

Minutes
Nottingham Budget Committee Meeting
November 6, 2014

Members Present: Chet Batchelder, Korey Ferland, Miska Hadik, Michael Koester, Doug Poulin, Gene Reed, Jackie Snow, Jeff Wheeler, Donna Danis – BOS Representative, Peter Perron – School Board Representative

Excused Absences: Anthony Dumas

Other in Attendance: Secretary Dawn Wirkkala, Principal Chris Sousa, SAU Special Education Director Scott Reuning, School Board Chair Susan Levenson

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

Approval of Minutes

Motion: by Ms. Danis, second by Ms. Snow to approve the October 16, 2014 minutes as amended.

Vote: 6 in favor and 3 abstained

SCHOOL 1st DRAFT 2015/2016 BUDGET:

Chair Batchelder thanked the School Board, School and SAU participants for attending and putting together the draft budget.

Mr. Perron thanked Mr. Sousa for putting the budget information together for the committee and stated there was an attempt to be proactive to try and answer many of the questions that have come year after year within the narrative of the current budget. The first draft of the default budget is also being provided, but the most recent changes may not be included.

Mr. Sousa and Mr. Reuning reviewed areas of school 2015/2016 Elementary and High School budget.

Teacher Salaries amount includes contracted step/track increases for 34 staff members, 2 retirements, and staffing for the summer program; based on the current contract. Mr. Perron stated new amounts will be included as the School Board completes negotiations with the Teachers on the new contract.

Mr. Sousa stated he has requested new Lunch Room and Recess Monitor employees. These new part time positions will free up an approximate total 32 work hours for all the certified teachers, that are currently monitoring lunch and recess. The new hires will return the trained teachers back to their classrooms and assisting students, making it worth the additional \$13,500.00.

Questions were asked about the current teacher contract including lunch and recess coverage, if teachers would be required to complete teaching activities versus having free time, and if this type of change is a trend being seen in other schools.

Ms. Levenson stated the current teacher contract requires teachers to cover two lunches per week. Mr. Sousa stated teachers would be required to complete work duties, providing additional time for students that need more time, despite it only being a 30 minutes block, and it wasn't a trend. Nottingham provides additional services under the NH Response to Intervention (RTI) program and they can provide additional assistance with understanding the new common core programs.

Mr. Hadik asked about the substitute salary increase and health insurance expenses. Mr. Reuning stated the amount is based on a six year average of funds for substitute teachers. It was stated

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Health Insurance premiums increased, on average 12.2%, but the amount actually varies depending on the type of plan and coverage provided.

Mr. Reed asked if the employee health insurance contribution was consistent for all school employees. Mr. Perron stated they are different policies and coverage, based on each the contracts, and different employees have different levels of contribution.

Mr. Sousa reviewed the Substitute Coordinator Stipend, stating it is payment for the extra duties required to coordinate and schedule the substitute teachers when the regular teachers need coverage.

Mr. Reed asked about the Workers Compensation increase and Mr. Reuning stated he would need to get back to the committee with an answer.

It was stated tuition amounts for Dover & Other Public School and Coe-Brown was calculated using the current rates, multiplied by the current number of 8th grade students. A projection was made that there will be a higher number of students attending Dover High School as the differential amount being paid to Coe-Brown keep increasing.

Chair Batchelder requested the School Board and SAU to try and tighten up the amount budgeted for tuition based on prior years tuition amounts being significantly higher than the final expenses.

Discussion took place about text book purchasing, the transition from actual books to on-line resources to the same material and how it may affect the future purchasing plan. The School Board completed a large text book purchase, by warrant article in 2014, to bring text books back into compliance. Text books will be reviewed on an annual basis, completing a more thorough review every five years. Enough books were purchased to provide each student with a book when they are in the classroom and the on-line resources supplement the book and/or provide additional content. On-line textbooks are upgraded more frequently than the actual books, providing faster updates of the information.

Mr. Reuning reviewed there is a significant increase in the amount for the Special Education Coordinator, a position that is shared with Northwood. In the past the position expenses were included in the SAU budget, but the new method splits those expenses 50/50 with Northwood and they includes all the costs associated with the employee, including insurances and taxes.

