

**Minutes**  
**Nottingham Budget Committee Meeting**  
**December 14, 2017**

**Members Present:** Jennifer Biron, Miska Hadik, Michael Koester, Carrie Lee, Karyl Martin, Erin Maskwa, Les Thompson, Peter White,

**Excused Absences:** Anthony Dumas, Sue Levenson

**Other in Attendance:** Secretary Dawn Calley-Murdough, Scott Reuning, Jackie Snow, Marjorie Whitmore, Robert Gadomski, Chris Sousa, Jude Chauvette

Chair Hadik called the meeting to order and introductions were completed. Chair Hadik reported Sue Levenson would not be attending the meeting tonight and that Suzanne Edin has resigned from the committee and existing members should let interested parties know. The vacancy would also be posted on the town website.

**School 2<sup>nd</sup> Draft 2018/2019 Budget:** Ms. Snow introduced Mr. Jude Chauvette, Curriculum Director, who is attending to provide answers to committee questions about the budget. The board is in a position to present a default budget that is higher than usual because of higher contractual obligations, leaving the board with little headroom for strategic investments or discretionary spending. There are some areas throughout the budget that the board must fund, such as High School Tuition, which has increased because of a higher tuition amount, as well as a greater number of students choosing to attend Coe-Brown versus Dover. The new transportation bids have also been received and the bid amounts are higher than the 3% originally anticipated.

Dr. Gadomski reviewed the changes to the budget between the 1<sup>st</sup> draft and 2<sup>nd</sup> draft of the budget, and reviewed the handouts, which included the proposed budget, default budget, SAU and Preschool budgets.

Dr. Gadomski stated the Teacher Salaries account was reduced from the 1<sup>st</sup> draft proposal with the removal of the math specialist and world language, which include all the applicable reductions to taxes, insurance, and retirement expenses. It also includes changes to the textbook and supplies accounts for those items needed for a world language class.

Mr. Sousa answered questions regarding the options available for parents and students who don't want to attend full day kindergarten, which includes an option to attend only a ½ day during the first year of the program. If parents choose the ½ day option, they will be required to provide their own mid-day transportation.

Mr. Chauvette reviewed the benefits of a full day kindergarten program, which includes critical social development for children, and a lot more hands on activities in the curriculum. This change should mean an easier transition for students moving into the 1<sup>st</sup> grade and an experience that is less rushed from the ½ day experience.

Mr. Koester asked about continuity for those parents who choose the ½ day schedule. Mr. Sousa stated it will be a challenge and the school and teachers will do their best for those students that only attend the ½ day. Effort will be made to try to get parents to participate and assist for what might be missed. However, there is the expectation that parents will quickly see that information is being missed, and will see the benefits of attending the full day program once school starts.

Ms. Martin asked about the para-professional positions. Mr. Sousa reported they are two new para-profession positions; there are currently no dedicated para-professionals for the ½ day

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programs. Mr. Chauvette stated Nottingham is the only district he knows of that didn't have a para-professional in their kindergarten classes.

Dr. Gadomski reported a lot of work took place to reduce accounts throughout the budget for any and all possible savings.

Mr. Reuning spoke to the pre-school program and how the amount for each school in the district was determined. In order to prevent significant annual increases and decreases, a three year average of the student count for each district is used to determine the annual percentage of costs. This has been determined to be a better formula as student count can fluctuate from the beginning of school to the end of the year, as students can attend when they turn age 3. Nottingham currently has a total of 13 typical and 14 special education students, with one additional student starting in January; the total pre-school count is 27 special education students and 40 typical students.

Mr. Reuning reviewed how he calculates expenses for elementary/middle school special education, stating it is a review of current student need in conjunction with exiting 8<sup>th</sup> grade students, as well as an educated guess for what might come. However, that amount can change at any time with any new students moving into the district that might need services.

Dr. Gadomski reported the Co-Curricular account increased with the addition of a very successful computer club. There is also additional details provided for the Athletic Stipends provided to staff who coach sports.

Guidance Enrichment was further reduced, and the school will seek to find available grant funds to support guidance programs.

Mr. Reuning reviewed the Contracted Service Position for Occupational and Physical therapies, stating these are difficult positions to fill, and a school does not always need a full time position for those services, or even have need for that position every year. The contracted person is hired through the SAU for OT and PT needs and shared with all districts, based on student need in any given year. It is easier to fill this need with qualified staff by offering an individual a full time position with benefits and contracting that person out to each school. There is a significant price difference between hiring one individual and sharing the cost with each school based on need, versus utilizing more expensive services from the Strafford Learning Center and paying an additional transportation fee.

