

Minutes
Nottingham Budget Committee Meeting
June 12, 2014

Members Present: Chet Batchelder, Anthony Dumas, Michael Koester, Michael Hadik, Eugene Reed, Jackie Snow, Jeff Wheeler, Donna Danis – BOS Representative, Susan Levenson – School Board Representative

Excused Absences: Korey Ferland, Peter Perron

Other in Attendance: Secretary Dawn Wirkkala, Doug Poulin, Town Administrator Chris Sterndale, Town Bookkeeper Betsy Warrington

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

Ms. Danis introduced the new Town Administration Mr. Chris Sterndale and the new Bookkeeper Ms. Betsy Warrington. Ms. Danis stated the Selectmen are pleased to have both of them on staff and reviewed their qualifications, work experience and history.

Mr. Koester arrived at 7:15 pm.

Approval of Minutes

Motion: by Mr. Dumas, second by Ms. Danis to approve the January 15, 2014 minutes as written.

Vote: 6 in favor

Mr. Wheeler arrived at 7:20 pm.

Motion: by Ms. Danis, second by Mr. Koester to approve the January 23, 2014 minutes as amended.

Vote: 6 in favor and 1 abstained

Motion: by Ms. Danis, second by Ms. Snow to approve the February 6, 2014 minutes as written.

Vote: 5 in favor and 2 abstained

Election of Chair: Chair Batchelder stated he would be willing to accept the nomination as Chair of the Budget Committee, but encouraged other members of the committee to consider becoming chair.

Motion: Mr. Koester nominated Ms. Snow as Chair.

Ms. Snow stated while appreciating the confidence in her ability, she declines the nomination; she would like to have more experience before deciding to take on the role.

Discussion took place between the members of who might be able and willing to be the Chair.

Motion: by Ms. Danis, second by Mr. Reed to nominate Mr. Batchelder as the Chair.

Vote: 8 in favor. Mr. Batchelder did not vote.

Motion: by Ms. Danis, second by Mr. Koester to nominate Mr. Wheeler as the Vice-Chair.

Vote: 9 – 0 in favor.

Discussion took place about other boards and committees the Budget Committee members would participate with; the CIP Committee, the Default Budget group, and the new School Transportation Committee.

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Chair Batchelder reviewed the Default Budget process. The Budget Committee has approved of the current School Board method to establish the default budget in the past couple of years, and the Default Budget group might not be needed. The Budget Committee can make a final decision later during the budget cycle about whether the Default Committee is needed.

Chair Batchelder stated the School Transportation Committee will help review and plan future transportation needs for the students. Ms. Levenson stated the transportation committee had one meeting and will meet over the summer months for a possible new transportation plan. The School Board is also considering a combined transportation plan with the Town of Barrington.

Mr. Reed volunteered to be on the CIP Committee and Mr. Dumas volunteered to be Mr. Reed's backup on the CIP when needed.

Mr. Koester volunteered to be the Chair of the Default Budget group. Chair Batchelder stated other committee members can be determined later in the fall.

Ms. Snow and Mr. Wheeler volunteer to work on the School Transportation Committee.

Ms. Danis reviewed that the Selectmen recently created the Marston Property Exploratory Committee (MPEC) for the development process of the Marston property, formerly known as the Lee Farm, and asked if anyone from the Budget Committee would be interested in participating. Mr. Batchelder stated he was very excited to be included on the committee and would like to have a backup member in case he was unable to attend.

Vacant Position: Chair Batchelder reviewed the Budget Committee has a vacant position now that Ms. Danis has been elected to the Board of Selectmen. The Budget Committee received notice from Mr. Ed Gunderson and Mr. Doug Poulin expressing interest in joining the committee. Both individuals provided qualification information and the Budget Committee will need to choose a member after reviewing the information submitted. It was stated Mr. Gunderson was unable to attend the meeting because of a conflict, but he did provide additional information for the Budget Committee to review and Chair Batchelder asked Mr. Poulin to review his interest in the Budget Committee.

Mr. Poulin stated he has lived in Nottingham for three years after living many years in the Town of Lee and reviewed his work experience as the Technology Director in the Town of Newmarket and stated he has presented many budgets to the Town of Newmarket. Mr. Poulin stated there is a balance in providing required services and maintenance, while being fiscally responsible in both the short and long run. Having committees, such as the transportation group, review different areas for possible savings are a way to complete those goals.

