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**TOWN OF FARMINGTON
BUDGET COMMITTEE
MEETING MINUTES
Saturday – December 11, 2010
356 Main Street - Farmington, NH**

Members Present: Arthur Capello, Brian St.Onge, Ann Titus, Chris Somma, Cindy Snowdon,

Members Excused: Mike Morin and Chris Biron

Selectman’s Rep: Gail Ellis

School Board Rep: Ken Dickie

Public Present: Neil Johnson, Interim School Business Administrator Michael O’Neil, Assistant Superintendant Rebecca Gagnon, VVCS Cynthia Sparks, School Board Rep. Penny Morin, FHS Principal Jim O’Rourke, School Board Rep. Butch Lewis, Superintendent Frank Mellaci, HWMS 4-6 Principal Jeffrey Keene, HWMS 7-8 Principal Steve Woodward, Special Education Director Walter Anaki, Facilities Director Scott Mooers, Food Service Director Diann Pitre and Bus Coordinator Bonnie Telles.

Chairman Brian St. Onge opened the meeting at 9:07am.

1. Opening and Overview:

Dr. Mellaci introduced the budget and Ms. Gagnon explained that they had a few glitches over the past few weeks with their interim finance administrator position and thanked the Board for their patience. She further explained that due to the multiple changes in the administrator positions the budget sheets in the binders are incorrect because the amended “cut” budgets were not printed. The school representatives gave a broad overview of the budget; the increase for health insurance is \$289,719, the increase in retirement costs was \$111,869, the contractual salary and step increases are \$340,910 and the out of district tuition costs have increased by \$249,421. The overall budget is proposed to increase by \$1,037,411 which is a 6.6% increase.

Brian stated he is concerned that the increase presented is much larger than what is shown because if you look at the actual expenditures from past years it is different than what was budgeted. Ken noted that the school is allowed by law to roll over up to 10% each year but has historically only had 2-3% which shows just how diligent they have been in holding a tight budget that was supported by the budget committee.

Ms. Gagnon explained that they are requesting one additional position this year. They would like to hire an Assistant Principal for Valley View Community School (VVCS). They would expect the salary to be no higher than \$50,771, benefits at \$28,587 with a total cost of \$88,070. VVCS currently has 421 students and 80 staff members to be overseen. They would like this position to focus on and support student issues, staff evaluations and special education meetings.

It was noted that this is the final year for the bonded debt payment, as the bond matures on August 15, 2011. Mr. O’Neil also presented a summary of the trust funds for the Committee’s

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review.

At 10:11, Arthur Capello motioned for a short recess, 2nd Ken Dickie. Motion carried with all in favor.

The Board reconvened at 10:22am.

2. Valley View Community School: (Principal Cynthia Sparks presented)

- Ken asked if there is a state mandate or recommendation as to when a second or assistant administrator is needed. Ms. Sparks replied that she is unsure if it is a mandate or recommendation but believes the threshold number is about 500. Ms. Sparks noted that they are a School in Need of Improvement (SINI) and the additional support in the form of an assistant principal would support their endeavors to meet the Adequate Yearly Progress (AYP) goals. Steve asked if the district looked into having a district wide position to cover the special education meetings and evaluations and Ms. Sparks replied that she is not aware of that conversation.
- Line 10-1100-56100-11-33 (supplies, gen.-reg. ed) shows a potential of 10% increase because they are waiting for the budget figures from the supply company. This line should have a \$485.63 decrease.
- Ann asked why line 10-1100-56401-11-00 has an increase and Ms. Sparks explained that this increase is for the DIBELS and GMADE assessments that have been historically purchased through grants. Ms. Gagnon added that during the budget process Carolyn Rioux rearranged some historical purchases and found some consumables were put under the general supply lines when they should have been under this line and therefore this line is increased for that reason as well. Dr. Mellaci added that because they are a SINI the State requires a list of what interventions they are utilizing to meet their goals.
- Line 10-1100-57315-11-38 reflects technology in computer lab and the library. Josh explained that this line reflects the purchase buyout of the computer leases at approximately \$5,000 and the change to thin clients.
- The bottom line for the VVCS budget is \$2,075,168.66 which is a difference of \$213,603.82

3. Henry Wilson Memorial School 4-6: (Principal Jeffrey Keene presenting)

- Line 10-1100-56107-14-33 (supplies, Math) is down because they have now purchased the materials that were required for the Every Day Math program.
- Line 10-1100-56400-14-33 (textbooks) is also proposed at zero dollars this year because they do not need any new textbooks this year.
- Line 10-1100-56401-14-33 (consumables) shows an increase due to the redistribution of the consumables lines that were discussed earlier and this line is for purchasing the math workbooks and such.
- This school made AYP in math and reading last year and if these goals can be met again this year the school will be out of the SINI diagnosis.
- Cindy asked what line 10-1100-57310-14-33 (Equipment, new) was for and Mr.Keene explained it was for a new sound system but it has been cut for this year though it is still a needed piece of equipment.
- The bottom line for this budget is \$1,605,286.90 with a \$120,055.57 increase (8.08%).

