

**Town of Auburn  
BUDGET COMMITTEE  
Town Hall  
April 20, 2017**

**7:00 PM**

**Election of Committee Chair and Vice Chair**

**Approval of Meeting Minutes:**

- Meeting of January 12, 2017

**School District Fiscal Consideration:**

- Regular Education High School Tuition
- Special Education Tuition and Services

**Other Business:**

**Adjourn:**

Note: "Any person with a disability who wishes to attend this public meeting and needs to be provided a reasonable accommodation in order to participate, please call the Town Hall (603) 483-5052, or contact the Committee Secretary so that arrangements can be made."

**From:** Keith Leclair [mailto:[kleclair@ctslogistics.com](mailto:kleclair@ctslogistics.com)]  
**Sent:** Wednesday, April 12, 2017 12:33 PM  
**To:** Bill Herman <[townadmin@townofauburnnh.com](mailto:townadmin@townofauburnnh.com)>  
**Subject:** RE: Budget Committee call up

Here is what I planned on sending to the group. I'll let you distribute...

I believe Alan may have prepped you on this, but essentially we have had a couple large unanticipated expenses that may cause us to over expend our 16-17 budget. Those expenses are:

- Reg Ed High School Tuition increase from \$2,846,452 to \$2,957,984 (\$111,532 increase)
- Special Ed tuition and services increase from \$1,551,197 to \$1,724,196 (\$172,999 increase)

If we do over expend the budget the plan would be to use the Special Education trust fund that currently has a balance of \$149,933

The SAU has asked that we try and handle this ASAP. I will make myself available whenever is convenient for the committee.

Thank you,

Keith Leclair  
DRL Transport division of  
Capital Transportation Services  
(O) 603-893-4031 ext 106  
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[kleclair@ctslogistics.com](mailto:kleclair@ctslogistics.com)

Auburn Budget Committee Meeting  
January 12, 2017  
Auburn Town Hall

Members Present: Peter Miles, Chairman; Mary Beth Lufkin, Vice Chair; David Wesche, Paula Marzloff, Dan Carpenter, Bert Ouellette, Alan Villeneuve and James Headd

Others Present: School Board members Keith Leclair and Samantha Belcourt; Assistant Superintendent of Schools Margaret Polak, and Town Administrator Bill Herman

Meeting called to order at 6:00 pm

***Approval of Meeting Minutes***

**Alan Villeneuve moved to accept the minutes of the December 3, 2016 meeting as printed. Seconded by David Wesche. A vote was taken, all were in favor, the motion carried unanimously.**

**Dan Carpenter moved to accept the minutes of the December 8, 2016 meeting as printed. Seconded by Alan Villeneuve. A vote was taken, all were in favor, the motion carried unanimously.**

***Auburn School District Budget and Warrant Articles***

**Operating Budget**

The Budget Committee took up three outstanding line items in the proposed operating budget for the Auburn School District include Repairs Grounds, Building Improvement and Life Safety/Repairs.

*Maintenance – Repairs Grounds*

Requesting \$13,700, a decrease of \$2,900 from 2016.

*Maintenance – Building Improvements*

Requesting \$110,390, an increase of \$55,390 from 2016.

*Maintenance – Life Safety Repairs*

Requesting \$2,850, an increase of \$300 from 2016.

Alan Villeneuve reported the Building Improvement proposal is to do some repairs of flooring, replacement of lockers, bathroom repairs, some room partitions, and replacement of some windows. Some of the work is dependent on whether a new school project is approved, but not all of it.

In general, he indicated the repair grounds account is to replace kid cushion as needed in playground areas, in addition to repairs to the ballfield. The life safety repairs is a maintenance item for new systems that have been put into place.

**Mary Beth Lufkin moved to approve Repair Grounds, Building Improvements and Life Safety Repairs at a total of \$126,940. Seconded by David Wesche. A vote was taken; all were in favor, the motion carried unanimously.**

### **Bond Issue – Building Addition & Renovation to Auburn Village School**

Alan Villeneuve reported the School Board is proposing an addition and renovation to the Auburn Village School at a cost of not more than \$24,828,611 to be bonded over a period of not more than 30 years. He indicated the warrant article proposing the issuance of a bond for this project would also raise and appropriate \$620,716 for the first year's interest payment on the bond.

Keith Leclair indicated the proposed project is close to last year's plan and that the cost of the project (\$1.6 million more than the 2016 proposal) is a 7.3% increase in construction costs. Mr. Villeneuve indicated at the present time, the NH Municipal Bond Bank is quoting an interest rate of 4.25% for the note, which would yield an overall \$2.25 tax rate increase if approved. But he also noted they were quoted a 4% interest rate last year and the bond sale came in closer to 2.5%.

