MINUTES OF THE
BUDGET COMMITTEE

MEETING OF
December 11, 2019

01) OPEN MEETING

The Municipal Budget Committee Meeting of Wednesday December 11, 2019 was called to order at 7:00 p.m. at the Knightly Meeting Room.

02) PLEDGE OF ALLEGIANCE

Chairman Bettencourt opened the meeting with the pledge of allegiance and introduction of members.

03) INTRODUCTION OF MEMBERS

MEMBERS PRESENT:
  D.J. Bettencourt, Chairman
  Sean Lewis
  Stephen Boyd
  Paul Huard
  Thomas Plante
  Steven Goddu

MEMBERS ABSENT:
  Peter Edgerly

OTHER MEMBERS PRESENT:
  Bernard Campbell, School Board Representative
  Selectman Bob Bryant, Board of Selectmen Representative

OTHERS PRESENT:
  Dr. Michael Delahanty, Superintendent of Schools
  Deborah Payne, Assistant Superintendent for Business Operations
  Darlene Mann, Director of Finance
  Jeremiah Lamson, Recording Secretary

Chairman Bettencourt congratulated Mr. Lewis on becoming a father.

04) RECEIPT OF MINUTES AND CORRESPONDENCE

MOTION by Mr. Lewis to receive the following correspondence:
  • School Board Meeting Minutes from November 19 and 26, 2019
  • SAU 2020-2021 Default Budget

SECOND by Mr. Campbell
VOTE: 7-0-1 in favor. Motion passed with Mr. Huard abstaining.

MOTION by Mr. Lewis to approve the following correspondence:
- Budget Committee Minutes of November 13, 14, 2019
SECOND by Mr. Huard

VOTE: 8-0-0 in favor. Motion passed.

05) PUBLIC COMMENT
Chairman Bettencourt opened the meeting for public comment. There was none.

MOTION by Mr. Lewis to close the Public Comment Period at 7:07 PM.
SECOND by Mr. Campbell

VOTE: 8-0 in favor. Motion passed.

06) 2020-2021 SCHOOL DISTRICT BUDGET PRELIMINARY VOTES
Chairman Bettencourt stated they would take preliminary votes and discuss motions for changes. The School Board Representative would make the motion and the Board of Selectmen Representative will second for the Series. Motions to amend would be made after that.

100 Series - Salaries
MOTION by Mr. Campbell to set a figure of $35,907,247 for the 2020-2021 100 Series-Salaries Budget.
SECOND by Selectman Bryant

Chairman Bettencourt stated that they would work from Section 7 of the Budget Book.

Mr. Campbell stated that it was up 2.4%. This included all of the salaries because there were no contracts up for approval this year.

Mr. Huard asked if it was all negotiated.

Mr. Campbell stated that it was all negotiated except for the non-bargaining staff wage pools.

Mr. Huard stated that this series included the wage pools.

Mr. Campbell stated yes.

MOTION by Mr. Goddu to reduce the 2020-2021 School District Budget by $1,494,537
SECOND by Mr. Boyd

Mr. Lewis asked if this was a reduction from the 100 Series or from the whole budget.

Mr. Goddu stated that this was from the whole budget.
Chairman Bettencourt clarified that this reduction would mean that the School District would have to reduce this from the proposed Budget as a whole and find those reductions across all Series.

Mr. Goddu stated that he felt it was time they put restraint on the School Budget. He did not feel there was enough restraint on the School Budget. This would result in a 1.5% increase for the School District. The School District was asking for a 3.5% increase. People in town wanted tax relief. He felt that they could operate with the lower number and still do a fine job educating students.

Mr. Campbell stated that he urged them to reject the motion. They had negotiated increases at a blend of 2.7%. He was unsure if Mr. Goddu was aware of where all of the changes were as he was not present at the last meeting. They had gone through the changes being proposed at that meeting and there was not the kind of money for this cut in the Budget. Whether it was transportation, special education, retirement, or capital items, it was unsustainable in terms of providing quality education to the students. The cut would not allow them to provide the education services at a level that Salem residents expected. Mr. Campbell asked if there were specific cuts. This type of simple motion did not analyze where the cuts could be made or would be made. It was simply unsustainable.

Mr. Huard stated that he was looking through the budget. The 100 and 200 Series were contractual issues. He covered the 300 Series as stuff that would still have to go on and the 400 Series was for repairs. The 500 Series was mostly transportation and Special Education. 600 was heating series. Mr. Huard stated that he was just looking for a place where a million and a half could be taken out. He wanted more specifics, a list of places that they could see cutting stuff. That was where he was right now.

Mr. Lewis asked if the School District had something similar to the Town’s undesignated fund balance.

Mr. Campbell answered no. They had a reserve fund that was recently allowed to be set up by the State. It was under the control of the School Board with certain provisions. The fund had about $300,000 in it. They were required to get specific approvals in order to use money from the fund.

