



Town of Weare NEW HAMPSHIRE

Town of Weare Finance Committee

January 17th, 2024, 6:30pm

3

Members			
X	Tom Clow (Chair)	X	John Merva
X	Elizabeth Evans	X	Maria Fossiano (Secretary)
X	Neal Kurk	X	Bill Anderson
X	James Drury	X	Tom Flaherty
X	Karie Tepper (Vice Chair)	X	Lori Davis
X	Jessica Kallipolites		
3Guests/Speakers			
	Jon Morton (Town Moderator)	X	Naomi Bolton (Town Administrator)

	Agenda Topic	Discussion
1.	Committee business	<ul style="list-style-type: none"> Committee said the pledge of allegiance Tom Clow requested committee review minutes from December 20th and 21st so minutes can be approved The next Finance Committee meetings will be January 24th and January 31st Jackie Coe asked Tom if he thought she would need to come back to the committee, Tom said he would get back to her Tom Clow copied documents from John Stark Public Hearing, Weare School Public Hearing, and copies of the Town Warrants <ul style="list-style-type: none"> Distributed to the committee Tom's plan for tonight is review the school The town needed to continue their public hearing on Monday night but if we have time, committee can review the CIP
2.	Weare Schools	<ul style="list-style-type: none"> 4 warrant articles First 2 committee would not vote on 2 articles to vote on, budget and Teacher's Contract <p><u>Article 3, Weare School District Proposed Budget</u></p> <ul style="list-style-type: none"> Neal Kurk began discussion on budget <ul style="list-style-type: none"> Proposed budget is lower than the default budget <ul style="list-style-type: none"> \$18,733.00 for the default \$18,709.00 for the proposed

- **Motion-** Neal Kurk moved that the Finance Committee recommend the Weare School District Proposed Budget
 - John Merva Seconded motion
- Neal Kurk provided details regarding budget
 - School district made an extraordinary effort this year to reduce expenses their motivation was to make the costly labor agreement more palatable
 - They recognized the reduction in student numbers over the past decade
 - Eliminated 2 positions
 - School Board Members voted to reduce 2 more teaching positions
 - This budget is based on 4 fewer positions than the current budget
- Tom Clow- *"Did they indicate what the positions were?"*
- Neal Kurk responded- he doesn't recall
- Bill Anderson added- He doesn't believe they mentioned specific teachers. This type of approach is welcome, he personally has been advocating for a reduction in teachers.
 - Average class with the reductions is 19.5 students
 - Schoolboard mentioned potentially making more cuts, but were uncomfortable cutting anymore at this time
 - Teacher's contract is very large and it a shame that it took a contract position to get them to move on some of the positions
- Neal Kurk added- The step of reducing administrative personnel is much harder because some of the functions administrators perform, creative thinking will have to be done in the next few years so administrative staff shrinks with the teaching staff
- Tom Flaherty mentioned - School dropped by 73 students in the enrollment,
- Lori Davis agreed with Bill, Tom F, and Neal; stating it is nice to see the 4 positions reduced, it was more of an act of duress because they are pushing the contract. Administrative costs are a big problem. There is a rumor about moving their facilities into John Stark.
- Tom Clow believes Committee doesn't have enough information onto discuss facility movement this year
- Lori Davis continued- We need to be prepared for future, if we have an increased student population down the road, she doesn't want SAU movement used as a reason to build more space
- Tom Clow mentioned that they would have projections for the High School based on elementary and middle school
- Motion on the floor is to recommend the proposed budget for the Weare School district
 - ***All in favor of recommending the Weare School Proposed Budget?***
 - ***Recommendation was unanimous, all 11 committee members recommend the Weare School Proposed Budget***
- **Reasoning**
 - School cut positions
 - The proposed budget is lower than the default budget
 - 1.25% increase over last years which is reasonable, and last year was a default.