Mr. Villeneuve also noted the current student population at the Auburn Village School is 615 students as of January 2017, although the school year began in September 2016 with 601 students. The current population is getting close to the highest population the school had, which was 621 in 2008-2009.

Mr. Leclair and Mr. Villeneuve reported the School Board looked at the potential of removing four classrooms from the project; eliminating the gymnasium and a couple of other items, but the school district would not achieve goals that had been set, and the tax rate impact was still about \$1.94 versus \$2.25, which the School Board members felt was not a significant gain overall and would likely lead to a need for additional space before the initial bond is paid off.

**Alan Villeneuve moved for the Budget Committee to recommend Article #2 proposing a bond issue of not more than \$24,828,611 for the addition/renovation to the Auburn Village School, and to raise and appropriate the sum of \$620,716 for the first year's interest payment on the bond. Seconded by David Wesche. A**

**vote was taken; Voting Yes were Peter, Dan, David, Bert, Mary Beth, Alan and Jim. Voting No was Paula. The motion carried.**

### **Collective Bargaining Agreement – Auburn Education Association**

Alan Villeneuve reported the School Board and Auburn Education Association were able to reach agreement on a proposed three year collective bargaining agreement to cover the school years of 2017-2018; 2018-2019 and 2019-2020. Funding increases in salaries and benefits for the three years is proposed as follows:

2017-2018	\$27,585
2018-2019	\$64,537
2019-2020	\$77,212

Mr. Villeneuve reported the School Board and Auburn Education Association went through an eight-hour mediation process over contract negotiations that did not yield an agreement, but the two sides were able to agree on terms afterwards. In general terms, the funding for the three-year contract featured:

2017-2018 – the addition of longevity pay and step increases  
2018-2019 -- increasing each cell in the wage scale by \$1,200, provision of longevity pay but no step increases  
2019-2010 – Step increase, 1% COLA and longevity pay

Mr. Villeneuve felt it was a very advantageous contract agreement for management.

**Alan Villeneuve moved for the Budget Committee to recommend Article #3 proposing a three year collective bargaining agreement with the Auburn Education Association, and to raise and appropriate the sum of \$27,585 for the first year's cost increases contained in the contract. Seconded by Mary Beth Lufkin. A vote was taken, all were in favor, the motion carried unanimously.**

### **School District Operating Budget - 2017 - 2018**

Warrant Article #4 focuses on the proposed operating budget of \$13,724,982. Mr. Villeneuve noted the Budget Committee has gone through the budget on an account by account basis, but should formally vote to recommend or not recommend the bottom line of the budget, which totals \$13,724,982.

**Alan Villeneuve moved for the Budget Committee to recommend Article #4 proposing an operating budget for 2017-2018 school year totaling \$13,724,982. Seconded by David Wesche. A vote was taken, all were in favor, the motion carried unanimously.**

## ***Town Budget and Warrant Articles***

### **Operating Budget**

Bill Herman reported since the Budget Committee's last meeting, the Board of Selectmen had further considered the issue of fertilization at the Eddows Recreational Field property and increased the Government Building and Maintenance account to include \$2,800 for this purpose. He indicated proposals from several vendors were received and the costs of one vendor was selected. The Board of Selectmen have included this item within one of the Board's operating accounts and not the general budget of the Parks & Recreation Commission so the Board can follow-up on this.

Jim Headd reported that members of the Parks & Recreation Commission have worked to implement fixes to the irrigation systems and feel they have adequate water to ensure the fertilization is supported in general with an appropriate water source. Keith Leclair reported he was the treasurer for the Little League, and he knew that a new pump was installed in the dug well, in addition to a float from the artesian well to enhance the water supply to the irrigation system because the Little League paid for the improvements. Mr. Leclair knew at a minimum the little league fields and T-ball were covered with irrigation.

Committee members reviewed the proposals received for fertilization. Alan Villeneuve felt that putting the money into the budget might allow for the work to occur and to be monitored for what is working, but not budgeting for it means nothing is likely to happen.

