

**TOWN OF FARMINGTON
BUDGET COMMITTEE
MEETING MINUTES
Thursday – January 13, 2011
356 Main Street - Farmington, NH**

Members Present: Arthur Capello, Brian St.Onge, Ann Titus, Chris Somma, Mike Morin, Steve Henry, Cindy Snowdon and Chris Biron

Selectman’s Rep: Gail Ellis

School Board Rep:Ken Dickie

Public Present:Neil Johnson, Gerry McCarthy, Deb Christie, Megan Henry, Penny Morin, Jim Horgan, Joe Pitre, Butch Lewis, Manny Krasner, Interim School Business Administrator Michael O’Neil, Superintendent Frank Mellaci and Assistant Superintendent Rebecca Gagnon.

Chairman Brian St. Onge opened the meeting at 7:02pm and opened the Public Hearing for the School Budget Review.

Chris Somma motioned to suspend the public hearing for the School Budget in order to hear the Library Budget presentation and then resume the budget public hearing, 2nd Mike Morin. Discussion followed where Mike Morin stated the library budget presentation was scheduled for January 22, 2011 and the budget committee is accommodating them tonight so they should wait until after the school budget hearing. Motion failed with only Chris Somma and Steve Henry in favor.

1. Michael O’Neil explained that they provided the Budget Committee (BC) with the breakdown of the health insurance costs for the principals. Right now the principals do not pay anything towards their health insurance costs and the total projected costs is \$150,805. They provided breakdowns of what the cost sharing option cost would be; if the principals pay 5% the cost savings is \$7,540, if they pay 10% the cost savings would be \$15,081 and if they pay 15% the cost savings would be \$22,621.

Cindy asked why the teachers’ health insurance is half the cost of all the others. She questioned why all these other employees (principals, secretaries and such) have insurance that costs so much more. Mr. O’Neil reviewed the information Cindy presented and excused himself from the meeting in order to review it. Megan Henry, teacher, explained the information Cindy presented was gathered by the teachers when they were negotiating their collective bargaining agreement. Arthur stated that the fundamental question is if there is a cheaper, more fiscally responsible health insurance for the administrators and secretaries.

Ms. Gagnon explained that she needs to review the plans to see if they can find more comparable plans. Mr. O’Neil explained that the difference between the two plans is about 24% and some of this disparity is due to the rate increase of LGC health care versus School Care health insurance.

2. Mr. O’Neil then reminded the BC of their question regarding the bus driver salaries. They

found the average starting wage for school bus drivers through First Student is \$11.45, with the average wage at \$13.75 and Farmington drivers have a starting wage of \$10.25 and overall average of \$12.36.

3. Ms. Gagnon provided the verbiage for the current sick day buyback per the Collective Bargaining Agreements. Steve H. asked what the average buyback rate is and Mr. O'Neal stated he would need to research that figure.
4. Mr. O'Neil presented the BC with a summary of facts and estimate for the work for the FHS roof. The replacement of the roof is recommended in the next 3-5 years and the estimated cost for this replacement is \$450,000 to \$675,000. The HWMS roof is recommended for restoration which would extend the roof for another 10 years. The estimated costs to restore this roof are between \$256,000 and \$347,000. Brian asked what the estimated cost is to replace the roof at HWMS and Mr. O'Neal explained that the HWMS roof can be restored but the FHS roof cannot be restored because of the nature of the rubber and foam roof.
5. Ms. Gagnon provided the BC with the level 2 cuts that the principals provided her in the fall, however she did remove the cuts that were directly related to core instruction. The total of these cuts is \$15, 400.11. The total budget request was reduced from \$18,407,666 to \$17,432,853 due to the SAU Apportionment of \$850,447, Ed Jobs Funding Offset of \$121,487.16 and other adjustments of \$2,878.84 being applied. The projected school rate if all articles pass is \$13.17 with a total tax impact of \$2.06. Gail asked what the changes are to the budget and Mr. O'Neal replied the increase is due to salary increases that were just approved. If the default budget passes the total tax rate will be \$13.28 with a total tax impact of \$2.17. Arthur asked if the operating budget passes with the SAU default budget what will the tax impact be and Mr. O'Neil replied \$1.93.
6. Neil Johnson, resident, stated that he is unsure how the public is expected to comment when materials have not been provided for them to review. Chris S. agreed and added that if materials were not ready and given to the BC prior to the meeting then the meeting should have been continued and a system needs to be established to make this happen. Dr. Mellaci replied that due to the negotiations for the contracts they were unable to provide the information prior to the meeting and apologized for the delay.
7. ***Arthur Capello motioned to recommend the School Board eliminate the vice-principal position from the VVCS budget and all associated costs at \$88,259.72, 2nd Gail Ellis.*** Discussion followed where Cindy asked if there are any alternatives and Ms. Gagnon replied they are actively searching for a creative alternative and will bring it back to the BC. ***Motion carried with Chris Somma and Mike Morin opposed.***
8. ***Arthur Capello motioned to recommend to require the principals to pay 10% of their health insurance costs, 2nd Gail Ellis.*** Discussion followed where Steve asked if there are other employees whose health insurance is currently paid at 100%. Chris S. stated that a better motion might be to cut the bottom line for insurance and not state what percentage must be paid. ***Motion tabled until Ms. Gagnon could get the answer.*** Ms. Gagnon stated that if someone works 35 hrs. per week or more a full paid single health or dental plan is provided.
9. ***Arthur Capello motioned to recommend the level 2 budget cuts be implemented throughout***

