

# BUDGET COMMITTEE MEETING – January 8, 2015

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**Approved**

**BUDGET COMMITTEE MEETING  
HOOKSETT MUNICIPAL OFFICES  
COUNCIL CHAMBERS  
35 Main Street  
Thursday, January 08, 2015**

**CALL TO ORDER**

M. Miville called the meeting to order at 6:30 pm.

Pledge of Allegiance

**ATTENDANCE**

M. Miville, F. Bizzarro, J. Pieroni, N. Haas, T. Jennings, P. Gosselin, K. VanHorn, D. Winterton (Council Rep) and A. Boilard (School Rep)

Excused: S. Peterson, C. Morneau, N. Haas

Absent: Hooksett Village Water Precinct and Central Water Precinct

**APPROVAL OF MINUTES**

**December 11, 2014**

*N. Haas motioned to approve the minutes of December 11, 2014. Seconded by D. Winterton.*

*Vote unanimously in favor.*

**December 18, 2014**

*J. Pieroni motioned to approve the minutes of December 18, 2014. Seconded by K. VanHorn.*

*Vote unanimously in favor*

**OLD BUSINESS**

School District Budget

N. Haas: I was in attendance at the last meeting and there was a vote taken fairly quickly. I wish we would have had an opportunity to discuss the budget. There were four members that didn't attend that meeting. It is important to attend but it is also important that we all be heard.

P. Gosselin: When I ran for the committee, I thought there would be a process. I was surprised that the decision was made in my absence. If there had been a more thorough evaluation, I would like to have had some involvement.

T. Jennings: I was not here, and I don't think we had a lot of time, just one day. I have a hard time believing that the constituents that voted us into this role would believe we

could have resolve the budget in that time. I think we should revisit and at least have a majority.

***T. Jennings motioned to reopen and reconsider the school budget. Second by N. Haas.***

J. Pieroni: Was there a rush? We did review the budget and you can't just revisit because someone didn't show up. I made the motion and had no intent to leave anyone out. I didn't know who would be in attendance. I made the motion because I thought the School Board did an admirable job by reducing the budget and reducing programs that were in existence. I felt the job was there. What is our job? I am handing out a document. We followed the process per the Municipal Budget Act. The Budget was created by the Administrators submitting detail information to the School Board. The governing body met its responsibilities. The duties of the Budget Committee are to confer with the governing body. We have the School Board Rep and met with the Superintendent as well as the Business Administrator, Principals, Special Ed Coordinator, Technology Director, and Maintenance Director. We asked the question and addressed the question. We met and had quorum. We made a motion to approve a budget which was below default. We went through all that process. We did the job. I would have liked to have everyone here; but they weren't here. The Board votes without all members on other issues and moves on. We have met that process. I understand they are disappointed they weren't here. The idea that we short circuited the process; a quorum was here, there was a motion and a discussion and a vote was taken. We followed the law; we followed the process and we move on. There is a concept that the Budget Committee must reduce the amount submitted or you haven't done our job. We created a budget.

M. Miville: You did not prepare a budget. Within the first 3 minutes you moved a budget. There was no discussion as a committee. You did not go line by line.

K. VanHorn: We met three times and we deliberated.

M. Miville: We did not prepare a budget. We approved the budget the School Board passed on to us. You approved the School Board budget but we did not review the Budget Committee's budget. The first meeting was Dec. 18<sup>th</sup> and we didn't talk about anything. I think we should proceed. What we did was not appropriate and we have a fiduciary responsibility to the taxpayers.

P. Gosselin: The School Board approved their budget and when I found a discrepancy in the Sped budget, they went back and added that back to the budget. Why can't another group go back and review their budget. We have the Budget in our purview. Why does one governing body do one thing and why can't another Budget committee revisit?

M. Miville: We will make our final recommendation after the public hearing. We are still in the budgetary deliberative process.

T. Jennings: I'm confused about the process. I don't remember us recommending or voting to close the discussion of this budget before the public hearing. I don't know why

we aren't taking as much time as we have to review and then after the public hearing making our recommendation. Why are we shot gunning it? We could find more flaws and I don't know why we jumped to the conclusion with all this time left. I never thought when I was out of town for one meeting that the process would be complete.

K. VanHorn: Do you understand that some people like the budget and didn't want to erode the budget?

M. Miville: This committee has added money in past. We add and subtract so to say we automatically make cuts is not an accurate statement.

