Committee Chair Tom Croteau called the meeting to order at 5:33 p.m., noting that the agenda for the meeting was to review this year’s budget.

Business Administrator Jack Dunn reviewed the agenda, including a summary of the FY16 budget, a review of the Nutrition Services year-end numbers and upcoming projects, and a brief look to FY18 to see what is on the horizon. He noted that the presentation was “real time” and contained financial data as of June 29, and that the final numbers will be presented in September. Mr. Dunn clarified that “encumbered” means some monies are already committed via PO, but the District has not yet received invoices for these committed funds. Mr. Dunn reviewed the following highlights:

- Concord Steam – the District has paid Concord Steam all the money that was due without a contract in place and will be paying tariff rates next year at the high school.
- Out-of-district and homeless transportation are very high this year
- Healthcare premium holiday: $363,000 (FY17, $84,000)
- Transfer of $941,000 to the Facilities and Renovation Trust Fund
- Transfer of $100,000 to the Nutrition Services Fund

Mr. Dunn reviewed the FY16 General Fund numbers, followed by the FY16 revenue. He highlighted the projected vs. actual numbers:

Mr. Dunn presented a summary of FY16 spending and FY17 needs; specifically, $1.9 million will be needed, with an estimated surplus of $309,950. He also noted that the budget is expected to be increased by $250,000 due to Concord Steam in FY16.

Nathan Fennessy asked when the $1.9 million referenced above will be used to pay salaries; Mr. Dunn clarified that while the $1.9 million is leftover money that was not used this fiscal year, it is already factored into next year’s budget, and that spending it would create a deficit for FY17.
Mr. Dunn reviewed the FY17 proposed budget. Mr. Dunn emphasized that while the District may not have official confirmation of the FY16 unreserved fund balance, it is comfortable that we will hit the $1.9 million required for FY17. The finalized auditor numbers will be presented in September.

<table>
<thead>
<tr>
<th>FUND</th>
<th>March 30th</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td></td>
</tr>
<tr>
<td>- Operations Excluding Debt Service</td>
<td>$ 70,969,804</td>
</tr>
<tr>
<td>- Operations Debt Service</td>
<td>$ 5,765,143</td>
</tr>
<tr>
<td>- Transfer Facilities and Renovation Trust Fund</td>
<td>$ 486,813</td>
</tr>
<tr>
<td>- Transfer to Vocational Reserve*</td>
<td>$ 142,102</td>
</tr>
<tr>
<td>- Transfer to the Food Service Fund</td>
<td>$ 75,000</td>
</tr>
<tr>
<td>Total General Fund</td>
<td>$ 77,438,862</td>
</tr>
<tr>
<td>Food Service Fund</td>
<td>$ 1,725,876</td>
</tr>
<tr>
<td>Grant Fund</td>
<td>$ 4,277,553</td>
</tr>
<tr>
<td>CRTC Capital Projects Fund</td>
<td>$ 118,000</td>
</tr>
<tr>
<td>TOTAL APPROPRIATIONS</td>
<td>$ 83,560,291</td>
</tr>
</tbody>
</table>

PROJECTED TAX IMPACT SUMMARY**

Projected City Valuation                          .80%
Tax Rate (local and state combined)               $15.18 per thousand
Percentage increase over prior year               2.85%

Mr. Dunn reviewed the list of impacts for the FY18 budget, highlighting technology upgrades for the elementary schools, as the current supply of iPads is four years old. Mr. Cogswell corrected the technology addition for 9th and 12th grade, rather than the 11th and 12th grades. Mr. Croteau, noted the need to review the RMS Feasibility Study, and how to proceed.

- NHRS increase
- Technology upgrades for elementary
- Technology – additional for 11th and 12th
- Full day kindergarten
- Concord Steam conversion (bond payment)
- Reduction of premium holidays
- Copier lease
- Unreserved Fund Balance for FY17
- Negotiation of five agreements
- Other?

Mr. Dunn reviewed the Nutrition Services numbers and highlighted changes in the various breakfast and lunch consumption levels per school. Mr. Prince asked what a
supplemental sale is; Mr. Dunn clarified that this means any additional non-meal food item reimbursable by neither the state nor the federal government.

Mr. Dunn reviewed the high supplemental sales at RMS and CHS, noting that much of this was likely due to the high school’s coffee bar and external “grab and go” merchandiser. Mr. Cofrin asked why Beaver Meadow School’s numbers were so low; Mr. Dunn explained that one of the cooks was working reduced hours and that the school’s overall enrollment is down, along with RMS. Mr. Cogswell asked about Abbot-Downing School; Mr. Dunn explained the new cafeteria procedure, which minimizes time spent handling cash and processing students’ cards. Mr. Cofrin noted that the “grab and go” is a good system that would allow more children to get breakfasts given limited time. Mr. Fennessy asked about cost and expenses. Mr. Dunn reviewed the Nutrition Services Status slides. Mr. Cofrin asked about year-to-year trends, and Mr. Dunn showed that the deficit is decreasing year to year. Mr. Prince pointed out that with new Food Service Director Donna Reynolds on board, Food Service staff morale has improved; they feel more empowered and supported, which consequently has improved performance. Mr. Richards echoed his impressions of the improved morale and noted several examples where he had lunch at the high school and was impressed by the great sense of pride and commitment demonstrated by the Food Service staff.

Mr. Dunn reviewed the following list of planned staffing, equipment, and services upgrades for FY17:

- Three new Head Cooks
- Vending (linked to student accounts)
- Soup
- Smoothie machine
- Equipment upgrades for efficiency
- Wellness Committee
- “Grab N Go” express at CHS and RMS
- Additional “Power Bar”
- Updated CHS serving area (signage, lights and serving equipment)

Mr. Dunn also noted that three long-time head cooks are leaving, and that hiring their replacements will be an important focus. He discussed the benefits of installing a new vending machine in the high school as a way to increase the hours of Food Service availability and to increase revenue. He noted that the District would need to buy and stock the machine. Ms. Patterson noted that this would be a huge boon for students who stay for after school activities. Mr. Fennessy asked whether these would be considered reimbursable meals and what the vending sales are currently; Mr. Dunn noted that many of these items would be considered reimbursable, and that the District currently receives 15% of the profit vs. 100%. Mr. Dunn noted that smoothies are popular and would likely be popular items at the middle and high schools if smoothie...
machines were installed. He also noted that the high school is adding more electrical plugs and lighting in the cafeteria to allow students to charge their devices.

Mr. Dunn noted that the next budget meetings will be in September and October.

Mr. Croteau and Mr. Cofrin thanked Mr. Dunn for his enthusiasm and commitment to the Nutrition Services program and commented on the improvements they have noted to the quality of these programs.

The Committee voted 4-0 to adjourn (motioned by Mr. Croteau, seconded by Mr. Fennessy).

The Committee adjourned at 6:17 p.m.

Respectfully submitted,

Tom Croteau, Committee Chair
Jack Dunn, Recorder