

ASHLAND BUDGET COMMITTEE

January 16, 2014

DRAFT MINUTES

Public Hearing, School Budget Ashland Elementary School Cafeteria

MEMBERS PRESENT: S. Coleman, I. Heidenreich F. Newton, D. Ruell, J. Stewart (BOS), D. Toth, M. Badger

ALTERNATE MEMBERS PRESENT: Renee Liebert (Alternate school board), N. DeWolfe (BOS)

MEMBERS ABSENT (with notice): C. Cilley, M. Scarano

Acting chairman, David Ruell, called the meeting to order at 7:02 P.M. in the Ashland Elementary School Cafeteria and a quorum was present.

D. Ruell reviewed the packet that the school had provided, pointing out features, including the summary, pie chart of the budget, category comparisons, what the budget means for tax bills and overview. In general the salary line is going down, but there are increases in tuition and transportation. Federal and State revenues are expected to be the same.

Budget detail was then reviewed as follows:

- Regular Education – Sixteen (16) teachers remain, there were some salary increases voted in, and there is a new admin position, but the salary line has decreased due to retirement of more tenured staff replaced by lower level teachers and a half position for a paraeducator leaving. The largest equipment item is for new iPads for students. *[Note: at this point, I Heidenreich was called out on a fire emergency.]*
- Special Education: Major increase is for tuition for other schools given that Ashland cannot accommodate these special needs. There are two preschoolers who will be going to Interlakes, and another student going to a private school for \$40,000. Extended school year is for students at risk of failure.
- Co-curricular is for coaches, advisors and athletic equipment. Replacement equipment has increased.
- Guidance and health services increased slightly. A question was raised about decreased salary line for guidance services. The explanation is that more experienced staff retired and a less experience staff in that place.
- Physical therapy and occupation therapy (OT) is provided if needed. OT employee will be shared with Moultonborough, reducing the cost.
- Technology – \$10,000 for Admin Internet, which provides general tech support. Replacement equipment - \$12,000 is for a computer leasing program.
- Curriculum and Development – Salaries, benefits and retirement.
- Library and Media Services - Salaries, supplies, equipment, software, books

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- School Board Services - Warrant article #2 sets salaries of district officers - no change. Includes staff, meeting expense, supplies, dues and fees (including background checks), etc.
- Audit and Legal services and SAU administration – 2.8% overall increase. Ashland share of SAU costs is about 9.2%. Interlakes pays 90.8%. Percentage is based partly on student population and partly on property valuation.
- Office of Principal – Salary line increase is for an additional secretary (from 1 to 2). Includes other staff salaries and benefits, and telephone. A inquiry was made regarding the telephone provider - is it Time Warner? No, it is Fairpoint.
- Operation of Plant - custodial salaries (three), electricity (decreased), fuel, laundry, equipment, telephone, snow plowing. New equipment is for two new heaters for middle school wing.
- Building and equipment - \$35,000 for a new double-wall oil pipe, which connects the underground oil tank to the school, which is required by the Department of Environmental Services. Replacement equipment is for new, more efficient low flush toilets.
- Care of Grounds - Replacement equipment includes replacing a push lawn mower.
- Transportation - overall a 2% increase in regular transportation. Special education transportation increase is for three students in out-of-district placements.
- Cost to distribute (new section) – A merit pool was established by the school board for non-union employees, who will select those to receive merit increases based on recommendation by the Superintendent.
- Transfer to food service is for school district subsidy for food service program (increased).
- \$50,000 transfer to capital reserves previously done is proposed to be replaced by Warrant Article #4, which says up to \$20,000 from unassigned fund balance will be transferred into the previously established trust fund.
- Question about increase to technology for regular education – it is for computer leasing program.
- A question/clarification was raised about Special Education (the largest increase to budget) – Answer - when a student is identified as educationally disabled, decisions are made as to whether the school can offer services or the student must go outside of the district because we do not have the services. Cannot always identify needs in advance. Cost is most often less than for developing these services in house. Interlakes supplies preschool when the town needs these services.
- S. Coleman asked about Internet. It is provided by Time Warner and is free for cable TV but not for Internet. Rural education program pays for part of Internet. Software for voice over Internet for telephone may be too expensive/cumbersome for a small school. Return on investment may be too far out. Hard lines will continue at present. Server is currently at max. Interlakes is switching out a server and AES will get that one to expand capacity.