Mr. Lewis summed it up as there were too many hurdles to use the money and there was not enough money in the fund for it to be used for taxpayer relief.

Mr. Campbell stated that the General Fund Budget was up 3.3%. The actual tax impact was expected to be a 2.37% tax increase. The projections from the School District tended to be high. The actual tax increase for 2019 came in at $.03 while the projection was a $.15 to $.18 increase. There was only one warrant article this year and it would have no tax impact. There would be an interest payment for the Woodbury Renovation but the District planned to offset that cost. They expected the total impact would be 2.37% or less. It was a reasonable request given the labor contracts that they had to follow. He asked for the Committee to support the Budget as proposed.
Mr. Goddu stated that he respected the defense of the budget because they had worked hard on it. He did not feel that there was restraint. There was too much of a consistent growth pattern, more in the School Budget than in the Town over the course of years. Mr. Goddu had confidence in the leadership team’s ability to find the money. It would be similar to a business having to adjust to less revenue. He did not know where to make the cuts so he made the motion this way. Mr. Goddu had confidence that the School District could. It was about the taxpayers. They had $50 million that would have to be spent for renovations because the (Woodbury) school was falling apart. The project had no tax impact this year but it would in the future. It needed to be done so Mr. Goddu stated that they needed to tighten the belt someplace else.

Mr. Boyd stated that Mr. Goddu was asking for a reduction of 2% of $76 million. They had looked at the budgets side by side. There was exponential growth which was based on nothing. He had spoken with residents over the four years since he had moved to town and everyone answered in a positive way about the community. The new money did not change the impression of the town. There was exponential growth in spending. They had an 11% spending increase over the past four years. This was a 2% decrease. Mr. Boyd spoke about the business climate and the increases scaring people away. Mr. Goddu was looking at a mere 2% which would really help business. It was a complicated business atmosphere and there was a lot of construction going on. The school was going to be great.

Mr. Campbell stated that he did not agree that the schools would be great if this cut were to pass. He went back over the tax impacts from the past few years and stated that he did not see the trend that Mr. Boyd saw. There was a 1.5%, a 3.9%, a -2.1%, a 2.9%, a 4.7%, and a .2% increase for the last six years. Some of those year had bonds for construction projects. He was not sure how they could cut the funding by $1.5 million. They could not transport students, if the Committee thought that cutting transportation was the way to go. They could close down the proposed renovations to the facilities. The District could struggle with providing a venue for another year after having gone one year without one for certain athletic events. It could have significant staff impact regarding services and class sizes. They could not cut certain areas related to Special Education which the law required them to provide. Mr. Campbell was baffled as to how they would respond. He appreciated the confidence in the administration but they could not print the money. He stated that the cut would be devastating on a whole series of programs.

Mr. Boyd stated that he was saying that they could never win then.

Mr. Campbell stated that they won by having quality schools at a reasonable cost.

Mr. Boyd stated that they were already there according to people in town.

Dr. Delahanty stated that it would be a significant reduction and harm the delivery of educational services to students. He was not prepared to describe what that cut would mean. It would reduce the taxes by $97 on a home assessed at $300,000. $97 in return for a cut of this magnitude would be devastating to the school system and the delivery of services.
Selectman Bryant stated that if they added the cost of salaries, benefits, transportation, and Special Education that total was about $57 million. These were all things that would have to be done. The remaining amount from the $76 million proposal was about $19 million. The $1.5 million cut from that was a lot of money.

Mr. Plante stated that he felt it was irresponsible to pick a number without giving a justification for it. He felt it was one thing to pick out specific items and another to cut a blanket number. The Budget Committee needed to pick items that they felt should be cut. They could do better than a blanket motion.

Mr. Goddu stated that the Budget Committee did not put any restraint on the Budget and that was why they were at this point. This was still an increase over last year’s budget. He made the blanket motion as a result of the Budget Committee being unable to put any restraint on the budget.

Chairman Bettencourt stated that he had taken a different tack and proposed specific cuts in the past. He had some more this year. Chairman Bettencourt stated that he would support the motion. He spoke about the increase in the budget over the year. Chairman Bettencourt stated that he would support the motion although he suspected that it would not have enough support to pass.

Mr. Huard stated that he did not see the cuts. It was all contractual stuff. They had done a nice turnaround in replacing the buildings. Woodbury was in that state now and the repairs needed to be done. They had tried to restrain costs over the years. If he could see a list of cuts then they could discuss it. He did not see them. The cuts would probably be motioned to be put back at the Deliberative Session. The Boards tried to restrain costs. The town voted for these things. It was too much money so he would not support.

Mr. Lewis stated that he was disinclined to support the motion. He understood the thinking behind it but he did not necessarily agree. Mr. Lewis understood the concern about the spending. They were at a disadvantage to investigation given the resources and time they had to review the budgets. They needed to get a better understanding of the School Budget earlier in the process in the future. He did not know the answer to solve this problem.

