

Sunapee School District

SMHS Media Center

January 9, 2013

Call to Order:

Shaun Carroll called the meeting to order at 6:00 p.m.

Roll Call:

Shaun Carroll, Chair

Kim Denney, Vice Chair

Mike Ripley

Paul Skarin

Brian Garland - Absent

BAC Members:

John Augustine

Spec Bowers

Ken Meyers - Absent

Shane Hastings

Others Present:

Brendan Minnihan, Superintendent

Mike Trojano, Business Administrator

Kelly Wessells, Financial Services Manager

Jodi Bergen, SCES Principal

Sean Moynihan, SMHS Principal

Jon Reed, Technology Coordinator

Wayne Palmer, Facilities Director

Ray Palin, Media Coordinator

George Hurt, Public

Gene Hall, Public

Gidget Ducharme, Public

Warrant Articles:

The warrant articles ask for the following:

1. To choose a moderator, clerk and treasurer for the 2013-2014 school year. *No Questions.*
2. To hear reports of agents, auditors and committees. *No Questions.*
3. To pass a budget of \$10,696,896.00 or a default budget of \$10,593,097.00. The regular budget will be a reduction of \$.06 on the tax impact. The default budget is the same as last year's. John Augustine stated that Kearsarge had a nice graphic in the Kearsarge Shopper explaining the budget; it might help to do the same. Shaun Carroll stated that the Board puts out a flyer every year and graphics will be included in this year's budget.
4. The collective bargaining agreement with the Teacher's Association:
 - a. 2013-2014 increase of \$115,794.00 in salaries and benefits.
 - b. 2014-2015 increase of \$114,018.00 in salaries and benefits.
 - c. 2015-2016 increase of \$127,473.00 in salaries and benefits.
 - d. The first year is a \$.10 tax impact.

John Augustine asked what the overall tax impact is for the entire three years. Mike Trojano replied a total of 2.85%.

5. To raise and appropriate \$25,000.00 for the Special Education Trust Fund. (Currently the fund is \$262,022.00). This is a \$.02 tax impact.
6. To retain the year-end unassigned general funds in an amount not to exceed, in any fiscal year, 2.5% of the current fiscal year's net assessment. For Sunapee this is around \$245,000. Each school district's 2.5% would be different based on their budget. Such fund balance can only be used to reduce the tax rate or for emergency expenditures and over-expenditures. No tax impact. Only the Commissioner of the DOE has the approval to allow the spending for an emergency. The DOE makes up the list of what are the acceptable uses.

Gidget Ducharme asked if this needs to be approved every year. Mike Trojano stated that once approved by the Board, no, but the Board will still need voter approval to get rid of it if the district doesn't want to continue after a while. The Board cannot put in the cap is \$245,000 because the budget could change meaning the percentage would change. The article has to be written as the State has written it. The Board will explain at the Deliberative Session how this works if approved.

Mike explained to the BAC how it currently works. If an expensive, unexpected emergency arises, say the boiler blows, and then you have to pay for it out of your funds and then at voting time, put it in that you need a debt appropriation. If the voters vote it down, then

you have to ask for a waiver from the Commissioner that you needed this money due to an emergency. It is hard to plan for and you might not get the funding and then you are in the red.

If this article is approved it is also better for the district's bond rating as rating agencies look at district's savings. Unfortunately, in the state of NH, district's always have to give the money back to the town. Now being able to save some, will give the district a better bond rating and thus a better rate when borrowing money for renovations.

7. Raise and appropriate funds in the amount of \$270,000 to enlarge and renovate the art room at SMHS. This would add .24 cents to the tax impact. John Augustine asked if this is to pay for the entire project or are there reserve funds to soften the blow a little? Mike Trojano explained that this is the full amount needed to complete the project. There is the SCES Capital Reserve Fund, but \$50,000 was used to for fire and safety renovations; there is only \$15,000 left. Plus, you cannot use this fund for SMHS; the Board would have to get permission from the voters.

Gene Hall asked if SMHS really needs this work done at all. Sean Moynihan explained that the room is really not made for art. There is a lot of electricity used, the kilns are unsafe where they currently are in the room and NEAS&C cited the district saying they need a better space to get reaccredited. Shaun Carroll explained that when the middle school wing was built the art room lost a 1/3 of its space. Gene stated that they better explain all that to the voters at the Deliberative Session. The Board decided to keep the article in as stated instead of raising and appropriating funds in a reserve fund.

8. Article 8 is approving \$50,000 for engineering services to start the beginning stage of a road from the Fire and Safety Services complex to SCES. Article 9 is raising and appropriating \$100,000 to start a Capital Reserve Fund to start building the road. The Board wants to know which sounds better to the BAC members.

Shaun Carroll stated that the district cannot receive State Aid without two access roads leading to the school. SCES needs renovations, but won't get State help without two roads. Spec Bowers asked the Board if they told the State the road to the Sherburne gym constitutes another road. Wayne Palmer explained that the road is considered a fire lane and the State won't consider it a road. Spec said the Board should try to convince them or try to introduce a bill to get the law changed. John Augustine stated that not having two roads is a safety issue, especially with the school shootings on the news. A disagreement ensued as to whether it is a safety issue. Shaun Carroll stated that it is not just the road that is a safety issue, but some of the renovations needed are also safety concerns. It would also ease congestion and aid traffic safety in the Lower Village and on Route 11. The BAC felt

the best way may be to do the project in pieces. Wayne Palmer also brought up that the sprinkler system does not have enough water pressure to currently work, but the access road would help connect the school with the Fire and Safety Services building.

The Board took the BAC recommendation to go with Article 8 and discard Article 9, as people are more likely to approve \$50,000 for engineering work to see what could or would be done instead of just giving \$100,000 especially if they don't think the project is necessary.

9. Article 10 is to authorize a treasurer or appoint a deputy treasurer. This has been difficult in the past as no one has wanted the job of deputy treasurer.

Paul Skarin moved to adjourn the budget hearing at 7:12 p.m.

Kim Denney seconded the motion.

Vote unanimous.

Respectfully submitted by,

A handwritten signature in cursive script, appearing to read "Kate O'Connor".

Kate O'Connor

Sunapee Board Secretary