Town of Farmington  
Budget Committee Meeting Minutes  
Wednesday, October 26, 2016

**Committee Members Present**: **Committee Members Absent:**Stephen Henry, Chairman Stan Freeda, School Board Rep.  
Sylvia Arcouette, Vice Chairman Alex Morin  
Neil Johnson, Selectmen’s Rep. Sam Cataldo  
Elizabeth Johnson   
Jodi Connolly

**Others Present:**   
Town Administrator Arthur Capello  
Superintendent Ruth Ellen Vaughn  
Library Trustee Linda McElhinney   
Resident Tim Brown

**1). Call to Order:**Chairman Henry called the meeting to order at 7 p.m.

**2). Pledge of Allegiance:**All present stood for the Pledge of Allegiance.

**3). Public Comment (10 minutes):***A).New Member*- Resident Tim Brown came forward with an application to become a member of the committee.   
Motion: (N. Johnson, second E. Johnson) to appoint Tim Brown as a member of the Budget Committee passed 5-0. Mr. Brown was sworn in by Selectman Johnson and welcomed to the committee by Chairman Henry and the members.   
*B). Director Kudos*- Vice Chairman Arcouette took the opportunity to commend Goodwin Library Director Tami LaRock for service above and beyond the call of duty in coming down to unlock the library on a Sunday so a patron could find his lost wallet. She said it turned out the wallet was found elsewhere but wished to thank the Director for going out of her way to help a patron.  
Ms. McElhinney said she would pass Ms. Arcouette’s message on to the Director.

**4). Review of Minutes:**September 28, 2016- No corrections or omissions.  
Motion: (Johnson, second Arcouette) to accept the minutes as written passed 5-0-1 (Brown abstained).

**5). Review of Town Reports:  
A). Actual & Anticipated Revenues – General Fund - Parks & Recreation:**  
Town Administrator Arthur Capello told the members that the anticipated revenues are in line and that some revenue lines have increased more than expected due to new vehicle registrations and the sale of Town property (2 surplus trucks).  
He said he hoped the tax rate would be set soon and said the state Dept. of Education is reviewing the School District documents and then the documents will be sent on to the Dept. of Revenue Administration for review.  
The committee reviewed both revenue reports but had no questions regarding the information provided.  
**B). Actual & Budgeted Expenses & Encumbrances:**Mr. Capello said the lines that he said were overspent at the previous meeting remain overspent but are well within where they should be.   
The committee had no questions about this report.  
**C). Remittance Report:**   
The committee reviewed this report but had no questions about its content.  
Mr. Capello said he planned to have the preliminary 2017 Town budget to Selectmen in November for their review and to the Budget Committee by December.   
Mr. Capello left the meeting at 7:15 p.m.

