

1. **Call to Order-Roll Call- Pledge of Allegiance:** Nelson called the meeting to order at 5:30pm and upon call of the roll the following board members were present: Anderson, Leach, Kunz, Robinson and Nelson.
2. **Budget Discussion:** D'Agostino stated that in the packet is a list of CIP projects that was shared from Dick, Kate and Jeni. She stated that she also was asked to include the capital reserve trust fund information. She stated that the building fund currently has \$53,445 and the special education fund has \$105,145. She stated that nothing went in or was taken out last year. She stated that the board also voted in 2013 to retain a total of 2.5% of that year's net assessment and that amount is \$111,614. Nelson asked where that goes. D'Agostino stated that the town has it in reserves and it is used for emergencies. Supt. Mosca stated that the law changed and allowed us to hold a fund balance. D'Agostino stated that also included in the packet is Marshwood's tuition rate for next year which is \$9,821.96 for regular education and also included is the special education a la carte special education cost with the current rates and the projected increase for next year. She stated that she included a description of each function and object codes. These are not something that the SAU develops they are state mandated and all of the state reporting is based on these accounts. Leach asked what LEA stands for. MacDonald stated Local Education Agency. Nelson stated that all kids in Marshwood have to follow NH law and they have to have someone representing them. D'Agostino stated that the first six pages are a narrative summary of the backup that is behind it. This year it has been broken out by Elementary, Middle School, High School and then the total budget. She stated that this is a preliminary draft and it could change. She stated that we have a lot of the information we need to go forward such as tuition rates and we have an estimate on the number of students, we have to pick enrollment as of a certain date and that is what we will move forward with. She stated that we received a list from Marshwood on the student currently attending and these are the numbers that we have used for this presentation and we also used the Somersworth September enrollments. She stated that the revenues decreased by \$40,000 from the current year and that is due to a decrease in catastrophic aid. She stated that the expenditures total a proposed budget of \$5,083,744 which is a decrease of \$124,590 less than the current year or - 2.39%. She stated that the net budget is the revenues minus the expenditures is a decrease of \$86,651 or -1.83%. She stated that the projected student middle and high school enrollments are 116 at Marshwood and 23.5 at Somersworth. She stated that we have students where parents have dual custody and that is why we have.5.

General Expenditure Items:

- The proposed budget excludes warrant articles, and the SAU expenses. The SAU board hasn't met yet to decide the budget but when that happens it will be adjusted.
- Medical Insurance estimated increase of 10% over 2015-2016 actual rates.
- Dental Insurance did not increase over 2015-2016 rates.
- Workers Compensation Insurance rates TBD.

- Unemployment Insurance did not increase over 2015-2016 rates.
- Property, Liability and Auto Insurance rates TBD. She stated that we are going out to bid for workers compensation and PLT. She stated that we used to have LGC PLT and they are no longer providing this insurance going forward so we are looking to change. She stated that they will continue to provide current claims but they won't insure going forward. She stated that they met today with Primex which is another pool and they were very pleased with our risk management and what we have in place.

Regular Education

- Teachers' Salaries, FICA, Disability, Life and Retirement benefits changed for several reasons:
 1. Eliminated .5% Literacy Teacher
 2. Reduced PE/Health Teacher from full time to part time .5%
 3. Eliminated one Literacy Tutor
- Tuition HS to Somersworth decreased based on the Rollinsford High School students enrollment in Somersworth. 20.5 students at \$11,845. Decrease of (\$125,177)
- Tuition MS to LEA's Outside State increased based on Rollinsford Middle School Students attending Marshwood. 42 Students at \$9,821.96. Increase of \$65,122
- Tuition to HS LEA's Outside State increased based on Rollinsford High School students attending Marshwood. 60 students at \$9,821.96 plus two students attending Dover CTC @\$3800 each. Increase of \$212,968
- Computer Hardware increased by \$6,710 based on the following items: Computer Hardware, Server, Chrome Books/licensing, Laptops, Projector replacement, UPS smart Boards, UPS core switches, Ipad replacement and charging station.
- Software decreased by \$2,545
- Furniture increased by \$4,000 due to purchasing new tables and couches