- Reduction in teaching position is consistent with reduction in student populations over the years

Article 4 Weare School District Warrant is a 2-Year Teachers Contract

- Bill Anderson started discussion
 - Contract focusing on teachers that have been in the system longer than 5 years
- Lori Davis added- She is totally against contract, when you look at social security and the cost of living it is 3.2%, we are looking at a 4% increase every year, we have an aging population in Weare that lives on a fixed income. They don't get a 4% increase every year. She understands that the teachers leave every year, but businesses don't give raises just because employees have been there a number of years. Lori believes teachers are looking at an 11% increase. She doesn't think you can put a large pay increase on the town in a recession, and the people footing the bill are not getting paid more to cover the costs
- Elizabeth Evans asked for clarification from Lori- Elizabeth believes the cost of living adjusts (COLA) was 8.2% during the pandemic, and with the inflation rate of 3.4% with an academic year of 9 months instead of 12. Are you referring to a 4.4% increase based on a 9-month year or a 12-month year?
- Lori Davis followed up- She was talking about 12 month that came out of the state this year, inflation is 3.2% (cost of living and social security)
- Elizabeth Evans followed up- CPI came in at 3.4%, are you agreeing to the increase?
- Tom Clow added that he believes Bill has some more accurate figures
- Bill Anderson contributed that he thinks committee should focus on the pay scale
 - Bill passed out relevant documentation.
 - People may be wondering why the first year of the contract is over \$900k, \$300k next year.
 - If you look at current table and the proposed table, the current table has a bubble in it, from year 5-10 you don't get a pay raise, but it is encouragement to go get your masters.
 - The proposed salary 0-6 years, you get a 6% increase in year one, and a 5% increase in year 2. Those numbers are consistent with the pay raises we are giving the town employees- no issue with that.
 - However, they started giving pay increases for every year marching down, so every teacher beyond 7 years gets a 5- 6% increase. Teachers in their 11th year would get a 26% increase in pay next year under this contract.
 - Bill provided multiple examples where teachers get 17%-26% increase for doing the same jobs they are doing today.
 - There were no concessions on benefits.

- Bill Anderson asked for breakdown the of the teachers in the system, where the teachers would fall in the pay hike, 76% of the teachers will get a pay hike of between 17%-26%.
- The current pay scale goes 15 years, the new one goes 20 years. People off grid traditionally get a 3% bump.
- Bill agrees that Weare Teachers are paid less than in other districts and that there should be some attempt to incentivize the folks who have been with the school for a while, but this is a reach too far in Bill's opinion. Last year there was a tax hike of 8% in taxes. The towns people should not be looking at another 8% pay increase
- If the negotiations gone to a more reasonable approach, maybe half the table and not trying to get everything at once, graduated step would have a better chance of passing
- Test scores in Weare School district are far below the average
- Bill Anderson continued- It is a double-edged sword. there are good, experienced teachers and teachers that are just going along. Young teachers are young and enthusiastic. The last teacher's contract was developed to be competitive in the initial hiring, school is compensative in the beginning. In the past, once a teacher was in a district they stayed there.
- Lori Davis believes they need to look at benefits packages, they have a Cadillac plan, 12% (projected)
- Elizabeth Evans contributed- Teachers need to repay their student debt and afford their cost of living. Even with the increases projected, they are still around the median for the cost of living. Some teachers are working 2-3 jobs. Test scores are far below average. Teachers do not get paid to tutor anymore, so parents have to hire private tutors. We cannot ask for a lot if they are only getting paid pennies. Asking people to stay at a for a long time, 15-20 years and when they will maybe make 70k, they will tell you to kick rocks. Private schools are paying their teachers 70k, and 80k.
- Bill Anderson added- Teachers have chosen that profession, teacher's work scheduled is 185 days a year. The guy in the private sector is working 280 days a year, with 2 weeks' vacation, and that person may also be paying back a student loan.
- Elizabeth Evans follow up- I don't believe you should expect high test scores if we are going to pay lower wages
- Bill Anderson continued- I don't necessarily think money being thrown at the problem will increase test scores.
- Tom Flaherty added- After 2 years the cost of this article is 2.1 million dollars, 900k one year, which carries over and then adding 368 for the second year
- Neal Kurk added- The tax impact for this article in year one is 70 cents, the combined tax impact is \$1.68 per thousand. The Teacher Contract will increase the taxes on a 300k house by \$210 next year and a 350k house tax increase will be \$245 next year. In 2025 for this contract a taxpayer will be paying 588k on a 350k house, just for one article.
- Tom Clow finds the process troubling. Departments go through this negotiation process and then if that contract fails, everything is locked in place, there is no second chance at it. If it is clear that the contract is going to be rejected, the

board should go back to the table and renegotiate. People tend to follow the Finance Committee recommendations. Some place in the process, the board should be able to provide feedback, so the schools can revisit negotiations.

