

Child Care Center at Norwich  
Board Meeting, 5 May 2008  
Minutes

In attendance: Jessica Hamblen, Deanna Denault, Carol Schoenig, Katie Willard, Neil Odell, Sarah McGinley-Smith, Marlene McDonald, Julie Stevenson, Laura Scott, and Rick Canning. Allison Colburn, John Edwards (TUCK Fellow for next year) and Sarah Taylor also attended.

Absent: Jenny Letendre, Jodi Wenger, Bristol Rayno  
Quorum? Yes

**Minutes** of the 4 February and 7 April 2008 meetings reviewed and approved.

### **Director's Report**

Recent repairs to our well, including a new pump. Pumps last approx. ten years; cost of this one, approx. \$4K. Water sample dropped off at lab for analysis.

### **Finances**

“Income bubbles”; center is riding one now, but they never last. Must budget now with that in mind—the bursting of the bubble. How much head room should we have in our budget?

Handout from Finance Committee; discussion. In recent years, center has run ahead of budget because we haven't lost as much during summer as we budgeted to lose. Discussion of line-item expenses: custodial, mortgage, etc.

Recommendation from Executive Committee: split the fee increase, so that it falls more heavily on higher-income brackets. Above a (still-to-be-determined) cut-off point the increase might be five percent; below it, three percent. Discussion of where that cutoff should be and what the increases should be. A 3/5 increase averages to a 4 percent increase overall.

Other possibilities discussed: adding a +170K income category. Currently, twenty-six at center are in the +150'; four in the 100-120 category. Also, two different cut-offs? A higher one for infants, lower for preschool.

Handout from Finance Committee: graph of tuition rates in Upper Valley. Room for us to raise our rates, especially on the higher-income side of the scale. Even a 10 percent increase would leave us below some of our competitors.

Salary increase: cost of living approx. 4 percent. Last year's raise was 2.5 percent, but the 18 percent increase in insurance (an increase absorbed by the center in January 08) is equivalent to an additional 4 percent. Discussion of our insurance plan, why it costs us

so much. The possibility of offering two plans: one essentially like what we have, with a relatively low deductible; and another, cheaper for families to join, with a relatively high deductible. The need to investigate insurance options early this year, so we're better prepared should we get another big increase in Jan. 09.

Recommendation from Executive Committee: should aim for a \$10K surplus ("head room") in budget. Motion: a 3 percent raise and 5 percent fee increase. No second.

Each board member asked to make a recommendation.

Two-part motion : 1) a 4/4 increase-raise, with the fee increase smaller at the low end of our income scale, higher at the high end, so that the average is 4 percent;) and 2) creation of new income category. No second.

Motion: 4/4 increase-raise, divided between 3 percent and 5 percent, with \$120K as the cutoff between the two rates. Second. Vote (eight ayes, two nays).