Mr. Huard stated that he thought it was a great idea to spend more time learning about the School Budget. They spent six months doing very little. Maybe they could meet in August to listen to the thinking and have a conversation with the School District.

Mr. Boyd stated that they tried to speak with the tax collector this year without success. Fiscal constraint was needed at this time.

Chairman Bettencourt stated that everyone had had a chance to speak and done so.

VOTE: 3-5 in favor with Mr. Goddu, Mr. Boyd, and Chairman Bettencourt in favor. Motion failed.

Mr. Boyd asked about talking about the new programs in this section.
Chairman Bettencourt stated that this was the opportunity to discuss them.

Mr. Boyd stated that he went through them.

MOTION by Mr. Boyd to reduce the 100 Series Line 150 by $236,435.
SECOND by Mr. Goddu

Chairman Bettencourt stated that the $236,435 was the entire amount in the 150 Line.

Mr. Boyd stated that they were new programs that were not needed.

Mr. Campbell stated that he asked the Budget Committee not to support the motion. The line had smaller items for the Fab Lab Facilitator and some assistants. The major part of this line was three new positions. The custodian for the Haigh School was necessary due to the preschool being moved to the school. The Superintendent spoke about the two other positions at the last meeting. They reduced two educators to justify support those three new positions. That was everything in the line that they believed were important.

Mr. Huard asked if the Reading Specialist had a degree requirement.

Dr. Delahanty answered that the person would need to have a Master’s Degree in Literacy.

Mr. Huard asked about the starting salary for a starting teacher.

Dr. Delahanty stated that the salary was about $58,000.

Mr. Huard asked if the $88,000 was a standard price for a Reading Specialist.

Mr. Campbell stated that figure included all of the costs for the position.

Mr. Boyd stated that if the budget, the school system was not growing exponentially then there positions would not be an issue. They had to slow things down. This was an attempt to get to Mr. Goddu’s figure. They had a lot of teachers. The STEM Integrator was for the elementary schools and the students were not even developing yet. He stated that the question was if the program was necessary. They had to stem the tide. Mr. Boyd stated that they would still spend this money somewhere in the town because they had a lot of other work to do. Every time they spent money to help the Town that money helped the School System but not every time that they spent money on the School System did that help the Town.

Mr. Campbell stated that this was not exponential growth so he wished that the term would stop being used. Exponential referred to doubling or tripling and that was not happening here. He believed that the investment in education benefited the town and the tax base. Good schools attracted people to town. The quality of the school system benefited the town as a whole. Mr. Campbell was at a region 17 CTE meeting and was listening to the significant increase in out of district students coming in. The CTE center could be a magnet for students. He believed that
there was no exponential growth. None of the increases in the past six years reached 5%. The investment in the schools paid significant dividends to the community.

Selectman Bryant stated that they were not trying to teach the elementary students to build space rockets and go to Mars. They were trying to bring them up to be prepared for the middle level. Most children developed really well in the first few years of school. The school system had provided a good education for his kids. Statements needed to be backed up.

Mr. Boyd stated that most of them did not have Reading Specialists when he was in school. That had a lot of teachers already. This was math to try to find savings.

Mr. Goddu stated that this was $200,000. Money could be shifted if these were priorities because it was a bottom line budget. It was just numbers for him.

VOTE: 2-6 in favor with Mr. Goddu and Mr. Boyd in favor. Motion failed.

MOTION by Mr. Bettencourt to reduce the 100 Series by $42,187 by removing the new Custodian for the Haigh School from the 150 Line.

SECOND by Mr. Goddu

Chairman Bettencourt stated that that motion was a reduction of the custodian line. They closed the Haigh School and reduced staff a few years ago. The District was now using the building some. He did not feel that they needed to move a full-time person in there. Chairman Bettencourt had asked about the options of using overtime shifts, a part-time person, or moving a part-time person to being a full-time person. Those were still options. He was not convinced that they needed a full-time custodian at this building.

Dr. Delahanty stated that last year they went to full-day Kindergarten. They had started the Autism Program the year before. They had to find space for the special needs preschool program. That space was at the Haigh School. He spoke about the program which paired special needs children with typically developing children to help with their development of necessary skills. There were just under 100 students at Haigh School taking up half of the space. They were messy and it required a lot of cleaning. They were compelled to introduce a full-time custodian to care for it.

Chairman Bettencourt stated that he agreed with the programs that were mentioned and understood the need for cleanliness. He was not sure why his other ideas were not valid.

Jack Messenheimer, Director of Maintenance, stated that they did not have any part-time custodians currently. They had some split-time custodians who spent half of their time in one school and half in another. One was there now but he did not go to the Haigh School until 6:30 PM. The new person would come in during the morning and take care of the building. If they stuck with a four hour person it put a strain on the other positions. Mr. Messenheimer listed the other maintenance positions that existed such as the courier, the food service delivery, the district maintenance person who oversaw the boilers and rooftop units, and the two groundskeepers who did the outside clean up. They did not have a part-time position that they could make full-time.
The current half-time person left a four hour hole at the High School that was being covered by subs.

