall and this year's school district budget.

Questions and comments from citizens:

Andy Roeper, Lyndeborough: How many times did you have to draw on the SPED Trust Fund?

Ms. Browne: Last year was the first time. Mr. Roeper asked why an audit was not done every year and Ms. Browne replied that the yearly audit is a cursory review and doesn't review everything.

Matt Banger, Wilton asked why there was a discrepancy of \$500,000 between the numbers presented in January and the numbers presented at the hearing. Ms. Browne replied the earlier numbers did not include food service. Mr. Banger also asked whether net revenues were up or down and by how much. Answer: Revenues were pretty much neutral. There was some discussion of last year's budget and the money added to it at the Special Meeting.

Charlie Post, Lyndeborough says spending is up \$1,000,000 from last year. He says that is an 8-9% increase in spending. Mr. Post says that since we paid off the bond, we should see the fruits of it. He says that the audit is forensic and we never got an adequate explanation of how the budget was overspent. He asks how do we know it won't continue and who will oversee the audit. Mr. Post asks whether the same people who "drove the car into the ditch" oversee the audit. Budget Committee Member Kevin Boette replied the Budget Committee's responsibility is to present the budget and not to oversee the School Board. Budget Committee Member Lisa Post says the problem is the spending and she feels the responsibility was dropped.

Michael Demes, Wilton, asks what firm will do the audit. He was told Plozik and Saunders, the firm who does the yearly audit would do it. Mr. Demes asked whether this is a good idea. Business Manager Elizabeth Baker answers that Plozik and Saunders are the regular auditors and will charge less. Mr. Boette explains the firm will look at different things than they do in the

yearly audit. Mr. Demes suggests it would be better to use a different firm because Plozik and Saunders has a relationship with the district. Mr. Boette said the warrant article could be amended from the floor to include another firm.

Harry Daily of Wilton noted a contingency of \$60-80k for salaries and benefits was put into the operating budget. He said over the last 10 years, the School Board and Budget Committee took contingencies out of the budget. Mr. Daily requests a capital reserve fund for benefit increases be a separate warrant article. Chair Browne explained the Budget Committee removed many contingencies from the budget, but kept them for the health plans because they led to trouble last year.

Dave Agans of Wilton asked where the savings from the debt retirement went. Chair Browne said it went to salaries and benefits for unexpected hires due to special education requirements. Lisa Post says some hirings should not have been permanent.

Leslie Browne explains in the past, there were fund transfers from line item to line item. This is no longer happening. There was discussion about this and Business Manager Elizabeth Baker explained she was reorganizing some of the line items so all like items would be in one place. Mr. Boette says that the budget transfers makes it difficult for the budget committee to track things. There is a moratorium on budget transfers for the next two years. Next year some lines will be overspent and some will be underspent. Budget Committee Member Adam Lavallee says that it is not just lack of transparency, but bad accounting practice to do transfers. Mr. Boette says it is allowed under the law. Mr. Banger says it makes it appear like a shell game.

Jane Farrell of Wilton says a two-year freeze on transfers is not long enough and would prefer a five-year freeze as was noted before. Chair Browne explains that transferring money is not allowed for two years, and transferring items from function to function is for five years. Christine Keller of Wilton asked for an explanation of item v. function. One is moving an expense to a different line instead of money to a different section of the budget.

Some members of the public express frustration the specific budget numbers are not in front of them on hand-outs. There was some discussion of Special Education expenses.

Geoffrey Allen of Lyndeborough asked whether the budget is posted online and was told all drafts of the budget have been posted.

Mark Chamberlain of Lyndeborough asked about SPED revenues. Superintendent and Business Manager discuss this with someone at the NH Department of Education. There was a student who received and out of district placement and the district was eligible for catastrophic aid from the state. Now the student is no longer in this placement, so the catastrophic aid went to zero.

Ross Wilson thanks the committee. He asks about trends in student population. The student population is up slightly. Census is 535 students. There are state and federal mandates district must comply with. Chair Browne explains the district maintains its buildings better than other

districts in a similar situation. Mr. Boette explains that the district is reimbursed for an average student census of a year ago.

A citizen of Wilton brought up some ideas to save on costs including combining principals of two schools. He says the district could raise money for the audit and he has fund raising ideas.

Bob Howe of Lyndeborough says the sentiment outside of the meeting is about how the budget affects people's lives. He asks whether the Budget Committee and the School Board are prepared to make cuts.

Sandy Ziele of Wilton wanted to know whether the warrant articles were in the budget or out of the budget.

Karen Grybka of Lyndeborough says it isn't fair to include the bond payment as part of the budget increase because it was not in the budget, but a bond payment.

Lisa Tarbox of Wilton asks about fundraising and Chair Browne says there is a PTO at the elementary school and an organization at the middle/high school that raises funds.

Phil Dupont of Wilton asks about out of district placement cost. Superintendent Lane explains a facility can cost \$180k per year. Placements at Nashua Children's Home or the Rise Program for secondary students at Milford cost \$45k per year. Mr. Lane says that keeping students in district saves money, even when the district must pay for its own program. Mr. Dupont asks whether a non-SPED student could be placed out of district and Mr. Lane explained Manifest Educational Hardship, which is rarely granted.

There was discussion of how to improve the school district and make it more cost effective as well as a magnet for people to move to Wilton. Members were asked by Chair Browne if any changes were recommended by the Budget Committee. Discussion followed. No changes were brought forward.

A motion to adjourn the hearing was made by Dennis Golding and seconded by Kevin Boette. The committee voted unanimously in the affirmative.

Respectfully Submitted,

Jennifer Bernet, Secretary