- If you read the ordinance for the Finance Committee, it suggests that the committee make recommendations back to the schoolboard but if recommendations come at last minute when nothing can be done about it
- Tom Flaherty asked – *“Is it even a possibility that Finance Committee be involved in the recommendations for a weigh in?”*
- Tom Clow responded- For several years we did that with the police contract
- Neal Kurk asked- *“I thought contract negotiations were confidential until the contract is approved by both parties?”*
- Tom Clow responded- The police agreed, Finance Committee members could sit in on contract negotiations
- Neal Kurk followed up- *“Were you allowed to discuss the details, or did they remain confidential?”*
- Tom Clow- Same issue, but could explain the process, didn’t change anything from it being a decision, after the fact
- Schools would need to agree to this
- Tom Clow- Neal mentioned straw polls, if we were able to take a straw poll on where we would be on this contract, the school may be able to consider renegotiation.
- John Merva asked- *“Could this be revised, or is this yay or nay?”*
- Tom Clow responded- no
- Bill Anderson asked- So our input is that the teachers deserve a raise, but this is a bridge too far? -Yes
- Elizabeth Evans asked- *“Is the contract built into the default or proposed budget? Or is it separate?”*
- Tom Clow responded- It would be the existing salaries in the budget. After the fact if it warrant passes, the budget would be revisited. Numbers would be put into default or proposed.
- Elizabeth Evans followed up- *“And those positions could also be vacant? If we are talking about projected salary increases, those positions could also not be filled?”*
- Tom Flaherty responded – The budget only includes existing planned staff, but they just cut 4
- Elizabeth Evans continues – *“So in other words in a corporation if you had to meet their budget for the following year, their pay scale is set, and they know they are trying to make a budget. There would be promotion through attrition, and they wouldn’t actually fill those positions so am I looking at it the same way?”* *“So, in terms of the positions, they cut 4 positions to bring down the proposed budget below the default. If we recommend a generic number for an estimated increase, they could have positions that are vacant so it would reduce the budget even further because they wouldn’t fill all those positions?”*
 - Would be money back at the end of the year?
- Neal Kurk responded- “If the school doesn’t fill positions, regardless of how many are budgeted, the money for the positions that they did not fill is available to the school board to spend anyway they wish during the year. If they haven’t

spent that by the end of the year that automatically goes to reduce the next years property taxes. They can't take the money they saved from the vacant positions and use that to implement a contract that the voters didn't approve, they couldn't use it to increase current teacher's salaries.

- Bill Anderson added- \$636k was returned last year to offset taxes
 - Bill has a list of returned funds from schools.
- Neal Kurk commented- If you look at revenue estimates, there is a line where they estimate how much money they will not spend and return to taxpayers.
- This year is \$100k
- Elizabeth asked- "Does the \$550 tax increase include the return?"
- Neal Kurk responded- "It does include the return, the money we are raising by taxes is already based on the fact that \$100k will be returned"
- Elizabeth Evans asked- "*Could it be reduced further?*"
- Neal Kurk responded- Yes, if end of year funds are more than projected, they don't know the number at this time, and they don't want to mislead taxpayers by over estimating returns
- Elizabeth Evan's followed up- "*So we don't know that either?*"
- Neal Kurk responded- Nobody knows
- Tom Flaherty commented- The goal is to hire all positions
- Bill Anderson added- In past years, in pre-amble of flyer we address that issue. Last year, we projected 245k from the town, 502k Weare Schools, and 390k from John Stark. Last year we didn't get back as much as we projected, and county & state education went up last year.
- Elizabeth added- Doesn't want a lot of assertion, it's all estimates we don't know what we don't know
- **James Drury made a motion to recommend the contract Article 4, Weare School Teacher's Contract**
 - **Elizabeth Evans seconded the motion**
 - 2 Committee Members voted to recommend the contract- Karie Tepper and Elizabeth Evans
 - 9 Committee Members voted to not recommend the contract- Tom Flaherty, John Merva, Tom Clow, Lori Davis, Jessica Kallipolites, Bill Anderson, Neal Kurk, James Drury, and Maria Fossiano
- **Lori Davis made a motion to not recommend the contract Article 4, Weare School Teacher's Contract**
 - **Tom Flaherty seconded the motion**
 - 9 Committee Members voted in favor of not recommending Article 4, Weare School Teacher's Contract- Tom Flaherty, John Merva, Tom Clow, Lori Davis, Jessica Kallipolites, Bill Anderson, Neal Kurk, James Drury, and Maria Fossiano
 - 2 Committee Members against not recommending the contract- Karie Tepper and Elizabeth Evans
- Bill requested details for the minority opinion for flyer-
 - Teacher retention/ reduce turn-over
 - Competitiveness in the economic landscape, inflation
 - If they get the contract, it will help ease the burden on retention
 - Interest in preventing teachers from leaving, attracting talent

