

**TOWN OF FARMINGTON
BUDGET COMMITTEE
MEETING MINUTES
Thursday – January 20, 2011
356 Main Street - Farmington, NH**

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

Members Absent:Chris Somma and Chris Biron

Selectman's Rep:Gail Ellis

School Board Rep:Ken Dickie

Public Present:Neil Johnson, Gerry McCarthy, Deb Christie, Megan Henry, PennyMorin, Jim Horgan, Joe Pitre, Butch Lewis, Manny Krasner, Interim School Business Administrator Michael O'Neil, Superintendent Frank Mellaci, Assistant Superintendent Rebecca Gagnon, Jim O'Rourke, Jacque Capello, Deb Christie, Cynthia Sparks and Jeffrey Keene.

Chairman Brian St. Onge opened the meeting at 6:00pm and reminded the Board and the public that tonight's meeting is a continuation of the Public Hearing for the School Budget Review.

A. School Budget Public Hearing:

1. Gail asked if the school was able to make any additional cuts to the budget as the Budget Committee requested last week. No one from the school was able to answer the question. Brian added that he expects the town to make a large cut to this budget in order to reduce the tax impact and he had hoped that the school would have come in with a lower number so that this type of cut would not happen. Joe Pitre stated that this is a bare bones budget and if the schools continue to cut each year the buildings are going to fall in disrepair. Joe Pitre also stated that the federal government passed an increase of \$0.06/per pupil for the food service in additional revenue. Dr. Mellaci then stated that he expects a savings in transportation as well because they are changing some students around that are placed out of district.

Jim Horgan, School Board member, stated that he strongly believes if any more is cut from the budget it will impact the education of students. *Mike Morin motioned to have the school show the budget committee what a \$200,000 cut would look like, 2nd Arthur Capello.* Discussion followed where Cindy asked the tax impact for this amount would be and Brian stated it would be \$0.44. Gail asked if it is in addition to the \$163,000 that was already cut last week and Mike said yes. Mr. O'Neil stated that last week before cuts the tax impact for the budget, SAU budget and two contract warrants was \$2.06. After the cuts from last week the new impact is \$1.72. *Motion carried – Mike Morin (yes), Ken Dickie (abstain), Steve Henry (yes), Arthur Capello (yes), Brian St. Onge (yes), Gail Ellis (yes), Cindy Snowdon (yes) and Ann Titus (no).*

Ms. Gagnon explained that they have had several conversations over the past week and came up with a few different creative ideas. She recognized the Budget Committee (BC) recommended cutting the assistant principal position at Valley View and so they had a

discussion with Cynthia Sparks and asked her what would make her job easier/more effective without an assistant principal. The biggest time consuming part of Ms. Sparks job is being the administrator at all special education meetings so they would like to create a new position in the form of a Special Education Coordinator for grades K-6 with the position being mostly funded through the IDEA grant funding though \$25,000 will be needed from the local budget (This would be a 60/40 split). Therefore they would like to request that the BC change the recommendation for the cut to \$63,259.72 instead of the entire \$88,000. Gail asked if this would be a permanent position and take the place of the need of an assistant principal and Ms. Gagnon replied that she can't promise they won't bring the need back but it will certainly fill the need. Cindy then followed up and asked if the grant is permanent and Ms. Gagnon replied the IDEA grant does come in yearly.

Ms. Gagnon then explained that they asked Walter, Special Education Coordinator, and asked him to review the contract services and he was able to cut \$6,646 in services by reducing the number of days services are provided. They also asked Josh Olstad, Technology Director, to look at the technology budget and he was able to cut \$15,000 in Microsoft Licensing. Mr. O'Rourke, HS Principal, was able cut \$17,000 (in transportation costs) by transferring the Dover Tech students to the Governor Wentworth Tech. They also were able to cut \$61,468.31 by eliminating the speech position and therefore limiting the speech services they are able to provide. Ms. Gagnon then stated to meet the amount of the cut they would need to cut a teaching position which would come at a cost of \$53,869.94. The next cut would be another position that would require contract services and would be a cut of \$12,123.48. The next cut would be an administrative position for a cost of \$87,972.30