**6). Review of School District Reports:   
A). General Fund Budget by Object:**Chairman Henry said he received the closed budget from last year by e-mail. Page 6, Line 55220, Insurance, Property/Liability ($101,610, up by $56,384) - Chairman Henry said he knew the switch to Primex this year would be more costly but noted that this is last year’s budget and that this line is more than 100% overspent. He asked Superintendent Vaughn when the district switched providers.   
Ms. Vaughn said the district switched insurance providers in July and said she thought the increase also included mitigation of expenses from circumstances last year. She said she would obtain the exact date of the switch and more information on the over expenditure for the committee.  
Mr. Brown said the Property Liability Trust went out of business on June 30.  
Chairman Henry asked if the Superintendent if she was able to find out if Milton is paying any of the expenses toward the collaborative football team such as the Milton coaches’ salaries or use of the Farmington athletic fields.   
Ms. Vaughn said the coaches’ salaries are paid through stipends in the Farmington School District budget but she did not have the exact amount paid to them at this time. She added that what Milton may pay for the “other pieces” would not go through the salary lines.  
Chairman Henry said Farmington has made a big investment in the rebuilding of the fields and that he would like to see some contribution from them for the maintenance and upkeep of the fields.   
Mr. Johnson said the committee did not receive a copy of the SAU final budget for last year.  
Ms. Vaughn said she will provide a copy of budget to the committee. She added that the SAU budget is now part of the School District budget but it will be broken out into its own section in the budget binder given to the committee.   
Chairman Henry noted there was “quite a bit” turned back to the town which seems to be due to labor savings or related to labor costs.   
Mr. Johnson asked about the $50,000 related to the transfer of food services.  
Ms. Vaughn said this expenditure is largely due to the fact that when Café Services was no longer the district’s contracted food service the district picked up the health insurance for those employees and also had to make adjustments for sick days, vacations etc. before they could move forward with the new contractor. Mr Henry clarified that Café Services was the School Districts food service provider throughout the 2015-2016 school year so the additional costs incurred were employee benefits and salaries prior to switching to Chartwell and as a result of the labor hr=earing. They had originally budgeted for cafeteria staff not as employees but as a contracted service and they ended up being employees for that school year he said.   
Mr. Johnson said that was in January so it would have impacted this budget. He asked if these issues would be resolved this year when the contract is put out to bid.  
Ms. Vaughn said the contract has already been put out to bid and was awarded to Chartwells Schools Dining Services.   
She said that the goal for transfer of food services for next year is a much smaller amount and she hoped for continued improvements to this portion of the budget.   
**B). YTD Expenditure Report- General Fund:**Ms. Vaughn said the “bottom line is in pretty good shape” partly due to better tracking of encumbrances and expenses and there will not be a big gap between what they actually do and what they said they would do. This year’s budget was pretty trimmed with the exit of the Middleton School District. She said that they are looking at budgeting for some “back burner” projects from last year when folks were told not to spend due to the tight budget with the security and safety of the buildings to be given priority. The bottom line will be closer to not having so much left over she said.   
Page 17, Line 434, Attorney/Legal, SAU ($1.00) – Mr. Johnson asked about the $1,720 expenditure from this line. He asked why this line has not been rolled up into the amount remaining in the Attorney/Legal line.   
Ms. Vaughn said this expense is largely due to an existing on-going case she inherited. This line was an existing budget line and the pieces of an on-going litigation are being reflected here but it will be corrected and included in the general Attorney/Legal line in the final report she said.  
Mr. Johnson then asked if the “10-2310” through “10- 2320” item codes will represent the SAU budget lines.  
Ms. Vaughn said that is correct with the exception of the 10-2318 line which reflects the district-wide legal expenses for Special Ed. She added that in the final report the SAU budget will be tabbed to make it easier for members to find things.  
Page 22, Line 549, Salaries, Custodian/Maintenance, HW ($73,965, overspent by $30,288) – Mr. Johnson asked why this line is up 41%.  
Ms. Vaughn said she thought this is due to the transfers in and out of the custodial positions and that some of these lines are up while others are down. She will research the matter and provide more information to the committee.  
Page 25, Line 644, Insurance, General Liability/Casualty, ($107,060, up $90,957) - Mr. Johnson asked about the large increase in costs for this line.   
Chairman Henry said the committee knew that this increase was coming as they were told the insurance company they budgeted for doesn’t offer insurance anymore and they would be changing to Primex and the estimate of the district’s risks would be greater than the previous year. He asked if the district was making use of all the training that comes along with the high premium.   
Ms. Vaughn said they are taking part in the training and consulting offered by the company.   
Mr. Johnson asked where the FAMEE program expenses would be found in the budget report.  
Ms. Vaughn said the FAMEE expenses are not yet included in the report as the expenses are still covered within the grant for the program. Any additional expenses not covered by the grant are paid by the School District she said.   
Vice Chairman Arcouette asked when the current grant will run out.  
Ms. Vaughn said the current grant expires at the end of next year and the district is looking at re-writing the application for another 5 year grant. She said they are only into the first week of this year’s program and the program expenses such as insurance or over time have not yet exceeded the grant allotment. There is only so much money allotted per year and if expenses exceed that amount the district must fund the difference she said.   
Mr. Johnson said the other grants are built into the budget and asked why the FAMEE grant is not included in the budget report.  
Ms. Vaughn agreed it should be included said she will find out why it is not included.  
Mr. Johnson asked how much of an increase in the fee was requested by Community Action Partnership to remain as the fiscal agent for the grant.  
Ms. Vaughn said that the most recent fiscal agent was the Health and Safety Council. The Council did not have liability coverage and the coverage is not provided for in the grant so the School District had to take over those expenses. She said previous to the Council, CAP was the fiscal agent and they had requested a 13% increase in the fee to administer the grant funds for a total of about $30,000 which would have eaten into the grant funds considerably.   
Mr. Johnson asked if the school district planned to hand the fiscal agent back to CAP or find some other entity because even at the higher rate it that would be cheaper than what the district is currently paying in additional expenses related to the program.  
Ms. Vaughn said she did not know if it would be cheaper to find another fiscal agent as they are currently looking into what the costs will be to bring on more staff to service the more than 100 students who attend the program. She said they will look at the revenues coming in and is optimistic that the costs won’t cut too far into the revenues. If all of the Para’s employed with the program had opted for the full package of benefits once they hit full time status it would amount to about $77,000. Right now we are not seeing a large shift in what people are electing but time will tell she said.   
Mr. Johnson said that there is a significant difference between $30,000 and $77,000 in as far as who takes over the program. The potential of $77,000 worse case is going to come out of the school budget which is going to impact 900 students to benefit 100 students. He said he planned to keep an eye on the issue as it is not fair to take money from the 800 remaining students who don’t participate in the program.   
Chairman Henry also expressed concerns about a program that is funded and operated by a grant and now we are looking at funding the costs exceeding the grant.  
Ms. Vaughn agreed they have opened the door to the potential of exceeding the grant funding.   
**C). All Funds – Revenue Report-**Chairman Henry said he has a serious concern that as of December 1 the Dept. of Labor has said any employee working 40 hours a week and making less than $47,000 must be paid overtime. He noted there is no teacher overtime line included in the budget.  
Ms. Vaughn said teachers are an exempt class but Para’s are not an exempt class.   
Chairman Henry then asked if they are concerned about the Para’s going over 40 hours a week.  
Ms. Vaughn said they were not really worried about that as there may only be 1 or 2 Para’s who may work 40 hours or more if there was an issue with needing substitutes for the FAMEE program. They would then be paid over time she said.   
Mr. Brown asked if any of the administration staff such as a guidance counselor are not exempt from the ruling.   
Ms. Vaughn said guidance counselors are under the teachers’ contract and the administration and the support staff is not in that class.   
Chairman Henry asked if there are any other positions that are salaried but paid under $47,000 a year.  
Ms. Vaughn said there are some quasi-salaried positions that must be tracked for hours worked. They are looking at the number of hours support staff and administrative assistants work and are fully aware of what they need to track she said.   
There were no other comments or questions about this report.