		<ul style="list-style-type: none"> ○ Tom Flaherty asked- <i>“Did we say we were coming to have a minority opinion on every article or if was a split?”</i> ○ Tom Clow responded- We went around on that and last year we provided a minority opinion even if it was one person
3.	John Stark	<ul style="list-style-type: none"> ● John Stark similarity has 4 Articles, only 2 that the Finance Committee will vote on <p>Article 3 Operating Budget</p> <ul style="list-style-type: none"> ● Tom Flaherty provided a summary <ul style="list-style-type: none"> ○ The proposed budget is at 2.36% increase over last year and the default is 2.02% over last year ○ One of the big drivers is the cost of insurance 12.1% estimate, could come in lower, budgets for 12% increase in insurance cost ○ SAU share went up a little bit on both schools, the cost of paying into the SAU for their services ○ Transportation costs went up ○ Supplies went up and student population went up ● Karie Tepper added <ul style="list-style-type: none"> ○ Contracted Services went up for out of district placements, and transportation for those children ○ School up for 10-year accreditation, \$15k to have people come out so school can be re-accredited <ul style="list-style-type: none"> ▪ Will come out of budget next year ● Neal Kurk added- During the years John Stark has been very cost cautious, very little increases. As the population went down, they figured out ways to offer their curriculum in alternative semesters that allowed them to reduce expenses without significantly impacting the curriculum or student activities. Increase is less than the rate of inflation. ● Neal put forth a motion to recommend the John Stark proposed Operating Budget <ul style="list-style-type: none"> ○ Karie Tepper seconded the motion ● Bill Anderson mentioned- It is only a \$49k difference between the proposed and the default, it is very small, but they have a conservative estimate on how much will be returned. For a 49k difference they will likely give back around 200k. They likely will be able to function with the default <ul style="list-style-type: none"> ○ If we want the support staff contract to be approved, you could say they will get by on the default because they always return a lot more than 49k, this is a 49k the taxpayers could save ○ This is the school district that has 350k- 400k sitting in a contingency fund that was voted in 2 years ago, that pile can be used for whatever they want with school board permission ○ It’s a reasonable budget but 8% was a large burden on taxpayers last year ● Last year we voted split on this ● Lori Davis added- They haven’t done anything to look at their benefits package

