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4 **TOWN OF NEWMARKET, NEW HAMPSHIRE**  
5 **BUDGET COMMITTEE MEETING:**  
6 **SCHOOL BUDGET PUBLIC HEARING**

7 **JANUARY 13, 2020 7:00 PM**

8 **TOWN HALL AUDITORIUM**

9 ***DRAFT MINUTES***

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12 MEMBERS PRESENT: Chairman Michael "Mickey" Burns, Vice Chairman Daniel V. Smith, Jeff Raab, Roger  
13 Cady, Gary Swanson, Joe Lamattina, Christian Matthews, Robert Ortins, Trevor MacDonald, School Board  
14 Rep Elizabeth McKinney, Town Council Rep Zachary Dumont

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16 ALSO PRESENT: School Superintendent Dr. Susan Givens, Interim Business Administrator Marie  
17 D'Agostino

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19 **AGENDA**

20 Chairman Mickey Burns welcomed everyone to the January 13, 2020 Budget Committee Meeting for the  
21 School FY2021 Budget Public Hearing, and called the meeting to order at 7:00 pm, followed by the Pledge  
22 of Allegiance.  
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24 **OLD BUSINESS**

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26 **Approval of the Minutes of the Budget Committee Meeting of January 6, 2020**

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28 Chairman Burns said that the minutes of the Budget Committee Meeting of January 6, 2020 were not  
29 yet available.  
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31 Chairman Burns thanked all the members of the Budget Committee, and said this would be his last  
32 meeting with the Budget Committee, as he was at the end of his second term and did not plan on re-  
33 running. He thanked the members for their service and providing a forum to discuss informed issues in an  
34 environment of respectful comment.  
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36 **NEW BUSINESS**

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38 **SCHOOL BUDGET PUBLIC HEARING**

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40 Chairman Burns said Public Comment is the time for the public to come forward and comment on the  
41 School FY2021 Proposed Budget, and it was not a question and answer. He asked members of the public

to comment in support for or against the bottom line amounts. He said the mandate of the Budget Committee is to recommend or not recommend only the bottom-line numbers.

#### **Public Comment**

Chairman Burns opened Public Comment at 7:05 pm.

John Baldi of Madison Lane said he is concerned that there is too much overhead in the General Budget, and read that there was a lot of discretionary spending available. He said the School Budget is a large increase over last year, and he would be against it. He said he would also be against Warrant Articles 5, 6, 7, and 8, and asked why they could not use the money they have to offset the increases in this Budget.

Cliff Chase of 52 Elm Street, a former member of the School Board, said he came in support of the Warrant Article in its entirety and the School FY2021 Budget as presented. He felt it was very important to have someone in the role of Assistant Superintendent for continuity, and to have integration that transcends grade levels so the students are in the same place moving to the next grade. He said in a District with a lot of turnover, it is particularly important to have someone who can make sure programs are in place for new folks in the building. He said he appreciates all of the time spent for the meetings held and the challenges of the School Board of late.

Toni Weinstein of Ash Swamp Road said she knows how much time goes into preparing the Budget from all parties. She said one of the things she was struck by with this particular Budget was how much was provided and how much thought went into the Budget process overall. She said the focus on students' education is at the forefront of every decision indicated, and she wanted to voice her appreciation of that. She thanked Elizabeth McKinney for all the work she has done in her role on the School Board and voiced her support for the Budget overall.

Chairman Burns closed the Public Comment at 7:10 pm.

#### **School Warrant Articles**

Chairman Burns said the next part the meeting is a review of the School Warrant Articles, and the Budget Committee will be going through a series of votes to recommend or not recommend, and the vote being recorded. Vice-Chair Smith said they cannot change the language of the article, only the dollar amounts. Mr. Matthews asked if they could submit new Warrant Articles, and Chairman Burns said they cannot submit new Warrant Articles, but can speak as a member of the public at the Deliberative Session.

#### **Warrant Article 1**

Chairman Burns read Warrant Article 1 Election of Officers into the record, and said there would be no vote on this Article.