Mr. Reuning also reviewed the requirement to provide ESL services, which are provided by the Strafford Learning Center. Incoming students are screened to determine how much assistance is needed; the state of NH determines the level of need based on screening results.

Ms. Lee asked how long services are provided. Mr. Reuning reported students are identified as quickly as possible, as the faster they learn the language, fewer services are needed in the future.

Mr. White asked why the library insurance increased when the overall premium prices decreased. Ms. Whitmore stated difference in insurance amounts will fluctuate depending on whether staff uses insurance, chooses not to use insurance and takes the buyout per the bargaining agreement, or even changes in which plan is used/selected during the open enrollment period.

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Dr. Gadomski reviewed the Library account section, which saw overall department decreases with the removal of the proposed new library changes. The proposed program changes for the library are now included as separate warrant articles.

Mr. Sousa stated the Librarian provided the School Board with a presentation at their prior meeting and explained the desire to transition from a traditional library to a learning commons model. Libraries are no longer just a place to check out books, but are now part of teaching STEM and STEAM skills, and technology incorporation into learning. The changes include replacement of furniture, dedicated technology, a 3D printer, an air conditioner, and other maintenance changes to improve teaching/learning options. Mr. Chauvette stated the library isn't just a place to answer current questions but to also learn what questions could or should be asked.

Ms. Snow stated this was a request presented to the School Board the prior year, but it did not make it into the budget. It was presented again, and the board made a difficult decision to remove it from the budget again because of other programs. The board felt the best solution was to include it as a separate warrant article to let the voters decide.

Mr. Sousa reviewed the current technology plan and spoke to how the school is managing and planning for integration of technology and that it is trying to utilize a methodical and thought out plan, which includes how technology is currently being used.

Mr. White asked if student are also taught penmanship. The answer was students are being taught penmanship.

Chair Hadik asked about the upgrades to the internet access. It was stated internet access upgrades remains in the budget. Mr. Sousa reviewed the current usage levels, at 30Mbps, and the need for the school to increase bandwidth as more technology is introduced. There was a published article that indicated the school was having trouble, but it isn't true, and the school has always had the plan to increase speeds. The school has reached out to multiple vendors with no guarantee of pricing or speeds, all vendors offered a similar price, and Fairpoint is the best option at this time. The school will continue to look for cheaper options.

Mr. Sousa answered previously asked questions regarding student technology. Technology is looked at in two methods. The first is classroom and subject based technology that is rolled into the curriculum. The other area is the one to one learning objectives and how it can improve student overall learning with the curriculum, as well as teaching students actual use of the technology as a tool. This includes the social, ethical and legal issues of technology, as they use that technology in the real world and not just sterile environments found at the school.

Mr. Chauvette stated the school has the same curriculum plans for grades 6 through 8, and all parts of the curriculum includes an on-line component; textbooks are no longer just books, they are now interactive with the use of online subscriptions. Introduction of the one to one technology for the 6<sup>th</sup> grade students will mean continuity of the current curriculum and they no longer need to share that technology with all the other grades; the technology cart can be used by all grades.

Mr. Sousa answered previous questions about software and subscription based software/textbooks. Some subscriptions used are in classroom situations, like textbooks, and are

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curriculum based, but other subscriptions are for technology structure for hardware and also includes anti-virus software. There are times when software is purchased outright and in other times subscriptions, depending on the overall school needs, such as purchasing MS Office. Ms. Snow stated in some cases it is better time and cost management by having a subscription that updates automatically versus staff that must be utilized to complete required updates.

Mr. Sousa reported that staff and students are surveyed about the use of technology and subscription based services to determine continuing use and needs of each subscription; eliminating those not used and continuing those that are.

Dr. Gadomski reported School Board Services was adjusted to match actual expenses. The SAU operating budget was adopted by the Joint School Board and the Nottingham percentage is now included in the proposed budget. The Joint School Board develops both the SAU and Pre-School budgets, and the process is very similar to the local Budget Committee process.

Minor adjustments were made to the Office of the Principal; the new industrial shredder was removed to try and reduce the budget.

Mr. Sousa answered a previous question about rubbish removal, stating the school does not have a vehicle and storage of rubbish is a primary reason for the school not using the town recycle center.