- Gail asked why line 10-1100-56109-14-33 has a \$500 expense to Wal-Mart and Mr. Keene explained this line allows the health teacher to purchase food for her cooking lessons with the students.

4. Henry Wilson Memorial School 7-8: (Principal Steve Woodward)

- Line 10-1100-56109-12-33 (supplies, consumer science) has an increase to provide the materials to support the class. He noted that the equipment was passed down from the high school and is wearing down as well as there are not enough to support the classroom needs. He would like to purchase two new stoves. The Committee would like a realistic number of how many stoves are going to be purchased, where from, approximate real cost and ages of current stoves. Ms. Gagnon also stated that this purchase will be in the equipment line not in the supply line with the revised budget sheets.
- Arthur asked for a breakdown of the \$3,000 to be expended at Wal-Mart for consumer science classes.
- Line 10-1100-57370-12-33 (Equipment/replace) is for replacement of broken chairs, tables and desks.
- The bottom line is \$1,208,975.70 which is \$95,713 (8.6%) increase.

5. High School: (Principal Jim O'Rourke presenting)

- They are a SINI school for reading and math though last year's scores were significantly higher. The dropout rate has decreased by 50% over the past two years. They are trying to prepare for the "bubble" group that will be coming up in two years by spreading the costs over two years.
- Line 10-1100-56105-30-33 (supplies, Social Studies) is for materials for a new AP History course.
- Line 10-1100-56400-30-33 (textbooks) is up to catch up from the lines that were cut last year, but also for AP Language, AP Literature and AP Calculus and one another AP course.
- Line 10-1100-57378-30-33 (replacement equipment) is for a new nautilus machine that is used for physical education and the sports weight room because the current one is a safety issue and it does impact students. Ken noted that as a community we voted to take on the football team and we need to support them with the correct machinery.
- Line 10-1410-56107-30-00 (supplies, extra-curricular) is up to make sure there are ample supplies for the foreign language festivals and also transportation for students who play three sports and maintain honor roll, to attend the State Awards Banquet.
- Line 10-2130-56900-30 (Misc health expense) is \$150 to calibrate a testing machine. Arthur suggested this machine be calibrated out of this year's budget so that if it needs to be replaced the cost can be budgeted for.
- Line 10-2220-56490-30-33 (books, library) shows an increase because this line was cut last year. Gail asked if this line can be split in half so that half the purchases are made this year and then the other half is budgeted for next year.
- Mr. O'Rourke stated that the high school is currently online towards accreditation and will receive their candidacy in January.
- The bottom line is \$2,621,977.33, which is a \$166,214.62 increase (6.6%).

6. Farmington Learning Academy (FLA): Principal Joel Chagnon presenting

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- Mr. Chagnon stated he currently has 11 students enrolled at FLA, with two being out of district placements. He also has an interview on Monday for another student. The Committee would like to know what the tuition cost is for the two Barrington students and how the salary and benefits is handled for the aid from Barrington.
- Line 10-1290-53200-50 (contracted services) is for a guidance counselor/transition specialist from Strafford Learning one day a week. Steve asked why the guidance counselors at the high school are not being utilized and Mr. O'Rourke stated that it is a higher level of service/counseling.
- Bottom line for this budget is \$165,316.69 which is a \$5,206.91 (103.25%) increase.

7. Technology: (Josh Olstad presenting)

- Mr. Olstad explained the cost is for a business type laptop/computer that includes a three year warranty. These laptops are designed to be repaired and withstand use from many, many uses. They are proposing to send all laptops back to Dell and start a new lease with new laptops. They would like to purchase new desktops from the lease at a cost of \$66.80/desktop which will be located at VVCS, FHS and FLA.
- Line 10-2820-54410-00-88 (technology equipment hosted) is for 24/7 parent portal were parents and students can log on and access their grades and assignments and attendance.
- Bottom line is \$326,003.12, which is an increase of \$21,436.38 (107.04%).

Ann Titus motioned for a lunch break to reconvene at 1:30pm, 2nd Arthur Capello. Motion carried with all in favor.

The Committee reconvened at 1:37pm.

8. Update:

- Mr. O'Neil stated the tax increase will be about 21cents per \$100,000.
- Last year \$44,000 was collected from Barrington for two students plus the cost of a paraprofessional.

9. Curriculum & Gifted and Talented:

- ESOL (English as a Second Language) is now under this budget and it used to be in the high school budget.
- Ms. Gagnon explained that the gifted and talented program was changed this year by incorporating it into the school day, instead of at an afterschool program.
- The bottom line is \$337,238.85 which was a \$3,681.37 decrease.