Committee members asked Mr. Poulin questions about his experience and reviewed information about how the Nottingham Budget Committee typically operates, including the number of possible meetings needing attendance.

Discussion took place between committee members about the applicants. Chair Batchelder suggested that the method of voting for a new member would be by paper ballot. Mr. Reed objected to the use of secret ballot.

After ballot vote Mr. Poulin was elected with five votes to Mr. Gunderson's four votes.

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TOWN 1st QUARTER FINANCIAL REVIEW: Mr. Sterndale presented the high points of the first quarter expenditures of the Town. Ms. Danis requested that Mr. Sterndale also review his budget management style and proposed operations for the future.

Mr. Sterndale stated he is still learning the specifics about the Nottingham budget, spoke in general terms, and believes budget planning should consider both short and long term impact. The Town has a manageable long term debt, although there are some possible large projects needed in the near future that should be manageable; the Town has minimal large scale problems and knowledgeable department heads help to keep expenses down.

Mr. Sterndale stated the committee was presented budget information in the format used in the prior year, but would like the committee to review suggestions for possible format changes.

Mr. Sterndale stated the Bookkeeper's Salary could be a concern and the expenses might be close with the overlap of new employee training, Legal Expenses is underspent although it might change with possible upcoming legal cases, Personnel Administration for employee insurances may be close, the long winter did cause some concerns with heating most town buildings.

Ms. Danis stated the column with header "% of Change" is actually the percent remaining for the budget year.

Chair Batchelder asked about the significant expense for the Town Hall Building Maintenance. Mr. Sterndale stated he would find out the details and report back to the Budget Committee.

Mr. Sterndale stated the Police Department full time salary could become a concern early, but should balance out by the end of the year and there have been no invoices received from the new attorney who is providing prosecution services.

The Fire Department salary is currently underspent and part-time salary is high, but should balance out by the end of the year as the department continues with interviews for the vacant full time position.

Ms. Snow asked about the vaccinations the Fire Department planned to provide. Mr. Sterndale stated he would check with the Fire Chief about the timeline.

The Highway Department has already spent over 50% of their budget because of the winter and vehicle repairs. However, the Road Agent believes he will be able to keep his budget in line by reducing the amount of roads being repaired this summer, pulling funds from the Shim and Seal Coat account. Mr. Wheeler asked about road salt and Mr. Sterndale stated there is almost a full load remaining from the prior winter, but it is something that will be watched closely. Road work has started on Lincoln and Berry Roads.

The demolition bids for the Marston property demolition will be reviewed and accepted by the Selectmen at their June 16th meeting, but the expense is expected to be under budget.

Mr. Sterndale stated most revenues are expected to remain level; however, building permits are currently higher than expected.

Chair Batchelder asked to be notified of any significant reduction in State revenues and Mr. Sterndale stated the information would be provided.

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SCHOOL 3RD QUARTER FINANCIAL REVIEW:

Ms. Levenson reviewed the School third quarter revenues and expenditures.

Ms. Levenson stated the Coe-Brown differential tuition amount collected from parents is larger than what is in the spreadsheet; the last payment is due at the end of June.

Mr. Reed asked questions about the differential tuition amount that remains due and the change in policy and procedure seeking those payments. Ms. Levenson reviewed that the School Board changed the collection procedure and policy, seeing improvement in the amount being collected within an acceptable timeline. Students that are in the senior grade must pay their final bill earlier than the other grades, and if payment isn't received they are automatically transferred to Dover High School. Ms. Levenson reviewed the process for establishing high school tuition amounts and the differential payment made by parents of Coe-Brown students.

Ms. Danis and Chair Batchelder stated improvements and more consistency in the collection and payment process has been seen.

Ms. Danis asked Ms. Levenson and the School Board to reconsider having the month of December as the deadline for final payment for senior students. Ms. Levenson stated differential deadline for seniors is more difficult than for the other students because of the graduation aspect.