Dr. Gadomski and Mr. Sousa reviewed the decreases in Maintenance of Plant and the proposed repairs. This includes shift of items to warrant articles, removal of replacement of water stations, and a reduction of the purchase of new furniture. Ms. Snow stated the School Board is very conscientious about school repairs, given the school is now 22 years old and there is a need to maintain the building. Mr. Sousa stated the school is replacing and repairing equipment, and while some repairs are expensive, it is in some cases the repairs are cheaper than replacing the equipment if it breaks down from disrepair.

Dr. Gadomski reported the Transportation Committee has selected a proposed bid, the School Board will meet with the selected company, and will include the adjusted amount in the final budget amount after the meeting and vote. Preliminary transportation amounts were provided to the committee.

It was stated the Food Services account was reduced to match actuals.

Dr. Gadomski stated information was just recently received that the Dover Tuition rate would increase from the originally proposed 3% to 5.8%. The School Board will discuss the amount at their next board meeting, and the new amount is not included in this presentation of the proposed budget.

Ms. Martin asked about the Dover contract and the proposed cap to the tuition amount. It was stated the contract has a recommended cap at 4%, and if the actual amount exceeds that percentage, the School Board has the ability to renegotiate the terms of the contract.

General discussion took place about the Dover tuition, the number of students attending Dover, and the number of proposed buses in the new transportation bids.

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Ms. Martin stated the Transportation Committee reviewed bids that currently include two buses to Dover. However, the contract could change once better information about the number of students needing transportation is received. Dr. Gadomski stated transportation is difficult in a rural community, as there is a need to balance the bus being full versus the length of time students have to be on a bus.

Mr. White asked why the tuition amount is so much higher for Coe-Brown versus Dover. Dr. Gadomski reported Dover is a public entity and Coe-Brown is a public academy run by a board of directors. Coe-Brown does not receive some types of funding that public entities might.

General discussion took place about the average prices for elementary and high school education costs.

Dr. Gadomski reported the high school tuition accounts will be adjusted up to the final public hearing as students commit to what school they will attend. An adjustment has been made to the Tuition – Anticipated Move-In account, as confirmation has been received that home school students will remain home schooled; but that could change at any point up to the school year.

Mr. Koester asked to receive a five year history of the number of students moving in and out of the district. Ms. Snow and Ms. Whitmore stated the information can be provided and will be coming soon.

Ms. Snow stated it is important for the public to understand why high school tuition amounts have increased or decreased, because it isn't solely dependent on the tuition amount. Tuition expenses will also increase or decrease based on the number of students attending high school at any given moment.

Dr. Gadomski reported the Special Education Coe-Brown is an accurate amount and is based on need.

Mr. Thompson asked about the 2017/2018 actual expenses, and if there are any type of projection used to determine total year end expenses. Ms. Whitmore stated it is early in the school year to consider year end expenses, and she does start to estimate anticipated expenses at about the six month mark, for big ticket items such as insurances and salaries. There is an attempt to anticipate expense amounts, but there are challenges with items such as tuition because of billing cycle. She will encumber known contracts and amounts, and add an additional anticipation column into the financials, but there isn't a direct attempt to project year end totals.

Mr. Thompson asked if consideration is given to proposing a higher budget when a comparison of the prior year budget amount and actual spending indicates that the expenditure is lower than anticipated; should actual financials be utilized to establish a better proposed budget?

Dr. Gadomski stated part of the challenge is trying to estimate a budget that is 18 months in the future. Contractual items such as salaries are easy to project, but items such as electricity and fuel are harder to estimate. Best educated guesses are made and encumbrances and actual financials are utilized to help determine the final amount.

Ms. Lee asked if there would be any adjustments to the presented Default Budget. Dr. Gadomski reported it would change; the default amounts presented include the proposed transportation bid, but it does not include the Dover Tuition amount that hasn't been reviewed by the School Board.

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It was stated there is concern about the proposed budget not passing, which means the school could lose full day kindergarten. Dr. Gadomski reported the School Board could have further discussion about how they will move forward with the plan for full day kindergarten and transportation if the default budget is approved. However, this could be an easier discussion for Nottingham because the school already has two full time kindergarten teachers for the proposed full day transition, where other schools only have one teacher.

A review of the Warrant Articles took place.

Ms. Snow reviewed the board decided to increase the amount for the Building Maintenance CRF to address the building maintenances needs as proposed in the CIP, and the amount would be \$50,000.00.

Article #4 is the Grounds Improvement CRF at \$15,000.00.