*Article 1: Election of Officers (voting by official ballot March 10, 2020): To choose the following School District officers: (1) Moderator, 1-Year Term; (1) School District Clerk, 1-Year Term; (1) School District Treasurer, 1-Year Term; (1) School Board Member, 3 Year-Term; (1) School Board Member, 1-Year Term.*

#### **Warrant Article 2**

Chairman Burns read Warrant Article 2 into the record

*Article 2: "Shall the Newmarket School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts*

set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling **\$23,176,613**? Should this article be defeated, the default budget shall be **\$22,605,705**, which is the same as last year, with certain adjustments required by previous action of the Newmarket School District or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only?" (Majority ballot vote required).

The School Board recommends this appropriation **(5 - 0)**

**NOTE:** Warrant Article 2 (operating budget) does not include appropriations in ANY other warrant article. The total operating budget will be offset by estimated federal grant revenues of **\$500,000** and an estimated **\$380,000** in local, state, and federal child nutrition revenue, leaving a net budget of **\$22,296,613**. The amount of **\$880,000** will not be raised by taxes. If passed, it is estimated that this article will result in an increase of **\$1.57** over the previous year's school tax rate of **\$17.59**, which will result in a new estimated tax rate of **\$19.16**. If defeated, it is estimated that this article will result in an increase of **\$1.99** over the previous year's school tax rate of **\$17.59** which will result in a new estimated tax rate of **\$18.58**.

**Motion:** Mr. Lamattina made a motion to amend Article 2 to raise and appropriate \$23,022,568, which was seconded by Mr. Cady.

Discussion: Mr. Lamattina said he finds it difficult to support the addition of the Assistant Superintendent, and did not feel it would have a significant impact on turnover at this point. He said his amount is based on subtracting the \$154,000 for the Assistant Superintendent from the total requested. Ms. McKinney said she felt that would be a huge mistake, and as scores have been going down since 2005 and the School is at a standstill. Mr. Swanson said last year Superintendent Nadeau said the money and responsibilities were being taken up by the Assistant Principal and teacher leaders.

Chairman Burns said by reducing the number there are no conditions on how that money is impacted, and this was clearly a bottom-line number they were creating. Mr. Cady said he had questions on the wording of the Warrant Article and asked if he could make an amendment.

Vice-Chair Smith said he respectfully disagrees with some of the premise of the motion, and said he heard from a member of the public that the Assistant Superintendent is something being invented in this Budget process which is not true. He said he personally sees a lot of the difficulties at the High School over the last couple of years as not having an Assistant Superintendent in place to provide oversight for more continuity of curriculum due to turnover, and also provide oversight at a higher level. He said the School had to fail at a number of different levels to get to the point of 25% of High School Seniors not meeting criteria for graduation. He said making sure kids are progressing at a proper rate is something they need to get back, and that's where the value of the Assistant Superintendent really lies.

Mr. Swanson said in 2018, according to the Department of Education, Newmarket had a 96% graduation rate. Ms. McKinney said they struggled with the prior superintendent to get answers for the School Budget last year. She said they kept removing teachers and administrators and were now seeing the impact of that on their kids. Mr. Swanson said the turnover has not changed that much, and Ms. McKinney said she watched 32 people walk out last year. Mr. Swanson said he just wants to be very clear on what the numbers are. Chairman Burns said he felt this was a healthy conversation but was not sure this was the right forum, and said he wanted to get back to their mandate to review.

Chairman Burns said there is a motion on the floor to reduce the bottom line by \$154,000 to \$23,022,568, from the original \$23,176,613. A *yes* vote will approve the change and a *no* vote will reject.

**Roll Call Vote:** Ms. McKinney-no, Mr. Matthews-yes, Mr. Ortins –no, Mr. Raab-yes, Mr. Lamattina-yes, Mr. Burns-no, Mr. Smith-no, Mr. Cady-no, Mr. Swanson-yes, Mr. MacDonald-no, Mr. Dumont-no

**Motion** NOT recommended by a vote of 4-7

**Motion:** Mr. Swanson made a motion to decrease the total number of \$23,176,613 to \$22,981,195, which was seconded by Mr. Matthews.

Discussion: Mr. Swanson said a large portion of the Default Budget numbers exactly match the proposal which is improbable, and some New Hampshire Retirement numbers are disproportionate to last year. He said his rationale for the figure was to subtract the Assistant Superintendent salary, adjust calculations where small salary increases were accompanied by large increases in retirement, and to take out last year's approved increases in salary for the Administrative Assistant (\$12,000) and the Superintendent (\$11,000) for a total of \$22,981,195.

