

**Newfound Area School District**  
**Budget Committee Meeting Draft Minutes**  
**Tuesday, December 5, 2017**  
**6:30 pm**  
**Newfound Memorial Middle School**  
**Library Media Center**

Budget Committee Members Present: John Jenness, New Hampton; Ruby Hill, Danbury; Gina Rescigno, Groton, Jeff Bird, Bridgewater; Skip Reilly, Alexandria; Christen Dolloff, Bristol; Stan Newton, Hebron (arrived at 6:42); Jeff Levesque, School Board Representative  
District Staff present: Stacy Buckley, Superintendent; Mike Limanni, Business Administrator

Several members of the committee toured NMMS to see the facility improvements that were made over the summer months.

Following the tour, the meeting was called to order at 6:36 followed by the pledge of allegiance

- **Approval of minutes from 11.21.17 meeting**

John Jenness pointed out a typo on page 1 bottom that should read “at” instead of “a”

Ruby Hill cited a typo “that that” on page 1

Christen asked if everything that was proposed was actually included in the budget – discussion followed clarifying that the budget items presented at the last meeting were all within the tax cap and included in the budget.

Jeff Bird asked for clarification about what a Chromebook cart is and does. Stacy answered that the cart holds a certain number of Chromebooks, plus the cart charges the units and locks them up for easier mobility. Mike Limanni shared that the Chromebook cart also includes a protection plan on all units purchased. Stacy shared that the Chromebooks cost about \$320 each.

Ruby noted some corrections needed: page 3 top, sentence to be clarified about grant funding, page 4 Ann Holloran is misspelled and add “year” to the end of a sentence, page 6 add the word “presented.”

Ruby made a motion to accept the minutes with the noted corrections, seconded by Stan Newton.

Motion passed 6-0-2 (Gina Rescigno and Jeff Levesque abstained).

- **Review and questions regarding RSA 32**

John stated that everyone should have received an email from Mike Limanni regarding RSA 32. Ruby stated that under SB2, her town has two budgets prepared simultaneously; one by the budget committee and the other by the select board. The two boards then come together to make a budget which is presented to the voters. Mike stated that the process under SB2 has been conducted correctly within the district, and that they are presenting a consolidated department budget. John asked for clarification as to whether or not the budget committee would be required to prepare a new budget. Ruby stated that she does not want to change anything, just that she was clarifying that in the local budget process and that she understands where Skip had been coming from last week.

Skip Reilly said that an email that went out before the meeting from Mike Limanni accusing him of lying about speaking with Michelle Clark at the DRA and that he is quite upset about it. He continued that he feels there may be some sort of violation under RSA 91-A. Stacy mentioned that she and Skip had spoken earlier in the day and she was under the impression that he would be moving on from this topic

in order to prepare budget. Mike Limanni stated that he did not call Skip a liar, and asked that his assertion be documented in the meeting minutes. He stated that he had spoken with Michelle Clark at the DRA and she said she does not recall a conversation with Mr. Reilly about our budgeting process.

Skip requested that after the budget discussion, the members of the committee would have a private meeting, just the members, not as a budget committee but as individuals. Stacy clarified that the group cannot meet without it being noticed to the public because a quorum is present.

John stated he was willing to meet with Skip one-on-one following the meeting.

- **Review and questions regarding the proposed 2018-2019 budget**

Ruby began by thanking Mike for the list of projects completed at year end and asked how much was returned to the town. Mike stated that about \$330,000 was returned to the towns at the end of the fiscal year.

Ruby asked why there was a delay in getting final figures to the towns for tax rate calculations. Mike stated that it depends on the town, but that most of the towns in our district did not have figures until late November. He continued to say it was about the same as last year, but there was another review of the figures by an auditor and a dispute over decimal points in the ADM calculation for transportation costs. An agreement on the transportation ADM formula was reached and that was, in part, the reason for the delay. Mike stated that the auditor was from the Department of Education and he is working on documenting calculations and processes for future reference which should alleviate this from happening again. He stated that he generally hesitates to submit the MS-25 without it being audited because of the number of towns in our school district. However, he's been informed that he has the ability to do it without.

Ruby also requested a copy of the CIP. Mike stated that it is on the website and is public info.

Ruby also asked what the balance in the capital reserve fund is. Mike stated it is currently about \$320,000.

Ruby continued to ask about the administrative raises. She questioned the calculations shown in the budget book and the year-over-year change. Stacy clarified that the actual numbers for DES and NHCS may seem skewed because of the position being split last year, but the average increase for building administrators is 3%.

Ruby asked for more clarification about the high school administrator raise, which calculates to 15.7%. Stacy said she believes that that the figure in the book includes both the principal and the vice principal's salaries. The line goes from about \$150,000 to \$173,000. Mike Limanni researched the detail of that line and stated that the figure should have been \$165,000 increasing to \$173,000 but that it appears that the raises from last year did not get spread out.

Ruby also asked about Central Services line -2225, technology. Mike clarified that about \$45,000 has been put in for a new tech position as well as a raise for the director.

Ruby stated would like to propose a change to the budget; specifically not doing the driveway at New Hampton and Danbury Elementary schools. She would rather see the plan for improvements before voting for it and that, in Danbury, she is concerned about issues with abutting properties. Stacy clarified that there will not be much change to the driveway layout so much as the addition of curbing and

sidewalks to enhance safety. Ruby stated that because of the cost (\$240,000) she doesn't feel that either project is urgent.

