

BUDGET REVIEW COMMITTEE

JUNE 10, 2021

A meeting of the Budget Review Committee was held Thursday, June 10, 2021, at 7:01 p.m. via teleconference.

Chairman Dowd

As Chairman of the Budget Review Committee, I find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 pursuant to Executive Order 2020-04, this public body is authorized to meet electronically.

Please note that there is no physical location to observe and listen contemporaneously to this meeting, which was authorized pursuant to the Governor's Emergency Order. However, in accordance with the Emergency Order, I am confirming that we are:

Providing public access to the meeting by telephone, with additional access possibilities by video or other electronic means:

To access Zoom, please refer to the agenda or the City's website for the meeting link.

To join by phone dial: 1-929-205-6099 Meeting ID: 822 4855 0746 and Passcode: 379695

The public may also view the meeting via Channel 16.

We previously gave notice to the public of the necessary information for accessing the meeting, through public postings. Instructions have also been provided on the City of Nashua's website and publicly noticed at City Hall and Nashua Public Library.

If anyone has a problem accessing the meeting via phone or Channel 16, please call 603-589-3329 and they will help you connect.

In the event the public is unable to access the meeting via the methods mentioned above, the meeting will be adjourned and rescheduled. Please note that all votes that are taken during this meeting shall be done by roll call vote.

Let's start the meeting by taking a roll call attendance. When each member states their presence, please also state whether there is anyone in the room with you during this meeting, which is required under the Right-To-Know Law. Alderman O'Brien called the roll and asked them to state the reason he or she could not attend, confirmed that they could hear the proceedings, and stated who was present with him or her.

The roll call was taken with 5 members of the Budget Review Committee present:

Alderman Richard A. Dowd, Chairman
Alderman Jan Schmidt
Alderman Ernest Jette
Alderman-at-Large Lori Wilshire
Alderman-at-Large Michael B. O'Brien, Sr.

Members not in Attendance: Alderman-at-Large Ben Clemons, Vice Chair
Alderwoman-at-Large Shoshanna Kelly

Also in Attendance: Alderwoman Elizabeth Lu
Alderman Thomas Lopez
Garth McKinney, Interim Superintendent
Daniel Donovan, Chief Operating Officer
Heather Raymond, Board of Education

ROLL CALL

Chairman Dowd

Is there anyone – members of the public that would wish to speak on items on the agenda this evening?
 Seeing and hearing no one. We'll go to Communications.

PUBLIC COMMENT - None

COMMUNICATIONS - None

UNFINISHED BUSINESS - None

NEW BUSINESS – RESOLUTIONS - None

NEW BUSINESS – ORDINANCES - None

TABLED IN COMMITTEE

R-20-016

Endorsers: Mayor Jim Donchess
 Alderwoman Linda Harriott-Gathright
 Alderman Thomas Lopez
 Alderman-at-Large Michael B. O'Brien, Sr.

AMENDING THE PURPOSE OF A FISCAL YEAR 2020 UNLIKE ESCROW FOR THE COMMUNITY DEVELOPMENT DIVISION
 (tabled at 4-20-20 mtg)

MOTION BY ALDERMAN O'BRIEN TO TAKE FROM THE TABLE R-21-142, BY ROLL CALL

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Schmidt, Alderman Jette, Alderman Wilshire
 Alderman O'Brien, Alderman Dowd 5

Nay: 0

MOTION CARRIED

R-21-142

Endorsers: Mayor Jim Donchess
 Alderman Linda Harriott-Gathright

RELATIVE TO THE ADOPTION OF THE FISCAL YEAR 2022 PROPOSED BUDGET FOR THE CITY OF NASHUA GENERAL, ENTERPRISE, AND SPECIAL REVENUE FUNDS

- Public hearing scheduled for 6/21/2021 at 7:00 p.m. in the Nashua High School North Auditorium

DEPARTMENTAL REVIEWS OF THE PROPOSED FY21 BUDGET FOR THE CITY OF NASHUA

<u>Dept. #</u>		<u>Revenue</u>	<u>Appropriations</u>
	<u>Education</u>		
191	School Department	317 - 331	263

Chairman Dowd

Tonight we're going to be doing Department 191 School Department. Revenue is on pages 317 to 331 and appropriations are on page 263. Who is going to start us this evening to present the budget? Garth are you going to give us an overview or Heather? Who's going to start this off?

Garth McKinney, Interim Superintendent

Good evening. This is the Nashua School District FY22 budget process. This is an overview that was proposed by the District Leadership team. The budget development began with the District leadership team providing feedback in the budget development, and myself, and Dan finalized the budget recommendations, and then the District leadership team presented this budget to the Board of Education. Budget priorities are the following: to main current staffing, Special Ed staffing, continue to address out of district tuition, support safety and security and establish a District Budget to build on with State and Federal Funds. Given the pandemic and the funding that is available to us there are a number of challenges but also some opportunities. We need to put together a plan to respond to the needs of our students. We have worked to develop programs for the summer, we are working to plan back a rebound plan for next year the '21 / '22 School Year; plan to develop a response to the technological challenges that we've had, the need for more staffing as well as the social / emotional learning aids of our kids. At the time we are still wondering about State Funding and Dan will speak later to the latest CARE Act and ESSER funding that is available to us. With that, I'll turn it over to Mr. Donovan kind of on slide 5.

Mr. Donovan

Hello everyone. OK so just a little Nashua at a glance some of the numbers about our District. We have 18 schools; 12 Elementary, 3 Middle, 2 High Schools. We have the Alternative School which will now be housed at the new Franklin Street facility come September when we are back to school. Number of students: As of 10/1/19 we had 11,025 and a year later in 2020 we have 10,165. That's, as you can see, an 860 reduction in the number of students which is very rare. We have done some analysis of it and we can guarantee some of those students will come back. It will be very interesting to see what we end up with the number come 10/1/21. The total number of staff is pretty constant of 1,772 with the 71 additional that are paid for by grants. We have just a little over 1,000 teachers. The cost per student in Nashua is \$13,831.00 that is a number that is calculated using the New Hampshire DOE Report that's produced every September/October of each.

As of October of '19 we had 41% free and reduced. Due to the pandemic we don't really know if that number has changed a whole lot because a lot of families did not fill out the required paperwork since lunches were free to all this year. The ELL students are up 14% and our Special Education students are up to 19%. OK this is a couple of pie charts to give you a sense of where is the money spent in the education budget? And as you can see Labor & Benefits; that's 84% of the Education Budget. So it is basically the cost of paying our staff and the benefits associated with that. The other amounts, Utilities, Transportation, the added District Tuition line and outside Pupil Support Services for our Special Education Students; those combined are about 11 ½ %. So everything else, all the other costs you hear about is really on 4 ½ % of the budget.

Just a quick summary defining the base, our percentage is based upon the Base Budget and Base Budget is the Budget approved by the Board of Education which that budget does not have the benefits, the FICA and the Pension in it at the time. So our Budget that was approved last year by the Board of Ed was \$114 million. The benefits was \$41 ½. So the School Budget per the City, the amount you would see in the original proposed Budget Book was \$155,853.00. So the over budget increase that we put forward to the Board of Education and the amount that the Board of Education approved was from \$114 million to \$116, basically slightly under a \$2 million dollar increase; percentage wise was a 1.71% increase. Then I typically break out of that \$116 million, \$91 million is the labor. So the increase in the labor from last year to this proposed budget is \$1.4 million almost or basically a 1.55% increase.

And then the non-labor items and the labor is about 78% of the Base Operating Budget without benefits. And this is the other 22% all the other costs. So the increase from last year and this proposed budget is \$565,000.00 or 2.28%. So basically 22% of our budget is up 2.28 and 78% is up 1.5 which nets the 1.71. This Budget does not have a lot of new items in it. A few of the non-labor items we have ... back if you recall probably 7 or 8 years ago at this point, we added a lot of security to our schools. We put locks on the doors, cameras things such as that, that was about a \$2 million dollar bond at the time. So over time these things do wear out and need to be repaired, which we have been doing but we figured we would start a new line in the budget, Security, Supplies, Equipment. \$15,000.00 probably isn't enough to fully manage it but I think we can move money in other accounts, but this was a way to set that up going forward.