The Special Ed Paraprofessional amount has decreased, but it is a continuation of changes in how information is presented, and shifts the expenses into a different account line in the budget.

The school no longer has an in-house Teacher of the Deaf position; it is now a contracted position for a student at Dover High School.

Mr. Reuning explained Special Education Other Public High schools includes five Paraprofessional staff members assigned to students attending Dover High School and although this appears to be a new expense, it is a continuation of accounting changes and has been separated out from a prior grouped expense.

Mr. Perron reviewed the School Board has requested the SAU to list budget and expenditure amounts for the High School and Elementary School separately, but they are in the middle of that process. This change will, essentially, create two separate budgets, one for the elementary school and another for the high schools, for the ability to determine the actual costs. Some of the accounts have already been separated, but the change has not been completed. At this time any accounts that

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have been changed will be identified by the account name that will include “Elementary” or “High School.” Chair Batchelder stated the change means a loss of history for the expenses, and others agreed.

Ms. Danis asked about the extended School Year Program. Mr. Reuning stated the program was evaluated when Strafford separated from the group program, and each school now has its own. The separation has helped to reduce stress related issues created by moving kids out of familiar places, by keeping them in an environment they are familiar with. The budgeted amount also includes an additional \$3000.00 to assist a student needing additional off site assistance.

Mr. Reuning stated the amount for Preschools has not been received and reviewed the process and requirements for Preschools. The amount pays for regular pre-school education as well as all the additionally required testing for pre-school aged children.

Special Education Tuition for Coe-Brown has increased with the proposed increase in tuition and there are an estimated eight students needing additional assistance.

Chair Batchelder requested more details about the differences in health insurances increases between regular teachers and special education teachers. Ms. Levenson stated the overall health insurance expense is only an average of 12.2% increase, but it may not include the actual amount of change per each teacher plan – single/two person/family type plan. The School Board is also concerned about additional taxes that might be coming for health insurance, such as the “Cadillac Tax.”

Mr. Reuning stated there is an increase in Special Education Testing Supplies because of required academic testing that takes place on a three-year basis and changes in testing protocol and Replacement of Furniture includes purchasing new kidney shaped tables for elementary school classrooms.

Special Education Tuition Non-public Elementary indicates a large decrease, but it is based on the separation of expenses from the elementary school and high schools. Reviewing the total actual Special Education expense amount indicates a total overall decrease of 6%.

Mr. Reuning explained the Medicaid reimbursement program changes, explaining it is more cost effective to hire a processing company. The management company can now handle the complicated process and their payment is a charge of 9.25% based on what the school receives for reimbursement. Mr. Reuning explained the expense was previously included in another account, and it is now identified correctly.

The decision was made to purchase needed replacements for the track and baseball/softball uniforms, sports equipment, and an extra expense to hire an umpire with the new Volleyball team.

Chair Batchelder asked that the 504 System receive further explanation in the Guidance Supplies account.

Mr. Reed asked why the Nurses Salary did not include an increase. It was stated the nurse deferred her retirement from the 2014/2015 school year to the 2015/2016 school year; causing less of an expense in 2014/2015.

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Mr. Reuning reviewed the process for providing Special Contracted Outside Evaluations; parents can request an outside evaluation if they disagree with any of recommended assistance during students Individual Education Plan (IEP) review.

The Strafford Learning Center (SLC) Membership provides the schools with services that would cost them significantly more if they had to provide them on their own, ultimately saving the school money.

OT = Occupational Therapy and PT = Physical Therapy required for student IEP's.

Speech Salary has been reduced because of a new hire has taken place for the position, with a lower starting salary.

Chair Batchelder asked about the amount budgeted for In-Service Training, and while it has been reduced, is it a realistic expectation based on expenditures in prior years. Mr. Reuning and Ms. Levenson stated they have the expectation that more funds will be used for training, explaining some of the reasons why it wasn't used in the past. Ms. Levenson stated the new Curriculum Director will also be scheduling training for new programs as they are introduced.