2. ***Steve Henry motioned to have the school provide information on what budget cuts would need to be done to cut \$916,535 from the budget, 2nd Gail Ellis.*** Discussion followed where Arthur stated he thinks the school should be prepared with these cuts if it occurs at town meeting but he does not think this should occur today because it will only create panic. Mr. Keene expressed that some good things have been happening in our schools and HWMS met Adequate Yearly Progress (AYP) in reading and math and making these types of cuts will hurt us and stop the momentum we are on. This motion would be information on an additional \$535,000 in cuts. ***Motion failed - Mike Morin (no), Ken Dickie (no), Steve Henry (yes), Arthur Capello (no), Brian St. Onge (no), Gail Ellis (yes), Cindy Snowdon (no) and Ann Titus (no).***
3. Jacquie Capello commented that the entire school staff work very hard everyday to give our kids a quality education. We have teachers who purchase student workbooks out of their pockets and librarians who purchase used books at sales to make sure kids get the books they want to read.
4. Bobbie Storm, resident, stated that she fears if these cuts happen our children will not get the services and education they need.
5. ***Steve Henry motioned to recommend the school cut \$32,000 from the budget which would be \$15,000 for the altered Microsoft Licensing and \$17,000 for the transportation for the vocational students, 2nd Arthur Capello.*** ***Motion carried - Mike Morin (no), Ken Dickie (no), Steve Henry (yes), Arthur Capello (yes), Brian St. Onge (yes), Gail Ellis (abstaining), Cindy Snowdon (yes) and Ann Titus (yes).***

6. Steve then asked why it would not be a good idea to cut the \$12,123.48 from the budget for a position and then contract out the services that are needed and also the \$6,646 for the Strafford Learning Center services. Ms. Gagnon explained the Strafford Learning Center contract savings would streamline the cost/hr. of the services and also reduce the contract by a few days/yr. She then explained that by cutting the position a staff person will be removed from the building and therefore the quality of the services as far as relationships goes would suffer.
7. ***Mike Morin motioned to add the \$25,000 back into the budget for the Special Education Coordinator for grades K-6, 2nd Ann Titus. Motion carried – Mike Morin (yes), Ken Dickie (yes), Steve Henry (abstaining), Arthur Capello (no), Brian St. Onge (no), Gail Ellis (no), Cindy Snowdon (yes) and Ann Titus (yes).***
The total tax impact is now a \$1.70.
8. ***Mike Morin motioned to move forward with a bottom line for the school budget at \$17,264,344.00, 2nd Ann Titus. Motion failed with Mike Morin, Ann Titus and Ken Dickie in favor and Steve Henry, Arthur Capello, Brian St. Onge and Gail Ellis opposed.***
9. ***Arthur Capello motioned to recommend a cut of \$18,769.48 to include \$6,646 in Strafford Learning Center services and \$12,123.48 to change the position to a contracted service, 2nd Gail Ellis. Motion failed – Ann Titus (no), Cindy Snowdon (no), Gail Ellis (yes), Brian St. Onge (yes), Arthur Capello (yes), Steve Henry (no), Ken Dickie (no) and Mike Morin (no).***
10. ***Arthur motioned to recommend a bottom line for the school budget at \$17,239,344 noting that the school can find the \$25,000 within the budget for the Special Education Coordinator for grade K-6, 2nd Mike Morin. Discussion followed where it was stated the total tax impact would be \$1.64. Motion failed - Mike Morin (yes), Ken Dickie (yes), Steve Henry (no), Arthur Capello (no), Brian St. Onge (no), Gail Ellis (no), Cindy Snowdon (no) and Ann Titus (abstaining).***
11. ***Brian St. Onge motioned to recommend a total budget cut of \$390,589.35 from the school budgets, 2nd Gail Ellis. Motion failed - Mike Morin (no), Ken Dickie (no), Steve Henry (no), Arthur Capello (abstaining), Brian St. Onge (yes), Gail Ellis (yes), Cindy Snowdon (yes) and Ann Titus (no).***
12. ***Mike Morin motioned to move forward with a bottom line school budget of \$17,000,200, 2nd Cindy Snowdon. Motion failed with Ann Titus(no), Mike Morin (no), Ken Dickie (no), Steve Henry (no), Arthur Capello (no), Brian St. Onge (no), Gail Ellis (no) and Cindy Snowdon (yes).***
13. ***Ann Titus motioned to move forward with a bottom line school budget of \$17,264,344, 2nd Arthur Capello. Motion carried with Mike Morin (yes), Steve Henry (yes), Arthur Capello (yes), Ann Titus (yes) and Ken Dickie (yes), Gail Ellis (no), Cindy Snowdon (no), and Brian St. Onge (no).***