The tuition out of district, we put in an extra \$100,000.00 this year. That is a line item that for the last number of years, the Operating Budget hasn't had enough to fully cover the cost of out of district. Now we do have a special revenue fund available to us for if we overrun this line item and it can't be managed somewhere else within the budget. But we did add \$100,000.00 this year so we can start to get that Operating Budget number up to what the actual costs will be or closer to. OK the Additional Resources, sort of on the labor side that we have added, we are adding the Special Education Department can really use another BCBA which stands for Board Certified Behavior Analyst. We have, I believe, 2 full-time ones. We have many more needs than just 2 so this would help get us closer to the actual number of hours required by our Special Education students with this skill.

With the new Franklin Street Building we will need a couple of custodians there so that is what that is a head custodian and another one. \$3,600.00 relatively small number. We have head teachers for Special Education, we have one at Elm Street, we don't have it at the other two Middle Schools so this will give stipends to those two schools for a head teacher. And the last one here is the Music Program Stipends. We have a Music Program taught by - many of the teachers are not our music teachers, they are people that live in the community or nearby communities and they teach instrumental music to our students after school. They haven't had a raise or an increase in their budget in over 8 years, many over 10 years actually. So this is a way to increase that somewhat so that they can have some more hours and time with the children.

OK. This is something as probably many of you are aware there is CARES Act Funding, a significant amount of money that we have received thus far. So when we put this budget together, keep in mind that there are some significant needs brought upon by COVID and remote learning etc. But we do, from the Federal Government, have received a significant amount of money. So there's the CARES 1 Act, we have \$3,274,000.00; we have until September of 2022 to spend that. We have allocated all of those amounts, they all haven't been spent but they all have been allocated within the grant. Then a couple of months ago we received the CARES 2. These funds are also called ESSER Funds. So the CARES 2 ESSER Fund we have received \$12,973,000.00 and we have until September 23 to spend those. We have just started putting items in there to allocate costs. We are going to be spending over the next couple of weeks, a lot of time putting together an educational needs of all our students. We have received a lot of input from various members of the School Community and we will be working to put a plan together on what we spend that \$12,973,000.00 on.

And then just recently CARES 3 or the ARP Fund we received another \$19,299,000.00. That number may even go higher, we will know more information on that over the next month or so. But just in summary, these are federal funds, they are managed and disbursed through the State. They can only be used for specific purposes. So it is not the kind of thing you can turn around and give large raises to Unions or something like that, that is not the type of purpose that they are intended for. It is a grant process, so basically the way it works is we make a request, we put into the Grant Management System, we receive a yeah or nay on approval and then once that is done we can spend the funds. As I said before, these are one time funds to be spent over a specific period of time. And the main item that these are supposed to be used for is to prepare, prevent and respond to COVID-19. So when we are putting together requests, it has to be some way related to COVID-19- whether to prepare, prevent, respond. Now there are many ways to look at that. We have had a lot of training with the State. If there's any questions from people later, we can take those. But that will be an interesting process over the next couple of years with those funds.

And then this last slide is simply showing you the history of what the initial department requests have been over the last few years and what the Board of Aldermen have actually approved. So that is our presentation.

Chairman Dowd

OK. So the Revenues are on Page 317. Does anyone from the Committee have a question on any of the Revenues? Alderman Wilshire?

Alderman Wilshire

Yes. Can you talk a little bit about school lunches and how that is going to affect us from not being able to get funding for the '21 School Year.

Mr. Donovan

Sure. I think what you are referring to is the State Adequacy Funding, the funding we get from the State.

Alderman Wilshire

Yeah.

Mr. Donovan

Yes. What it is its certain dollar amounts assigned to certain numbers of students. So for example you get \$3,800.00 or so per student in your District. You get another \$1,800.00 or so for free and reduced student. And there are other categories. But the whole free and reduced piece, not only as I talked earlier about the reduction in the number of students of 860 which is fairly remarkable, we've never lost that many in any one year. So we are losing funding, \$3,800.00 per student for that but also the free and reduced, due to the fact that in the spring the government said, there's no more, you don't have to fill out the form to get a free and reduced lunch. So it was available for all students. So therefore a lot of parents, if they didn't have to do it, they didn't do it. We reached out, we tried to get more people to file the forms, but when you don't have to do it and you still get the free lunch, our numbers went down fairly significantly in the free and reduced lunch. So therefore that dropped the funding that came from the State too. So those two amounts, the number of students and the free and reduced lunch count that decreased, we lost in the Adequacy Aid calculation about \$4.5 million.

President Wilshire

Thank you.

Chairman Dowd

Alderman O'Brien.

Alderman O'Brien

Thank you Mr. Donovan. Just for clarity, because of the lack of funding from the State of New Hampshire, are you saying that we could have students in jeopardy that won't receive a lunch that we have had traditionally in the past given a free lunch?

Mr. Donovan

No. Actually it is free lunch, all students can get a free lunch whether they meet the guideline or not. They just decided to continue that into the next School Year. So when it comes to lunches, every student can get

the free lunch if they want, which has sort of wreaked havoc in our school lunch program, our special revenue fund. But as far as the students getting fed, anyone can get fed so it is almost easier to get fed now.

Chairman Dowd

So I have two questions. One if all of a sudden we get the 860 students back, when does the funding come along with that? Do you have to wait until the next Budget the next year or do they recognize that you've got more students and they pony up the money?

Mr. Donovan

You'll get it in the second half of the school year. They use an October 1st date for the number. So it takes about a month by the time it is all adjusted and reviewed by the District and the State. So they can then adjust their adequacy numbers later in the year. And so we could get some of that back. But I don't think with the free lunch, again, we are going to get much of the free and reduced lunch part of it.

Chairman Dowd

I thought I had heard that they were going to ignore the issue with the forms and the State was going to pony up that money as it was in 2019? Is that not correct?

Mr. Donovan

That was a proposal but I don't know if that passed. I am not exactly sure what is going on up in Concord right now.

Chairman Dowd

If we only knew a State Rep. Alderman O'Brien?

Alderman O'Brien

It wasn't my Committee. Alderman Schmidt? Not her Committee either. Some of those things Mr. Chairman, for your explanation I think would be handled under the Finance Committee because where it is funding. And not that they are closed vest, but they have a lot to do to handle with the whole State budget so we really don't get the feedback as much as some of the other particular Bills.

Chairman Dowd

OK. Does anyone on the Committee have any other questions relatives to the Revenues? Alright. Appropriations are on Page 263. Alderman Jette?

Alderman Jette

I am having trouble negotiating and separating the Revenues from the Appropriations. Page 317 in our Agenda is labeled "Revenues" but it is Revenues and Appropriations. Could someone clarify what the difference is between the white pages and the pink pages?

Chairman Dowd

Mr. Donovan, you want to...

Mr. Donovan

I don't have the pages in front of me so....

Chairman Dowd

The difference is the Special Revenue Funds in the pink pages and there are certain things paid for under the Special Revenue Account versus out of the General Revenue; lunches are one as an example because that is a Federal program. That's a self-funding activity so it is in the pink pages.

Mr. Donovan

Yeah so if the pink pages are all Special Revenue Funds those are revenues which are generated to be used for a specific purpose. So as Alderman Dowd said any revenue generated during food service by selling lunches or money we get from the government for the lunch program that goes back into that fund and that is used to run that fund. Think of the Special Revenue Funds – another one is the Driver's Education. So students pay money to get their Driver Education Certificate and those funds are used to run the program. So the Special Revenue Funds are like a small business, a very small business except for the food service whereas the other revenues are mostly generated from the State and / or Federal; some of it from the students. So those funds go back to the City and they are used to reduce the costs and therefore adjust the tax rate. The Special Revenue Funds stay within the School District and they roll over year-to-year.