K. VanHorn: The fact is we were here last week. Not all of us philosophically agree with our Chair. Some in the town believe our educational system is a great way to draw people to our town. We are at the bottom of the school funding in the State. I travel and I haven't missed a meeting. When I came last week I looked at the budget and looked at each school which was a net decrease for each school and I thought it was an excellent budget. Could we go through and complain about the shipping and didn't want to continual take away? Maybe Mr. Miville wanted to add to the budget but that didn't appear to be the direction we were going. I felt it was the opportunity to take the vote.

P. Gosselin: If you want to close the budget then the School Board should have closed the budget without changing it to add the \$70,000. The Budget is still in our purview and we should be allowed to reopen it. Do we use a different standard than the School Board?

A. Boilard: The School Board has a Special Meeting to review the warrant articles and make a recommendation. We would like to know if that number will change.

M. Miville: In the RSA, it states that all budgets should be recommended. Mr. Pieroni motioned to "approve" and that is incorrect therefore the motion is out of order, therefore we still can continue and I am ruling it out of order.

J. Pieroni: You are unilateral removing a vote on your interpretation weeks later. If you had called the motion out of order at the time, I do agree we do approve the budget because this what goes on the warrant. We do recommend to the public hearing. If the wording is wrong, for you now to unilaterally throw out a vote...

M. Miville: I watched the video and read the minutes.

J. Pieroni: I was going by your number provided when I made the motion.

J. Pieroni: I am willing to reopen the discussion and go forward to insure a clean process. The process was good but there are people that weren't here. Our actions were appropriate, and I am not accepting that you can invalidate that vote on your own.

***T. Jennings withdrew her motion and N. Haas withdrew his second***

***J. Pieroni motioned to reconsider the vote of December 18<sup>th</sup> regarding the budget. Seconded by A. Boilard.***

J. Pieroni: I don't think the numbers we had on December 18<sup>th</sup> which were given by the Budget Chair were clean. There appears to be a discrepancy.

A. Boilard: We did approve the budget and there was an \$8000 net change with the change in the High School tuition.

***Roll Call vote***

<b><i>A. Boilard</i></b>	<b><i>Yes</i></b>
<b><i>K. VanHorn</i></b>	<b><i>No</i></b>
<b><i>D. Winterton</i></b>	<b><i>Yes</i></b>
<b><i>N. Haas</i></b>	<b><i>Yes</i></b>
<b><i>F. Bizzarro</i></b>	<b><i>No</i></b>
<b><i>J. Pieroni</i></b>	<b><i>Yes</i></b>
<b><i>T. Jennings</i></b>	<b><i>Yes</i></b>
<b><i>P. Gosselin</i></b>	<b><i>Yes</i></b>
<b><i>M. Miville</i></b>	<b><i>Yes</i></b>

***Vote 7:2 motion to reconsider carried***

***J. Pieroni motioned to accept the School Board approved budget of \$29,530,088.32. Seconded by P. Gosselin. Vote unanimously in favor.***

***J. Pieroni motioned to recommend the School District Budget in the amount of \$29,488,170.38 which is a reduction of \$41,917.94 in public academy special education. Seconded by A. Boilard.***

J. Pieroni: The School Board reduced most of the wants that the Administration came with and are below the default. They even reduced programs to get to that number. I have information from the State Department of Ed which indicates the cost per student in 2013-14 by town. In comparing the surrounding towns with no high schools, the listing has 155 elementary schools and only 12 spend less than Hooksett in education. Manchester stands out in spending less. We also spend less than the State average in the elementary and Middle School. Hooksett is also at the low end of the salary scale for BA. We don't spend a lot and are reducing programs from this budget and that is why I believe this budget should be brought forward. I don't think we want to get the number down to the bottom of the spending. It is our responsibility to be cognizant of the taxpayer but we also have duty to the students and parents to provide a quality education.

P. Gosselin: Bedford for 11,000 they are able to educate their students.

J. Pieroni: Those numbers don't include the bond or transportation.

T. Jennings: The per pupil rate directly affects the tax rate. If I didn't care about the tax rate, I would have moved to Bow or anywhere else. Yes, we are spending less but that was a decision when we moved here.