At 8:36pm, Arthur Capello motioned for a short recess, 2nd Mike Morin. Motion carried with all in favor.

At 8:49pm the BC reconvened.

B. Review of Warrants

1. The BC reviewed article 4 which was for \$987,858 for the School Administrative Unit budget. Mr. O'Neil stated if the approved budget passes it will have a \$1.82 impact, the adjusted budget from tonight will have a \$1.79 impact. ***Mike Morin motioned to recommend Article 4 with the amendment to correct the dollar amount in the parentheses to match the written word amount, 2nd Arthur Capello. Motion carried with Arthur Capello (no), Steve Henry (yes), Mike Morin (yes), Ken Dickie (yes), Brian St. Onge (abstaining), Gail Ellis (abstaining), Cindy Snowdown (no), and Ann Titus (no).***

2. The BC reviewed article 5 which was for the collective bargaining agreement for the teachers. For the 2011-2012 the warrant has an estimated cost of \$22,000 and then in 2012-2013 the cost will be \$154,797. ***Ken Dickie motioned to recommend article 5 as written, 2nd Ann Titus.*** Discussion followed where Mike asked why the BC was not given a copy of the contract to review and it might include items that the BC is not in favor of. Ms. Gagnon replied that she can provide copies of the contract but they were not aware the BC would want to see it. Megan Henry explained that the contract calls for an zero percent salary increase but does include steps per the evergreen clause and the \$22,000 is for longevity. There is no increase in benefits. The second year of the contract calls for a 2.5% salary increase. ***Motion carried with Steve Henry (abstaining), Mike Morin (yes), Ken Dickie (yes), Arthur Capello (abstaining), Brian St. Onge (abstaining), Gail Ellis (abstaining), Cindy Snowdon (abstaining) and Ann Titus (yes).***

3. The BC reviewed article 6 which is for the collective bargaining agreement for the paraprofessionals and food service workers. This is a one year contract with a \$22,243 cost. This calls for a \$0.50/hr increase in 2011-2012, noting they had a 0% increase this school year and no change in benefits. ***Ken Dickie motioned to recommend article 6, 2nd Mike Morin. Motion carried with Mike Morin (yes), Ken Dickie (yes), Steve Henry (yes), Arthur Capello (abstaining), Brian St. Onge (abstaining), Gail Ellis (abstaining), Cindy Snowdon (abstaining) and Ann Titus (abstaining).***

4. The BC reviewed article 9 which is for the collective bargaining agreement for the custodians. In 2011-2012 the cost is reduced by \$815 and in 2012-2013 the cost will be a \$17,396 increase. ***Steve Henry motioned to recommend article 9, 2nd Mike Morin.*** Discussion followed where it was noted the decrease is a change in insurance and the following year the increase is for step increases. This is a three year contract. ***Motion tabled in order to allow Ms. Gagnon to review the bargaining agreement.***

5. The BC reviewed article 11 which will raise and appropriate and then withdraw \$24,000 from the Buildings and Grounds Capital Reserve Fund for repairs and maintenance for the retention ponds. ***Arthur Capello motioned to recommend article 11, 2nd Mike Morin. Motion carried with all favor.***

6. The BC reviewed article 12 which will raise and appropriate and then withdraw \$103,050 from the Capital Improvements and Renovations for Buildings and Grounds Fund. This fund currently has \$202,054 in it. ***Steve Henry motioned to recommend article 12, 2nd Arthur Capello. Motion carried with all in favor.***