Chairman Dowd

And the cost of staffing especially in the lunch program, that's all covered under the funds in the Special Revenue Account not out of the General Account. For instance, when we approve the Food Service Contracts that's a self-funding, that's not coming out of the General Fund and it is paid for by what kids pay for lunch plus Federal money. So it's all in that Special Revenue Account and not part of the General Fund.

Alderman Jette

So could I follow-up?

Chairman Dowd

Sure.

Alderman Jette

So regarding the Athletic Revenue Fund, it shows Revenues of \$210,000.00 and Appropriations of \$210,000.00. I guess that means that you spend whatever the Revenue is, you spend all of that. But does that cover all of the athletic expenses, is the Athletic Program self-supporting?

Mr. Donovan

No. The Athletic – what is in the Special Revenue Fund – if you look at all our Special Revenue Funds, you will notice that the way we budget them is the revenues equal the expenses. That doesn't necessarily mean that will actually occur. If, for an example, the \$210,000.00 is generated and we only spend \$200,000.00 then that \$10,000.00 would stay in, it would sort of be a profit and that would stay in the Special Revenue Fund and roll over the next year. But the way we have budgeted it all the time is we budget the revenues to equal the expenses. The revenue is from two sources, it is the amount of money the students pay; we have a fee for students to play sports at the High School level, a different amount per sport. That money goes in there and then the other revenue that they generate in that Special Revenue fund is from ticket sales; football, hockey, basketball for the most part.

Those funds and the expenses that we incur in that fund are basically to buy some supplies and to buy uniforms, we usually use that to buy uniforms. Because in reality, the amount of money that we collect from the students for fees, that goes back and reduces the Operating Budget. But we collect it in that account, at the end of the year we take the money and we put that in our Operating budget because we budget in our Operating Budget a credit or a negative amount in the Operating Budget.

Chairman Dowd

All set Alderman Jette?

Alderman Jette

No, I have another question if I may. So to get a handle on the athletics, where would I see what the cost is?

Mr. Donovan

The total cost of our athletics outside of that Special Revenue Fund is probably about \$800,000.00; I think \$800,000.00 or \$900,000.00. In the Budget Book that you have, it is not going to break out on one line for athletics. You'd find it in some of the accounts. There are some accounts for officials, there's some accounts – yeah laundry, officials, assignment fees, things like that. Most of the cost for our athletic program is actually paying the coaches and paying the people that run – the Athletic Director and the people that help her run the program. But if you wanted to see, it is not in the Budget Book you have in front of you but it is something we typically put together. I could easily send it over to see what the cost per line item for athletics is.

Chairman Dowd

Please send it to Donna Graham so it can be given to the entire Board.

Mr. Donovan

OK.

Chairman Dowd

Any other questions Alderman Jette?

Alderman Jette

Yes. You mentioned that students have to pay a fee to participate in the Athletic Program. Is there any kind of provision for low income students? Are there scholarship programs? I'd hate to think that people would be denied the opportunity if their family circumstances don't allow it. Can you comment on that?

Mr. Donovan

Sure. Yes if you are a free and reduced lunch student, you typically don't have to pay the fee. Even if you are not and you had a sudden financial issue in your family, you can reach out to the Athletic Director and that person will make the decision and maybe work with you on a payment plan or reduce the amount. So we really try to, every student that really wants to play we find a way to let them play.

Chairman Dowd

When they generated those some years ago, there were provisions in that motion to make sure that no student was not allowed to play a sport because they couldn't afford the fee.

Alderman Jette

OK thank you.

Chairman Dowd

And while we are on the Revenues, Mr. Donovan, you want to just go through the CTE. We have students that come in from other cities and they pay a tuition.

Mr. Donovan

Yes. There's sort of two pieces of revenue that we get on the CTE but yes that goes in to the money we get from students, that goes to, I think we have a Special Revenue Fund in there for that.

Chairman Dowd

Yes. And the monies stay in there to replace any of the equipment that has to be replaced or at least offset the cost of any equipment that needs to be replaced. Because in the High Schools we have automotive programs, we have all different types of programs. I can't remember all of them.

Unidentified Speaker

Machining, do a plug for machining, that's a really important program that we brought back that provides an excellent career opportunities for our kids so I just want to kind of point out machining program.

Chairman Dowd

Cosmetology, Nurse Training, Culinary – there are a lot of them, childcare.

Mr. Donovan

And the funding for that is basically three places, Operating Budget has some, we have a Perkins Grant which is one of our Federal Grants, it is typically about \$350,000.00 a year. That will help you start a new program or make changes to programs, it won't replace equipment and that's what that other Special Revenue Fund Mr. Dowd just spoke to, that's what we use to replace existing equipment. So right now the funding for the program is in relatively good shape.

Chairman Dowd

We also send to students to other cities and we pay that tuition. I know in Hudson it is farming, I am not sure what others are offering.

Mr. Donovan

Yes.

Chairman Dowd

And just as a reminder, when somebody speaks please state your name so the transcriber will know who is speaking because we can see who is speaking but she can't. Alderman Lopez did you have a question.

Alderman Lopez

I was going to mention the culinary program as well. And I mean also congratulate you Alderman Dowd. You were saying you were on the Board when we invented sports.

Chairman Dowd

No, not invented. So I was on the Board for a long time, but not that long. So let's go through the Appropriations starting on 263. You just want to touch on the ones, Alderman Lu, did you have a question before we start on Appropriations.

Alderwoman Lu

Yes, thank you Mr. Chairman. On the Special Ed Page.

Chairman Dowd

Can you get closer to your microphone, it is hard to hear you.

Alderwoman Lu

On the Special Ed, I believe its Page 330, why is the out-of-district tuition going down \$100,000.00?

Chairman Dowd

Mr. Donovan.

Mr. Donovan

That's just an estimate, because it was lower this year, the actual was lower this year due to COVID we are just wondering, we are taking a conservative estimate that we may have fewer students coming to our programs due to the fear of COVID. Now we are hoping that come September things will be pretty much back to normal in all of the Districts, but we took a conservative approach this year.

Alderwoman Lu

OK thank you.

Chairman Dowd

Over the many years that target has been extremely hard to hit because at any time you can have a student come in that needs to go to out-of-district replacement and some of the students are exceptionally high cost per student. So that changes as students come in and out of the system, so it is extremely hard to budget that. I'm sure Mr. Donovan would agree with that. OK so let's go through, do you just want to touch on the ones that had significant changes? Are you looking for your budget?

Mr. Donovan

We are looking at the various accounts. So just looking at my sheet which might be slightly different than yours, there's a big increase in the 51900 which is Salary Reserves. Typically if there's a contract in place with a Union we will just budget whatever the increase is. We have 5 contracts that we are currently negotiating that are going to hopefully be dealt with this coming School Year. So that is obviously the reason that that number is as high as it is. If it were a year where there were or the contracts were replaced that would be a very low number.

Chairman Dowd

Which line was that Mr. Donovan?

Mr. Donovan

The 51900.

Chairman Dowd

Salary Adjustments?

Mr. Donovan

Yes.

Chairman Dowd

The overall 51 Account went down \$751,000.00. Salaries & Wages.

Mr. Donovan

It went down?

Chairman Dowd

Well last year you had a budget of \$90,050,921.00 and the Mayor's proposed is \$89,299,776. That's lower.

Mr. Donovan

Well all the labor accounts in '21 was \$89,780 ... you know what that might be? Those amounts were added, those one-time funds. So if you take those one-time funds, the Base Budget for last year for all the labor accounts was really \$89,780 and we are budgeting \$91,173. So it is an increase based on Base Budget. But then we had some one-time funds that were added.

Chairman Dowd

That's actually the explanation that I was looking to clarify for people that have this book in front of them, they are going "what"? OK.

Mr. Donovan

OK so sort of other lines items not necessarily in particular order but that have increased are transportation, there are two lines in there for transportation. The net increase in those two lines is \$280,000.00. We signed a contract with First Student, another 5 year contract. This was the first year of that contract and we have, going forward, 3% increase a year for the next 4 years so that's what that is what that \$280 is. We increased, as I mentioned earlier in the presentation, our out-of-district tuition \$100,000.00. So it was \$5,694,000.00 not it's \$5,794,000.00. The actual amount that we project for this year will be \$6.4 or \$6.5 million. So as you can see, in the Operating Budget doesn't cover the cost of all of it but typically in a year if there's a line item or two that is under budget I use that to cover it or I have that Special Revenue Fund and I budget about \$400,000.00 to \$500,000.00; if it overruns here than I can cover it there.

