

Concord School District Board of Education
Board Work Session #2
February 18, 2019

Board members Jennifer Patterson, *President*, Tom Croteau, Chuck Crush, Barb Higgins, Jim Richards, Pam Wicks, Danielle Smith, Nancy Kane, Liza Poinier

Administration: *Superintendent* Terri Forsten, *Business Administrator* Jack Dunn, *Director of Facilities and Planning* Matt Cashman, *Director of Human Resources* Larry Prince, *Director of Student Services* Bob Belmont

Board President Jennifer Patterson called the meeting to order at 5:45 p.m., noting that the agenda was to review salaries and benefits in the FY19-20 budget. Superintendent Terri Forsten reviewed the meeting agenda:

- Goals
- Enrollment
- New positions
- Salaries
- Benefits
- Budget to post
- Work sessions and public hearings

Superintendent Forsten briefly reviewed the 2019-2010 budget goals:

- Regular education
 - Class sizes within policy guidelines
 - Extended Learning Opportunities (ELOs)
- Curriculum, instruction, and assessment
 - New materials for reading instruction
 - Competency grading and reporting
- Student Services
 - Elementary Assistant Principals
 - Program development for 3R elementary
- Technology
 - One-to-one devices for all students
 - Telephone replacement
- Capital purchases and debt service
 - 5% operating budget for debt service, including new proposed debt for roof replacements
- Community relations
 - Success stories in Concord public schools

- Middle school facility plan

Superintendent Forsten reviewed District enrollment goals, covered by Policy #641, which include class size goals of 17, 21, and 25 for kindergarten, primary, and intermediate grades, respectively. She noted that if class size exceeds 20 students in kindergarten, 24 students in grades one through three, or 28 in grades four through six, educational consideration will be given to regrouping, employment of an aide or employment of an additional teacher. She reviewed enrollment trends over the last 10 years, which show a steady decline. She highlighted class size projections for the upcoming school year.

Jim Richards asked if any teacher positions were added to the Superintendent's contingency. Superintendent Forsten explained that MBS and CMS both received an additional kindergarten teacher this past fall, as kindergarten enrollment was higher than anticipated. Mr. Richards asked if these are permanent positions. Barb Higgins clarified that the teacher positions, at least, were one-year-only positions.

Superintendent Forsten reviewed the Superintendent's contingency account, noting that the account would cover the same number of potential positions as last year.

Nancy Kane asked why preschool enrollment numbers were not included with the elementary enrollment data. Superintendent Forsten explained that preschool enrollment is more nuanced than general education and tends to fall under the umbrella of special education. Ms. Patterson added that part of the preschool is a tuition-based program, unlike general education.

Superintendent Forsten reviewed middle school enrollment and class sizes, noting that there is no recommendation for an additional teacher, and though there is a small increase in class size averages, the numbers are still well within District guidelines. Ms. Patterson pointed out that some 8th grade classes are on the high end of the class size guidelines and asked if any were projected to be above 28 students. Superintendent Forsten explained that though some elective class numbers may be more volatile and wax or wane as students' schedules are finalized, she was not aware of any classes that would be above target class size ranges. Ms. Patterson noted that it is important to be mindful of these changing numbers, particularly in academic classes. Superintendent Forsten reviewed projected middle school enrollment by class type, noting that numbers are fairly similar to the current year.

Superintendent Forsten reviewed several new proposed positions within the District, including five elementary Assistant Principals, an Extended Learning Opportunities (ELO) Coordinator for the high school, and a Director of Communications. She began with the ELO role, and explained that about 40 districts in New Hampshire do not have someone in this position, and that Concord is one of those. She explained several options this role could provide high school students, including structured experience, independent study, career-based, build-your-own and community service opportunities. She emphasized that as the District develops competencies and personalization, this could be an important next step to support high school learners. Ms. Kane asked if this role would require teaching certification. Superintendent Forsten clarified that it would

be an unaffiliated role that would not require teaching certification; that perhaps someone with an entrepreneurial background and community connections would provide valuable experience. Ms. Kane asked if there was enough interest to support a full-time position, and Superintendent Forsten assured her that there was. Chuck Crush asked if anyone at the high school currently serves in this capacity. Superintendent Forsten explained that some Principals perform bits and pieces of the role, but that there is no one dedicated person. Tom Croteau pointed out that this role would involve a large amount of documentation and management and asked if it all would fall on this person's plate. Superintendent Forsten noted several examples of ELO coordinators within other districts that would be helpful to analyze as benchmarks to determine where various responsibilities would fall. Mr. Richards noted the vast spectrum of backgrounds, interests and specialties within the student population and asked how this person would interact with teachers and others who judge competencies. Superintendent Forsten explained that the role would involve engaging with local businesses and the local political community to provide students with career-based learning experiences that go beyond what teachers typically have the time and capacity to do. Mr. Crush asked for the proposed salary. Jack Dunn explained that it would likely be a school-year position with some extended days, with a salary of approximately \$103,000 not including benefits.