7. The BC reviewed article 13 which will raise and appropriate and then withdraw \$22,950 from the Capital Improvements and Renovations for Buildings and Grounds Fund. **Arthur Capello motioned to recommend article 13, 2nd Steve Henry.** Discussion followed where it was explained that this funding is for security blinds for 147 windows at HWMS for safety reasons. Arthur asked if they looked at homeland security grants and Dr. Mellaci stated that have been looking at grants and there are not any available at this time. **Motion carried with all in favor.**

8. The BC reviewed article 14 which will raise and appropriate up to \$50,000 to be placed in the FHS Construction and Renovation and Repair Capital Reserve Trust Fund to be funded from the June 30, 2011 unreserved fund balance. **Arthur Capello motioned to recommend article 14, 2nd Steve Henry.** Discussion followed where it was stated there is \$652,977 currently in this account that will be needed for roof replacement. **Motion carried with all in favor.**

9. The BC reviewed article 15 which will raise and appropriate up to \$50,000 to be placed in the Special Education Unanticipated Cost Trust Fund to be funded from the June 30, 2011 unreserved fund balance. **Arthur Capello motioned to recommend, 2nd Mike Morin.** Discussion was held where it was stated that there is currently \$50,000 in this fund. Steve stated that he would like to see this warrant be listed before article 14 so it is funded first. **Motion carried with all in favor.**

10. **Mike Morin motioned to untable the motion to recommend article 9, 2nd Gail Ellis. Motion carried with all in favor.** Mr. O'Neil stated that there is no wording in the custodian contract that allows the school to break the contract in order to outsource custodial services. Steve stated he would not be in favor of a three year contract because the school might find it is cheaper to outsource the custodial services. Ms. Gagnon explained that this is for more than just custodial services but it includes building and grounds maintenance as well. **The motioned to recommend article 9 was voted on and the motion failed with Ken Dickie (yes), Ann Titus (yes), Mike Morin (yes), Brian St. Onge (no), Arthur Capello (no), Cindy Snowdon (no), Gail Ellis (no), and Steve Henry (no).**

Brian closed the public hearing at 9:49pm.

C. Library Budget Review:

1. Gail explained the Board of Selectmen voted to level fund the library at \$264,591 because they have decreased or level funded all other town budgets. Arthur asked what the town is giving for salary increases and Gail replied the Selectmen have decided to not grant any salary increases though if there are any funds remaining at the end of the year they hope to provide the staff with some type of pay increase (maybe 1%).

2. Arthur asked what the major increases in the library budget are for and Deb Christie replied the increase is in the salary line as they have budgeted a 3% increase. Cindy asked why a 3% raise is being given when none of the town or school staff is getting raises. Deb replied that the library salaries do not include any benefits and the employees are underpaid with the average salary at \$9.45/hr.

D. Appointment to the Budget Committee:

1. Neil Johnson filled out an application to fill the vacant seat on the BC until town meeting. Mr. Johnson explained that he attends most of the meetings in town and would like to participate in the town through this committee because it seems essential to the town. Mike asked if Mr. Johnson is going to put his name on the ballot for the BC and he replied yes. *Steve Henry motioned to appoint Neil Johnson to the budget committee, 2nd Ann Titus. Motion carried with all in favor.*

E. Review of Minutes:

1. *Arthur motioned to table the minutes until the February meeting, 2nd Gail Ellis. Motion carried with all in favor.*

F. Other Business:

1. *Arthur Capello motioned to hold the public hearing for the town budgets for February 8, 2011 starting at 6pm with a snowdate of February 11, 2011, 2nd Ann Titus. Motion carried with all in favor.*

2. The next regular BC meeting will be February 23 at 7pm.

3. Arthur stated he thinks the BC should hold a meeting with the BOS before the public hearing so that budget cuts can be hashed out before the public hearing.

At 10:30pm Arthur Capello motioned to adjourn, 2nd Mike Morin. Motion carried.

Respectfully Submitted,

Brandy Sanger
Recording Secretary