The Computer Equipment line item is \$141,000.00 higher than it was last year but last year it was artificially low because of some other funding that covered computer equipment. So this sort of brings it back up to more of a typical year. The Computer Software line is up \$59,000.00; that is a line item that is going to go up every year simply because the cost of software goes up. If we simply just keep all the exact same software each year we are going to have ...

Chairman Dowd

Take a break for a second, Alderman Lu has a question.

Mr. Donovan

Sure.

Alderwoman Lu

Thank you, Mr. Chairman. I am new to this. Would it be possible for – I am having trouble following where you are in the accounts? And if you could just identify like different category that you are referring to. Because when you said “transportation” I had had a question about special education transportation in the “other services” category but it is very hard for me to follow what you are referring to when I don’t know what grouping on the two pages or three pages I should be looking at.

Chairman Dowd

She’s referring to the 55 account, “Other Services”. Did you have a question Alderman Lu why it is that high?

Alderwoman Lu

Sure, if you want I can just ask that question. But I don’t know if we are all following along in the book but I have a hard time knowing where we are looking. For the Special Education, it looks like it went up \$300,000.00 and my question was could you just comment on that?

Mr. Donovan

Yes and that’s pretty much related to – the transportation we break into two. We have transportation costs sort of for regular which are the yellow buses picking up our students and dropping them off. And then we have the Special Education transportation which is a number of different ways of transporting those students. Some of it is the smaller First Student buses that’s when we are transporting those students within the City and then there’s those smaller vans which you may see. First Student owns a few of those but we also have to reach out because some of our students travel to places like Waltham and Methuen and Billerica and other places within the State of New Hampshire. But there’s maybe 1 or 2 students that go to those schools. So the cost of that did increase \$343,000.00 but if you notice the account right above it “Regular Transportation” that is reduced by 62 because what we did was we sort of flipped some of those buses. So the amount in this year’s budget is a little more accurate than last year. The net increase in those accounts is \$280,000.00.

(Audio cuts out)

Chairman Dowd

..... the Budget gets all of their funds and then they have the support of education and the school department have autonomy on how to spend them. They sort of can have their own way of keeping their budget. And when they give their budget to the City, then the City – Mr. Griffin – has to translate it into the Budget Book format so that’s why it doesn’t line up sometimes perfectly. I have Alderman Lopez waving frantically with a question.

Alderman Lopez

I like to think it as casually and charismatically. But this may be a question for the speaker or may be a question that President Raymond can answer. But in terms of transportation for special needs, special education types of transportation, there seems like there would be overlay for medical insurance and medical transportation. Is there anything where the school might provide transportation for someone with special

education needs that we may be able to get reimbursement through insurance or use those services instead of providing them directly ourselves. I'm not sure where the line on those is.

Mr. Donovan

Yes we are able to through the Medicare Revenue, that's I think in the White Pages of your Budget Book, there's a Medicaid Revenue line item so we do get some reimbursement for specific students for that. But we do provide the service and then you just get the reimbursement from the Federal Government.

Alderman Lopez

Is there any optimism that we may be getting more reimbursement because working in social work I know that Medicaid and Medicare as programs were sort of not unveiled to people over the past 4 years. Like no one was telling them when the applications phases were or whether they were eligible and all of that kind of stuff.

There's already a much more dedicated campaign to say, hey these are different health care reimbursement programs, these are different insurance programs. Is that something that we may be able to see some cost savings for or that we might be able to invest in maybe spreading the word a little bit and getting more parents to utilize those?

Mr. Donovan

We currently use a third party to do the Medicare billing for us called MSB. They are pretty much experts on this so they keep us up-to-date. I would suggest we probably bill for everything that we can bill for. And you are correct that sometimes we need parent's approval to do that but I don't think that's been a big issue getting their approval. The timeliness of it might be a little bit of an issue but with that kind of billing we can go back, I believe, up to 12 months. So we don't typically lose any.

Alderman Lopez

OK. I am just hopeful because any money that we get that isn't generated in-house is probably money coming back to us that we have paid out, whether it is State funds or whether it is Federal funds. So when there's larger institutional programs that we can benefit from and where more of our parents might be able to enroll in those services, I feel like that saves a little bit of our local tax economy in many ways. Plus it is kind of the tip of the iceberg for the benefits for them like there's a lot of other ways of connecting with appropriate levels of Medicare for medical reimbursement and insurance might get them better service and better preventative and a better overall infrastructure so that their kids can perform better academically. So that's just my hope. I am not sure there's any kind of modeling in place to see what that will look like until it happens.

Chairman Dowd

So several years ago, we found that we weren't getting as much Medicaid money as possible, that's when the Board of Ed, that was quite a while ago now I guess went out and hired this outside firm and they get every penny they are entitled to now.

Alderman Lopez

That's good. I know there are changes too that we have as Mr. Donovan said that there probably people specifically focused on this. But for example in the past year, I have seen a lot more use of insurance funded transportation to appointments. I've seen a lot more access for people with mobility issues that might be wheelchair vans or that kind of thing. It seems to be a rapidly growing industry and as there's more industry behind it, then prices come down, opportunities increase. You never know when a parent needs to have somebody brought to an appointment, or from an appointment or transported to and from school.

And I know we have systems set up for that in our own school district. Just wouldn't hate to see more options for parents.

Chairman Dowd

OK thank you. Any other questions on the Appropriations? Alderman Jette?

Alderman Jette

Thank you Mr. Chairman. So I share Alderman Lu's difficulty following the presentation, trying to follow it in the book and I hear the explanation given by Alderman Dowd about how your way of doing the budget is different than the City's way. I don't know that we have any influence over that, but if we do it seems like I certainly would find it – I don't know why the City changes your method of doing it for this presentation. I assume there's a reason for it. I mean if there isn't, or maybe we ought to get both your budget the way you do it so when you talk about we can follow you, following along what you are talking about and then the City can do it its way if that's necessary. So if I could ask some general questions.

Chairman Dowd

Before you ask that I – the translator isn't on tonight – that's John Griffin. So more specific questions would be able to be answered by him on how things translate, but he's not on this evening.

Alderman Jette

OK. So Mr. Donovan, during your presentation you had a slide presentation which I think it would be helpful, is it possible for you to provide that to the Board through Donna Graham so that we can look at those numbers that you presented?

Mr. Donovan

Yes I actually sent that to Ms. Graham a day or two ago so she has that.

Alderman Jette

She may have already sent it to me, I apologize if that's the case. But you mentioned the cost per student in Nashua. I think the number was less than \$14,000.00 do you remember?

Mr. Donovan

Yes, \$13,831.00 I believe it was last year.

Alderman Jette

And I think I saw somewhere that the State average is like \$16,000.00. Do you know what the State average is?

Mr. Donovan

I don't know off the top of my head but it is certainly higher than Nashua. But one thing you should consider is the size of Nashua in the State. You take all of your costs, you divide by the number of students to come up with that. So if you had more students, you are probably going to spend a little less per student than you are in some of the very small districts. So I typically tell people, don't compare Nashua's costs per student to some small district that might have 300 kids or 800 kids in it because their cost structure, you know, if they are fitting 8 students on a bus, the cost per bus is going to be a lot more than the cost per bus in Nashua.

But sort of it is, I think, it's more valuable to look at Manchester, to look at Concord, to look at Portsmouth, some of the larger districts. And are we lower than – I think we are higher than Manchester probably lower than Concord and Portsmouth. So to me, you really have got to get an average of the larger districts and compare that than trying to compare it to the small ones.

Alderman Jette

OK I guess whatever the numbers are, I guess the important question is are we – I think you've given part of the answer as to why our average is less than the State average. I guess it is not necessarily because we are doing a better job and it's not necessarily true that we are not spending enough money on our students. Do you have any comment about that?

