

TOWN OF NEWMARKET, NEW HAMPSHIRE
BUDGET COMMITTEE - SCHOOL WARRANT ARTICLES

January 19, 2016 6:30 PM

TOWN HALL AUDITORIUM

MEMBERS PRESENT: Chairman David Foltz, Vice Chairman Michael “Mickey” Burns , Dan Hill, William “Blue” Foster, Michael Lang, Craig Dionne, Meg Louney-Moore, Daniel V. Smith, Jeff Raab, Town Council Rep Amy Thompson, School Board Rep Mike Kenison

ALSO PRESENT: School Business Administrator Christine Blouin, School Board Members Elizabeth McKinney and Kimberly Shelton

AGENDA

Chairman Dave Foltz welcomed everyone present to the Budget Committee meeting of January 19, 2016 to review the FY17 School Warrant Articles and called the meeting to order at 6:30 pm, followed by the Pledge of Allegiance.

Chairman Foltz stated that the purpose of the meeting was for the Budget Committee to review all the final versions of the School Warrant Articles for FY17 and to vote on them. He asked Committee members to determine a date in February for the Budget Committee to reconvene to wrap up the year’s budget sessions and approve all minutes. He suggested the first Monday after the Deliberative Session which was February 1, 2016. He said it would be the last meeting of the current Budget Committee with a new budget season starting in March after the election. The date was agreed to by all members of the Committee.

SCHOOL WARRANT ARTICLES - FY17

ARTICLE 1: To Choose School District Officers

Chairman Foltz stated that no vote was required on **Article 1**, as it was simply a list of positions available. Mr. Foster reminded the public that for anyone interested in running for any positions in the Town, the filing period started tomorrow and would run until the following Friday.

ARTICLE 2: Total Operating Budget FY17

The purpose of **Article 2** was for the School District to raise and appropriate **\$16,847,926** as an Operating Budget, excluding other appropriations to be voted separately. Should the article be defeated, the Default Budget would be **\$16,895,184**. This warrant article did not include appropriations in any other_warrant article, and if passed would result in a *new estimated tax rate* of **\$17.89** or an

increase of \$0.02. If the article were to be defeated, the *new estimated tax rate* would be **\$17.95**, or an increase of \$0.08.

Mr. Smith made a motion to recommend *Article 2: Total Operating Budget*, which was seconded by Mr. Raab. As there was no discussion, the members of the Budget Committee voted to approve the recommendation of *Article 2* unanimously, by a vote of 11-0.

ARTICLE 3: Newmarket Teachers Contract (Collective Bargaining Agreement)

The purpose of **Article 3** was to approve the **Collective Bargaining Agreement** reached between the Newmarket School Board and the Newmarket Teachers Association which called for the following increases in salaries: an estimated increase of **\$249,259** for **FY2016/17**, an estimated increase of **\$292,154** for **2017/18**, and an estimated tax increase of **\$296,175** for **FY2018/19**. It was further to raise and appropriate the sum of \$249,259 for the current Fiscal Year. The estimated tax impact of the warrant article would be \$0.35.

Mr. Lang made a motion to recommend *Article 3: Newmarket Teachers Contract* and Mr. Hill seconded. As there was no discussion, the members of the Budget Committee voted to approve the recommendation of *Article 3* unanimously, by a vote of 11-0.

ARTICLE 4: Special Meeting

The purpose of **Article 4** was to authorize a **Special Meeting** if Article 3 should fail.

Mr. Hill made a motion to approve *Article 4: Special Meeting* which was seconded by Ms. Louney-Moore. As there was no discussion, the members of the Budget Committee voted to approve the recommendation of *Article 4* unanimously, by a vote of 11-0.

ARTICLE 5: Land Swap

The purpose of **Article 5** was to propose a **Land Swap** between two (2) parcels of land adjacent to the Elementary School. The estimated tax impact of this warrant article would be \$0.00.

Mr. Smith made a motion to recommend *Article 5: Land Swap* which was seconded by Mr. Lang.

Discussion: Councilor Thompson asked what the legal costs for this transaction were anticipated to be. Mr. Kenison stated that they did not yet have an actual budget, but that all of the surveying had been done several years ago. He said that as a result, this would only involve a lot line adjustment with an approximate cost of \$10,000 for legal work. Chairman Foltz asked if the School still had an attorney on retainer, and School Business Administrator Christine Blouin replied they did not and this would be an additional cost. Mr. Kenison said the cost suggested was presuming nothing would come up on the title searches done six years ago which would need to be updated. Mr. Raab asked if there would be any tax impact due to the different lot sizes, and Mr. Kenison replied that they had not run the tax impact yet and he did not want to speculate.

The members of the Budget Committee voted to approve the recommendation of *Article 5* unanimously, by a vote of 11-0.