Chairman Bettencourt asked about using a part-time custodian and if the District had a policy against using them.

Mr. Messenheimer stated that they did not use part-time custodians because they were hard to find. Not many people wanted to come in at those hours for four hours. They had part-time custodians in the past that became split school shift custodians in a full-time position. He spoke about the issues with using overtime. At a certain point overtime stopped being attractive. There would also be a rotation of faces so the children would have to get used to different faces. Having a steady person was better. There were two custodians there when the Haigh School was running as a school.

Chairman Bettencourt asked how many custodians the School District had.

Mr. Messenheimer answered that they had 40.

Chairman Bettencourt stated that he appreciated the reasoning but he felt that there were enough custodians for overtime to be an option.

VOTE: 3-5 in favor with Mr. Goddu, Chairman Bettencourt, and Mr. Boyd in favor. Motion failed.

MOTION by Mr. Bettencourt to reduce the 100 Series by $6,774 by removing the new Fabrication Lab Facilitator from the 150 Line.

SECOND by Mr. Goddu

Chairman Bettencourt stated that he supported the STEM and STEAM programs but he was not convinced that they needed to get into this depth within the program. It was a very specific and in-depth area. He felt that there were other opportunities that provided the same services as this. This was one area to provide savings while keeping the STEM program.

Mr. Campbell stated that they looked at the tax impact. They looked at the programs and felt that this was an opportunity to provide additional services. There were students for whom this would be very important. The School Board supported it.

Dr. Delahanty stated that they had robotics teams at each level. They had a FIRST team and new facilities. It was an opportunity to extend the school day and take advantage of the new facilities with the appropriate supervision. The program required someone who knew how to use the equipment. The School District had grown the program. They had an outstanding person as the engineering instructor who would serve as the Facilitator. This was why the program was brought forward.

Chairman Bettencourt stated that it was not a new position but a stipend.
Dr. Delahanty answered yes.

Mr. Boyd stated that they always did a lot of good. At some point they had to back off.

VOTE: 3-5 in favor with Mr. Goddu, Chairman Bettencourt, and Mr. Boyd in favor. Motion failed.

Chairman Bettencourt asked if the wage pools were in the 100 Series.

Mr. Campbell answered yes.

MOTION by Mr. Bettencourt to reduce the 100 Series by $29,594 from Line 111-0-55.
SECOND by Mr. Goddu

Chairman Bettencourt stated that his motion reflected a reduction of the wage pool for the leadership team from a 3% pool to a 2% pool. He felt that there should be an opportunity to reward good leadership but he was also looking at an opportunity for savings. The lowest paid person here made $81,000. This motion was to reduce the increase.

Mr. Campbell asked the Budget Committee to not support this motion. The rational was that they had provided data on the other unions which were mostly at a 3% increase with the teachers being at 2.5%. This was a pool distributed by the Superintendent. Some employees got more than 3% and some got less. They did not want to see a compression issue where the staff was being paid more than the leadership that was supervising them. Mr. Campbell believed they should compensate as a group. They looked at the pool as a way to reward the staff in line with what the other units which were bargaining units were getting.

Mr. Boyd stated that most of the wages in Salem came from Massachusetts. The money was invested in Salem. He wanted to send less money to the Feds. They were 41st in getting money back from the Federal Government. He wanted to not send them more. They were a border community and needed to be competitive.

Mr. Campbell stated that they were a border community. Towns south of them paid considerably more for these positions. Salem had to compete with those towns. Staff could move fifteen minutes down the highway and the wage structure would be completely different. They wanted to retain all of these people in the pool.

Chairman Bettencourt stated that he agreed with the premise. He would not touch the non-bargaining unit wage pool for the non-leadership team. They had to be retained. Chairman Bettencourt felt that they could retain the good people with the 2% instead of the 3%. The Superintendent had flexibility to reward good work while saving money.

VOTE: 4-4 in favor with Mr. Goddu, Mr. Lewis, Chairman Bettencourt, and Mr. Boyd in favor. Motion failed.
VOTE: 5-3 in favor with Mr. Goddu, Mr. Boyd, and Chairman Bettencourt opposed. Motion passed.

200 Series – Employee Benefits
MOTION by Mr. Campbell to set a figure of $17,855,006 for the 2020-2021 200 Series – Employee Benefits Budget.
SECOND by Selectman Bryant
Mr. Campbell stated that the increase was less than 2%. The significant increase was due to an increase in Retirement.
VOTE: 8-0 in favor. Motion passed.

300 Series – Purchased Services
MOTION by Mr. Campbell to set a figure of $1,247,128 for the 2020-2021 300 Series – Purchased Services Budget.
SECOND by Selectman Bryant
Mr. Campbell stated that it was purchased and professional services. The largest part this was contracted services for students such as nurses and special education services. The largest item in Line 330 was the school resource officers. The 340 series was software contracts.
Mr. Boyd stated that he looked at the costs. He spoke about the health services that were offered to students. They had four psychologists on staff and were still outsourcing these services. Mr. Boyd stated that he felt that these were areas that could be cut back.