Superintendent Forsten and Mr. Dunn reviewed the Director of Communications role:

- Manage day-to-day activities related to community relations in direct support of developing the District's work in media relations and public relations programs
- Coordinate and support the District's school leadership teams, monitoring and guiding print, broadcast and emerging media
- Work to strengthen internal and external communications and stakeholder engagement for the District with a focus on developing and recommending communication strategies, to assist with developing targeted communication plans
- Craft messages to support and communicate the District's key initiatives, programs, decisions and/or events
- Maintain and enhance the public's understanding of the District's work and accomplishments
- Assist communication in the event of school emergencies, in the community or in other situations requiring immediate response with media, families and the public
- Develop and implement effective communication and marketing strategies to promote the District's programs, initiatives, operations, decisions and accomplishments, tailoring strategies to the subject matter and target audiences including families as well as business, civic, government and community organizations
- Lead efforts to generate media coverage and implement standards for reviewing and responding to media requests for information, ensuring coordination within the District's offices and schools as needed

- Provide consultation, advice and assistance to District administrators as needed to help formulate school and department communications
- Develop, coordinate and facilitate training as needed to build greater communication capacity among staff, administrators and public relations liaisons in schools and departments to effectively communicate District work and accomplishments
- Coordinate and assist with the development of communication materials including print, video, web, multi-media presentations, special events and other communication activities

Mr. Dunn explained that this need has evolved and increased over time. He has witnessed many situations where these types of tasks would be needed, emphasizing the importance of proactive messaging. Mr. Crush asked for the proposed salary, and consideration of hiring an in-District employee, or using a consulting firm.

Superintendent Forsten noted that she was aware of some seacoast-area districts that use an outside firm, but that this option involves pre-determined amounts of work or materials. The proposed salary is approximately \$103,000 including benefits.

Mr. Dunn reviewed District salaries and bargaining unit base pay changes, noting that several bargaining units are currently in negotiations for new contracts. He added that the total General Fund salary budget is \$44,600,543. Mr. Dunn reviewed the District benefits:

New Hampshire Retirement (NHRS)

- Governed by [RSA 100-A](#)
- Budget: \$6,543,438

Healthcare

- Census and budget-to-budget comparison
- Medical and Rx combined trend in NH is running 8% - 10% depending on the insurance carrier
- SchoolCare trend is 6.5% medical and Rx combined
- Cigna NH trend is 8.3% nationally (the District platform). Rx is 10.3%. Combined medical and Rx 8.7%
- The District continues year after year to run below trend. The renewal of 0% billed rates is indicative of this
- This is due to the early and total adoption of the consumer-driven health plan and its ability to control medical costs over time
- Budget: \$9,498,849

Early retirees

- Census
- Budget-to-budget comparison
- Budget: \$475,000

SchoolCare 65+

- Mr. Dunn noted that SchoolCare 65+ is forward thinking with the addition of a consumer-driven, lower-cost medical and Rx option in 2018 in addition to the traditional plans
- It will be advantageous for 65+ Concord retirees in the future, as employees will be familiar with how a CDHP plan works and may be more comfortable with adopting that plan as a lower-cost option as retirees
- 325 retirees currently enrolled (*as of March 2019 invoice*)

Mr. Dunn noted the General Fund benefits budget total of \$20,674,441, an increase of \$607,654.

Mr. Dunn reviewed New Hampshire Retirement System (NHRS) costs, noting the following changes:

Employer rates:

- Teacher rate: 17.80%
 - Increase of .44% from 17.36% to 17.80% in FY20
 - Increase from 15.67% to 17.36% in FY18
- Non-teacher rate: 11.17%
 - Decrease of .21%, from 11.38% to 11.17% in FY20
 - Increase from 11.08% to 11.38% in FY18

Budget impact:

- Teacher rate increase results in an additional \$143,806.
- Non-teacher rate decrease results in a savings of \$17,239

Employee rates:

- Increase from 5% to 7% in 2012

He emphasized that the District does not control the NHRS rates, as these are set by the state. Mr. Croteau asked who sets the rate, and why do rates change if there is a “finite ending” in sight. Mr. Dunn explained that 2039 is the finite ending, and the challenge is that rates depend on how the investment pool is performing. When actuals fall below the estimate, the difference is made up with an increase in the rates. Ms. Patterson noted that another part of the challenge is the trend of declining enrollment, which means a declining number of employees pay into NHRS. Mr. Croteau asked what percentage salaries represent of the total budget. Mr. Dunn stated that salaries and benefits make up 76% of the General Fund budget, a 2.8% increase of \$1,775,000 over last year. Mr. Croteau noted that the Board does not have much control over this large portion of the budget. Mr. Crush and Mr. Richards clarified that the salary totals include proposed positions and all administrators.