- Bill Anderson responded- Benefits could be addresses next year with Teachers Contract
- Neal Kurk mentioned - In past years, the committee has gone through the budget for each of the items and voted but then at the end after we've seen what we've done collectively. There has been an opportunity to go back and reconsider any article or vote that we've took
- Tom Clow responded- That would mean that we could reconsider everything. We decided that we could only reconsider if certain changes were made at the deliberative session.
- Neal Kurk- Issue with that is if we don't have an opportunity to reconsider than he could have to go home, figure out how he would vote on each article, and be unpersuaded by any discussion that goes on at committee meetings
- Tom Clow is just saying for the last 2 years we limited out re-voting only on articles that were changed at the deliberative
- Lori Davis added- Lori said the 6 years she was on the committee; they were able to revote
- John Merva added- Robert's Rules say votes can be reconsidered
- Neal Kurk added- If we are following Roberts Rules, you can reconsider something no later than the meeting at which it was decided, Committee doesn't have to follow Roberts Rules
- Tom Clow added- It is up to the committee at this point if we want to consider a new process, lets take a poll- if you agree that we should look at the whole package at the end of process to see if there are changes we want to make raise your hand
 - Committee agreed to review
 - Tom Flaherty drafted spreadsheet for those purposes
- **All in favor of motion to recommend the proposed budget for John Stark**
 - **5 committee members voted to recommend- John Merva, Karie Tepper, Elizabeth Evans, Neal Kurk, and Tom Clow**
- **All opposed to recommending budget**
 - **6 Committee Members voted to not recommend the Proposed Budget for John Stark- Lori Davis, Jessica Kallipolites Bill Anderson, Tom Flaherty, James Drury, and Maria Fossiano**
- **Neal Kurk motioned that the committee does not recommend the John Stark purposed budget**
 - **Lori Davis seconded**
 - **8 Committee Members Voted to not recommend John Merva, Lori Davis, James Drury, Jessica Kallipolites, Neal Kurk, Tom Flaherty, Maria Fossiano, and Bill Anderson.**
 - **3 Committee Members voted against not recommending the John Stark Proposed budget- Elizabeth Evans, Karie Tepper, and Tom Clow**
- **Bullets for flyer**
 - **Against Budget-**
 - Cost is reasonable however we want to be sensitive to tax increases that occurred last year
 - Where the difference is very slight, the cost savings could have bene use elsewhere

- The district has returned in excess of that difference each year
 - For the Budget
 - Difference is so small and less than the COLA increase
- Elizabeth Evans asked- *“Didn’t all the articles pass last year which led to the increase?”*
- Bill Anderson responded: Yes, a lot of them did pass but we didn’t get the return we expected, the county and state education increased

Article 4: Support Staff Contract

- Tom Flaherty provided details of the contract
 - Contract is for Administrative, Custodian, and Lunch Staff
 - Eight cent tax impact
 - Average salary increase in year 1 is 11.5% and in Year 2 it is 2.5 on grid and 3% off grid
 - Average salary right now, \$18.43, will be 20.30 cents in 24-25 and in 25-26 the average hourly rate will be \$20.85
 - 152k cost this year and 39k next year
- Contract is front loaded because that’s where the need is
- Support staff are underpaid, and they are losing people, you make more at Dunkin Donuts, didn’t itemize the vacancies
- Tom Clow added- Paraprofessionals need more training than it takes to make coffee at dunk donuts
- Lori Davis mentioned- She still has an issue with the benefits, its Cadillac plan, 12.1% is a lot of money
- Tom Flaherty added- 10% extra in health care premiums will be paid by the school so there will be a 10% reduction for the employee. School now paying 50% and it will increase to 60%, employee will pay less
- Elizabeth Evans added- On a national level insurance increases are between 18 and 20 percent
- Bill Anderson commented- When discussing percentages, \$17 to \$20 is an increase of 2 dollars an hour but when you talk a 10% change in insurance that is 10% on a bigger number. If they were paying the same share they would be paying a lot more than they are getting.
- Neal Kurk added – This is a group of people that are moving around rapidly, wages for entry, and serve jobs have change dramatically, if we don’t keep up we won’t have lunch ladies
- **Neal Kurk motioned that Committee recommends the Support Staff Contract for John Stark**
 - **Tom Flaherty seconded the motion**
 - **Committee voted unanimously to recommend the Support Staff Contract for John Stark**
- Tom Clow asked- “Is there any need to have Jackie Coe return?”
 - No

4.	Tom Flaherty Spreadsheet Review	<ul style="list-style-type: none"> ○ Committee reviewed Tom Flaherty's check list of votes and costs ○ Committee validated calculations ○ Neal Kurk made the suggestion of adding state property tax, adding last years numbers, state education was a 1.46, county is 1.02 ○ If we pass everything it is 2.28 difference ○ Karie Tepper asked- <i>"Would we want to put inflationary rate in the state and the county?"</i> ○ Lori Davis responded- They don't always go up ○ Tom Clow added - There is no way of recommending on those ● Neal Requested Tom Flaherty eliminate the cents on the spreadsheet <ul style="list-style-type: none"> ○ Tom included because the 10-wheel truck has cents on it ● Public hearing on town budget continues on Monday, until public hearing is complete anything can change ● Neal Kurk motioned to adjourn; Lori Davis seconded
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