Mr. Donovan

Well that's an interesting question. I have personal opinions. I think I'll leave this one to the acting Superintendent. Dr. McKinney or the Board President, Ms. Raymond.

Chairman Dowd

Ms. Raymond?

Heather Raymond, Board of Education President

Heather Raymond here. I'll just into this one. So (audio cuts out) Have a larger percentage special education students and high need special education students here in Nashua. Because we have the infrastructure to provide some services, we have people who actually move here for that. If you watch Andru Volinsky and Jeff Tobin's presentation about school funding, you see that Nashua is about 10th from the bottom in the whole State. A lot of it comes down to property values and property taxes. There are some districts in the State that have very high property values and so they can have a lower tax rate and still have a greater tax funding and be able to spend that on education. I mean if you look at how COVID affected different districts last year, compared to Bedford, Bedford already had one to one Chromebooks for their students. So when COVID hit and everyone had to go remote, their students were already equipped with Chromebooks to take home and work whereas we gave out – was it 3,600 and we still had to order another 3,300 and we still don't have a one to one ration.

So I do think that there is discussion to be had about per pupil spending and whether or not Nashua spends enough on our students, especially compared to other districts around the State. Having said that, I do think that Director McKinney and Mr. Donovan have done a remarkable job with this budget making sure that our students have what they need and allowing for our contracts. I am just personally concerned about the requirements of our agreement with the Department of Justice regarding ELL students. I am excited that we are going to embark on this project with them but I am nervous about the resources that it is going to take over the next 3 years and how that is going to affect our budget when we know we have rising special education costs, when we know that the use of technology in the classroom is going to continue to increase. We have learned so much through COVID about the way that technology can help and the way that face-to-face can help. And so I think as we integrate that over the next few years, we may want to take a look at our per pupil spending and how that is being applied to ensure that we have equity across the district, but that we are also providing equity compared to other districts in the State. So that's my soapbox and I will step down off of it now.

Chairman Dowd

Alderman Jette, do you have a follow up?

Alderman Jette

I do. So you mentioned the ELL settlement that was another question that I had. I think that settlement came about after you settled on this budget. So is that taking into account and if not how will it be taken into account?

Ms. Raymond

Yes it was after but I like to think of it as a partnership because we worked with them and we made an agreement on how we were going to move forward for everybody. So a settlement makes me think of punishment; we are not being punished. We are working together to make it a more welcoming and equitable place for our students who speak other languages. Dr. McKinney?

Alderman Jette

If I could follow up again. My question really was, I don't know what the details of the settlement are, but I am assuming it is going to require us to spend more money. Since that was done after you settled on this budget how are you going to pay for whatever increase in funding it is going to cost to abide by the settlement.

Chairman Dowd

I think Mr. McKinney wants to address that. Garth?

Mr. McKinney

Sure, thank you. So the agreement really focuses on 7 things; the services we provide to kids, having more certified ELL teachers not just specialized teachers, but classroom teachers that have dual certification as well, their access to the core content, training our principals, improving our curriculum for ELL kids, communication to ELL families and evaluating our EL program. So with those 7 things, we have to have a response and we are drafting a response to send back to the DOJ in terms of our next steps. Fortunately a lot of these could be or are eligible for ESSER funds and CARES Act. But the process is we have to apply, get approval from the State and use them. So we are fortunate in the timing. Mr. Cioppa, Student Services Director, has been in contact with a number of agencies, a higher Ed institution, Southern NH University is going to do a lot of the training for us. So I think this first year, we are going to be putting a lot of things in place and we will get feedback about how it is going and then we will improve it going forward. So I think we are kind of fortunate right now to have some extra funding available to us but it is going to be jumping through the hoops later as far as approval to make sure they work. Fortunately Mr. Donovan and his team are very good with the grants and we have folks that are pretty good at writing the narratives to get them approved at the State level. I hope that is helpful.

Chairman Dowd

Are you all Alderman Jette, or do you have a follow up?

Alderman Jette

I do have another question. Since we have no control over the line items, we control only the bottom line. What I see in the Budget Book shows me I believe an increase of \$5 million over last year's budget. So I don't know if you, President Raymond, can give us a general overview as to why you need to increase the budget by \$5 million dollars.

Ms. Raymond

Well I think Mr. Donovan can answer that with more clarity than I can. But one of the things that is different between what Mr. Donovan works on and what the Board of Ed approves and what you have in front of you is that ours does not include – what we work on and what we approve doesn't include benefits. So I don't know how much of that \$5 million is benefits, how much is other things off the top of my head. Mr. Donovan?

Mr. Donovan

Yes about \$2 million of that is non-benefit. So the other \$3 million, most of that \$3 million is the pension cost, in the increase in the pension that has been passed down from the State. They changed their rate of return at the State and their calculations so therefore that required an increase in the costs to the cities and towns. So basically the increase in the budget is \$5 million by \$2 million came from salaries and increases in the school; the other \$3 came from benefits most of which this year is the pension.

Chairman Dowd

All set, Alderman Jette?

Alderman Jette

Yes, thank you.

Chairman Dowd

Just two quick things. One, I just have to explain the reason I am more familiar with the translation between the Board of Ed budget and the City's Budget is I was on the Board of Ed for 10 years and many of those years I was Chairman of the Budget. The other year I was President of the Board. So I am very familiar with how they translate and I've had many sessions with John Griffin on that translation. The other thing is, if anyone wants to go on the School Department website, I am going to go out on a limb and assume they have all of the budget deliberations that you went through on the website and it can give you a lot more insight into the specific areas of their budget. And, again, Alderman Jette was correct, in the end we have just bottom line authority on the total amount of money. We can ask questions on the various pieces of it, but how the money actually gets spent is up to the Board of Education or the School Department. Alderman Lopez I see you are waving frantically again.

Alderman Jette

With a quiet dignity, yes. So just a while ago we were talking about how the school expenses for special education in a bigger city may look different than that in a smaller city. I would want to comment that as a larger city we also, because we don't have anywhere to turn to, we also invest a lot more in infrastructure so that the quality of the product that we have, we are answerable to. I would say at the Board of Aldermen as long as I've been at it, 3 terms now I guess, we have had a cap in mind for how much our budget is going to be always; whether it was the legal spending cap or whether it was the – OK well the Courts just said the spending cap is non-enforceable but we are not going to just like ignore the spending cap. So there's always been efforts to keep the overall tax burden on citizens as a priority to avoid sticker shock, to avoid any major changes in value.

We have had escrow funds and funds that were unspent that we've applied to the tax rate to pay it down that we really never thought to offer to the school district. So the school district and the school board have never operated from – what do kids needs and how much will that cost? They have operated from what is the Board of Aldermen going to give them and what can they do with that. And there have been years where they have asked for more money and we have not done that. There have been years where there have been efforts to privatize sections of the school activity. But there have been a lot of changes but I think the overall result isn't really as one as we as Aldermen or as the City at large should be extremely proud of. I think at

best we should be satisfied with it. But this is not a reflection on the professionals in the school district or even the Board of Education has really, at least under President Raymond's oversight, really tackled these issues and tried to advocate for students and focus on the needs of the community versus the needs of the students versus the strict sticker cost on it.

I recognize that the Board of Education has been as fiscally responsible as they can be with what they have and I recognize that is the Board of Aldermen's role to manage priorities other than just the Board of Education and the School District's costs. But I think as a person with a disability, and probably most parents of kids struggling with disabilities, whether they are learning disabilities, whether they are physical disabilities, or even whether there are mental health challenges, we could do better and that is always going to be the sentiment because there's more than we can do.

Smaller communities may have different tax structures, I mean Bedford for example may be able to do more without impacting its citizens the same as ours do. And when we look at that impact we have to also weigh are we talking about raising taxes on fixed income seniors who may struggle to pay their mortgages or is this going to be the thing that bumps a working class family into the red zone versus sustainability. So those are some of the things you get in a bigger city where smaller towns and other types of communities wouldn't have that kind of diversity of need or the diversity of priorities that we have to manage here. So I think we definitely could put much more into the education department and we could offer much more advanced and updated infrastructures for helping people with special education needs. We can re-evaluate efficiencies based on economies of scale. That is something we are in the middle of doing; Chairman Dowd is in the process of overseeing the re-development of our Middle School alignment in order to address those needs, to provide better spaces for special education programs while also more evenly distributing students around the City.