MOTION by Mr. Bettencourt to reduce the 300 Series by $10,000 with the reduction coming from the increase to Line 320.
SECOND by Mr. Goddu
Chairman Bettencourt stated that it was a $10,000 decrease on a line with a 15% increase. It still was an increase of over $60,000 after the cut.
Mr. Campbell stated that he was unclear which area was being cut. He assumed that it was the inclusion expenses but he was trying to find the line.
Chairman Bettencourt stated that he was making a general line cut. He was leaving discretion to the District to determine where the best area for this cut was in Line 320. Chairman Bettencourt wanted to make cuts as specific as he could but at a certain point he had to defer to the staff on where that could best come from.
Mr. Huard suggested cutting the funding from the charter schools.
Dr. Delahanty asked where the cut was.
Chairman Bettencourt stated it was specifically the 320 section.
Dr. Delahanty stated most of these were special education costs that they were obligated provide. There were some programs that would be cut entirely if this passed.

Chairman Bettencourt asked if the increase was what they were legally obligated to do.

Dr. Delahanty answered no but the most of the services were legally required to be provided. He listed some of the other items like the PSAT for the sophomores for $4,600. There were areas which were not legally obligated but were not as substantial as the other services.

Chairman Bettencourt stated that it could be done with a $60,000 increase versus a $70,000 increase. He would not cut the full increase. Chairman Bettencourt felt that the increase could be taken down a little.

Mr. Lewis spoke about the history of the line being under expended. He asked if it would be fair to state that it would not have an impact given past performance.

Mr. Campbell stated that some of the services related to one of the psychologists that Mr. Boyd had mentioned earlier. Some services were moved from being provided by a contract to being provided by a regular position. The Inclusion programs were required Special Education programs. There were some discretionary programs such as Connections and the theatre programs for the elementary schools.

Selectman Bryant asked about the special education costs for the charter schools and if they were sending teachers to those schools.

Dr. Delahanty answered yes.

Selectman Bryant asked if these were schools in town with Special Education students that did not have to provide the Special Education services.

Dr. Delahanty answered yes.

Selectman Bryant stated that the town was obligated to pay for Special Education services. The students were Salem students so he would not want to default on the obligation. He was fascinated that the charter schools could pick and choose which services they would provide while still getting state funding.

Mr. Plante stated that he had looked at the purchased services in the past. He felt that the extra programs were huge for children’s growth. Things like the fab lab might propel students onward to the next level. Things like band were small things that benefited the community. Vision and hearing testing identified problems that would affect students throughout their time in school. He encouraged looking at the contracts to get the best price but not cutting them because he was concerned about what it impacted.

Chairman Bettencourt stated that he was proposing to cut the increase. It was still a $60,000 increase over last year.
Mr. Lewis stated that he agreed with Selectman Bryant. He asked where charter schools got their money from.

Chairman Bettencourt stated that he believed that it was because the State allocated dollars to follow the child. Charter schools were different than private schools. They could not limit who joined similar to public schools but they had limited space. They were public schools. He wanted to stand up for them a little.

VOTE: 3-5 in favor with Mr. Goddu, Chairman Bettencourt, and Mr. Boyd in favor. Motion failed.

MOTION by Mr. Bettencourt to reduce the 300 Series by $5,000 by removing $5,000 from Line 330-3-50.
SECOND by Mr. Goddu

Chairman Bettencourt stated his support for the Career and Technical Education. He felt that they could make due with half of that budget for marketing the CTE center. It was a beautiful facility that marketed itself. He felt there was an opportunity for savings.

Mr. Campbell stated that they had potential to fill slots with students from the other schools in their CTE District Area which included Timberlane and Windham. They were a net positive for each student that they attracted. The money went towards brochures to guidance offices to sell Salem to those students.

Dr. Delahanty stated that the CTE program drew heavily from Timberlane. The CTE District included Windham, Pelham, Derry, Timberlane, and Salem but Pelham and Derry primarily went to Pinkerton Academy. They marketed it heavily. He spoke about the revenue that came in from students coming to the CTE program. They worked to show it was worth it academically to the students to come here for the programs.

Mr. Huard asked what happened to the money.

Dr. Delahanty stated that it went into the General Fund.

Mr. Huard stated that they got the marketing money back.

Dr. Delahanty stated that they could not quantify the marketing impact. He spoke about the revenue from these students coming to about $150,000.

Mr. Huard stated that it went into our General Fund.

Dr. Delahanty answered yes.

Mr. Huard stated that it was savings of $150,000.

Dr. Delahanty stated that it reduced the amount paid for by taxes.
Mr. Lewis asked how the marketing worked.

Dr. Delahanty stated that they put an ad in Windham’s local paper for the CTE center as an example. It was generally marketed to the communities. Once people came for tours it was then marketed individually to the students.

