

Minutes
Nottingham Budget Committee Meeting
October 17, 2013

Members Present: Chet Batchelder, Donna Danis, Anthony Dumas, Korey Ferland, Michael Koester, Jason Marcotte, James O'Brien, Jackie Snow, Jeff Wheeler, Peter Perron – School Board

Excused Absences: Mark Carpenter

Other in Attendance: Secretary Dawn Wirkkala, Mary Bonser – BOS Representative,

Chair Batchelder called the meeting to order and introductions were completed.

Approval of Minutes

Motion: by Mr. Marcotte, second by Mr. Wheeler to approve the September 26, 2013 minutes as amended.

Vote: 9 – 0 in favor / Ms. Bonser abstained

TOWN 3RD QUARTER FINANCIAL REVIEW: Ms. Bonser presented the 3rd quarter financials and stated expenses look copacetic. The Town has not received confirmation about insurances and health care costs and the Selectmen have not decided on a COLA.

Mr. Marcotte stated he has heard insurance rates in NH are expected to increase approximately 13%. Ms. Bonser stated the town has seen that percentage in the last couple of years, but has heard about an approximate 8% for this year. Mr. Perron stated last year had a larger jump because of insurance calculation adjustments and the 8% is what he has been hearing as well.

Ms. Danis asked about the Highway expenses being over budget. It was stated there was an expensive and unexpected engine replacement for one of the trucks.

Chair Batchelder stated the legal line expenses look good and it appears the Town didn't have the anticipated issues. Ms. Bonser stated the legal issues they expected were not seen.

Discussion took place about the Town's ability to transfer funds between accounts even when an account line did not have a budgeted amount; similar to the school needing a \$1.00 account place holder. Mr. Batchelder asked if the law had changed requiring funds to be in an account. It was stated the law has changed a couple of times back and forth over the past several years. Ms. Bonser stated the Town can transfer funds where they are needed but does not have the ability to overspend the total budgeted amount, unless a special Town Meeting is held.

Mr. Wheeler asked about the Planning Board Legal line. Ms. Bonser stated it is an offsetting revenue line; costs are paid by the applicant when special engineering, surveying and/or inspections are required.

Ms. Snow asked about Conservation expense of \$34,000.00. It was explained the Conservation Commission purchased land for conservation purposes from the Conservation Commission Fund. The Land Use Change Tax funds the Conservation Commission Fund; it is a 10% tax charged when land comes out of the Current Use program,

Ms. Wirkkala distributed the MS-4 Estimated Revenues form and explained "Other Revenues" are anything not listed in a specific category.

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Ms. Bonser explained the revenues. Committee members asked if the revenues anticipated would fall in line with what was estimated in the prior cycle. Chair Batchelder asked when the Meals and Room revenue would be expected and Ms. Bonser stated she would find out the date.

SCHOOL 1st QUARTER FINANCIAL REVIEW: Mr. Perron stated handouts were not available, but provided a review of the school 1st quarter financials. Some line item transfers are already expected, the new bookkeeper started on September 30th and invoices are being entered. However, because entering information is behind the expense and encumbrance amounts are not currently accurate.

The first draft of the new 2014/2015 budget was reviewed by the School Board at their prior meeting. The School Administration put in a lot of good work and has presented a great first draft of the budget. There is an overall budget increase of 1.9%, with an expected 5% increase in insurance, planned for increases in education efforts and training, including a possible 1st phase introduction of single user tablets. A Smart Board alternative has been found, with a much lower price, and there is the commitment to put one in every classroom. New text books are included in the budget with an approximate cost of \$100,000.00. The Capital Improvement Program list was reviewed and it was decided repairs will take place on the air handlers in the attic which cause ice dam damage to the roof. The School Board is comfortable with the first draft budget submission and will include further refinement after insurance expenses are received.

Mr. Marcotte asked why there is a smaller budget increase this year in comparison to the prior year. Mr. Perron stated the biggest increase for the prior year was the insurance costs.

Mr. Perron stated there is an expectation the default budget will also be significantly lower, despite a much larger investment into improving education.