Interim Business Administrator D'Agostino said Retirement is based on 17.8% for certified staff, and some administrative staff are also 17.8% which is the State Law. She said Business Administrators, Student Services Directors, and Principals are contract rate and considered educators. She said Health Insurance is based on the people that are currently employed so there is a difference in the budgets year to year. She said the difference in Health Insurance is the change in personnel and change in plans, and the Board has worked very hard to present the most accurate and appropriate Budget.

**Motion Withdrawn:** Mr. Swanson withdrew his motion based on the explanation.

Mr. Cady said he would like to amend the article as written to remove the question marks in Article 2 as they are confusing. Vice-Chair Smith said this is boilerplate wording, and the whole Warrant Article is phrased in the form of a question for the voter. Mr. Cady said the second instance was not phrased as a question. Vice-Chair Smith said he might be correct, but it was up to the School Board to change what goes on the final Warrant. Mr. Cady said he was having trouble approving the motion because of the wording, and also with the numbers furnished for the Default Budget. Chairman Burns said these numbers were produced in good faith with the information available at the time.

Interim Business Administrator D'Agostino said to derive the Default Budget they start with the current FY2020 Budget, subtract any one-time expenses, and add contractual obligations. She said they have to budget for actuals so there is a difference. She said any increases with vendor maintenance agreements are incorporated in the Default Budget because they are known costs, and they also increase or decrease based on student enrollment. She said NOT included in the Default Budget are any proposed increases including salary and related benefits.

Interim Business Administrator D'Agostino said the Operating Budget Gross includes Food Service & Grants \$22,296,613. Project Grants of \$500,000 plus projected Food Service Costs of \$380,000 total \$880,000 plus \$22,296,613 equals the \$23,176,613 Budget figure. She said the difference between the Operating Budget and the Default is \$570,908, so \$21,725,705 plus \$880,000 is \$22,605,908. She said Paraprofessionals are negotiating and are a separate Warrant Article. She said the School Board will look at the wording of Article 2 and make any changes necessary.

**Motion:** Mr. Lamattina made a motion that the Budget Committee recommend the School FY2021 Budget of \$23,176,613 as proposed, which was seconded by Mr. Cady.

**Roll Call Vote:** Ms. McKinney-yes, Mr. Matthews-no, Mr. Ortins-yes, Mr. Raab-yes, Mr. Lamattina-yes, Mr. Burns-yes, Mr. Smith-yes, Mr. Cady-yes, Mr. Swanson-no, Mr. MacDonald-yes, Mr. Dumont-no

**Motion recommended by a vote of 8-3**

### **Warrant Article 3**

Chairman Burns read Article 3 into the record:

***Article 3:** "Shall the Newmarket School District vote to approve the cost items included in the Collective Bargaining Agreement reached between the Newmarket School Board and the Newmarket Support Staff Association, which calls for the following increase in salaries and benefits at the current staffing levels over the amount paid in the prior fiscal year?"*

***Estimated Increase:** Year 2020-21, **\$58,143**; Year 2021-22, **\$48,192**; Year 2022-23, **\$50,591***

*"And further to raise and appropriate the sum of **\$58,143** for the upcoming fiscal year, 2020-2021 school year such sum representing the additional costs attributable to the increase in salaries and benefits over those of the appropriation at current staffing levels paid in the prior fiscal school year?" (Majority ballot vote required).*

*The School Board recommends this appropriation (5 – 0);  
The estimated tax impact of this warrant article is \$.06*

Vice-Chair Smith said this will be an up/down vote by the Budget Committee because this is a Labor Agreement between the School Board and Support Staff Associates. Mr. Matthews asked if the \$58,143 is in addition to salaries, and Vice-Chair Smith said yes, in addition to what's in the Budget.

**Motion:** Mr. Swanson made a motion to recommend *Article 3* as written, which was seconded by Mr. Cady.

**Discussion:** Mr. Matthews asked why there was a shift in the numbers year to year. Dr. Givens said the numbers vary as each year separately negotiated. Vice-Chair Smith said these are cumulative, and asked if the second year is in addition to the \$58,000; Dr. Givens said I was. Mr. Raab said they were only talking about appropriating next year, and Vice-Chair Smith said next year it would be subsumed into the Operating Budget.