So there's a lot of work that we can do. The Board of Education does a lot of management of what we are able to give them as Aldermen. But at the end of the day, I think when we ask the question, does Nashua do a great job with its special education? You can really only answer that, does Nashua do a great job with what it is given versus with what it could be doing compared to other places. Other places have different tools, different resources, and a lot of different advantages we don't have.

Chairman Dowd

OK thank you Alderman Lopez. Just one other things. Cities in the State of New Hampshire get to evaluate their spending on Schools through their Board of Aldermen or the Reps but towns have a special warrant for education. They address their education separately. But just one thing that might help explain the difference in spending, Mr. Donovan, without getting into specifics, what is the most expensive out-of-district placement that you've seen here in Nashua? And if you will let us know that amount of money you would see that if there's a town like Greenville or Warren or some of the other towns in New Hampshire, they would have to also supply that education and that would be a huge impact on their budgets compared to the City of Nashua. So Mr. Donovan, what's the most expensive one you've ever seen?

Mr. Donovan

We have one student that we pay annually about \$280,000.00 a year.

Chairman Dowd

So you can see that towns that have a much, much smaller budget, if they had to address that and they would by Federal Law, that would be a huge hit to their budget. OK. Any other questions? Alderman O'Brien.

Alderman O'Brien

Thank you Mr. Chairman. Mr. Donovan in your 54 series Town Property Services, I see in rentals significant drop from \$253 to \$73,000.00. When you say rentals, I am probably assuming or I am thinking, it is that the portable classrooms and would I be correct in determining that?

Mr. Donovan

You would not be correct but you left that open for me, Alderman.

Alderman O'Brien

That's quite alright. I was hoping Mr. Donovan that it was. I know we have done hard work to get away from those portable classrooms. I just wondered if this was our part of our reward.

Mr. Donovan

No, that reduction, that's the amount that we pay for the Brentwood Lease out on Amherst Street. So now that we've made the purchase of the Franklin Street building, we will no longer have a rental so that is the \$160,000.00 savings. Now since you brought that up, there's an account 81100 which went from 0 to \$250,000.00. The \$250,000.00 is the payment for this coming school year towards the Franklin Street facility. So the net increase in the budget is a \$90,000.00 increase in the budget for Franklin Street. But we also have a savings of about \$50,000.00, it is in the Tile I Grant but we are moving the students from the First Church up at the top of Main Street, those students are being moved out of the Church so we won't pay that rent anymore and they will be moved over to the Broad Street School.

Alderman O'Brien

Very good, thank you Mr. Donovan. That makes me equally as happy as getting rid of the portable classrooms, so thank you. But I do have another question if I may. In the 61000's, Supplies & Material Accounts I see there was about a halving in books and I also see a significant reduction from \$126,000.00 to \$56,000.00 in testing materials. Would I be letting the cat out of the bag that that cut in testing materials that we are not going to tests for the students? I hope I am not letting the cat out of the bag.

Mr. Donovan

I don't think you are doing that at all.

Alderman O'Brien

Would that be COVID-related because the books aren't as tired?

Mr. Donovan

No. If you look there's another account in that group, 61830 Subscriptions. You will see there's an increase there. So sort of the part of the difference between the book's decrease and the subscription increase is that instead of buying text books, a lot our programs now use online materials so you pay a subscription fee as opposed to purchase books. So that's part of what that is. The testing material line itself is \$70,000.00. We changed the company that was doing our testing. I think Dr. McKinney can speak more to that.

Alderman O'Brien

I am satisfied. I am glad to see we are looking to get modernization particularly with the books; as you know, they do get tired and get used quite heavily. And if are going to something on line maybe we are getting a better bang for the buck in that type of situation. Thank you Mr. Donovan.

Chairman Dowd

I know that people in my age category still like to hold a book and read it although I do spend a lot of time on the computer. But everything is going digital. Years ago the military shifted from hard copies of technical manuals to digital and saved billions of dollars and weight especially on ships and more particularly on submarines because a lap top weighs a lot less than numbers and numbers of books or technical manuals and drawings. So that's one thing that's changing. Are there any other questions? Alderman Lu?

Alderwoman Lu

Thank you Mr. Chairman. I have a couple questions on line items but maybe by just asking a general question I will have them all answered. A lot of the CARES funds were able to pay for some of the expenses in the School Department last year. So when I look at actual through, when I look at what actually got spent, is that figure, has that figure already had the credit applied to it. If the funds did not have to come from the School Department as predicted, say like cleaning supplies, they were all COVID-related this year then is that figure, I'm having a hard time articulating it. I guess I am trying to understand, it looks like most of the categories we spent less than we expected last year. Is that because CARES funding was able to pay for some of it?

Mr. Donovan

Somewhat but the line items when you are looking through the period, the budget book says for a certain point in time, the spending for this School Year will be well below what the budget for this School Year was. Most of it is not because we used CARES Funds / Federal Funds instead of local funds. It was because we simply didn't incur those expenses this year. For example, we probably had 40 or so paras that didn't come back and we didn't hire them, we didn't them in remote learning, so we saved that number. We reduced the amount of overtime needed in the School District most of which is plant operation, custodians, there was no requirement for that because we weren't in the schools most of the year. All of our utility fees are lower this year because people weren't in the schools.

So what we used the Federal funds for was to buy let's say masks and cleaning supplies and things that we typically don't buy so it was in addition to. And where we have spent a lot of them in the beginning it was on technology. So the good thing about that is we have been able to significantly improve our wireless, we've got a lot more devices, we've got new switches. Probably by the end of this summer, we will have pretty much redone our whole technology infrastructure. So that's what most of the Federal money was used for.

Alderwoman Lu

OK thank you. And then I just have a couple of line item questions. So for instance Computer Equipment 71221, I see the available Budget is different than the original budget. Was that because CARES funds were added to the available Budget?

Mr. Donovan

That was not actually CARES Funds because CARES Funds has to be kept separate. That was if you recall last year there were some one-time funds which were funds we received from the State and the School District was given about \$1 million of that and we used some of that for our computer infrastructure. That's why the difference.

Alderwoman Lu

Thank you. Could I just follow up?

Chairman Dowd

Sure.

Alderwoman Lu

Thank you. Under “Supplies & Materials” education supplies went up 20%. Was that COVID-related?

Mr. Donovan

The six fund, what is it? The 61135?

Alderwoman Lu

Yes.

Mr. Donovan

Most of that line item is budgeted by the individual schools. So the way we budget for the individual schools is we give each school a certain dollar amount. They then take that dollar amount and they budget it to the different accounts they think they are going to use. So we did not increase, I think slightly, but we really didn't put much of an increase in the amount of money we are giving to the schools next year compared to what we gave them this year. They simply budgeted more of it in supplies and less of it in other line items like equipment or computers or things like that. That's really what that increase is, it is not necessarily an increase schoolwide, it is just an increase in that account from the schools themselves.

Alderwoman Lu

Thank you.

Chairman Dowd

All set Alderman Lu?

Alderwoman Lu

Just one other question if I could.

Chairman Dowd

Go ahead.

Alderwoman Lu

Under “Longevity” I am just curious about this. The original (audio cuts out) budget last year was \$385,000.00 how could that, just how could longevity be more than you expected? Is it because of overtime?

Mr. Donovan

No longevity is in I think all of contracts have a longevity if an employee stays with the union for 15 or 20 or 25 years whatever, depending on they get paid a certain amount of money for simply for being in the district. So it is sort of a longevity bonus if you stay with the district you get this amount once a year. There were two things that happened, the \$385 was a bad budget job by me last year. That's really what that was and part of the reason that it was as bad as \$185 was that the paras used to get their longevity each paycheck so we didn't budget it in the longevity line, it got budgeted in the Full Wage, the Salaries full-time. We changed that

in their latest contract so now they are getting paid a lump sum like all the other Unions. So it basically moved from Wages Full Time down to Longevity. So it is probably an increase of about \$15,000.00 or \$20,000.00, it's really not that full number.