10. Special Education: (Walter Anacki, Special Education Director)

- Line 10-1200-53395-14-20 (contracted serv, HWMS 4-6) was a reduction of a staff person, but the student was placed out of district.
- Line 10-1200-51121-14-20 (Salaries, Teacher Spec. Ed. Emotionally Handicapped (EH) is for a teacher for a new Emotionally Handicapped program. Ms. Gagnon stated that the School Board has not yet approved this program and if it is approved then the salary cost will be offset with savings from out of district students staying in-district. Arthur asked for a print out of exactly how much money will be saved through this potential program and where it will come from.

- There are currently 26 students in out-of-district placements.
- Line 10-1200-56500-11-28 (software) is for two IEP driven piece of equipments; it is a text to voice machine.
- Line 10-1200-57310-11-50 (equip, new) is for a medically needy student.
- The bottom line is \$4, 405,493.19, which is a \$326,696.59 (8.01%).

11. Maintenance & Utilities: (Facilities Director Scott Mooers presenting)

- Ann asked if the garbage removal contract has been reviewed to see if another bidder would be cheaper and Mr. Mooers replied it is in process.
- Ms. Gagnon explained that Carolyn Rioux went out to bid for electricity for several months and was able to lock it at a great rate and save the school department \$20,724.00 which is about a 10% savings.
- Ms. Gagnon explained that \$12,549 was cut from the new equipment (FHS) line and \$7,209.21 was cut from the new furniture line.
- The bottom line is \$1,559,760.48, which is a \$78,958.55 (5.33%) increase.

12. Food Service: (Director Diann Pitre presenting)

- No questions. The budget was level funded except for contractual salary and benefit changes.

13. Transportation: (Bus Coordinator Bonnie Tellis presenting)

- Ms. Tellis reported that a new bus was purchased last year through a grant.
- Gail asked for a print out of how the insurance buybacks are figured. Mr. O'Neil reported that the insurance buyback is \$1,106 per year.
- The bottom line on this budget is \$52,441.43 which is a \$49,376.91 increase.
- Gail asked why there is an \$11,000 increase to maintenance and Ms. Gagnon explained that Carolyn Rioux was trying to set-up a schedule for routine maintenance for the bus fleet. Arthur asked if they have looked into using the town mechanic for the routine maintenance such as oil changes and the response was no.

14. Misc. District Wide, SAU and School Board:

- Ms. Gagnon explained that they have decided to cut the Saturday detentions and therefore this line was zeroed out. Adult Education was also cut at this time because it has not been historically spent. Both these cuts have added up to approximately \$7,200 in cuts.
- Gail asked why legal was increased so much and Ms. Gagnon explained there are three contracts being negotiated at this time.
- Arthur asked why the district resource officer line was reduced and Ms. Gagnon replied she would double check this figure.
- Gail asked how the sick day buyback is figured and Ms. Gagnon explained that she can get the figures out of the Collective Bargaining Agreements.

15. SAU:

- Line 61-2310-53306-00-00 (audit) is being budgeted for each year instead of paying for it all at once every 3 years.
- Gail asked what the insurance buyback is for the SAU employees and Ms. Gagnon said

she would check on this.

- Ms. Gagnon stated that they did not want to do percentage increases for the SAU employees because they wanted their salaries to reflect their responsibilities. They have proposed salary adjustments for the SAU employees and gave the Committee copies of this proposal.
- Brian asked why the Superintendent, the Assistant Superintendent and the Special Education Director are getting increases when they haven't been in the town for a year. Penny Morin stated that the School Board voted for the \$1000 increases because they will deserve an increase after being in town for the year.

16. Salary & Benefits:

- Ms. Gagnon explained that they have created a school bus driver wage scale with steps that increase each year by \$0.20 to \$0.25 only.
- They have also looked at the administrative support group of employees and have proposed increases to get the positions more in line but have been unable to create an actual step plan yet due to the vast difference in pay scales.
- They have proposed flat dollar amounts for the directors and the administrators instead of a percentage because they wanted it to be a fair and equitable increase across the board.

17. Estimated Revenues:

- Mr. O'Neil reviewed the revenue estimates.
- Brian asked what Catastrophic Aid is for and Mr. O'Neil explained it is for out-of-district placements and is reimbursed through the state at typically 80% but this past year was only at 62%. Therefore they have kept the estimate with the 63% figure.

18. Default Budget:

- Mr. O'Neil reviewed the default budget and noted the default budget is \$57,902 lower than the proposed budget.

19. Trust Fund Balances and Potential Warrant Articles:

- Mr. O'Neil stated at this point there are no large projects proposed to be taken out of the trust funds.
- Arthur asked if the School Board is going to look into setting up a trust fund to accept any funds left in the Henry Wilson School bonds. Ken suggested putting any remaining funds into a trust to replace the roofs on a few of the schools.

Arthur Capello motioned to schedule the public hearing on January 13, 2011 at 7pm with a snow date of January 14, 2011 at 7pm, 2nd Ann Titus. Motion carried with all in favor.

Next meeting on December 15, 2010 at 7pm.

Arthur Capello motioned to adjourn, 2nd Steve Henry. Motion carried at 4:48pm.

Respectfully Submitted,

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Brandy Sanger
Recording Secretary