Ms. Levenson stated lunch sales are lower than expected and the Lunch Program is showing some shortages, prices have been raised and there will be a review about what amount can be charged. A review of outside providers has taken place, but it is the beginning of the process and it is unknown if savings will be seen. Chair Batchelder asked if the Superintendent has seen other possible ways for saving in the Lunch program. Ms. Levenson stated he has seen both outside vendors and school employees, the federal government mandates what must be given to students, and there is a balance between giving the students healthy food while keeping food waste and costs down.

Chair Batchelder reminded members that the school is on a fiscal year budget from July 1 to June 30 of the next year; the expenses and budget being reviewed were voted on in March of 2013.

Ms. Levenson stated the School Board is starting to see requests for budget adjustments and transfers between individual accounting lines; the policy has changed with a request form going to the School Board as well as the transfer shown on the budget worksheets.

Ms. Levenson reviewed the high and low points on the budget worksheets, there is an expectation of being under budget in the Special Education account, there is a shortfall in the Guidance account.

Ms. Snow asked if there was a minimum and maximum amount needed for using the Transfer Request form; the Guidance account appears to only need a transfer adjustment of \$111.35. Ms. Levenson stated the School Board is completing a review of their policies and have established an amount at either \$3,000.00 or \$5,000.00.

Ms. Levenson stated the Operation and maintenance of Plant has as expected \$30,463.70 surplus budget due to personnel changes, additional work is expected for Architect and Engineering for school security, and the Food Service Program is currently showing a \$43,952.90 surplus but changes are expected.

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Chair Batchelder stated the food services expenses appear to be under control but the revenue estimate may have been overstated. Ms. Levenson stated there is additional information about the food services revenue and expenses, from the local amounts as well as the State and Federal amounts that can be presented. Chair Batchelder asked why the Federal amounts were significantly lower than expected. Ms. Levenson stated she expected a better understanding at the next School Board meeting.

Mr. Reed asked about the Teacher contracts and participants in the negotiation process. Ms. Levenson stated the teacher contract will expire this year. The negotiating team will be Ms. Levenson, Ms. Chaurette and a hired negotiator. The School Board has already spoken with insurance brokers as a way to try and consider cost saving on the insurance side.

Mr. Koester asked about including a percent balance column. Mr. Reed asked if there were any anticipated encumbrances being expected for the 2013/2014 budget cycle. Ms. Levenson stated she has not seen a list of any pressing items from the School that might be considered for encumbrance and noting has been received from the SAU either.

Next Meeting and 2014/2015 Calendar: Chair Batchelder reviewed the process for establishing the meeting schedule for the Budget Committee and asked members to review the dates for possible conflicts with attendance and suggested changes.

General discussion took place about the date for the next meeting. It was stated the Budget Committee Member Workshop will be held September 18th in Manchester and September 24th in Bartlett and more information will be provided as it becomes available.

The decision was made to meet on Thursday, September 4th at 7:00 pm.

Chair Batchelder asked members to submit any specific agenda requests any time before the next meeting.

OTHER BUSINESS: There was no other business.

ROUNDTABLE:

Ms. Danis welcomed the new members and thanked them for volunteering and Mr. Batchelder for becoming Chair again.

Ms. Levenson stated Mr. Perron would be the regular School Board representative and asked to be included on the email list distributing Budget Committee information. The School Board did hire a Curriculum Director with great education qualifications and the School Board expects to start to receive great results from all the schools regarding student education.

Mr. Koester welcomed the new members and was happy to have new insights about the budget process.

Chair Batchelder referenced the received school Technology Plan and Ms. Danis asked to have a review of the plan on a future agenda.

Ms. Snow welcomed the new members.

Mr. Dumas welcomed the new members.

Mr. Hadik thanked the other members for making him welcome.

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Mr. Poulin thanked the other members for making him welcome and that he looks forward to participating on the committee.

Ms. Danis thanked Mr. Sterndale and Ms. Warrington for attending.

Ms. Levenson asked Chair Batchelder to participate in the transportation committee and he responded he would be willing to help.

ADJOURNMENT: Having no further business,

9:16 PM **Motion:** by Mr. Dumas, second by Mr. Koester.

Vote: 9 – 0 in favor.

Respectfully Submitted,

Dawn Wirkkala