ARTICLE 6: Land Purchase

The purpose of **Article 6** was to raise and appropriate the sum of **\$169,610** for a **Land Purchase** at 239 South Main Street abutting the Elementary School to be used for expansion of school facilities. It further authorized the withdrawal of **\$71,400** from the Expansion of School Facilities Capital Reserve Fund, with a balance of **\$98,210** to come from general taxation. The estimated tax impact of this warrant article would be \$0.14.

Mr. Dionne made a motion to recommend *Article 6: Land Purchase* which was seconded by Mr. Burns.

Discussion: Councilor Thompson asked if the wording of the warrant article could be adjusted to add “the balance of up to \$98,210”. She said her concern was that if the purchase price were lower, there should be less coming from general taxation. School Business Administrator Blouin said the language was statutory and could not be changed. Chairman Foltz asked if there was any way to clarify it at the Deliberative Session, and School Business Administrator Blouin agreed that it could. Mr. Foster asked for the balance of the Expansion of Facilities Capital Reserve Fund, and Chairman Foltz stated that there would be \$8.00 remaining after the withdrawal. Mr. Raab asked if the idea of retiring the Elementary School was still being considered. Mr. Kenison replied that it had not been eliminated from consideration but that he felt it was unlikely it would happen. Mr. Raab asked if having the extra land would make it more or less favorable, and Mr. Kenison replied that having a larger piece of land would only make it more favorable.

Councilor Thompson stated that, in advance of the vote, she wished to abstain due to lack of information. She said that as a steward of public funds she did not feel comfortable going forward with another land purchase by the School District without a definite, well-thought-out plan in advance. Mr. Kenison said he respected her opinion but that they could not control when these opportunities came up, and that the land was an asset which could always be sold.

The members of the Budget Committee voted to approve the recommendation of *Article 6* by a vote of 9-0, with 2 abstentions.

ARTICLE 7: To Discontinue the Dual Purpose Fund

The purpose of **Article 7** was to discontinue the *Construction of a New School Building and Renovation of Existing School Buildings for Fire & Life Safety Code Compliance Capital Reserve Fund*, or the *Dual Purpose Fund*. To this purpose the approximate amount of **\$3,236.53** would be transferred to the School District’s general fund (Surplus). The tax impact of the warrant article would be \$0.00.

Mr. Foster made a motion to recommend *Article 7: To Discontinue the Dual Purpose Fund*, which was seconded by Mr. Hill.

Discussion: Councilor Thompson asked why the remaining amount was to go into the General Fund rather than into another trust fund. School Business Administrator Blouin replied that once the money was in Surplus, they could send it out to another account. Councilor Thompson asked if there had been any discussion to move the funds into the new capital reserve fund being created, and School Business Administrator Blouin said they had considered it but felt it would be too difficult for the public to understand. Mr. Raab asked why the amount was “approximate” and School Business Administrator

Blouin said it was to allow for the inclusion of any other interest which accrued between now and the end of the Fiscal Year.

The members of the Budget Committee voted to approve the recommendation of *Article 7* unanimously, 11-0.

ARTICLE 8: New School Construction and Renovation Capital Reserve Fund

The purpose of **Article 8** was to establish the *New School Construction and Renovation Capital Reserve Fund* for new construction and renovation of school buildings, including architectural and engineering plans and construction costs. It proposed to raise and appropriate **\$150,000** to come from any June 30, 2016 Fund Balance, and to name the School Board as agents. The tax impact of this warrant article would be \$0.00.

Mr. Smith made a motion to recommend *Article 8: New School Construction and Renovation Capital Reserve Fund*, which was seconded by Mr. Raab.

Discussion: Mr. Foster asked what the difference was between this fund and the fund listed in *Article 6*, and why they did not use the fund already set up. School Business Administrator Blouin replied that they would more than likely come across consulting fees which the previous fund would not support. She said also that any withdrawal from that account would need public approval, whereas the School Board would be the agent of authority with the new fund.

The members of the Budget Committee voted to approve the recommendation of *Article 8* unanimously, by a vote of 11-0.

Chairman Foltz stated that all the School Warrant Articles had been covered. He said he appreciated all the work done to complete the budget process and appreciated the honesty of doing the right thing for the Town and the School. He thanked everyone for their participation.

OTHER BUSINESS

Next Meeting

Chairman Foltz announced that as previously agreed the Budget Committee would reconvene on Monday, February 1, 2016 for a final session.

Adjournment

Mr. Lang made a motion to adjourn the meeting which was seconded by Mr. Dionne. The Committee approved the motion unanimously, and the meeting was adjourned at 6:55 pm.

Respectfully submitted,

Patricia Denmark, Recording Secretary

Approved February 1, 2016