Alderwoman Lu

Thank you. I am all set.

Chairman Dowd

One other thing just for information. At the end of the School Year, after Mr. Donovan has paid all the FY'21 expenses, the monies that are left go back to the City to the General Fund. They are used for various things, one of which is offsetting the tax rate for the coming year. It is very difficult to manage a budget right down to the dollar because they can't overspend and Mr. Donovan does a great job of keeping that a reasonable balance available to cover the unknown unknowns, and at the end of the year usually has funds left over. But it is very tricky managing \$155 million dollar budget last year and \$161 million proposed for '22. So kudos to Mr. Donovan for managing that amount of money and making sure that it is not overspent. OK any other questions? Seeing none, is there anything else that you want to address relative to the Budget Mr. Donovan?

Mr. Donovan

No. I am just looking forward to this upcoming School Year. As you saw, we have a significant amount of the CARES Funds so I think with those funds available, we will be able to take care of learning loss and a lot of the issues caused by the pandemic. And with the amount of monies we have, we also should be able to do some repairs to HVAC Systems in our schools so in case there are variants or something else comes up, we should be able to make improvements. So it will be very different next year in that we will have a lot of money; some of it is very specific what to spend it on but since I've been here, up until this year, it was always very, very tight. This year, because of the pandemic there is extra money in the budget which we will find out later in the summer. But I think with all those CARES Act we should be able to meet most of our actual needs.

Chairman Dowd

So one of the – I am glad you mentioned the HVAC. Mr. Smith and I have been looking at that across the schools. The one thing that they have identified nationwide is that air quality is a very important factor when you are talking about a pandemic. Some our schools have new HVAC systems in them because we have modified several schools over the last ten years but we still have schools that need significant HVAC work. We do have a couple of things in mind which I am sure that Mr. Smith has talked to you about Mr. Donovan. So when that funding is available, we will be looking to improve the air quality in the schools not just for the pandemic but there have been significant things in the paper lately and other magazines about air quality helping students learn. So it is a very important factor.

One other quick question on Debt Service on Line 73 – Capital Lease. Just so people understand what that is for?

Mr. Donovan

The 75120 that one. Yes that's our copiers. We are trying to move more and more to technology but teachers still love paper, the worst thing you can do to a teacher is have the copy machine break down in the school; it the worst thing in the world. So we a few years ago did one lease with the company and now we have another one. So over six years, we will have all new copy machines, half of them were put in a year ago and the other half will be put in on year 3 of their six year lease. My goal was to keep it around \$100,000.00 a year for cost to the District. We have been able to do that for about 8 years now. So for \$100,000.00 grand a year, every teacher is happy most of the time.

Chairman Dowd

The other question I have is on line 90500, Expense Transfer to Other Funds.

Mr. Donovan

Yes. What this is, that's two items. The facility rentals, we rent out our facilities and we collect fees for that, those fees go into reducing our operating budget. In this current year, our Budget was \$140,000.00, because of COVID we didn't rent our facilities so we ended up with 0. I was a little more conservative going into next year so I only budget \$100,000.00 in revenue. We plan on, based on the way things are going, leasing the facilities out again come September. So hopefully we can receive that amount. The other piece of it I spoke to earlier when Alderman Jette asked about the athletic fees; that is where the athletic fees go the net reduction. So the amounts we receive in athletic fees and the amount in facilities rentals show up in the Operating Budget as negatives or revenue or a different way of looking at it. So not only did the Athletic Director request a decrease of about \$20,000.00 in the fees because we just haven't been receiving the fees as budgeted so we are budgeting it based on what we had received in 2019.

Chairman Dowd

And other question I have is did the Mayor specify where he thought the \$119,300.00 was coming from?

Mr. Donovan

No, he didn't give us specific line item. But my opinion, we can live with it.

Chairman Dowd

OK. If there are no other questions, I want to thank the School District and President Raymond for coming before us this evening and going over the School Budget. I know that you spent countless hours in meetings hashing this out, many late nights I am sure as it always has been. So thank you very much. I just want to make one other announcement as this is the last Zoom Meeting for Budget and other Board of Aldermen Meetings. The Governor has not extended his order so all meetings henceforth will be in person. So the next Budget Meeting we will need a quorum of Budget people here in the Chamber, alright? Yes, President Wilshire.

Alderman Wilshire

There might be a little hiccup. Well pre-COVID members of the Board were able to call in and be on the phone. We discovered today or yesterday that since the renovation we don't have a phone line. So we are working on it.

Chairman Dowd

I asked Attorney Bolton that very question and he said Zoom could qualify for phone in. So the Planning Boards and the Zoning Board are still doing the hybrid. They are still allowing their people that want to comment and everything coming in on Zoom, not having to attend in person but that's the audience. We still need a quorum of Board Members here in the Chamber. Did somebody want to add anything? Alderman Lopez waving in the flowers?

Alderman Lopez

Yes I want to make sure there is some kind of remote things since life has recently thrown me under the bus.

Alderman Wilshire

Literally.

Chairman Dowd

Alright. If there's nothing else, Alderman O'Brien, do you have a motion?

MOTION BY ALDERMAN O'BRIEN TO TABLE R-21-142, BY ROLL CALL

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Schmidt, Alderman Jette, Alderman Wilshire
Alderman O'Brien, Alderman Dowd 5

Nay: 0

MOTION CARRIED

GENERAL DISCUSSION

Alderman O'Brien

I can say something. It could be "Remarks from the Aldermen". But Mr. Chairman, where you wore two hats and just to help out, there seems a couple members of the Board were confused. Their interpretation the way that the School Board does their Budget and then compared to our current 2022, the book we are dealing out of. Would it be easier to give the School Board, particularly Mr. Donovan and Ms. Raymond a copy of that book so they could...

Chairman Dowd

They do get a copy.

Alderman O'Brien

They do get a copy so they can transpose it?

Chairman Dowd

Yeah and I am sure that Mr. Donovan has been involved with Mr. Griffin over the years, the translation. Sometimes they don't line up line for line. And Mr. Griffin puts the pages together and it is so that they can have everything in the same format and since our only latitude is to do something at the bottom line, it's not critical that it be identical but again, if you go into the Board of Education's web site, you will see far more detail on the areas that you might be interested in. I am sure far more detail. The Budget Book in my past years has always been about 6 inches thick, I am hoping most of it is digital now. But there were numerous presentations, I am sure.

Alderman O'Brien

Thank you. Thank you Mr. Chairman, just trying to help out if it was a matter of issuing a book maybe we could give them one next year.

Chairman Dowd

No they get a book.

Alderman O'Brien

Alright very good. Thank you.

PUBLIC COMMENT

Chairman Dowd

Public Comment? Is there anyone from the Public that wishes to comment?

Alderman Jette

I think Mr. Donovan is trying to comment?

Chairman Dowd

Mr. Donovan?

Mr. Donovan

Yeah just news coming. The School District put together, we have a new budget software now. So we just put it in this spring, we did it the same as we did our Budget so now we've got the new system to agree to the old system and the hope is that you – the Aldermen – will be getting that budget put in next year so then we will have one online system with a lot more information and data at your hands. So it was a lot of work but I think in the long run it will be well worth it.

Chairman Dowd

OK, very good. Just FYI back in the day when I first joined the Board of Ed the Superintendent used to put together a budget asking for everything under the kitchen sink, anything you could think of. And we started with a much higher number trying to boil it down to an acceptable number. So it is a little different now. OK, no public comment. Remarks by Aldermen?

REMARKS BY THE ALDERMEN - None

POSSIBLE NON-PUBLIC SESSION - None

ADJOURNMENT

MOTION BY ALDERMAN O'BRIEN TO ADJOURN, BY ROLL CALL

A viva voce roll call was taken which resulted as follows:

Yea: Alderman Schmidt, Alderman Jette, Alderman Wilshire
Alderman O'Brien, Alderman Dowd 5

Nay: 0

MOTION CARRIED

The meeting was declared closed at 8:41 p.m.