Public hearing closed at 7:42.

Regular Meeting

The regular Meeting started with discussion about the school budget. The consensus of the committee was that no changes were needed to the proposed budget. S. Coleman moved that the budget be approved as written and was seconded by J. Stewart. The vote was 6-0 in favor. (I. Heidenreich had been called out for an emergency). S. Coleman moved that Warrant Article 2 be recommended, Seconded by D. Toth. Article 2 was recommended by a vote of 6-0. S. Coleman moved that Warrant Article 4 be recommended, Seconded by F. Newton. The vote was 6-0 in favor.

The Budget Committee then reviewed items in the Town budget, which had been discussed at the public hearing held on January 15. F. Newton suggested that we review the Parks and Recreation Director's salary. All other non-union salaries had been approved with the proposed 3% increase and this salary should be approved as well. F. Newton moved that the Budget Committee approve the proposed salary of \$24,30. J. Stewart seconded the motion and the motion was approved by a vote of 6-0. F. Newton also corrected a statement made at the town budget hearing by the Town Administrator, Paul Branscombe regarding beach salaries. Mr. Branscombe indicated that the figure proposed by the Director, Jim Gleich, of \$12,000 included gatekeepers not included last year. F. Newton reminded the committee that the final figure from last year did in fact include gatekeepers. Furthermore, when Mr. Gleich was questioned about why his request was for \$12,000 when the final amount spent was only \$7,801 he had no explanation and said that number could be adjusted. The consensus of the Budget Committee was that we would leave the total at \$8,000.

Based on correspondence received from Mr. Branscombe concerning recalculation, the Financial Officer salary should be now \$36,040, which represents 6 weeks at \$32 and 46 weeks at \$35. Mr. Branscombe had suggested that the extra \$3,000 (number originally proposed was \$39,520) should remain in the budget to cover extra hours during peak time. J. Stewart said this was unnecessary since the hours would be less during slow times and therefore the average would be consistent. FICA and Medicare will be calculated accordingly. J. Stewart moved that the Financial Officer be set at \$36,040 with necessary adjustments to FICA and Medicare. The motion was seconded by D. Toth and the vote was 6-0 in favor.

D. Ruell confirmed that there were now a total of 4 changes to budget based on discussions at the public hearing and new information, specifically adjustments to a bond payment and highway improvements voted on last night and the adjustments to the Parks and Recreation Director Salary and Financial Officer Salary tonight.

F. Newton moved that the Budget Committee approve the budget as corrected and J. Stewart seconded the motion. The exact final number will be determined once the new FICA and Medicare is calculated. The vote was 5-1.

Warrant Articles – D. Ruell reviewed correspondence regarding Article 8 wording, which the town attorney recommended be changed. The fund will no longer be an expendable trust fund. The Board of Selectmen will vote on the proposed wording after discussing at their next meeting. The question was raised about happens if there is money remaining in the fund at the end of the year if it is no longer an expendable trust but rather a line item.

The Budget Committee then reviewed the Warrant Articles as follows:

- Article 1 - Transfer station mini-loader. – J. Stewart moved to recommend the article as written, seconded by D. Ruell and the vote was 5-1 in favor.
- Article 2 - Road improvement capital reserve fund of \$125,000. F. Newton moved to recommend the article, seconded by D. Toth. The vote was 6-0 in favor.
- Article 3 - Police Department vehicle capital reserve fund. M. Badger moved to recommend the article, seconded by J. Stewart. The vote was 5-1 in favor.
- Article 5 - Motor vehicle registration fee – J. Stewart moved to recommend the article and seconded by D. Ruell, the vote was 2-4 against. D. Toth moved to NOT recommend the article, seconded by S. Coleman. The vote was 4-2 in favor of not recommending.
- Article 6 – Public Works pickup truck and plow. J. Stewart moved to recommend the article, seconded by D. Ruell. The vote was 2-4 against. S. Coleman moved to NOT recommend the article, seconded by D. Toth. The vote was 4-2 in favor of NOT recommending.
- Article 7 - Fire Department vehicle capital reserve – S. Coleman moved to recommend the article, seconded by F. Newton. The vote was 6-0 in favor.
- Article 8 - July 4th Expendable trust fund. The committee agreed to vote on both wording options, the original wording and the new proposed wording, given that the final wording has not been decided. The Board of Select will vote on the appropriate wording at their next meeting. J. Stewart moved that the original wording (expendable trust) be recommended, seconded by D. Toth. The vote was 5-1.