Mr. Lewis asked what method was used.

Dr. Delahanty stated that they had a brochure with the programs which were distributed to neighboring high schools.

Mr. Lewis asked if they did any digital marketing.

Dr. Delahanty answered that they did some.

Mr. Lewis asked if there was any use of social media advertising.

Dr. Delahanty answered that he unsure about that.

Mr. Campbell stated that they had virtual tour of the CTE program locations.

Mr. Lewis stated that he was looking at print costs versus digital marketing. Digital marketing had lower costs.

Chairman Bettencourt stated that he was not disagreeing with the notion that it brought in revenue or that it was life-changing. He did not disagree about attracting students. He parted company that they would lose all of that revenue by taking the increase from $10,000 to $5,000.

Selectman Bryant stated that this was light for marketing costs for what was being brought in. Most places would spend 15% of the revenue in advertising. He asked if the brochures changed dramatically from year to year or if was just update and print.

Dr. Delahanty stated that the brochure reflected everything being offered. It was just a matter of printing.

Mr. Goddu stated that this was why they could not cut money. It was a $5,000 increase versus a $10,000 increase. The School Budget was about taking care of the students in Salem not from other communities. He understood that there was revenue.

Mr. Huard asked if they were required to save seats.

Dr. Delahanty stated that they had to by law allocate seats for the other schools that were in the district.

Mr. Huard asked if the seats went unused if those other communities did not send students.
Dr. Delahanty stated that it went unfilled unless there was a Salem student to fill it.

Mr. Huard stated okay, so our own students could fill in the gaps.

Dr. Delahanty stated that was correct.

Selectman Bryant stated that the supported this motion. He did not feel that the Budget Committee never accomplished anything. They discussed the budget and everything had to be aired out.

**VOTE: 5-3 in favor with Mr. Plante, Mr. Huard, and Mr. Campbell opposed. Motion passed.**

Chairman Bettencourt asked if they billed Medicaid for the students who needed it to get their education.

Ms. Payne answered yes.

Chairman Bettencourt asked if they were aggressive in getting reimbursement for what they could.

Ms. Payne answered yes.

Chairman Bettencourt stated that was great. They would now vote on the amended number of $1,242,128.

**VOTE: 7-1 in favor with Chairman Bettencourt opposed. Motion passed as amended.**

Chairman Bettencourt called a recess at 8:55 PM

Chairman Bettencourt called the meeting to order at 9:01 PM.

**400 Series – Purchased Services**

**MOTION** by Mr. Campbell to set a figure of $2,170,255 for the 2020-2021 400 Series – Purchased Services Budget.

**SECON**D by Selectman Bryant

Mr. Campbell stated that this Series had the utilities. The largest change was in the 450 Section for the renovations of the bleachers and the press box at the field. They had all seen the report from the Turner Group. There were issues with the box and the stands. He asked for support.

Mr. Huard asked about a rumor that the field would not ready for next season.

Dr. Delahanty stated that it would be ready for next season.

Mr. Boyd went over the lines and the expenses including the sewer and plumbing. They had a temperature control contract that was increasing but the heating costs were not controlled. He
was not sure how to address these lines. Mr. Boyd felt that they could replace the bleachers for cheaper than what they were doing.

Mr. Campbell stated that the disposal services and the septic costs were what they were. They had two schools that were not on the municipal sewer system. They did not control the costs for having them pumped. The temperature control agreement was the service contract for the HVAC at the schools which monitored thermostats, fans, and blowers. The replacement of the bleachers would have cost between $1.5 and $1.6 million to replace them in full. The School Board asked to look at retrofitting them. They found that the School District could retrofit them for half the cost that it would have been to replace them. He felt that they had done their due diligence on all of those issues.

Mr. Boyd stated that it was just that it was high. He felt that it could be pushed back.

**MOTION** by Mr. Bettencourt to reduce the 400 Series by $50,000 from the 450 Construction Services Line.

**SECOND** by Mr. Goddu

Chairman Bettencourt stated that the $50,000 was aimed at the bleacher renovation project. He believed that the box and the bleachers needed to be done. The $797,000 number was set aside before going out to bid. He felt that they could reduce the number and still have enough to do the project.

Selectman Bryant asked about the numbers being discussed because the line was $824,000

Chairman Bettencourt stated that there were some other things in the line that he did not want to touch. $797,000 was set aside for the project prior to going out to bid. There was confidence from the School District that it would come in lower than what was set aside. He felt that it could be lowered without chasing away bidders.

Selectman Bryant stated that the line would be $774,000 after this cut.

Chairman Bettencourt stated that the reduction was $50,000.