D. Winterton: This discussion is good but when you talk about taxes, we should not only talk about schools. Milford spends 13,000 per year per elementary student. We spend 4 million on fire rescue and we need to look at the whole budget. The School is doing a tremendous job. These are nickels and dimes and there are 3 elephants in the room and they are salary, benefits and retirement.

P. Gosselin: There is a 4<sup>th</sup> elephant in the room and we just got our tax bill and the rate of acceleration is large. There is an 11.2% increase in 2 years. Although I agree we may be under some other towns, the rate of acceleration is too great and we need to find a reasonable increase. The increase for Social Security is 1.75%. Can those people afford 11.2% over 2 years? Although we all want the best education, can we afford this level of increase?

T. Jennings: My issue with having this vote already is having the opportunity to say..I looked at all the books, and by nickel and diming things maybe I could up with \$35,000 in cuts. As a committee we are saying we are not going to put any pressure on the Boards making these decisions to look at the benefits or rates that are increasing. If we are not pushing back with the increase, next year there will be more increases and we could be at a 22% increase over 3 years. Will we say you need to do better job at negotiating these contracts?

K. VanHorn: I share your concern. When we looked at the increase, there was \$250,000 in High School tuition voted on by the whole town. Salary increase of \$106,000 voted on by the town. That was part of the CBA approved by the voters. The Benefits which are piggy backed on the contract. Then we got handed the retirement increases from the State. If you add those numbers, the increase from last year, there is a \$500,000 increase over last year's budget. \$640,000 comprised what I mentioned which means everything else was reduced. The point is we are dealing with high school and taking out our personal feeling, it was voted by the town. Last year we had items to cut and this year they did a good job. The money to educate our students is being pulled down by those four line items.

P. Gosselin: I would like the School District to look at efficiencies. They did reduce the ALPS which was not efficient. They formed a Transportation Committee to look at efficiencies. The School Board has asked the budget be given to them by October 1<sup>st</sup> so they can do more work. I am willing to give them a little leeway. I will be more critical next year.

D. Winterton: I am negotiating 3 contracts with the town, Highway, Police and Fire. Negotiations are ongoing. We send a lot of kids to a High School that does not have a bargaining union. Pinkerton does not have a union. They don't have automatic step raises, it is on merit.

T. Jennings: That is why I don't feel the benefit increase is something we can't touch. If we don't start talking about it we will see the increasing compounding.

D. Winterton: It is done at the ballot box with who you want to elect and who will have the courage.

P. Gosselin: The capital cost of \$781,000 is 2.6% of our budget. We can't control that. That is another fixed cost. The Manchester capital costs in the negotiated settlement are greater than the school budget increase.

J. Pieroni: The School Board already cut many items that the Administration requested.

***M. Miville motioned to amend to reduce line 2410-5111-0000-96 (wage pool district wide) \$28,989. to zero. Seconded by P. Gosselin.***

M. Miville: Every year there is wage pool increase for directors. They already have salary, benefits, education, and conferences. This doesn't affect the education of students and they already get enough benefits. This is a raise.

J. Pieroni: Who is covered under the wage pool? Is it everyone who is not under a union contract? Does it include administrative assistant? Those people do not have contracts.

A. Boilard: I don't think there is anything that defines who this can be given to. They could give this to Principals or Assistants.

P. Gosselin: I don't want to vote on anything that I don't have the specifics. I don't want to make cuts that I don't have more insight into. This could impact individuals.

M. Miville: It is the Principals, the Assistant Principals, the Media Director, and the Technology Director.

P. Gosselin: I do not support cuts this random.

J. Pieroni: To say this doesn't impact education is wrong. I don't think those that are getting contractual increases are also getting wage pools. The non-union people that don't get raises when contractual employees do drives people to unions. You can't say these people don't effect education. We need clarification of what the wage pool is.

M. Miville: We don't get data driven information. If we don't get the information we must act on the information we have. In addition to the wage pool line they get courses.

D. Pearl: This is for people who have individual contracts like the Principals that have stipulations. The wage pool is paid to those people at the discretion on the Superintendent; Principals, Assistant Principals, Media Director, Special Education, and Technology Directors.

T. Jennings: This can be discussed at the Public Hearing and revisited.

P. Gosselin: I would like to know the criteria for distribution. That will change my decision.

J. Pieroni: We need to know who this covers and why. If they are already covered in a contract, why is there an additional wage given and to whom. I would like clarification from the Business Administrator on who this covers and if they are getting any other raise.