Stacy reminded the committee that these changes were vetted through the CIP process. Jeff Bird asked how the figures were arrived at; Mike stated it is just an estimate because we cannot send out a formal bid without the budget being approved. Mike's concern is that, in the past, maintenance had been deferred at the cost of safety. Ruby asked if the funds could come out of the capital reserve account. Jeff Bird asked if the facilities trust fund, which is funded each year, could be used.

Mike Limanni addressed the questions by reminding the committee that the CIP was created to avoid big swings in the budget with a steady improvement of facilities. Ruby stated she thinks that deferring these projects could bring the budget down to a more palatable level before contract negotiations next year. Jeff Levesque added that he is not terribly optimistic that the contract will pass next year no matter what because of increasing healthcare costs. Skip asked what percentage the teacher pay towards their health care – 17%.

Ruby made a motion to cut the two driveway projects and DES and NHCS. Seconded by Skip.

Mike Limanni shared that the CIP is a 10-year plan approved by the school board and has been added to the default budget. If those two items are cut, the default budget will also be lower by that amount. Ruby stated that her logic was that the \$60M in playground equipment and \$300M track would be offset by cutting the driveway projects, but Stacy added that there are other big ticket items in the CIP for next year and the driveways will not be added back for another 9 years. Ruby withdrew her motion. Skip withdrew second.

Mike offered to add the CIP to the packet for the next meeting.

John Jenness began with a question about the chart of accounts and why the SAU isn't broken out rather than being proportionately added to the other buildings. Stacy stated that a migration and revamping has been taking place over the last two years. Mike stated he is working on an update to the chart of accounts, and offered to create a separate location code for the SAU. Mike also offered that instead of looking at the SAU as a building he could look at business services as a function. John asked about teacher retention – how is turnover compared to other districts. Stacy said it is difficult to tell now, but there was a lot of turnover last year (for Newfound and other districts). She does not anticipate a lot of movement this year. Ruby asked what the pay increase in the contract, this year - 0.5%. Stan Newton asked if the teachers are moving for a small amount of money or are the moves for significant amounts of money. Stacy said that most of the time it is for significant pay raises or more sentimental reasons. Jeff Bird asked what the top of the grid is for a high school teacher - about \$60,000. However, it depends on the education level of the individual. Discussion continued about the adjustments that were made to the grid a few years ago. Mike stated that the grid starts at \$35,400 for a Bachelor's level-I teacher and spans to \$66,400 for CAGS+30. Jeff Levesque pointed out the longevity bonus that has been included in the budget for next year which equates to \$100 per year of service after being in district 10 years. Ruby stated that we are the only district which calculates ADM based on 100% of kids enrolled by town rather than property values. John asked how a change in calculation would

come about. It would have to be a board-level change. She cited the change in Kearsarge Regional school district as an example. John asked how our compensation grid compares to other districts. Stacy stated that, per the "Bear Facts," Newfound falls about middle of the road to our cohort districts. John asked about Special Education (Sp-ed) and the plan to reduce the Sp-ed secretaries. Stacy stated that her plan revolves around our Sp-ed teachers having low caseloads to which allows for improvement in communications between those teachers and parents. Currently our Sp-ed students make up about 13% of the district which is about state average. John followed with asking if there number that represents the cost of educating a Sp-ed student vs a traditional student. Mike stated that form DOE-25 does break it out, so he can get an estimate. Stacy did note, however, that costs vary wildly because of the variance in needs. Gina asked if we have a lot of high-cost students in the district. Stacy stated that there are about 20 students who require intensive services, but that is not an unusually high number. There are currently 7 students in out-of-district placement, but that the costs of those services are much higher than provided services in district. The behavior specialist hired last year is full-time and works at all schools in the district.

Mike Limanni provided the town of Hill with the cost of \$724,644 (revenue for about 50 students grades 7-12), which breaks down to \$13768/student at the high school and \$13,165/student at the middle school. Students from Hill who require special programs are assessed a separate amount for tuition. Currently the cost of educating an in-district student is about \$16,000/student.

John also asked about accreditation process last year, which cost about \$15,000-20,000. Mike stated that the figure is in the default budget as a negative figure and won't have to be spent again for about 10 years.

Stan Newton asked about the English Language Learner (ELL) teacher in the budget book. Stacy stated that the person last year has left and the new employee is costing much less and that individual works about 1.5 days/week.

Jeff Bird asked about Salaries-administrative in the Sp-ed budget and the increases associated. The increase is for the Special Services Administrator from about \$68,000 to \$71,000 which is a 4% increase for the individual that has had the position for 5 years.

Christen asked about the insurance at the middle school going up significantly and Stacy shared that an individual may have gone from a single plan to a family plan. Discussion continued about the cost of health insurance for the district.

Jeff Levesque asked about the heating oil bid. Mike Limanni shared that it came in at \$2.06/gal. Christen asked about field trips for Danbury being cut by \$1000. Stacy clarified that the school went from 4 classrooms to 3. There was also a decrease in the school nurse line because of a new person in that position.

Mike and Stacy suggested that committee members email questions that might need research before the meeting next week so that they can have answers ready to go.

Mike discussed the loss of adequacy aid for Groton and the problems that come with the tax cap on our low assessment.

Gina asked what district enrollment is - 1220 as of 10/1. For Groton, the ADM is about 50 students in the district.

- Public Input  
None

The next meeting is scheduled for Tuesday December 12 at Danbury Elementary School, followed by a meeting Thursday December 14 at New Hampton Community School.

Ruby Hill made a motion to adjourn, seconded by Gina Rescigno. Motion passed 8-0-0 and the meeting concluded at 8:22pm.

Respectfully submitted,

Kimberly A. Bliss  
Budget Committee Clerk