the budget at \$15,400.11, 2nd Gail Ellis. Motion carried Chris Somma opposed.

10. Mr. O'Neil reported that the cost for the insurance for non-bargaining unit personnel is \$385,663.27. *The previous motion by Arthur Capello to recommend to require the principals to pay 10% of their health insurance costs was brought back onto the table.* Discussion followed where Jim Horgan stated that the Superintendent and his staff have been working diligently to cut costs and make Farmington schools better. (Chris Somma left the meeting at 9:17pm.) Arthur stated the BC's intention is to recommend the School Board look at the insurance packets and make adjustments to be more fiscally responsible. *Motion withdrawn by Arthur Capello and Gail Ellis.*

Arthur Capello motioned to recommend the School Board cut the bottom line for the insurance for the non-bargaining employees by \$57,849.49 which is 15% (excluding the SAU), 2nd Cindy Snowdon. Discussion followed where Ken stated that the town cannot afford to pay comparable salaries to other towns and have historically used the insurance as a tool to negotiate with quality staff. Steve stated the BC is ultimately recommending the School Board switch these employees to the School Care plan the teachers have. *Motion carried with Ken Dickie, Ann Titus and Mike Morin opposed.*

11. Arthur asked if the cost was ever determined to repair the stove and Ms. Gagnon replied that she did forget to follow-up on this. Cindy reminded everyone that the estimated cost for a new stove is needed also. Ms. Gagnon stated the line is to purchase 2 stoves. *Arthur Capello motioned recommend the School Board cut the consumer science HWMS 7, supplies line by an additional \$1000, 2nd Gail Ellis.* Discussion followed where Steve asked what the portable DVD players are for that are in this line. Penny Morin stated it is not for portable DVD players but actually a set of instructional DVDs. *Motion failed with Arthur Capello, Brian St. Onge and Gail Ellis in favor.*
12. Mr. Johnson asked what justifies the addition of a third cart of laptops. Ms. Gagnon replied that they have increased the technology component in the classrooms and she believes there is an educational need for this third cart. Also, Ms. Gagnon stated that she believes a better lease rate was given for leasing 150 laptops and it was a substantial savings.
13. Steve questioned why we are budgeting \$3000 for an athletic videographer. Ms. Gagnon replied this is a stipend for the videographer to record ten sporting events per season. The position also runs the videography club and records all School Board meetings for this same stipend.
14. Mr. Johnson questioned if line 10-1100-56111-30-83 (supplies, computer gen. ed fhs) is for more computers and Ms. Gagnon replied, no it is for toner and supplies for the computers.
15. Steve asked why there is an increase in the Special Education summer program and Penny explained the IEP could call for additional summer programs.
16. Arthur asked why there is so much budgeted in the legal fees and Ms. Gagnon replied they tried to level out the line using historic usage and noting there is still one CBA to negotiate.
17. Ann asked if the School Resource Officer position can be reduced and Ms. Gagnon replied that

this has come up during discussions but they would like an additional year to review the position and it's duties and needs, but they did cut the line by \$5000 after cutting some hours in June. Gail asked if they spoke with the town regarding this cut because it is a contracted position.

18. Arthur asked for the School to find out what it would cost to contract out transportation. Arthur then asked if they asked the question if the Town mechanic can do the routine general maintenance on the bus fleet and Penny replied they did ask but were told the town mechanic did not have any time to do these additional duties.
19. Arthur asked for the School to investigate the cost of contracting out food service. Steve asked how much the district is subsidizing the food service by and Joe Pitre stated it is typically \$23,000. Mike stated this year it projected to be \$78,000.
20. Arthur also asked if they can look at outsourcing janitorial services to save money.
21. *Gail Ellis motioned to continue this public hearing to Thursday, January 20, 2011 to finalize the school budget at 6pm with snowdate for January 21, 2011, 2nd Cindy Snowdon.* Discussion followed where Ms. Gagnon asked for a consensus on what type of tax impact the BC would be more comfortable with. She polled the Board and received various answers from level funding to \$750,000. *Motion carried with all in favor at 11:29pm.*

Next meeting on January 20, 2011 at 6pm.

Respectfully Submitted,

Brandy Sanger
Recording Secretary