Mr. Campbell stated that the number inserted was based on the Turner Report. He understood that if it came in under the number that was great and the taxpayers benefited. The Turner Group said that $797,000 was the number. He did not want to come up short because they did not have any place to cover that difference without cutting something else. Mr. Campbell was a little baffled about this discussion given that the Town Budget had a higher percentage of increase and tax impact. He did not hear the concerns about the spending then even though the tax impact was higher than this budget. The impact would be 2.37%. He felt that they had put it together in a responsible way and were doing major capital improvements while still bringing in responsible budgets. If Chairman Bettencourt was right then the money would roll into the following year but if wrong then they would have to cut other programs to finish the project. He believed that people wanted to see them complete this project and make the bleachers safe and handicapped accessible. He urged them to defeat the motion.
Dr. Delahanty stated that he did not remember saying that they believed the price would come in under the estimate. They hoped it would. The School District had a number from an engineering firm. The number was affirmed by the owner’s project manager. He felt that this cut would put the project at risk.

Mr. Huard stated that if the number came in under the budget then it would roll over.

Dr. Delahanty stated that did not spend money if they did not need it. There were times when lines were overspent because they needed the money for that purpose. They had never been accused of spending money inappropriately. If it was not spent then it would go back to the taxpayers.

Mr. Huard stated that was what he thought, he just wanted to confirm it.

Chairman Bettencourt stated that he was not implying that with his motion.

Mr. Boyd stated that this was about the money not the people in the room. The budget just kept growing. This book had more lines than the Town Budget to get into. It was never about the people.

Chairman Bettencourt stated that the report was excellent and they never wanted to undershoot the project when preparing an estimate. He felt that there was a little bit of a buffer. Maybe the motion was too aggressive. He had spoken with other districts about similar projects and felt that this was a viable cut. He did not want to endanger the project.

VOTE: 3-5 in favor with Mr. Goddu, Chairman Bettencourt, and Mr. Boyd in favor. Motion failed.

VOTE: 5-3 in favor with Mr. Goddu, Mr. Boyd, and Chairman Bettencourt opposed. Motion passed.

500 Series – Transportation/Tuition

MOTION by Mr. Campbell to set a figure of $5,199,708 for the 2020-2021 500 Series – Other Purchased Services Budget.

SECOND by Selectman Bryant

Mr. Campbell stated that the increase was .19%. It was in pupil transportation and two accounts for tuition for Special Education students. They had talked about the cost of placements. This was still less than two of the last three years. The School District had reduced the area last year significantly. This year they had a different group of students.

Mr. Huard asked how many students they had.

Ms. Payne stated that they had three students with out of district placements.

VOTE: 8-0 in favor. Motion passed
600 Series – Supplies/Materials

MOTION by Mr. Campbell to set a figure of $2,758,924 for the 2020-2021 600 Series – Supplies/Materials Budget.
SECOND by Selectman Bryant

Mr. Campbell stated it was up 4.6% with the main driver being electricity. They were already expecting to have a deficit in the current year for the electricity line. It was expected to come in $50,000 over the budget. There were other minor increases but the driver was this.

MOTION by Mr. Bettencourt to reduce the 600 Series by $18,826 from the 650 Line.
SECOND by Mr. Goddu

Chairman Bettencourt stated that he was motioning to cut the 13% increase in half. It would still leave an increase of $18,826 in the line. As he looked over the software it was hard to make decisions so he would give the School District the flexibility on the priorities. They could determine what was most important.

Mr. Campbell stated that a significant increase was tied to Special Education software. There was a $15,000 for the general Special Education software. The other increases were in software for the auto tech program and districtwide computer instruction. The chief information officer might need to explain this section.

Ms. Payne stated that they brought the Medicaid billing in house. They had to buy the software to do that.

Chairman Bettencourt asked how they were doing it before.

Ms. Payne stated that it was taken from the revenues

Chairman Bettencourt stated that there should be a net gain from that.

Ms. Payne stated that there had been some changes in Medicaid which affected the revenue. They had left money in the estimates for revenue.

Mr. Lewis asked which page they were talking about.

Mr. Campbell gave the page number.

Mr. Boyd stated that the total for computers was $1.5 million. They could not do everything. They had to not be tied to everything because then they would always keep spending and never have control.

Chairman Bettencourt stated that he would never want to pare back on Special Education Software. There were opportunities to pare back other things which could get to that point. It was not cutting what was already there.
Mr. Campbell asked for the motion again.

Chairman Bettencourt repeated it.

Selectman Bryant asked which line had the Medicaid software.

Ms. Payne gave the number as 1200-650-0-55.

Selectman Bryant answered okay.

VOTE: 3-5 in favor with Mr. Goddu, Chairman Bettencourt, and Mr. Boyd in favor. Motion failed.

VOTE: 5-3 in favor with Mr. Goddu, Mr. Boyd, and Chairman Bettencourt opposed. Motion passed.