Mr. Dumas asked about building security improvements. Mr. Perron stated improvements are on track to being completed, with a cost of \$26,000.00 for the new security measures.

Chair Batchelder asked to have the Tax Rate information and Default Budget review included to a future agenda.

Chair Batchelder stated Budget Committee members attended a School Board meeting, which went very well and he is anticipating a very positive year with the new Business Administrator. Mr. Perron stated he believes the Budget Committee will be impressed with the newly hired staff, including the new Special Education Director who will also be present at the School Budget Meetings.

Capital Improvement Plan (CIP): Ms. Bonser reviewed the CIP process, indicating the process helps the school and municipality in budgetary planning for capital improvements; those items of significant importance with a life span of over three years and a starting cost of \$15,000.00. Capital Improvements includes buildings, building and equipment maintenance and/or repairs, vehicles or other large cost items. The process provides information about the possible tax impact of the items, ranking the importance of the items; however the list changes every year based on an annual review and new items being included.

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Chair Batchelder asked if the new list would be available for Budget Committee review for the budget process. Ms. Bonser and Mr. Perron stated they expected completion of the CIP review soon.

Discussion took place about some of the school items on the CIP list, including the food service equipment replacement. Mr. Perron stated some food service equipment was replaced this year, next year will include priority needs, but most changes will be shifted to the future. The School Board will review the school items on the CIP list for priority and is considering splitting up items needing repairs and/or replacement.

Ms. Danis asked about the difference between school budget year and CIP year. Mr. Perron stated the school items reference the start of the school year as the corresponding year. The School Board will review the deadlines for proposed projects, the estimated expense amounts and timelines will change. The CIP Committee includes the amount to bond, the number of repayment years and how it will affect the tax impact on a yearly basis. Ms. Bonser stated the form and how items are calculated is refined ever year; bonded items are bonded in one year but payments are distributed over many years.

Mr. O'Brien arrived at 7:45 pm.

Default Budget Information: Mr. Perron and Mr. Koester would present the information at the next meeting if time was available.

Tax Rate Comparison Information: Mr. Perron stated he would present the information at the next meeting if time was available.

OTHER BUSINESS: Chair Batchelder asked if the meeting deadline calendar had been received and Ms. Wirkkala indicated it had not yet been received.

Chair Batchelder stated there was a question regarding a non committee member receiving meeting information. The response from Town Administration was that the information is public and anyone can ask to be included in the correspondence. Chair Batchelder reminded members communication should be limited electronically; there shouldn't be what is considered an e-meeting. Members with questions or topics they want to discuss should be emailed to the secretary and they will be included on the agenda.

Chair Batchelder asked about school tuition rates for Dover High School. Mr. Perron stated the School Board received notice from the newspaper, has confirmed a rate was set, and meeting minutes documenting the decision should be coming from the school soon.

Mr. Marcotte asked if other high schools are being considered for Nottingham students. Mr. Perron stated the School Board has discussed sending out an RFP and depending on submitted proposals other high schools may be considered.

Mr. Dumas asked if protections will be incorporated in the request to prevent students having to attend a school that becomes overcrowded. Mr. Perron stated additional legal funds are being proposed for the upcoming potential changes and preparation of any contracts to protect Nottingham as much as possible. Mr. Perron stated the School Board will reach out to the Town of Barrington for information regarding the proposal process and they are also considering sending middle school students to Barrington to address the Nottingham School space issues.

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The School Board is considering any and all options and using creative solutions to solve some of the problems found at the Nottingham School.

ROUNDTABLE:

Ms. Bonser stated she has enjoyed attending and sitting in for Mr. Carpenter.

Mr. Koester asked about handouts provided during the meeting. Ms. Wirkkala stated hard copies of the meeting documents are provided to all Committee Members and any members of the attending public. However, minutes and agendas should be reviewed and/or printed by the members at home, but typically some hard copies are also available.

ADJOURNMENT: Having no further business,

8:05 PM **Motion:** by Mr. Wheeler, second by Mr. Marcotte.

Vote: 11 – 0 in favor.

Respectfully Submitted,

Dawn Wirkkala