Special Education

- Teacher's Salaries, FICA, Disability, Life and Retirement benefits decreased primarily due to staff changes:
 1. Eliminated one Mainstream Coach
 2. Eliminated a .5% Special Education Aid
 3. Eliminated two part time Title I Tutors
 Reallocated SPED Teacher Salary & benefits as follows:
 - a. Elementary School (RGS)= 50%
 - b. Marshwood Middle School= 25%
 - c. Marshwood High School= 25%

She stated that based on the utilization of staff for Marshwood consultations they took the salary and reallocated it for elementary, middle and high school. You will see the reduction in Elementary and the increase to middle and high school. It is the same person but the salary is reallocated. Nelson stated that based on conversations with the town where they thought the entire budget was for RGS the board asked Marie to break it out and see the RGS costs and Middle and High costs so it is clear for the town. Supt.

Mosca stated that we are breaking it out this year but it is not reflected in the budget this year so we chose to do it for next year. D'Agostino stated that this is the first year with Marshwood so this is still new and as we get better we will continuously modify it if necessary.

- SPED Tuition to High School Somersworth decreased based on Rollinsford High School SPED students enrollment at Somersworth. Decreased by (\$69,974)
- SPED Tuition to MS LEA's Outside State decreased based on Rollinsford Middle School SPED students attending Marshwood. Decrease of (\$128,735)
- SPED Tuition to HS LEA's Outside State increased based on Rollinsford High School SPED students attending Marshwood. Increase of \$34,767
- SPED Tuition to HS Private School decreased based on out of district student services. Decrease of (\$26,856)
- General Supplies decreased by \$2,000
- Equipment decreased by \$2,000

English Second Language (ESL):

- Contracted Services increased by \$171 based on a 3% increase.

Guidance

- Teacher's Salaries, FICA, Disability, Life and Retirement Benefits decrease/increase due to reallocation of guidance services as follows:
 1. Elementary School (RGS)= 90%
 2. Marshwood Middle School= 5%
 3. Marshwood High School=5%

Supt. Mosca stated that she covers 504 for students who might have a short term issue where a student may need help.

PT/OT Professional Services

- PT/OT professional services increased by \$1,103 based on a 3% increase.
- Adaptive Physical Education increased by \$2,930 based on estimated actual services

Anderson asked if these are across the board middle, elementary and high school.

MacDonald stated yes, it covers K-12. Anderson asked if they are providing the service for students attending Marshwood. MacDonald stated that we are paying for them. Nelson asked if these are contracted services. D'Agostino stated yes. Robinson stated that are these not offered a la carte by Marshwood. MacDonald stated not for adaptive physical education but yes for PT/OT that comes under a la carte. Nelson stated that so PT/OT is RGS and for Somersworth high school. MacDonald stated as well as out of district. Robinson stated that why are we contracting out if we are paying someone to provide. Supt. Mosca stated that we will get back to you because it is her understanding that these are for elementary school and out of district.

School Administration

- Clerical salary, Health, FICA, Disability, Retirement and Life benefits increased primarily due to a proposed 2% hourly wage increase.

Custodial Services

- Custodial salaries, FICA, Disability, Retirement and Life benefits decreased/increased primarily due to staff changes of two full time custodians going to two part time custodians and a proposed 2% wage increase for the Facility Manager and Custodial staff.
- Custodian Equipment increased by \$1,611 based on items listed below:
 1. Sawz all
 2. Commercial Weed Wacker
 3. Carpet Cleaner
 4. Sump Pump

Utilities

- Utilities decreased by \$5,100 based on adjusting to actual.