**Roll Call Vote:** Ms. McKinney-yes, Mr. Matthews-yes, Mr. Ortins-yes, Mr. Raab-yes, Mr. Lamattina-yes, Mr. Burns-yes, Mr. Smith-yes, Mr. Cady-yes, Mr. Swanson-yes, Mr. MacDonald-yes, Mr. Dumont-yes

**Motion recommended by a vote of 11-0**

### **Warrant Article 4**

Chairman Burns said he spoke with the Town Attorney and they "can" vote on this to show support for the School, and read Article 4 into the record:

***Article 4:** "Shall the Newmarket School District, if Article 3 is defeated, authorize the school board to call one special meeting, at its option, to address Article 3 costs only?" (Majority vote required.)*

*The School Board recommends this appropriation (5 - 0)*

**Motion:** Councilor Dumont made a motion to recommend *Article 4*, with was seconded by Mr. Cady.

Discussion: Mr. Matthews asked what costs will be addressed by the School Board at this meeting if Article 3 does not pass. Interim Business Administrator D'Agostino said this is an option to call another meeting so they do not have to wait another year to make adjustments. She said if Article 3 is defeated, they will need to go back to negotiations to resolve the contract.

**Roll Call Vote:** Ms. McKinney-yes, Mr. Matthews-yes, Mr. Ortins-yes, Mr. Raab-yes, Mr. Lamattina-yes, Mr. Burns-yes, Mr. Smith-yes, Mr. Cady-yes, Mr. Swanson-yes, Mr. MacDonald-yes, Mr. Dumont-yes

**Motion recommended by a vote of 11-0**

#### **Warrant Article 5**

Chairman Burns read Article 5 into the record:

*Article 5: "To see if the district will vote to raise and appropriate, from surplus, the sum of **\$415,531** to be used to improve, renovate, furnish and equip school buildings, and authorize the use of this amount from the June 30, 2020 fund balance (surplus) for this purpose. (This amount represents part of the interest earned on temporary investment of bond proceeds that will be transferred to the general fund on June 30, 2020.)?" (No amount to be raised from taxation). (Majority vote required)*

*The School Board recommends this appropriation (5-0).*

**Motion:** Vice-Chair Smith made a motion to recommend *Article 5* as written, which was seconded by Ms. McKinney.

Discussion: Mr. Lamattina said he would like to see the money returned, but either they spend it now or spend more later. Mr. Matthews asked if the items listed could be dealt with before June 30, 2020 when the funds go in. Dr. Givens said they cannot spend the money until June 30<sup>th</sup> but they can start the bidding in preparation.

**Roll Call Vote:** Ms. McKinney-yes, Mr. Matthews-yes, Mr. Ortins-yes, Mr. Raab-yes, Mr. Lamattina-yes, Mr. Burns-yes, Mr. Smith-yes, Mr. Cady-yes, Mr. Swanson-yes, Mr. MacDonald-yes, Mr. Dumont-yes

**Motion recommended by a vote of 11-0**

#### **Warrant Article 6**

Chairman Burns read Article 6 into the record:

*Article 6: "To see if the district will vote to raise and appropriate, from surplus, the sum of **\$200,000** to be added to the Facilities Trust Fund previously established and authorize the use of this amount from the June 30, 2020 fund balance (surplus) for this purpose. (This amount represents part of the interest earned on temporary investment of bond proceeds that will be transferred to the general fund on June 30, 2020.)?" (No amount to be raised from taxation). (Majority vote required)*

*The School Board recommends this appropriation (5-0).*

**Motion:** Mr. Swanson made a motion to recommend *Article 6* as presented, which was seconded by Mr. MacDonald.

Discussion: Mr. Lamattina said with all the money put into the Schools for the Bond Issue and Article 5 funding, this is perhaps one place the School could return funds to reduce taxes. Dr. Givens said this is not

all Bond Interest, and said the School does have one last CD earning approximately \$74,000-\$128,000 to reduce taxes. She said these 3 articles are to replenish School Trust Funds. She said they are not quite finished with construction at the School and money may be needed before the end of the project in the event something happens.

Vice-Chair Smith said he agrees with Mr. Cady because there is no specific plan tied to this money, and there are other places for the School to get money in the event something urgent happens. Mr. Matthews asked for the current level for the Facilities Trust Fund, and Interim Business Administrator D'Agostino said the Facilities Trust Fund has \$287,429; the IT Trust Fund has \$117,900, with \$13,000 already allocated out of that leaving \$104,000. She said Warrant Articles are listed in order of priority, so if one fails and another does not the money goes back to taxpayers. Mr. Ortins said it would show in the surplus at the end of the year and reduce the following year appropriation.

