

Minutes
Nottingham Budget Committee Meeting
September 10, 2015

Present: Anthony Dumas, Jackie Snow, Jeff Wheeler, Miska Hadik, Michael Koester, Gene Reed, Jennifer Biron, Dawn Fernald, Carrie Lee, Susan Levenson – School Board Rep

Excused Absences: Mark Carpenter – BOS Rep,

Other in Attendance: Secretary Dawn Calley-Murdough, Town Administrator Chris Sterndale, Mary Bonser

Mr. Wheeler called the meeting to order and introductions were completed.

Approval of Minutes

Motion: by Ms. Snow, second by Mr. Reed to approve the August 6, 2015 minutes as amended.

Vote: 8 – 0 in favor. 1 abstained.

2014/2015 4th QUARTER SCHOOL BUDGET REVIEW: Ms. Levenson reviewed that the handouts for the 2014/2015 year end financials were distributed at the prior meeting and updated the committee on the most recent changes.

The auditors have been in the office and completing the field work; additional work is needed and some adjusted entries have been requested. The final results of all the changes will be presented at a future meeting.

Ms. Levenson answered the prior meeting question regarding the sources of Unanticipated Revenues, which totaled \$157,219.39. The breakdown was \$74,377.50 from the LGC/NHMA Refund, \$30.00 Nottingham Recount, \$200.00 from the sale of two doors, \$82,431.33 from Preschool Surplus, \$17.60 from Great American Fundraising, \$50.00 Returned Check Fee, \$107.25 from the sale of old textbooks, \$5.61 from the US Treasury and \$0.10 misc.

Ms. Levenson answered the prior meeting question about the number of non-Nottingham residents attending Nottingham Schools – which is none.

The Preschool Surplus is held by the SAU and the Joint School Board makes the decision on how those funds are distributed. The Secretary asked for a copy of the handout and Ms. Levenson agreed.

Ms. Levenson answered the prior meeting question about 2014/2015 encumbrances. There are currently two listed, one for \$2,394.92 for GKS Service Company and Kerry McMann to provide service building services and \$2300.00 for an annual report for the 2014/2015 time period. A review of the process for encumbrances took place. Encumbrances are contracted services for a specific year that has payment made after that year end, and these funds are held over into the next year for official payment.

Ms. Bonser asked about the School Board approved decision to approve a Memorandum of Understanding for Coe-Brown High school and is there a plan to address the anticipated expense? Chair Wheeler stated the cost will need to be determined during the budget process. Ms. Levenson stated she disagreed with the estimate Ms. Bonser stated and would be willing to provide those estimates regarding tuition when more information is available and projections have been reviewed.

Minutes
Nottingham Budget Committee Meeting
September 10, 2015

2015 TOWN EIGHTH MONTH BUDGET REVIEW: Mr. Sterndale stated the Committee is reviewing more than the 2nd quarter budget and revenue information, they have amounts through the end of August, or 2/3 of the total year.

Mr. Sterndale stated there is good news regarding Town Revenues, which are at a higher amount than anticipated. This is due, in part to a higher number of vehicle registrations, sale of town tax deeded property with repayment of back taxes and interest, an unanticipated FEMA flood reimbursement from the 2010 flood repairs, a higher amount from the Cable Franchise Fee account based on the 2015 Town Meeting decision to cap the fund at \$30,000.00, and building permits are higher than anticipated as well. Mr. Sterndale reported the unanticipated funds can not be spent, as the Town does not have the authority to do so and are returned to the general fund.

Ms. Snow asked about the sale of other town owned property. Mr. Sterndale stated five small properties were listed for sale by sealed bids - one property has been sold, but the others are still a work in progress.

Chair Wheeler asked about funds from the Highway Block Grant. Mr. Sterndale reported the amount is based on the State of NH budget and per the NH DRA the amounts should remain frozen despite potential legislative changes and increases in state taxes.

Mr. Sterndale reviewed expenses are within applicable ranges for this time of year, including for salaries as all departments are currently fully staffed and are spending what was expected for salaries, insurances and taxes.

Utilities and building heating accounts may be slightly overspent, depending on the weather situation during November and December, but the lower cost for vehicle fuel is helping to offset that amount.

All road construction/reconstruction and paving has been completed. All new department vehicles are already in services or will be soon. The Police Department cruiser is almost ready and Fire Department truck is being used. The new Highway Dump Truck should be put into service very soon; the old truck and sander were sold separately for the approximate amount of \$5,000.00. Plowing related expenses for the remaining part of the year will depend on the weather. The town was pleasantly surprised about falling within reasonable expense amounts for plowing during the early part of the year.