If wording is changed the remove the expendable trust per Walter Mitchell's suggestion, D. Toth moved to recommend the article with the new wording, seconded by D. Ruell. The consensus is that expendable trust fund is preferable, but this may not be legally allowed. J. Stewart explained that the amount coming in should match the contracts and therefore, no funds will remain. Legal definition of expendable trusts suggests that donations cannot be made to a trust fund. The vote was 5-2 in favor. (I. Heidenreich returned from her emergency call and was available for the vote.)

(Note: the numbers assigned to warrant articles are tentative and they may be renumbered on the actual warrant.)

The Budget Committee then reviewed the Petition Warrant Articles as follows:

- Article 1 - Pemi-Baker Community Health – F. Newton moved to recommend the article, seconded by M. Badger. The vote was 6-1 in favor.
- Article 2 - CADY – S. Coleman moved to NOT recommend the article, seconded by I. Heidenreich. At last nights public hearing, Police Chief Randall informed the group that CADY has not been used by Ashland in the last 4+ years. The vote was 5-2 in favor of NOT recommending the article.

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- Article 3 - Tri-County CAP – M. Badger moved to recommend the article, seconded by D. Toth. The vote was 5-2 in favor.
- Article 4 - Genesis - F. Newton moved to recommend the article, seconded by D. Ruell. The vote was 6-1 in favor.
- Article 5 - Bridge House, \$5,000. J. Stewart moved to recommend the article, seconded by D. Ruell. The vote was 6-1 in favor.
- Article 6 - Library purchase of Tri-county CAP building – M. Badger moved to recommend the article, seconded by D. Ruell 2nd. A public bond hearing will be held on Monday, January 20 to discuss in greater detail the financial implications of the purchase. There is much concern about the large amount of money needed to buy the building given the town's financial picture. The vote was 2 in favor, 4 opposed, with 1 abstention (both yes votes were library trustees). The article was NOT recommended.
- Article 9 - Grafton County Senior Citizens. – J. Stewart moved to recommend the article, seconded by D. Toth. The vote was 5-2 in favor.
- Article 10, Voices Against Violence – I. Heidenreich moved to NOT recommend the article, seconded by S. Coleman. Despite request for information regarding the level of support for Ashland residents, we have not been provided with that information. The vote was 4-3 in favor of NOT recommending.
- Article 11 - Water Department User Fees to establish the fund. J. Stewart moved to recommend the article, seconded by S. Coleman. The consensus is that too many unanswered questions remain as to the impact of the article on the department, users, taxpayers, and long-term capital needs, etc. Water department did not hear about it until yesterday and have not commented on it. The vote was 2 in favor, 2 opposed, 3 abstentions.
- Article 12 – To expend funds established in Article 11 – I. Heidenreich moved to NOT recommend the article and was seconded by D. Ruell. The vote was 2 in favor, 2 opposed, 3 abstentions.
- Article 13 - Establish Sewer Department fund - I. Heidenreich moved to NOT recommend the article and was seconded by D. Ruell. The vote was 2 in favor, 2 opposed, 3 abstentions.
- Article 14 - Expend Sewer funds established in Article 13. I. Heidenreich moved to NOT recommend the article and was seconded by D. Ruell. The vote was 2 in favor, 2 opposed, 3 abstentions.
- Article 15 - Matching Grants - F. Newton moved to recommend, I Heidenreich seconded the motion. The vote was 6-1 in favor.

M. Badger brought partial minutes from last night's meeting to ensure we had a reference for the vote last night. Final minutes are forthcoming.

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D. Ruell proposed to meet after the deliberative session if any of the articles are changed. D. Toth seconded the motion. The vote was 7-0. D. Ruell reminded us that the budget would need to be signed by all members at the town hall before January 27th.

Motion to adjourn was made by F. Newton and seconded by I. Heidenreich. The vote was 7-0 and the meeting was adjourned at 9:13 PM.

Respectfully submitted

Fran Newton