

Joint Commission of City Council and School Board Meeting
City Council Chambers
October 5, 2021
5:30 PM

The meeting was called to order at 5:30 PM by Councilor Dumont, Commission Chairman.

Roll call was taken for attendance. Present: Hanlon - Yes; Potter – Yes; Dumont – Yes; Austin – Yes. Also present: Lori Lane, Superintendent of Schools; Mayor Dana Hilliard; Katie Krauss, Business Administrator SAU 56; Scott Smith, Deputy City Manager

A motion to accept the meeting minutes from the May 6, 2021 Joint Commission meeting was made by Austin. Seconded by Potter. Motion passed, unanimously.

School Department State Revenue Update.

Krauss explained to the Commission that School adequacy grant estimates are provided in November of each year and are guaranteed not to go below 95% of the estimate. The School Department budgeted for 100%, or \$6.8 million. Due to changes in the formula and additional funding just this year, the adequacy grant this fiscal year will be approximately \$8 million, or \$1.2 million more than what was used to develop the adopted budget. The School Department's Building and Grounds Committee recently voted to support utilizing \$600,000 of the \$1.2 million not budgeted for Capital Improvement Projects. Krauss said she and Superintendent Lane met with City Manager Belmore and Deputy City Manager Smith to discuss this plan and the process required for consideration.

Councilor Austin inquired about the State's approval on the use of unassigned fund balance by the School for their budget. Director Smith stated there has been no specific pushback by the Department of Revenue Administration when presented with the idea. He added that if there was a specific prohibition, he most likely would have heard by now. Councilor Dumont inquired about what happens if the proposed plan is not taken and the funds are just returned to the City. Director Smith said we currently see two options. If the City takes no action, the State will include the correct amount of adequacy grant funding and it will lower the tax rate by approximately 73 cents. If the City moves forward with the supplemental appropriation, the State will allow us to amend the budget, and if the approval is to use \$600,000 for Capital Improvements, it will lower the tax rate by approximately 19 cents. Councilor Austin stated his support for the supplemental appropriation, but wonders what implications it would have for future funding.

Mayor Hilliard added that the reason of the Commission is to keep open communication flowing and collaboration strong. He stated that the dedication of both sides to keep improvements going is a big reason Somersworth continues to be on the move.

Motion: Councilor Austin made a motion to support the request by the School Department's Building and Grounds Committee for a supplemental appropriation in the amount of \$600,000, and forward this to the City's Finance Committee for consideration. The motion was seconded by Hanlon and passed unanimously.

Adjournment: A motion was made by Austin, seconded by Hanlon to adjourn. Motion passed, unanimously. Meeting adjourned at 5:50 p.m.

Respectfully submitted,

Jonathan Slaven
City Clerk