**Roll Call Vote:** Ms. McKinney-yes, Mr. Matthews-no, Mr. Ortins-yes, Mr. Raab-no, Mr. Lamattina-yes, Mr. Burns-yes, Mr. Smith-no, Mr. Cady-no, Mr. Swanson-no, Mr. MacDonald-yes, Mr. Dumont-no  
**Motion** NOT recommended by a vote of 5-6

#### **Warrant Article 7**

Chairman Burns read Article 7 into the record:

***Article 7:** "To see if the district will vote to raise and appropriate, from surplus, the sum of **\$50,000** to be added to the Technology Trust Fund previously established and authorize the use of this amount from the June 30, 2020 fund balance (surplus) for this purpose. (This amount represents part of the interest earned on temporary investment of bond proceeds that will be transferred to the general fund on June 30, 2020.)?" (No amount to be raised from taxation). (Majority vote required)*

*The School Board recommends this appropriation (5-0).*

**Motion:** Mr. Cady made a motion to recommend Article 7 as written, which was seconded by Mr. Swanson.

Discussion: Mr. Matthews asked if there were any big technology projects in the pipeline. Dr. Givens said it is a replacement cycle using the IT Trust Fund to anticipate possible expenses. She said to not be able to address something immediately in technology is scary from an instructional standpoint.

**Roll Call Vote:** Ms. McKinney-yes, Mr. Matthews-yes, Mr. Ortins-yes, Mr. Raab-yes, Mr. Lamattina-yes, Mr. Burns-yes, Mr. Smith-yes, Mr. Cady-yes, Mr. Swanson-yes, Mr. MacDonald-yes, Mr. Dumont-yes  
**Motion** recommended by a vote of 11-0

#### **Warrant Article 8**

Chairman Burns read Article 8 into the record:

***Article 8:** "To see if the District will vote to raise and appropriate from surplus up to fifty-thousand dollars (\$50,000) to be placed in the Facilities Trust Fund to support the Elementary School Playground Renovation Project, with this amount to come from the June 30, 2020 fund balance if available: (No amount to be raised from taxation). (Majority vote required)*

*The School Board recommends this appropriation (5-0).*

**Motion:** Vice-Chair Smith made a motion to recommend *Article 8* as written, which was seconded by Mr. Raab.

Discussion: Mr. Swanson asked for the total projected costs for the Playground. Dr. Givens said the most recent estimate is \$220,000 total, and said the \$50,000 raised so far is not enough and they are still actively fund raising.

**Roll Call Vote:** Ms. McKinney-yes, Mr. Matthews-yes, Mr. Ortins-yes, Mr. Raab-yes, Mr. Lamattina-yes, Mr. Burns-yes, Mr. Smith-yes, Mr. Cady-yes, Mr. Swanson-yes, Mr. MacDonald-yes, Mr. Dumont-yes  
**Motion recommended by a vote of 11-0**

#### **Warrant Article 9**

Chairman Burns read Warrant Article 9 into the record and said there was no need to vote on that.

*Article 9: To transact any business which may legally come before this meeting.*

#### **Schedule of Upcoming Events**

Chairman Burns said on February 1, 2020 the Town Deliberative Session will be held at the Newmarket High School in the Cafetorium at 9:00 am, with the School first and the Town to follow. He said he requested a Budget Committee Meeting to be noticed to be held immediately following the Deliberative Session if needed. He said on March 10, 2020 Town Election/Voting Day will be held in the Town Hall from 7:00 am to 7:00 pm.

#### **OTHER BUSINESS**

Interim Business Administrator D'Agostino asked about signatures. Chairman Burns said last year is was held in the RSA Office in this building and Budget Committee Members would make time to come in and sign. He asked to be notified when the paperwork is in the RSA Office and he would send out a notice.

**NEXT MEETING:** Tentative Budget Committee meeting scheduled to be held after the Deliberative Session on February 1, 2020.

#### **ADJOURNMENT**

Councilor Dumont made a motion to adjourn the meeting which was seconded by Mr. Ortins, Chairman Burns polled the Committee and the motion to adjourn was approved by a vote of 11-0.

Chairman Burns adjourned the meeting at 8:42 pm.

Respectfully submitted,

Patricia Denmark, Recording Secretary