Maintenance

- Equipment Repairs increased by \$16,600 for a total budget of \$33,100 which includes the following items:
 1. Fire alarm smoke detectors
 2. Mop Sinks custodial closet
 3. Eyewash station
 4. Water fountains
 5. Hot Water Annex
 6. Extend Fence
 7. Extend Sprinklers
 8. Flammable storage container
 9. N.S door hardware
 10. Repair Cupola
 11. Misc. Repairs

Transportation

- Regular transportation increased by \$10,462 based on an estimated increase of 5% for a new contract
- SPED transportation increased by \$26,056 based on estimated increase in additional SPED transportation services

Transfer to Capital Reserve Fund

- Food Service fund increase based on projected actual cost. Increased by \$2,000
D'Agostino stated that the next page is a chart showing the components of the budget that are contractual obligations: Salaries is 32% of the budget, Benefits is 16% of the budget and Purchased Services are 50% of the budget. The rest is minimal such as supplies and equipment. She stated that the rest of the packet is the detail that shows actuals for 2014, actuals for 2015, budget for 2016 and proposed budget for 2017.

3. **Questions:** Robinson stated most likely the workers compensation and PLT will be an increase. D'Agostino stated that we don't know yet. Kunz asked if we have a lot of claims. D'Agostino stated no, they were happy with our risk management. Robinson stated that on page 4 of 6 for the SPED tuition to Somersworth decrease are we fairly confident with that number. D'Agostino

stated that it is based on students currently in the system. MacDonald stated that it is based on a student who graduated or aged out. Supt. Mosca stated that it would also be any court placed students and we don't know who we will get. Robinson stated that for the maintenance projects he is excited to see repairs to the cupola on the list. He stated that they are on the NH registry and they will match us, is that factored in. Lucas stated no, this is not to the extent as before this is more to make it look good. Robinson stated that for the next meeting he would like a list of the administration and clerical salary increase percentages over the last five years. Kunz stated in regards to supplies is there anything more that can be added. Lucas stated that there isn't a new technology that we want to bring in, we are using chrome books and would love to have more. Kunz stated that he is seeing a decrease in software and it makes sense for us to do it and up our game a little rather than waiting for things to collapse. He stated that he would propose to take the savings in software and increase it on the supplies. Nelson stated that she agrees that this is the time but how much is this following the technology plan. Lucas stated that we are in line with the technology plan. There isn't a technology that we would need it is more about having the technology working efficiently. Nelson stated that she would like more of a breakdown of how many chrome books and see what they might need. Supt. Mosca stated that we will do more work on that. D'Agostino stated that she put down supplies but it should be in computer hardware not supplies. Kunz stated that under custodial equipment, was this a conservative estimate. Lucas stated that this is the full list that Dick presented. Kunz stated that in regards to miscellaneous repairs in maintenance, this is the one area that there are things that come up and he is always concerned that we don't have enough. Is \$2500 enough for miscellaneous repairs because we have room to make things happen and that is not an awful lot. Lucas stated that every year they put in \$2500 for miscellaneous repairs and most years they have been fine. She stated that the hard part is that so much will become a warrant article and this is what we feel has to be done that would fall under an operating budget. Kunz stated that Dick saved us thousands of dollars and if we can provide additional items to accommodate anything that we can do on our own. Lucas stated that there was no hot water in the annex and Dick has been able to get it working , it is not a permanent fix but it gets us to meet the health inspection so that is the kind of stuff that is on here. Nelson stated that she would like to talk about the legal services line as we may be able to drop that down and she would also like the board to think about their compensation and if they would be willing to give that up. Robinson stated that we are making progress but we have more progress to make. He stated that everything our town is saying is important and the three items he is concerned with is transportation, he is not sure that 5% is going to be enough and the Marshwood actuals because very rapidly we will eat up the \$124,000 savings and he feels strongly that we need to go with actual savings to the town. He stated that he sees us not coming in with enough of a decrease and we need to continue to look at it. Nelson stated that she is very happy with the way the presentation was done. Robinson stated that he is not ready to go ahead and sail with this version. A budget workshop was scheduled for November 19th at 5:30.

4. **Adjournment:** The workshop closed at 6:30pm.

Katie Krauss
Board Secretary

Pending Board Approval