Additional smaller projects will start soon (front door replacement, electrical work). All PC and computer related work is completed or close to completion and within budgeted amounts.

Other accounts that might be noticed are the Assessing Valuation Update amount which will be offset from the incoming CRF transfer now that the revaluation is complete. Additional Legal Services are expected before the end of the year, but should come in under budget. The Town recently switched carriers for Property Liability and Workers Compensation Insurances to Primex from the previous primary state carrier of LGC and the payment has been made in full.

Ms. Snow asked about the merit compensation and how the process was working. Mr. Sterndale reported the individual raise amounts will not be distributed from that line, but will be shifted to each individual staff member based on the amount of their merit salary increase. Mr. Sterndale reported the process appears to be well received; evaluations will now include goal setting in addition to completion of regular job duties for next year.

Minutes
Nottingham Budget Committee Meeting
September 10, 2015

Ms. Biron asked about the negative amount in account 01-4711-20.985, DS Fire Station Principal. Mr. Sterndale reported it is an extra principal loan payment, which is offset from collected Impact Fees. Mr. Reed asked about the Impact Fee process. It was stated the fees come from new building construction, a portion of which can be used by the Town and the other portion by the school for specific projects as determined by law. Ms. Bonser replied the current process will have their required process review soon in compliance with existing rules via the Planning Board processes. The Treasurer is responsible for monitoring the collected fees and will process requests for release for approved expenditures.

Mr. Hadik asked about the low expenses in account #01-4194.10-204 CC Bldg Maintenance. Mr. Sterndale reported the majority of those funds are earmarked for the archives project and repair of the electrical wiring for the town well pump that unexpectedly failed this spring; regular and fire proof file cabinets will be ordered soon and electrical work should start soon to finalize repairs to the well pump issue.

Mr. Reed asked if the RFP for the Marston property was in the budget. Mr. Sterndale reported the funds will come from the Recreation Revolving account; the Marston committee is searching for someone to provide assistance with the necessary planning phase in order to move the project forward.

Ms. Biron asked about account #01-4220.10-015 Fire/Rescue Stipend. Mr. Sterndale reported it is to pay the on-call fire fighters for the work they completed during the year and is typically distributed near November.

Ms. Bonser asked the Budget Committee to keep the economic needs of the rising population of elderly under consideration as they establish both town and school budgets; it is important to try and help keep elderly individuals in their homes. The State of NH has nursing homes at full capacity, with no plans to build new homes; further shifting expenses to care for the elderly back to the municipality. Mr. Wheeler stated it is important for committee members to keep in mind the needs for all town populations, for both the town and school. Much work has taken place to try and reduce the tax impact on everyone while providing necessary services.

Ms. Bonser stated the Selectmen will also start work on the CIP report for town needs. Mr. Reed stated he asked for a student enrollment projection for the CIP process. Ms. Levenson stated the School Board create their own CIP plan and they will share their results to the Town CIP committee when complete and do not expect the Selectmen or CIP Committee to complete work for the school. It was stated the duties of the Budget Committee CIP Representative is to report back to the committee about upcoming and proposed project to help assist and provide additional information for budget planning. Mr. Reed stated he is concerned that late submissions of information and data from any entity can cause timing issues that allow Budget Committee members to review the information, having time to make well informed budget decisions.

SCHOOL/TOWN GENERAL UPDATE S:

Ms. Levenson stated the School Board will start work on reviewing Impact Fees, working on the CIP, review the NH Department of Education and forms needing submission to the DRA for the tax rate setting at their next meeting.

The School Board reviewed concern from parents with current 8th grade students and the process of choosing a high school for them to attend. It became clear to the School Board that there isn't a

Minutes
Nottingham Budget Committee Meeting
September 10, 2015

transition process, with the current Coe-Brown Memorandum of Understanding expiring in June 2016. After attorney review and public work session, the School Board decided to extend the Memorandum of Understanding with Coe-Brown to June 2017, as the board seeks to get approval of a regular contract. General discussion took place about the number of students at each high school they could attend.

Ms. Levenson reviewed the classroom and school changes that have taken place to make sure there is enough space for the current number of students, which included modification of existing rooms and movement of staff and classrooms, where student/staff services could be provided, and where school supplies are located to create more rooms for students and classrooms. These changes have created a true elementary K-4th grade on the 1st floor and a middle school environment on the 2nd floor.

Ms. Fernald asked about the school use of the school impact fees. Ms. Levenson stated it will be on a future agenda of the School Board to review and determine where those funds could be used.