**Alan Villeneuve moved to approve a budget amount of \$30,800 for Municipal Property Mowing account, inclusive of \$2,800 for fertilization for Eddows Field. Seconded by Jim Headd. A vote was taken; Voting Yes were Dan, David, Mary Beth, Alan and Jim. Voting No were Bert and Paula. The motion carried.**

### **Cemetery Maintenance Expendable Trust Fund**

The Committee reviewed a warrant article proposed by the Board of Selectmen:

*To see if the Town will vote to raise and appropriate the sum of Four thousand nine hundred dollars (\$4,900) to be placed into the Cemetery Maintenance Expendable Trust Fund previously established. This sum to come from the unreserved fund balance (surplus) as of December 31, 2016 with no additional amount to be raised by taxation in 2017. (Recommended by the Board of Selectmen)*

**Mary Beth Lufkin moved to recommend the Cemetery Maintenance Expendable Trust Fund warrant article appropriating \$4,900. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.**

### **Storage Garage Capital Reserve Fund**

The Committee reviewed a warrant article proposed by the Board of Selectmen:

*To see if the Town will vote to establish a Storage Garage Capital Reserve Fund under the provisions of RSA Chapter 35 for the purpose of designing and constructing a storage garage for Town departments on the property of the Safety Complex; to raise and appropriate the sum of One hundred forty-one thousand dollars (**\$141,000**) to be placed in this fund to come from the undesignated fund balance (surplus) as of December 31, 2016, and to designate the Board of Selectmen as agents to expend. There will be no additional amount to be raised by taxation in 2017. (**Recommended by the Board of Selectmen**)*

Bill Herman reported the \$141,000 amount is the proceeds from the sale of the former fire & police station property on Raymond Road. The Board of Selectmen were working on a project that would provide a three-bay garage, evidence storage and records storage for the police department; a two-bay storage building/garage for the Parks & Recreation, and a small storage area for the Town Hall for election booths and equipment, and the flags and poles hung in the spring & summer in the center of Town. The project is in a concept stage at this point, but is anticipated to be a 36' x 72' facility encompassing the components noted above. He indicated that the total cost is anticipated to be approximately \$250,000, and the Board of Selectmen was looking at raising funds over a couple of years for the project.

Mary Beth Lufkin and Dan Carpenter questioned the need for the facility. Mr. Herman reported a garage of various sizes for the police department has been discussed for at least the past eight years and is not a new idea. He also noted the MRI Operational Review on the Police Department done in 2016 also cited the need for this space for the Police Department. The sale of the former fire and police station prompted the Selectmen to look at expanding this potential facility for the purpose of Parks & Recreation and Town Hall storage. He also noted that currently the Police Department spends \$1,680 for the two storage trailers they have at the Safety Complex, while the Town has taken two storage units at the Castlerock Self Storage facility for some of the Parks & Recreation items, as well as the voting booths and election equipment at an annual cost of \$2,700.

Alan Villeneuve felt that the Town is going to have to do this project in some fashion, and this was a responsible approach to moving in this direction.

Dan Carpenter indicated he was opposed to the process of putting money into short term funds for projects that are not needed. Several committee members expressed a

desire to have the \$141,000 go towards reducing property taxes. Mr. Herman noted the Board of Selectmen has adopted a policy with respect to the Town's undesignated fund balance that establishes the Town should look to hold the recommended amount of between 8% and 17% of the combined Town, School and County appropriations as an appropriate balance. Currently the undesignated fund balance is at approximately \$1.5 million, which represents approximately 10%, which is at the low end of the Town policy. He indicated all of the Boards of Selectmen he has worked for in Auburn were opposed to artificially lowering the tax rate with a one-time infusion of funds, only to have to then raise the rate the next year to maintain operations. So it was extremely unlikely the \$141,000 would be used for that purpose if this warrant article is not approved.

**Alan Villeneuve moved for the Budget Committee to recommend the warrant article to establish a Storage Garage Capital Reserve Fund and to appropriate \$141,000 from the undesignated fund balance. Seconded by Jim Headd. A vote was taken. Voting Yes – Jim. Voting No -- Dan, David, Bert, Alan, Mary Beth and Paula. The motion failed.**

### ***Public Hearing on School District and Town Budgets & Warrant Articles***

Chairman Miles convened the public hearing on the proposed budgets and warrant articles for the Auburn School District and the Town of Auburn at 7:01 PM.

There was no one present and the Chairman stated he would leave the hearing open for at least 10 minutes in case anyone were to arrive.

At 7:11 PM, the Chairman closed the public hearing on the School and Town budgets.

Mr. Herman circulated three copies of the MS-737 Town Budget form for the Budget Committee members to sign. He indicated there was not a copy of the budget for the School District, and he would be contacting the committee members to come back in at a later date to sign that document.

### ***Adjourn***

**Paula Marzloff moved to adjourn the meeting at 7:15 PM. Seconded by Alan Villeneuve. A vote was taken; all were in agreement, the motion carried unanimously.**

The meeting adjourned at 7:15 PM.