Mr. Dunn reviewed employee health insurance enrollment and budget history trends, which show a 3.5% decrease in employee rates. Mr. Croteau asked for an explanation of premium holidays. Mr. Dunn explained that the employee health plan, SchoolCare, is a risk pool, and that the District is its own pool. How the pool is run determines what the District gets back in a rebate, which then goes back to employees, resulting in a rate decrease. This benefits both the District and employees.

Mr. Dunn reviewed District early retirees, noting a declining trend with approximately 46 employees expected to take this benefit in the coming year, with even fewer expected in the year following.

Mr. Dunn reviewed the employee dental plan, noting an increase in claims and utilization since 2016.

Mr. Dunn reviewed worker's compensation, noting that the District's provider is Primex. He reviewed budget and actual numbers since 2012. Mr. Richards asked what incidents make up the majority of claims. Mr. Dunn noted that the majority are slips and falls, or bites or hits from students. Mr. Richards asked if the District has taken steps to minimize these claims. Matt Cashman explained that crampons have been provided to custodial staff, for example, to help prevent slips and falls in snow or ice.

Mr. Dunn reviewed unemployment costs, noting no change from last year, and Life and AD&D, noting a reduction based on last year's actuals.

Mr. Dunn reviewed a proposal to implement online employee benefits enrollment, explaining that the current process is paper, which is cumbersome, time-consuming and inefficient. He noted that the cost to convert to an online system would be \$43,000 annually. Larry Prince added that this would allow for better documentation and accessibility, and that the paper option would still be available for employees with technology or other limitations. Mr. Richards asked how many employees change their benefit elections or newly enroll to justify the high annual cost of an online system. Mr. Prince responded that he did not have an actual figure but that many employees do make changes to their elections or enroll for the first time as new hires. Mr. Richards asked for further justification. Mr. Dunn explained that he had similar thoughts several years ago when online enrollment was first suggested, and struggled to make the justification for the expense, but in recent years has seen the difficulties of clearly and efficiently educating employees during open enrollment, and that an online system would put information at employees' fingertips and help reduce human error. He added that approximately 8-10 employees are currently enrolled in the health insurance program who may not need to be, but that there is currently no way to govern that. Ms. Patterson and Mr. Richards asked how an online system would help in these cases and how an online versus the current paper system would save the District money. Mr. Dunn explained that the rules of the risk pool would be laid out for employees to use and access so they could easily see when they might need to make changes to their plan, using the example of a divorce, which might cause an employee to move from a family plan to a single or two-person plan. He explained that the online system might help prevent employees from missing enrollment deadlines, thus reducing the District's FICA costs. Mr. Crush asked if there is a current portal or mechanism in place that allows employees to log in and view their current benefit elections. Mr. Dunn and Mr. Prince explained that the Employee Self-Service system allows employees to view basic information from a paystub, such as how much is taken out of their pay for healthcare, but there is currently no way for someone to view their personal benefits information. Ms. Patterson suggested a demonstration to the Board might help explicate the value of

such a system to both the employee and the District. She opened the floor for additional questions from Board members.

Danielle Smith asked if, for the next Board work session, members could be provided with a breakdown of current special education positions and their responsibilities, and how these responsibilities would be changed or offloaded to the Elementary Assistant Principal roles.

Mr. Crush and Pam Wicks asked for clarification regarding classifying students as special education versus general education, and how this classification is determined, particularly with students with behavioral issues versus special education issues.

Ms. Higgins asked if the Assistant Principal roles will oversee current Bill White Associations contracted staff, and Superintendent Forsten said they would.

Mr. Crush and Ms. Patterson asked for clarification on ongoing social-emotional programming, both for the special education and general education populations, including responsibilities and budgeting.

Mr. Croteau suggested a deeper discussion of the Director of Communications role at the March 13 meeting agenda, which is currently open. He added that the Board could perhaps consider this as a part-time position, pending discussion on actual tasks and deliverables for the role. Ms. Patterson noted that the Board's goal is to post the budget on March 6 and that perhaps it would be helpful to have this conversation before that date. Superintendent Forsten suggested that March 4 might work for the discussion.

Ms. Higgins and Ms. Patterson asked that the public voice their questions or concerns by reaching out to their local Board member, as they are happy to relay these questions at meetings to obtain information and answers.

The Board voted 9-0 to adjourn (motioned by Ms. Higgins, seconded by Mr. Crush).

The meeting adjourned at 7:10 p.m.

Respectfully submitted,

Jim Richards, *Secretary*
Lauren Hynds, *Recorder*