700 Series – Equipment/Furniture
MOTION by Mr. Campbell to set a figure of $575,678 for the 2020-2021 700 Series – Equipment/Furniture Budget.
SECOND by Selectman Bryant

MOTION by Mr. Campbell to reduce the 700 Series by $420 to a new figure of $575,258 with the reduction coming from the 730 Line.
SECOND by Chairman Bettencourt

Mr. Campbell stated that this was a reduction related to the baritone saxophone. The concern had been raised about the new equipment being handed to middle school students. The new equipment would now be given to the High School and then the twenty-year old saxophone at the High School would go to the Middle School. They were able to identify a vendor at a lower cost.

VOTE: 8-0 in favor. Motion passed.

MOTION by Mr. Bettencourt to reduce the 700 Series by $3,900 by removing the items rated as Priority 5 or up from the 730 Line.
SECOND by Mr. Goddu

Chairman Bettencourt stated that the baritone saxophone was a high priority and he would leave it alone. He looked at the items listed as priority five items or higher because the lower numbers were the highest priority. They could be delayed until next year.

Mr. Campbell asked for the amount

Chairman Bettencourt gave the number as $3,900.
Dr. Delahanty stated that these were items that the music department would benefit from but he did not know that he could change anyone’s viewpoint with that assertion.

VOTE: 3-5 in favor with Mr. Plante, Chairman Bettencourt, and Mr. Boyd in favor. Motion failed.

MOTION by Mr. Bettencourt to reduce the 700 Series by $1,360 by removing the athletic field roller from the 735 Line.
SECOND by Mr. Goddu

Chairman Bettencourt stated that he could appreciate the need for smooth fields. The rollers did not get the job done on keeping the infield smooth. The equipment approved last year which was an ATV with a rake did better work. They would have better turf coming in for the athletic field. He felt that they could come back for it next year and that they could forego it this year.

Mr. Campbell stated that they would have a new surface at Grant Field. He knew the value of having a roller. They asked Mr. Messenheimer about equipment that was needed for his work and this was a priority.

Mr. Messenheimer stated that the roller would be used to eliminate the frost heaves on the outfields, the soccer fields, and the field hockey fields in particular. It would be used throughout the District. It would make the fields safer for people using them, playable, and more enjoyable. They had been looking at this for a while. They found something that was not as expensive and would do a good job with the fields.

Mr. Huard asked what they dragged behind an ATV.

Chairman Bettencourt stated that it was ground rake.

Mr. Plante spoke about the JV baseball field being taken offline for several months last year. He assumed that this equipment would help prevent that from happening.

Mr. Messenheimer answered yes and stated that this equipment was more for the grass sections.

Chairman Bettencourt stated that the roller did not deal with the water which was the biggest problem. He felt that it was an expense that could wait.

Mr. Messenheimer thank you

VOTE: 2-6-0 in favor with Mr. Goddu and Chairman Bettencourt in favor. Motion failed.

VOTE: 7-1 in favor with Chairman Bettencourt opposed. Motion passed.

800/900 Series – Other Objects
MOTION by Mr. Campbell to set a figure of $7,231,978 for the 2020-2021 800/900 Series – Other Objects Budget.
SECOND by Selectman Bryant

Mr. Campbell stated that this was mainly Debt Service and was dropping as bonds were paid down.

VOTE: 8-0 in favor. Motion passed

Federal Projects Funds/Food Service
MOTION by Mr. Campbell to set a figure of $1,856,000 for the 2020-2021 Federal Projects Funds Budget.
SECOND by Selectman Bryant

Mr. Campbell stated that this was funded projects and the increase was a result of increased Federal funds.

VOTE: 8-0 in favor. Motion passed.

MOTION by Mr. Campbell to set a figure of $1,453,500 for the 2020-2021 Food Service Budget.
SECOND by Selectman Bryant

VOTE: 8-0 in favor. Motion passed

Mr. Campbell thanked the Committee’s deliberation.

Chairman Bettencourt stated that they would reconvene tomorrow evening to take final votes. The biggest highlight was the public comment period. They would get to the podium at 7.

Mr. Campbell stated that he would request time to address the Default Budget because the law required it to be addressed for the Public Hearing.

Chairman Bettencourt asked when they had to address it in the schedule.

Mr. Campbell stated that he wanted to address it before the Public Hearing.

Chairman Bettencourt stated that they would present the Default Budget then open the Public Hearing.

Mr. Boyd stated that the Town Budget was done with each department shown separately. He asked for information on what spent on special services.

Mr. Campbell asked to clarify that he wanted the spending on Special Education services.

Mr. Boyd answered yes.

Mr. Campbell stated that they could provide that.
Chairman Bettencourt stated that was a tough assignment.

Mr. Huard stated that it was hard because they had the different schools. He wondered if it was possible to get each school’s budget. He wanted to see how they changed. It was hard to go between sections to see one school.

Mr. Campbell stated that they had a number of districtwide items that were hard to split between schools.

**MOTION by Mr. Bryant to adjourn the meeting at 9:57 PM.**
**SECOND by Mr. Campbell**
**VOTE: 8-0-0 in favor. Motion passed unanimously.**

Minutes recorded by: Jeremiah Lamson

Approved: Budget Committee

Date: January 21, 2020