**7). Old Business:**Mr. Johnson gave an update on the progress of the new Public Safety Building as follows;  
The building roof will be done in 7-10 days.  
The windows and the overhead and exterior doors will be installed by November 15.  
The first course of asphalt will be laid by November 15 and the site is currently being graded.  
Once the exterior is built and “buttoned up” the crew will focus on the interior work until next spring.   
The project is currently approx. $106,000 under budget but that amount will be reduced to about $100,000 with the payment of some additional expenses.   
The generator will be installed in January when the grant is awarded but the switch for it needs to be installed now before the walls are enclosed.   
The project has been approved for $12,000 in energy rebates for the use of energy efficient heating and lighting equipment.   
The Town is awaiting a determination from Eversource on the rebate application for energy efficiency for the entire building for the use ICF foam. If approved the rebate would be added to the unanticipated revenue next year.   
Both the Fire and Police Chiefs have been researching getting better deals on furnishings/equipment for the building including an evidence refrigerator and lockers for the Fire Dept.   
Gates and chains will be installed at the site to prevent anyone from entering the site without permission.  
Some furniture, front benches and appliances for the Fire Dept. kitchen have been donated.  
Ms. Connolly asked when the building will be ready for occupancy.  
Mr. Johnson said the project is expected to be completed by mid-February but it may not be occupied then. He added the project is coming along well with no issues or concerns at this time.

**8). New Business:** None.

**9). Public Comment:** Ms. McElhinney said she was going over the general fund numbers and had a question about some differences in what the people voted on at Town Meeting and what is included on Page 2, Financial Administration, Finance Administrator and Page 3, Personnel Administration, Wage Adjustments in the Actual & Budgeted Expenses Report. Discussion included if the approx. $2,008 more in the lines were related to salary increases for the Finance Administrator, in the report it looks as though there was no wage adjustments but there was an adjustment to her wage, if the salary increases were anticipated and budgeted and the total amount remaining in the bottom line of the budget.   
Chairman Henry said that once the raises are approved they are moved out of the wage adjustment line and into the salary lines for each position receiving the raise in salary.  
Ms. McElhinney said the total $2,008 in the wage adjustment line has not been used.  
Chairman Henry said that is the amount that was not allocated to anyone.  
Mr. Johnson said the budget is a “bottom line” budget meaning funds can be moved around from one line to another as long as the budget doesn’t go over the approved total.   
Mr. Johnson said he will try to provide answers to her questions at the next meeting.

**10). Next Meeting:** Wednesday, November 16, 2016 at 7 p.m.

**11). Adjournment:**   
Motion: (Arcouette, second E. Johnson) to adjourn the meeting. The motion was withdrawn when it was discovered there was some unfinished business needing attention.

**12). School District Budget Presentation to the Budget Committee:**  
After a brief discussion Ms. Vaughn and committee members agreed to hold the presentation of the School District 2017-18 budget to the Budget Committee on Tuesday, December 13, 2016 at 6 p.m.

**13). Adjournment:**Motion: (N. Johnson, second Arcouette) to adjourn the meeting passed unanimously at 8 p.m.

Respectively submitted  
Kathleen Magoon  
Recording Secretary

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Stephen Henry, Chairman