Mr. Reed asked how future retirement expenses are budgeted. It was explained retirement expenses are budgeted for and contributions made during the years when teachers are employed; the school has no additional retirement expenses once the teacher has retired. Retirement expenses are handled by the NH Retirement System.

Computer Assisted Instruction has a large budget increase. Educational on-line subscriptions with the change to the Common Core program are included, as well as teacher technology training, and \$45,157.00 has been added for New Equipment to move the new Technology plan forward for phase two. As the school moves forward with the 1 to 1 technology plan, the room currently being used as the Computer Lab will become a regular student class room. Mr. Perron stated while it does look like a 55% increase, the prior year purchase was within a warrant article and not part of the budget.

Mr. Poulin asked about the zeroing of the Replacement of Tech Equipment and general discussion took place about insurance coverage and how unintentional/accidental breakage of technology equipment would be addressed. It was stated accidental breakage wasn't something the school had considered in their planning, but would have the conversation.

Mr. Hadik left the meeting at 8:38 pm

Ms. Levenson reviewed the School Board services expenses, stating the additional steps for GASB45 reporting is being completed.

Chair Batchelder asked about legal expense proposed for Contracted Services – Attorney and Negotiator. Historical expenses are typically not as high as what is budgeted for and asked if the school will be completing any contract negotiations in the 2015/2016 school year. Ms. Levenson stated the School Board is using legal help with the current contract negotiations, use them fairly consistently and expect that there are some issues that will continue forward from the current year. Mr. Reuning stated the amount also includes legal expenses for the Special Education Director.

The SAU expenses have not yet been included in the budget.

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Mr. Reuning reviewed that the Principal's Office account includes the Salary Pool for all non-contracted employees, including school Administration, Curriculum Director, Tech Director, Maintenance Director, Office Secretaries and Cafeteria Director. The information and amount needs some further clarification and continues to be discussed.

Chair Batchelder asked if the proposed staff salary amounts included a 3% increase, in addition to the salary pool for raises. Mr. Perron explained there is an issue with the accounting system and how it is applying and calculating for the 3% increases and it should be corrected. Mr. Reed asked about the raise amount for non-contractual employees. Mr. Reuning stated it hasn't been totally accounted for, but using the Salary Pool allows administration to apply the percentage of raises based on performance evaluations of the employees. Ms. Danis stated the Town is changing to this type of raise change as well.

Chair Batchelder asked if the Principal and Assistant Principal have plans to attend Workshops and UNH Courses; as historically the funds haven't been spent. Mr. Sousa stated he did have courses he planned to attend.

Mr. Reuning stated \$1 has been budgeted for the bookkeeper just in case it was needed.

Mr. Sousa stated Rubbish Removal now includes a fuel surcharge that was not included before. Lawn Care was put out to bid without any responses and contact was made to local companies, which has produced some very competitive amounts. Maintenance Contracted Services includes general building and building system maintenance.

Chair Batchelder asked about the amount budgeted for maintenance services, given the open discussion regarding the development proposed at the Marston Property for fields. Ms. Danis stated the School Board and Selectmen met on November 3rd and discussed the subject of field location. The decision was made to have the Selectmen seek funding for an engineering company to review both the School and Marston property to determine which will be the better location for the fields. The Selectmen will put forward a warrant article requesting funds for the review and recommendation for what is being sought.

Mr. Reed asked if the school has completed an energy audit and the answer was yes, upgrades to lighting were completed. Mr. Koester asked about Electricity expenses, as he is hearing a possible 30% increase. Ms. Danis stated she has also heard the same thing. Mr. Perron stated he has not heard the same information and further review of the amount could take place.

Ms. Levenson stated transportation has not increased as a new contract will be coming. Transportation proposals are currently being requested and they will be reviewed by the Transportation Committee.

Ms. Danis asked about the Site Improvement – New Equipment account and asked if it is the correct time to request funding, given the current action of the Selectmen and School Board to seek a location study. Mr. Sousa stated the current playground equipment is very out of date, many pieces can not be used and is proposing updated over the next two years. The decision was made, to assist the current fundraising efforts taking place and to put aside some money to improve the area, as the playground is important for the students. Ms. Levenson stated it was added to the budget before the meeting with the Selectmen and it is still under discussion.