Mr. Dumas asked if the new security improvements have been implemented at the school. Ms. Levenson stated the improvements were made and additional grant funding being sought to implement which will get the word out to all local first responders will come from any town that might be closest to provide a faster response during an emergency situation.

Ms. Fernald asked about additional grant writing. Ms. Levenson stated the SAU has a grant administrator but not an individual grant writer and it is something that is being reviewed to find someone who can provide specific assistance in to complete more grants.

SUB-COMMITTEE UPDATES:

Marston: Mr. Hadik reviewed the committee worked with the Town Administrator to write an RFP, which has been distributed to help determine a building and financial plan for budgeting purposes. The committee can not move forward without having some type of development plans.

Nottingham has a lot of willing volunteers and community involvement will be sought to help with the labor/construction and/or building materials, reducing the amount of money that would need to be raised by property taxes.

Transportation: Ms. Snow reported the committee has met with the School Board twice and made some recommendations about ways to try and consolidate some of the routes with a couple of available options. Sadly there wasn't enough time to notify parents of the changes, but review of the rider counts and discussion with parents will continue over the next few months for a possible change mid-year. Additional reviews will help determine if another company might be able to provide separate bussing services that differ from the normal schedules. Information has also been received that one of the Coe Brown buses is possibly over capacity, which will be reviewed at the next meeting.

Ms. Snow answered a question from the prior meeting that the cameras installed on the busses include three separate video cameras – one facing the students, one watching the driver, and the third facing out over the front of the bus/road.

Ms. Levenson stated according to school transportation laws high school transportation is not required, although most towns do provide it, even though it isn't required. However, because the

Minutes
Nottingham Budget Committee Meeting
September 10, 2015

school does provide high school transportation it may be subject to the legal transportation limitations based on the law, such as required walking distance to a bus stop. The question has been asked and an answer should be received soon.

Budget Committee members thanked Ms. Snow for the hard work being completed by the transportation sub-committee.

CIP: Mr. Reed stated the committee will meet on Monday, September 14th for their first meeting.

FINALIZE MEETING 2015/2016 CALENDAR: Mr. Wheeler reviewed the calendar stating the dates can be moved based on possible snow dates. There are opening for the required hearings, which have yet to be determined.

Discussion took place about the Town Department Head meetings and of the dates available the committee determined which they would prefer. The calendar would be updated and posted with the chosen dates. More detailed agendas would be posted for each meeting closer to the date of the meeting.

OTHER BUSINESS:

Mr. Reed asked about the purpose of the committee reviewing the town expenses. Mr. Wheeler stated it is to review that existing revenues and expenses fall within applicable timelines to help determine if what was budgeted for expenses and estimated for revenues is what is being used. It can also help determine if too much or not enough was budgeted in certain accounts. It also helps to let citizens know how the town and school budgets are doing. Additional answers indicated it does help to analyze the data, help the committee plan for the next year's budget, and it allows the committee to make decisions about adding more funds or removing funds from accounts that don't appear to be correctly funded.

Mr. Koester asked the committee members if they thought it would be appropriate to give the chair authority to appoint pro-temp individuals to be members of other sub-committees, when it was needed.

Discussion took place about the suggestion and committee members supported the idea, and support was offered as long as it was on a temporary basis and a full committee vote could take place at the next meeting.

Motion: by Mr. Koester, second by Ms. Levenson to authorize the Budget Committee Chair to complete pro-tem appointments of committee members to sub-committees to be ratified or rescinded at the next formal meeting.

Vote: 9 in favor – 1 abstained.

ROUNDTABLE: Ms. Lee felt the committee accomplished a lot during the meeting.

Ms. Levenson clarified the CIP is for the benefit of the Budget Committee, and is very valued. The School Board will present a quality complete report from the school despite the expressed concern.

Mr. Wheeler thanked everyone for their input and felt it was a good meeting.

Mr. Reed stated he wasn't concerned; it was just a surprise to know the school wasn't going to participate but will look forward to getting the information.

Minutes
Nottingham Budget Committee Meeting
September 10, 2015

Ms. Fernald thanked Ms. Levenson for the hard work completed by the School Board in making the school space more efficient and the school safer.

Mr. Koester thanked the chair for running a great meeting.

Mr. Hadik thanked Ms. Snow for heading the Transportation sub-committee.

ADJOURNMENT: Having no further business,

8:27 PM Motion: by Mr. Hadik, second by Mr. Dumas.

Vote: 10 – 0 in favor.

Respectfully Submitted,

Dawn Wirkkala