Michael B. O'Brien, Sr.
Committee Clerk

Nashua School District FY 2022 Budget Process

FY 2022 Budget Overview

As Proposed by the District Leadership Team

June 10, 2021

FY 2022 Budget Development

- The District Leadership Team provided feedback in the Budget development.
- Chief Operating Officer and Superintendent (Interim) finalized the Budget recommendations.
- The District Leadership Team presented the FY22 Budget to the Board of Education.

Budget Priorities

- Maintain current staffing, programs, & resources.
- Expand Special Education staffing to meet the diverse needs of our students.
- Continue to address Out-of-District Tuition.
- Support safety and security.
- Establish a district budget to build upon with state and federal funds.

Challenges and Opportunities

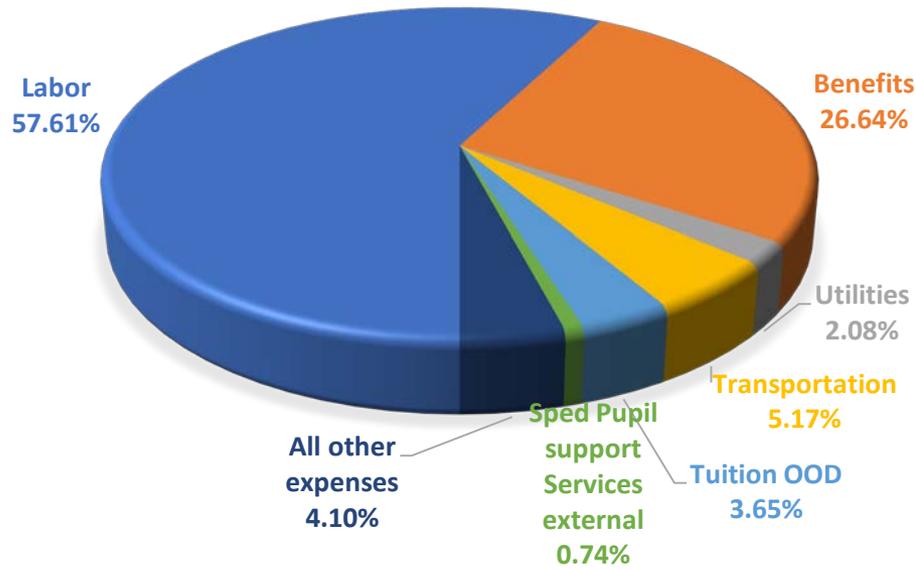
- Responding to the needs of our students
- Summer programming
- 2021-2022 School Year
- Technology
- Staffing
- Social Emotional Learning
- State funding
- Federal funding (CARES Funding)

Nashua at a Glance

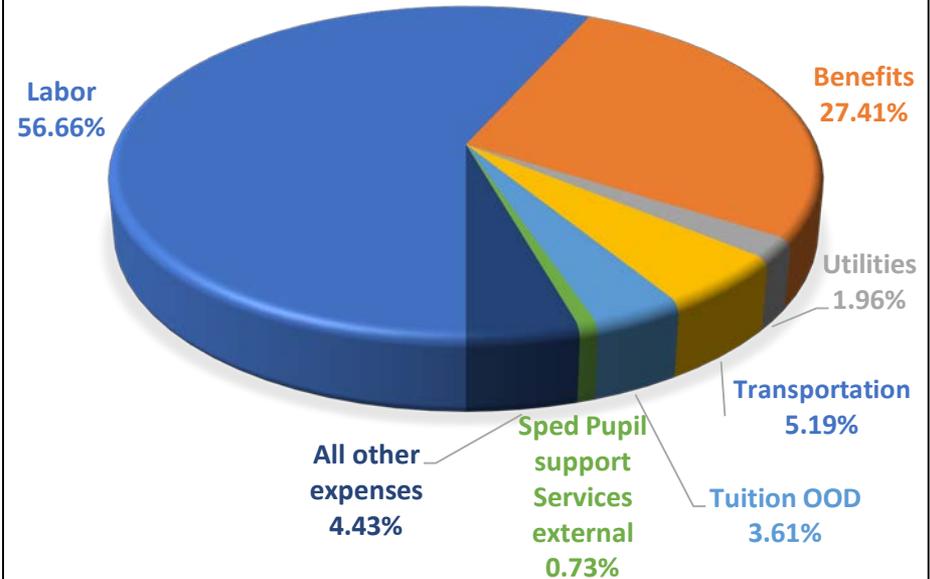
Our District by the Numbers

- 18 Schools: 12 Elementary, 3 Middle, 2 High, 1 Alternative School
- Number of students: 10/01/2019 (11,025) & 10/01/2020 (10,165)
- Total number of staff: 1,772 plus 71 grant funded
- Total number of teachers 1012 (952 operating budget plus 60 grant funded)
- Cost per student: \$13,831 (FY20 - NH DOE report)
- 41% Free and reduced students (October 2019)
- 14% ELL students
- 19% Special education students

FY21 EXPENSES



FY22 EXPENSES



Labor	\$89,780,804.00
Benefits	\$41,519,903.00
Utilities	\$3,245,600.00
Transportation	\$8,057,616.00
Tuition	\$5,694,417.00
SPED Pupil Support Services (External)	\$1,160,100.00
All other expenses	\$6,394,787.00

Labor	\$90,974,636.00
Benefits	\$44,011,097.18
Utilities	\$3,154,775.00
Transportation	\$8,338,402.00
Tuition	\$5,794,417.00
SPED Pupil Support Services (External)	\$1,180,100.00
All other expenses	\$7,119,475.82

Defining FY21 Base

FY21 Budget approved by BOE	\$114,604,143
Benefits, FICA, Pension	\$41,519,903
City Transfer of Union Contract Reserves	(\$270,819)
School Budget Per City	\$155,853,227

Overall Budget Increase

FY 2021 Base Budget	\$114,604,143
FY 2022 Proposed Budget	\$116,561,806
Increase	\$1,957,663
Percent Increase	1.71%

Salary Budget Increase

FY 2021 Total Base Budget	\$89,780,804
FY 2022 Proposed Base Budget	\$91,172,911
\$ Increase	\$1,392,107
% Increase FY21 to FY22	1.55%

Non-Labor Budget Increase

FY 2021 All Non-Labor Costs	\$24,823,336
FY 2022 All Non-Labor Costs	\$25,388,895
\$ Increase	\$565,559
% Increase FY21 to FY22	2.28%

New Costs – Non-Labor

<u>Item</u>		<u>FTE</u>	<u>Amount</u>
Security supplies/Equipment			\$15,000
Tuition Out-of-district			\$100,000
Total Non-Labor			\$115,000

Additional Resources

<u>Personnel – School Based</u>		<u>FTE</u>	<u>Amount</u>
Board Certified Behavior Analyst (BCBA)		1	\$70,000
Custodians for Brentwood – 55 Franklin St		2	\$83,720
Head Teacher Stipends SPED PMS & FMS			\$3,600
Increase Music Program Stipends			\$16,000
Total School Based Personnel		3	\$173,320

Federal Cares Act Funding

- CARES I \$3,274,000 (Sept 2022)
 - Cares II \$12,973,000 (Sept 2023)
 - Cares III (ARP) \$19,299,000 (potential for more in this grant)
-
- These are Federal funds managed/disbursed through the State of NH
 - Can only be used for specific purposes
 - Grant Process – Make request – receive approval - spend funds
 - These are one time funds to be spent over a specific period
 - To be used to prepare, prevent and respond to COVID-19

Operating Budget Increases

<u>Fiscal Year</u>	<u>Initial Request Supt.</u>	<u>Amount Approved BOA</u>
FY22	1.71%	TBD
FY21	2.81%	2.25%
FY20	2.92%	2.43%
FY19	3.41%	2.50%
FY18	2.01%	1.90%
FY17	2.77%	2.25%