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Ms. Danis stated she is concerned the request will present an inconsistent proposal; to propose one plan and then also another to put aside funds for other site improvements.

Mr. Perron presented a new proposal for a capital reserve fund to be used for site improvements at a yet to be determined location, stating he has not discussed this suggestion with the entire School Board yet. Chair Batchelder stated if there is a lot of the playground equipment that is outdated to use, it should be repaired. Ms. Levenson stated repairs to the equipment are needed, but a change of locations has yet to be determined.

General discussion took place about the Marston Property development and determining a location for the ball fields. It was stated it is important to determining which location is best, for both the Town and School because it doesn't make sense to build field where they aren't convenient to use.

Mr. Sousa stated Repairs to Equipment for Food Services is level funded; necessary kitchen equipment has been replaced with the 2014 warrant article and included a new steamer.

Mr. Koester asked about the prior discussion about outsourcing food service. Ms. Levenson stated the School Board has two proposals they are reviewing but the current facility will still need a kitchen. Mr. Reuning stated if food service is outsourced they will still need a kitchen, equipment and will use much of the existing staff; they contract for needed food supplies and provide the oversight and planning.

Ms. Danis asked about the new breakfast guidelines. Chair Batchelder asked about the over budgeting from the prior year and a further review of the 2015/2016 budgeted amount. It was stated the new guidelines would be provided and more information regarding the over budgeting will be provided.

Ms. Levenson stated the budget does not include a possible new hire for an alternative language teacher. The School Board is discussing the introduction of a new alternative language program either this year or next, and will estimate totals for all applicable employee expenses, books and supplies for a new class subject.

Chair Batchelder thanked the SAU and School Board for providing a positive first draft and stated the second draft of the school budget will be presented on December 4th. Chair Batchelder requested that questions from Budget Committee members be brought to the next Budget Committee meeting and they will be distributed as one list for the School Board.

SCHOOL/TOWN GENERAL UPDATES:

Ms. Danis stated reviewed the Community Profile information from NH Employment Security was emailed and a hard copy handed out. However the handout excluded information that the website provided and it was worth reviewing.

Mr. Perron stated this is the smoothest first draft of the school budget he has seen. Chair Batchelder agreed with Mr. Perron.

SUB-COMMITTEE UPDATES:

CIP: Mr. Reed stated the committee is reviewing and updating the CIP information, and new information about a ladder truck for the Fire Department has been received. Mr. Reed asked when

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the School Board would provide the information for the school. Mr. Perron stated the final draft should be completed soon.

Transportation: Ms. Snow requested clarification on the tasks and duties of the Transportation Committee. The committee believed they were responsible for drafting the Transportation Request for Proposal, and only received notice that one was sent by reading it in the newspaper.

Mr. Perron stated he would seek clarification and the submitted proposal would go to the committee for review.

OTHER BUSINESS:

Chair Batchelder reviewed the meeting schedule.

Ms. Danis stated she is unable to attend the next meeting, but the other two Selectmen and Mr. Sterndale will substitute for her in the presentation of the first draft Town budget.

ROUNDTABLE:

Mr. Perron thanked the committee for their time during the first review.

ACTION ITEMS:

School:

1. Provide more details on the reason for a Workers Compensation Increase in account 01-1100-5260-000.
2. Provide more details on Health Insurance increases – average is 12.2% but Special Education Health Insurances has a 19% increase.
3. Provide more details to explain the 504 System in the Guidance Supplies account notes/narrative.
4. What are the new breakfast guidelines in the Food and Milk account?
5. Provide details about the over budgeting of the Food Service Program for the 2013/2014 school year.

ADJOURNMENT: Having no further business,

9:35 PM **Motion:** by Mr. Poulin, second by Ms. Danis.

Vote: 9 – 0 in favor.

Respectfully Submitted,

Dawn Wirkkala