*Vote 3:6 amendment failed*

**The Budget Committee would like to know who receives this wage pool, is there any additional increases to these individual and how was the previous year's wage pool distributed? Was this amount used last year specifically to pay those individuals? That budget was \$26,000.**

*M. Miville motioned to amend to reduce the High School Special Ed coordinator 1200-5111-300-61 \$68,000(\$35,124 salary plus benefits) Secoded by D. Winterton.*

D. Winterton: Move this to a part time to eliminate the benefits.

*M. Miville withdrew his motion.*

*D. Winterton motioned to amend to reduce High School Special Ed Coordinator by \$30,000. Secoded by T. Jennings.*

We are only suggesting not funding this with benefits.

*Vote 2:7 amendment failed.*

*J. Pieroni motioned to call the question. Secoded by F. Bizzarro  
Vote 3:5 motion failed*

*M. Miville motioned to amend to remove \$2000 from 1100-5610-0104-01 General supplies. Secoded by D. Winterton.*

F. Bizzarro: You need to factor in the cost of someone to pickup rather than ship, the travel time and the gas and the loss of time for an employee to pick up.

A. Boilard: The line you are reducing has \$500 in shipping.

T. Jennings: He is just taking a line and reducing it rather than take from each line. This will allow them to move things around.

*Vote 5:4 amendment carried.*

***T. Jennings motioned to reduce \$70,000 from transportation services 31 2700-5519-0-00-32. (1/4 of a percent) Seconded by P. Gosselin.***

T. Jennings: There are a number of supplies, additional secretary hours, special education, and other lines.

P. Gosselin: I agree rather than spend hours going through line items, let the Administration make the adjustment. In Special Education there were Study Carols, I-pads and chrome books that could be reduced. They may only get 6 I-pads. I will let Administration decide how to distribute the cut.

J. Pieroni: Are you looking at this to be the final cut to the budget?

T. Jennings: It cuts the fluff and doesn't zero out a line so the Administration will have the flexibility.

K. VanHorn: If you are looking at Special Ed, you need to make sure that it isn't a direct need for an IEP.

***Vote 6:3 amendment carried.***

***Total reduction to the original motion of \$72,000. New budget 29,416,170.38.to recommend and advance to the public hearing.***

***Roll Call***

***P. Gosselin Yes***

***A. Boilard No***

***T. Jennings Yes***

***K. VanHorn No***

***J. Pieroni Yes***

***D. Winterton Yes***

***F. Bizzarro No***

***N. Haas Yes***

***M. Miville No***

***Vote 5:4 motion carried.***

M. Miville: I mentioned that during the course of the budget year there have been reductions in the Special Education budget. At one point the budget committee removed \$100,000 from the tuition line. The School did a transfer of \$100,000 during the course of the year. Because of the transfer, the citizens believe that the money removed from the Special Education fund should be targeted for Special Ed. Before the budget starts, can we take money out of Special Education service line so later we are adding money to the service line. This will end the perception of citizens that don't understand the process.



K. VanHorn: I understand why you are doing this. The money came from the sped tuition line because students change and rates change. It was the Special Ed tuition line that changed. IEPs were met and we budgeted "x" for tuition because they budget extra for kids that are coming into the system then they transfer out because they have extra. Contracted Services is a little different so be careful. I understand the spirit in which you are doing it.

J. Pieroni: Under 32.4 shall prepare statements of revenues for the ensuing year. I want people to create to the best of knowledge the estimate. If there is a misperception on someone's part we should not be moving money.

Default Budget

Warrant Articles

### **OTHER BUSINESS**

#### **PUBLIC INPUT**

D. Pearl: I want to thank you as a citizen. We need as a School Board, to provide detailed job descriptions and I'll take that back to the Board and we need to provide more data on other items that may be hot issues. Thank you for passing the budget.

F. Bizzarro: I don't know if we can encourage them to have a representative here when we are talking about the budget. We always have a town representative here during the review of the Municipal budget.

The Warrant Articles will be needed ASAP for the public hearing on the 15<sup>th</sup>.

Budget  
Pinkerton Contract  
Parking lot repair \$55,000  
\$95,000 capital reserve Underhill Roof

### **ADJOURNMENT**

*P. Gosselin motioned to adjourn at 9:56. Seconded by T. Jennings.  
Vote unanimously in favor*

Respectfully submitted,

Lee Ann Moynihan