

Concord School District  
Board of Education  
**Public Hearing and Special Meeting to set the tax rate**  
October 25, 2017

**School Board members present:** Clint Cogswell, Tom Croteau, Jim Richards, Nathan Fennessy, Pam Wicks, Alana Kimball, Maureen Redmond-Scura, Barb Higgins

**School Board member absent:** Jennifer Patterson

**Administrators present:** Superintendent Terri Forsten, Business Administrator Jack Dunn

Clint Cogswell opened the public hearing meeting and welcomed everyone present. Jack Dunn, Business Administrator, reviewed the budget recommendations for the Board’s consideration.

**Public Hearing**

Mr. Dunn reviewed previous budget meetings and current recommendations for the School Board’s consideration. On March 29, 2017, the School Board passed the FY 2018 Budget; tonight, would be an opportunity to once more consider the budget prior to the city’s tax rate setting process.

<b>Description</b>	<b>Amount</b>
FY17 Expenditures - Savings/(Overage)	1,624,134
FY17 Revenues – Savings/(Shortfall)	(436,687)
Release Prior Year Encumbrances (FY16)	235,109
Change in Reserve for Special Purposes - Oil	(995)
Audit Adjustments ( <i>prepaid painting deposit</i> )	(10,000)
<b>TOTAL</b>	<b>1,411,560</b>
<b>EXPECTED FOR FY18 BUDGET</b>	<b>1,325,000</b>
<b>CSD &amp; AUDIT PROJECTION OVER/(UNDER)</b>	<b>86,560</b>

The options to be considered were outlined, beginning with a review of the year-end numbers (above), distribution of a handout outlining FY17 expenditures and revenues, reviewed FY18 budget approved in March 2017, and recommended proposed changes and options for FY18.

**Option#1:** Use Unreserved Fund Balance to pay for FFVP at Abbot-Downing School (ADS) and Christa McAuliffe School (CMS), and transfer balance into Facilities and Renovation Trust Fund – **Tax Impact:** None.

**Option #2:** Use Unreserved Fund Balance to pay for FFVP at ADS and CMS, and transfer balance into Facilities and Renovation Trust Fund and appropriate \$160,000 to pay for

teacher laptops using revenue from the sale of old iPads of up to \$160,000 – **Tax Impact:** None.

**Option #3:** Do nothing – **Tax Impact:** reduces tax rate by 2 cents or \$5 on a \$250,000 home.

The FY18 Budget currently needs \$1.325 million from the prior fiscal year to meet its obligations. Any amount above \$1.325 million without Board action of at least 2/3 of Board members, or 7 votes, will result in a decrease of the local tax rate. An overview of the unreserved balance from FY17 was reviewed.

At the Finance Committee meeting on September 20, 2017, there was consideration to appropriate up to \$25,000 from the Unreserved Fund Balance and transfer to the Food Service Fund to pay for the Fresh Fruit and Vegetables Program (FFVP) at ADS and CMS; to appropriate \$61,560 from the balance of the Unreserved Fund Balance and transfer into the Facilities and Renovation Trust Fund; and to appropriate up to \$160,000 for the purchase of teacher laptops using revenue from the sale of iPads of up to \$160,000.

The balances of the Trust Funds were also presented.

<b>FUND DESCRIPTION</b>	<b>BALANCE (8/31/17)</b>	<b>FY 18 DEPOSITS</b>	<b>PROJECTED AVAILABLE</b>
School Building Maintenance	282,473	73,790	356,263
Instructional	140,080		140,080
Health Risk	1,020,928		1,020,928
Energy	91,080		91,080
Facilities Renovation	2,955,094	166,060	3,121,154
Special Education	408,963		408,963
Technology Innovation	50,360		50,360
<b>TOTAL RESERVES</b>	<b>4,948,978</b>	<b>178,290</b>	<b>5,128,828</b>

**The Board voted 8-0 to adjourn the Public Hearing (moved by Jim Richards, seconded by Tom Croteau).**

The Public Hearing was adjourned at 5:53 pm.

Mr. Cogswell opened the Special Board meeting and presented an overview of the agenda.

Tom Croteau read a motion: that the School Board adopt the following changes to the FY18 Budget for the purposes of appropriating unreserved funds to pay for increased FFVP costs; to transfer an amount to the Facilities and Renovation Trust Fund; and to purchase laptops. This will bring the total budget to \$85,290,497 with a general fund of

\$79,821,373; and to amend the budget for fiscal year 2017–2018 as approved on March 29, 2017, inclusive of the following deposits to existing Expendable Trust Funds:

- Vocational Capital Reserve Fund for an amount up to \$130,253
- Facilities and Renovation Trust Fund for an amount up to \$166,060
- School Building Renovation and Maintenance Trust Fund for an amount up to \$73,790
- Food Service Fund for an amount up to \$100,000

and also, inclusive of the following withdrawals from Expendable Trust Funds, to fund appropriations:

- Vocational Capital Reserve Fund for an amount up to \$140,000

The motion was seconded by Maureen Redmond-Scura. Mr. Cogswell asked for discussion on the motion.

Nathan Fennessy recommended that the Board consider moving the local tax rate to \$13.25 from the currently proposed \$13.19 and put the additional funds into the Capital Reserve Fund. This would still be lower than the original local tax rate of \$13.44 set in March 2017. There was a strong conversation about this proposal. This would move the tax impact on a home valued at \$250,000 from \$112.00 in the prior proposal, which would have impacted a home valued at \$250,000 by \$100.00. Board members were interested in this option to set aside funds to support the future development of the middle school facility.

**The Board voted 8-0 to accept the withdrawal of the motion from Mr. Croteau given the current conversation, and the Board's interest in setting an increased local tax rate to support an increase in the Capital Reserve Fund (motioned by Mr. Croteau, seconded by Mr. Fennessy).**

Jack Dunn presented a revised motion for the Board's consideration.

**Tom Croteau read a motion: that the School Board adopt the following changes to the FY18 Budget for the purposes of appropriating unreserved funds to pay for increased FFVP costs, transfer to the Facilities and Renovation Trust Fund and purchase of laptops (this will bring the total budget to \$85,473,497 with a general fund of \$80,004,373); and to amend the budget for fiscal year 2017–2018 as approved on March 29, 2017, inclusive of the following deposits to existing Expendable Trust Funds:**

- **Vocational Capital Reserve fund for an amount up to \$130,253**
- **Facilities and Renovation Trust Fund for an amount up to \$349,060**
- **School Building Renovation and Maintenance Trust Fund for an amount up to \$73,790**
- **Food Service Fund for an amount up to \$100,000**

**and also, inclusive of the following withdrawals from expendable trust funds to fund appropriations:**

- **Vocation Capital Reserve Fund for an amount up to \$140,000**

The motion was seconded by Mr. Fennessy.

Mr. Cogswell asked for discussion on the motion.

**The Board voted 8-0 to approve the motion as presented, above (moved by Mr. Croteau, seconded by Mr. Fennessy).**

**The Board voted 8-0 to close the Special Board meeting (moved by Mr. Croteau, seconded by Mr. Fennessy).**

The meeting adjourned at 6:20 pm.

Respectfully submitted,

Tom Croteau, *Secretary*

Terri Forsten, *Recorder*