

Budget Committee Minutes August 25,2011

MINUTES

NEWMARKET BUDGET COMMITTEE (School)

August 25, 2011

Town Hall Auditorium

7:00 PM

Members Present: Chairman Brian Hart, Vice Chairman Drew Kiefaber, Al Zink, Leo Filion, Jack Fitzgibbon, Dana Glennon, Judith Ryan, Ellen Snyder, Erica Hiera, Linda Mantegani

Also present: Superintendent Jim Hayes, Finance Director Joan Liporto, Cliff Chase (School Board Chairman)

1. Discussion of Current Teacher's Contract and Financial Summary

Hart opened the meeting and explained that the School Board had already established its negotiations committee and negotiations had in fact begun prior to the Budget Committee's request to have a seat. Therefore, since negotiations were underway and the negotiation teams for the School District and the Union were set, the District did not feel comfortable attempting to change the make-up of their team.

Hart invited Superintendent Hayes to provide an overview of the summary of the teacher's existing contract. Hayes reviewed his memo dated August 12, 2011 (attached) that summarized the costs of the contract and explained its provisions. Some key costs for the FY2010-11 budget:

- the School District has \$307,950 in liabilities associated with retirement severance pay under the current contract for 14 teachers with 15+ years of service.
- The School District has \$363,300 in liabilities associated with accumulated sick leave.
- The total cost of the Step 15 Bonus is \$193,750
- The longevity bonus for teachers with 14 or more years of experience (not necessarily in Newmarket) is \$47,940.
- There are two tiers of health insurance rates; some teachers pay 10% of the premium and some teachers pay 15% of the premium.

Members of the Committee asked many questions regarding the contract, including the various bonus payments for differing categories of service to the School District and how the Beyond Step 15 Benefit was calculated as 'cumulative' instead of 'non-cumulative', as many on the Committee read the contract to mean. Hayes explained that the previous administration had interpreted the contract as cumulative; therefore since the prior practice was to treat the Beyond Step 15 Benefit as cumulative, it has to continue under the current contract until such time as new language is agreed to. The Committee expressed exasperation that it had been interpreted that way without the approval of the School Board.

The Budget Committee collectively agreed that the contract as written was difficult to interpret, poorly written, and in need of much improvement. In addition, the Committee felt that there were many duplicative provisions rewarding teacher's for length of service that seemed unnecessary.

A member of the Committee inquired as to what other pay teachers may receive for their work. Hayes explained that teachers may also be compensated for work outside of the classroom, such as coaches, department heads, class

advisors, or website managers. These payments are not covered by the contract and are set by School Board/Administration policies. In addition, if teachers stay at school for additional hours, such as tutoring kids, they are compensated for extra hours above the contracted hours at \$30/hr. This time is approved and managed by the Principals and/or Superintendent.

After hearing the summary, Committee members shared various ideas and expectations for the new teacher's contract currently under negotiation, including the following:

- Health insurance:
 - o The School should consider partnering with the Town to get better health insurance rates.
 - o Simplify the number of plan options
 - o Be creative and think outside the box on how to provide health care while minimizing the School's cost
 - o Evaluate whether providing family coverage makes sense
- The Step 15 Bonus should not be cumulative.
- The Longevity Bonus should be for service to Newmarket, not as a teacher anywhere.
- Retirement Severance:
 - o should be capped to minimize long term exposure
 - o should be eliminated
 - o should be lower than it is
 - o minimum of one year notice so that the payments can be budgeted
- Personal days should be tied in with Sick days and not separate days.

In answering the Committee's questions, Hayes reminded the Committee he was unable to comment on any items that were currently under negotiation with the teacher's union.

The Budget Committee decided to request a similar analysis of the Police Union contract from the Town.

2. Discussion of schedule for School District Budget Review

The Committee reviewed the Superintendent's proposed schedule of the budget review process and accepted it.

The meeting concluded at 8:55pm.

Respectfully submitted,

Brian Hart

Chairman