**Present:** Nancy Houghton - Chair; Keith Weed; Bob Davis; Roger Thibodeau; Dave Richardson; Terry Spilsbury;

**Select Board:** Albert St. Pierre; John Streeter; Bill Rescsanski

**Public:** Bob Beaudry

**Absent:** Gabe Bailey; Rosie Smith-Hull

**Zoom:** Patty Chaffee: Jim Fenn – CFO FMRSD; Brett White

**Employees Present:** Sarah Davis - Secretary

Nancy Houghton called the meeting to order at 6.30 and read through the official text concerning remote meetings during Covid 19 and called a roll call of attendance.

**Approval of minutes of 8/24/29:** Motion by Roger Thibodeau to accept the minutes as presented, seconded by Dave Richardson.

**Corrections:** Nancy Houghton, p.2, para. 6, line 3 change “AIDS” to “aides”.

All in favor, motion approved.

Nancy Houghton asked Jim Fenn, CFO, FMRSD if he has any info to share, Jim Fenn responded that he is open to questions from the Committee.. Bob Davis asked about the savings which have been made during the year being offset against Covid expenses. Jim Fenn explained that due to ways of working with the budget there will be no offset, funds will be returned to the individual towns. Patty Chaffee asked if any costs had been covered with grants. Jim Fenn confirmed that FMRSD received approximately $250k from the CARES Act which has all been spent with requests for reimbursement in progress. The majority of the money was spent on cleaning solutions, air purifiers and ionizers for the HVAC systems with $60k on plexiglass dividers, also a lot of protective clothing etc for staff and the nurses.

Nancy Houghton asked about the breakdown of students doing each of the different types of schooling: 49 students are home schooling; this is typically 10 to 15 so this represents a loss of approximately $40 million in adequacy aid funding to the district. There are 1,497 registered students which is about the same as last year which means that there has been some move ins who have taken over the places of the home schooling students. Full remote schooling: 18 students K-8 doing VLACS; 73 High School students doing VLACS which is about a 50% increase; Fall Mountain’s online program: 40 students K-4 and 52 in 5 -8.

Bill Rescsanski about the NH retirement system increased rates. Jim Fenn confirmed that the increase for teachers is an 18% increase over the current year’s rate: without any raises this represents an $815k increase before pay raises, for the employee group the increase is 25.87% increase or $127k this will represent a budget increase of $945k in total for the new year.

Dave Richardson asked if FMRSD is paying for any enhanced internet for remote students, Jim Fenn confirmed that FMRSD is not paying for any but have leverage for hotspots which have been utilized for some families. Internet service is also strong in the parking lots and families can utilize this service. Dave Richardson also asked about aides, Jim Fenn confirmed that all aides that are working are being paid, there are currently around 5 to 6 positions which are open and not currently being filled.

Nancy Houghton asked about the ratio of aides to students. Jim Fenn confirmed that only intensive need students have 1 to 1 aides. Jim Fenn confirmed that there are only 50% of students in classrooms any day to facilitate social distancing. Teachers are teaching classes with 50% remote and 59% in class each day.

Dave Richardson asked about costs for the current teaching formula with video equipment etc. Jim Fenn confirmed that most of the video equipment was already owned, cameras have been purchased at less than $200 each. In excess of $300k has been spent on Covid items, the difference between the grant of $250k and the amount spent is yet to be covered. Alstead has some available funds from the CARES act and it is being verified as to whether these funds can be used, FMRSD is looking to contact all member towns to verify if any other CARES Act funds are available which could be shared with FMRSD.

Albert St Pierre asked about the State Aid and if this is still expected. Jim Fenn confirmed that the 1 time State Aid is being included in the revenue projection for the coming year and will be used as a tax offset in the fall. Albert St Pierre asked about the retirement funding increase in the audit from $2.5 million and doubling in 1 year, has this anything to do with the retirement increase previously mentioned. Jim Fenn confirmed that he believes that this has to be a factor.

Albert St Pierre asked if this year is a teacher negotiation year. Jim Fenn confirmed that this is a negotiation year: discussions have not yet started.

Nancy Houghton asked about teachers and aides not returning due to Covid. Jim Fenn confirmed that 1 teacher has retired, 1 resigned and about 6 paras who are not returning.

Albert St Pieter asked for an indication of numbers for the local school tax rate for the town of Charlestown in light of the significant protection cost of the water bond. Jim Fenn confirmed that this process has not yet started, he will keep the Select Board informed on budgetary discussions.

Nancy Houghton thanked Jim Fenn for his time.

Terry Spilsbury confirmed that increase for the current year was $900k, with the retirement issue the town of Charlestown could be seeing a similar increase. Bob Beaudry spoke about the tax rate assistance funding which will disappear in the 2022 budget and the impact that this will have.

A discussion ensued on budgets and funding in light of the increases envisaged for the school district. Albert St Pierre spoke about the FMRSD figures.

Dave Richardson asked what the town of Charlestown is going to do. Albert St Pierre confirmed that all that can be done is to raise the taxes. Bob Beaudry spoke about residents not understanding the consequences of town and school district spending on the property tax rates.

Albert St Pierre confirmed that the Select Board will be meeting with department heads on September 30th to discuss overheads and asked for guidance on the level of increases to be provided to the employees of Charlestown since the School District has not yet started their negotiations. Dave Richardson asked about School District pay increases, a consensus was reached that the rate is usually between 2 and 3 percent. John Streeter confirmed that the teachers have taken 1/4, 1/2 and 1/2 in the previous economic slowdown so it is possible that the teachers will not be looking for 3% this time.

A discussion ensued on the potentially large increase in the local school tax rate based on Jim Fenn’s responses and ensuring the town residents understand the full implications.

John Streeter spoke about the number of properties that have been sold recently in the town of Charlestown and whether people have actually understood the tax numbers.

Patty Chaffee spoke about the town buying down the tax rate for the current year using the fund balance and not knowing if this is possible in the upcoming year.

A discussion ensured on the tax rate in Charlestown versus other towns in the state of NH and the attractiveness of moving businesses out of Charlestown to save costs.

Dave Richardson spoke about the prices being paid for properties ultimately having a positive effect on the tax rate.

Nancy Houghton moved the meeting to the Water Bond. Albert St Pierre confirmed that the cost is $4.6 million for the water interconnect which is a need. He further confirmed that the town is applying for grants to cover half of the cost with the remainder funded with a bond over 20 to 30 years. If this is passed it will be another year before the project begins. Albert St Pierre spoke about the planned route of the proposed pipeline and the supply at Bull Run having the capacity to accommodate the whole of Charlestown taking into account any future potential expansion.

Terry Spilsbury asked about achieving the grants and the expected annual cost. $290k will be for the first year and decreasing thereafter. Bob Davis asked about the bond and how much is paid by the tax payers and how much by users. Patty Chaffee confirmed that this will be paid by the water users. The town is required to vote as a whole on this issue as this is a town cost.

Roger Thibodeau asked about the rate increase for the $290k, Patty Chaffee confirmed that this will be 2 cents per cubic foot.

Nancy Houghton suggested a motion to adjourn at 7.52. Albert St Pierre confirmed that he expects to have department budgets ready for the meeting in October.

Terry Spilsbury asked about the “Cemeteries” item on the agenda, Dave Richardson confirmed that this is encumbered funds. Patty Chaffee confirmed that the Select Board has implemented a freeze and this includes encumbered funds.

A discussion ensued on the School District and school funding and differing property tax rates within the state of NH.

Motion by Bob Davis to adjourn at 8.16, seconded by Dave Richardson, meeting adjourned.

Sarah Davis

Secretary