Mr. Chauvette spoke to the continuation of supporting the Textbook CRF, stating if the current amount continues it will fully support the required textbook needs over the next couple of years. This warrant article of \$20,000.00 helps to eliminate significant increases and decreases in the budget.

Dr. Gadomski stated Article 6 is for the library improvements at \$30,000.00 and Article 7 was to bring in a world language program at an approximate amount of \$85,000.00.

Ms. Martin asked how the school would provide the space for a world language class. Mr. Sousa stated the program is still under review, and how it is implemented will continue to be discussed with the School Board.

Mr. White encouraged including installation of solar at the school. It was stated there is agreement that solar will be considered for the future. However, based on a recent review there are structural issues at the school that need to be addressed before solar could be added; the roof won't hold panels at this time. The roof is expected to be replace in next six or seven years. The school completed upgrades to more energy efficient lighting with the power company and the payments for those upgrades will continue over the next few years.

Dr. Gadomski asked the committee to email his office with any additional questions in order to provide faster answers.

Chair Hadik reviewed the general school updates he received from Ms. Levenson, which included mention of a recent positive school rating at SchoolDigger.com and updates regarding transportation and the Dover tuition.

Mr. Reuning stated there will be a community forum in Deerfield regarding SB193 regarding tuition savings plan. Additional analysis is taking place at the legislature because the potential financial impact to local education taxes. There are additional articles in the Union Leader regarding the topic and Ms. Snow would provide additional resources for committee review.

Chair Hadik thanked the SAU and school staff for attending.

**General Town Updates:** None

**Approval of Minutes**

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**Motion:** by Mr. Thompson, second by Ms. Lee to approve the December 7, 2017 minutes as amended.

**Vote:** 7 in favor; 1 abstained.

**OTHER BUSINESS:** Mr. White stated he discussed the asbestos issue with Mr. Sterndale who indicated the cost for removal is too expensive, the space isn't needed at this time, and it will remain as it is until further review become needed.

**ROUNDTABLE:** Ms. Lee stated it was a good meeting and thanked Ms. Snow for all the materials and information; the notes were very helpful.

Chair Hadik stated he appreciated the summary sheet of changes as a quick reference guide.

Ms. Martin stated the transportation bid recommended by the Transportation Committee was the less expensive of the two bids. Additional information would be provided by Dail Transportation at the next School Board meeting and hopefully they will be able to answer questions about the increase from the current contract to the new bid.

Mr. Koester stated he appreciates the amount of work the SAU and School Administration has done to try and cut as much as possible from the budget given the significant increases in high school tuition. At an approximate difference of \$60,000.00 between the default budget and the proposed budget, it is not a significant difference. It would be very helpful for Committee members, and the School Board, to explain to the general public the reasons they should vote for the proposed budget. The proposed budget allows the SB to move forward with their education initiatives for the school.

Ms. Lee stated she is concerned about how the currently larger 3<sup>rd</sup> and 4<sup>th</sup> grade classes and how it could impact future high school tuition amounts. Ms. Lee asked if a CRF could be created to start saving for future tuition expenses. Ms. Snow stated a reserve fund could be created, and other town already have that type of fund. Mr. Koester suggested completing some mathematical analysis on the potential impact on tuition of the larger class sizes.

General discussion took place about the difference between the proposed budget and the default budget, and the reasons for each. A simple explanation of the SB2 process was provided.

Mr. White asked about the increases seen in the school budget over the past few years, can that be contributed to Coe-Brown. Ms. Lee stated it isn't just a Coe-Brown tuition increase, it is also an increase in the Dover tuition; expressing concern that it is easy to fault Coe-Brown for the budget increases. It was stated that not only is the tuition amount increase but the number of students attending high school is increasing.

Ms. Snow reviewed the history of how much the school has returned to the town to offset taxes, and while there is a goal to have a tighter budget, there are many unknowns or unexpected situations that could take place during the year that could cause significant budget issues for the school.

General discussion took place about the newer emergency fund that can be utilized by the School Board for potential emergency situations.

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Ms. Lee asked if any additional warrant articles would be coming. Ms. Snow stated the board has agreed upon the current list.

Chair Hadik asked for a volunteer to attend the CIP committee with the resignation of Ms. Edin. Mr. Koester volunteered and stated he would attend the next CIP meeting.

**ACTION ITEMS:**

**Town:**

**School:**

**ADJOURN:** Having no further business,

**9:23 PM Motion:** by Ms. Martin, second by Ms. Lee.

**Vote:** 8 – 0 in favor.

Respectfully Submitted,

Dawn Calley-Murdough