

Town of Farmington
Budget Committee Meeting Minutes
Wednesday, January 3, 2018

Committee Members Present:

Sylvia Arcouette, Chairman
Jodi Connolly, Vice Chairman
Neil Johnson, Selectmen's Rep.
Angela Cardinal, School Board Rep.
Elizabeth Johnson, Secretary
Michelle Elbert
Tim Brown
Stephen Henry
Heidi Mitchell
Jason Lauze

Committee Members Absent:

Sam Cataldo

Others Present:

SAU Superintendent Ruth Ellen Vaughn
Business Administrator Laurie Verville
Attorney Barbara Lohman
Henry Wilson Principal Jessica Richards
Director of Student Services Diana DeNitto
FHS Principal Dorothy Moore

1). Call to Order:

Chairman Arcouette called the meeting to order at 6 p.m.

2). Pledge of Allegiance:

All present stood for the Pledge of Allegiance.

3). Public Hearing on School District Budget and Warrant Articles:

Chairman Arcouette welcomed everyone and opened the hearing to the public at 6:05 p.m.

Mr. Johnson said the handouts given to the committee with the staffing requests had some function and object codes that didn't match the budget lines.

Mrs. Vaughn gave the correct line numbers to Mr. Johnson.

Mr. Brown said during the School Board's Dec. 18 discussion on warrant articles it was unclear if they voted to change the School District Moderator's term or if they were considering changing the term.

Mrs. Vaughn said the vote was rescinded at the board's last meeting because the motion was made while another motion was already on the table and they found that changing the Moderator's term must be done by a petitioned warrant article.

Mr. Brown said during the last fiscal year there were 2 payouts to staff members, one of which was a sick/leave time payout. He said the meeting minutes reference a per diem rate and asked if that is just wages without retirement.

Ms. Verville said that is correct.

Mr. Henry asked if the answers to the questions from the last regular meeting regarding the FAMEE program and the tax impact had been received.

Mrs. Arcouette said they had not been received yet.

Mr. Henry asked if the FAMEE program is funded primarily through a grant, if there is an impact to the taxpayer and how the retirement costs are paid.

Mrs. Vaughn said the program is entirely funded by a grant so there is no taxpayer impact. She said that because the way that the retirement reporting is done it needs to be a consistent hourly wage or hourly work time that puts them (Para's) into the retirement program. No one hits that point consistently and the number of hours worked is monitored monthly she said.

Ms. Verville said they need to work 35 hours to be eligible for retirement benefits. She said the NH Retirement program looks for people with consistent and guaranteed number of hours at that level and the Para's schedules can change due to FAMEE enrollment.

Mr. Brown said there was discussion last year about a \$90,000 appropriation as the FAMEE program was transitioned to the district and asked if the money was appropriated and where that is shown in the budget.

Mrs. Vaughn said the \$90,000 discussed last year was regarding a warrant article for the Para's' contract. She said there was a potential \$70,000 cost for health insurance when the district became the fiscal agent for the program but the "tipping point" wasn't hit that year. This year all of the Para's work 30 hours and qualify anyway so FAMEE isn't part of the equation she said.

Mr. Johnson read from the minutes of the Jan. 13, 2017 school budget public hearing which said there was \$20,000 added to the operating budget to cover the Para medical through the FAMEE carry over and that the grant portion was \$225,000. He asked if the \$20,000 had been taken out of this year's budget.

Mrs. Vaughn said the portion of the insurance for the Para's was there because they were working 30 hours during the regular school day which is part of the regular operating budget. It wasn't FAMEE that was causing them to qualify for health insurance because at 30 hours the Para's qualify under the contract to take the health insurance benefit she said.

Mr. Henry asked if Mrs. Vaughn recalled when it was decided to put the Para's at 30 hours.

Mrs. Vaughn said it was part of last year's budget cycle and was included in last year's budget.

Mr. Henry said the decision would have been made before the Jan. 13th meeting.

Chairman Arcouette gave a 5 minute warning to the close of the public portion of the hearing.

Mr. Henry asked if any adjustments made by the committee needed to be discussed during the public hearing or just during this meeting.

Mr. Brown said the public hearing can be left open and close the public comment portion.

Motion: (Brown, second Connolly) to close the public comment portion of the hearing passed 9-1.

Motion: (Brown, second N. Johnson) to reduce the school district's proposed operating budget to \$15,199,000;

Discussion: Mr. Henry asked for the amount of the reduction from the amount proposed by the school district.

Mr. Brown said he would explain his reason for his proposed reduction during the discussion of

the motion.

Mr. Johnson said the School Board budget presented to the committee was \$14,787,000.

Mr. Brown asked for the number to be included in operating budget warrant article and noted the budget voted at the deliberative session last year was \$15,945,000.

Mrs. Vaughn said the total appropriations will include federal funds and other pieces not included in the general operating budget.

Ms. Verville said the total operating budget amount included in the warrant article is \$16,429,397.

Mr. Brown then clarified his motion as follows:

Motion: (Brown, second) to reduce the \$16,429,397 proposed School District operating budget to \$15,199,000;

Discussion: Mr. Brown said he reviewed the Dept. of Education's statistics and found that the per pupil education cost in 2012-2013 was \$11,818 and rose to \$15,230 per student in 2016-17. He said that is almost a 3 million increase over a five school year period without any big mile stones for our investment. He suggested that it's time for the district to step back on spending, regroup and formulate a 10 year plan to bring the district to within the top 10% of districts in the state as directed by the School Board.

Mr. Brown said last year, \$15,945,000 was appropriated and out of that money there was an unexpended fund balance where \$100,000 was put into a Capital Reserve Fund (CRF) for the heating systems, \$12,000 for a fence, year-end pre-purchases totaling \$120,000, \$173,000 returned to the Town, a general fund transfer of \$150,000 to food service, a staff member payout and \$174,000 in the 2.5% emergency fund. He said the \$746,000 of surplus fund spending is the amount he deducted from last year's appropriation for his motion.

Mrs. Cardinal called for a point of order. She said Mr. Brown revised his motion and did not receive a second to the revised motion.

Second: Ms. Connolly seconded the revised motion.

Mr. Henry asked if the \$12,000 for the fence came out of a CRF.

Mrs. Vaughn said that is correct.

Mr. Brown asked if the money for the CRF was appropriated out of the surplus funds.

Mrs. Vaughn said that it must be raised and appropriated as a warrant article and was included on the warrant.

Mr. Henry said he agreed that there needs to be more of a plan with goals and how to get there. He said the \$150,000 was set aside for food service because of a potential liability and asked where that money would come from if the budget was reduced by that amount and the district loses and has to come with \$150,000.

Mr. Brown said the \$150,000 was transferred in last year's budget from the fund balance to the food service line to cover a \$150,000 shortage.

Mrs. Cardinal said Mr. Brown presented a very detailed proposal and she didn't think the

committee fully comprehended each point or understood the legal and contractual requirements involved.

Mrs. Vaughn said the correct transfer amount to food service was \$129,000 and that it was reserved for “pending issues”.

Mrs. Cardinal said the money was not to “settle” a legal matter. She said there is an outstanding invoice and they are working through the details to see what should be paid like they do with every invoice that comes in at the end of the fiscal year.

Mr. Johnson clarified that the \$129,000 was encumbered from 2016-17 unexpended funds and is not part of this 2018 budget.

Mr. Brown said they need to get back to a more basic budgeting for the taxpayer. He said he looked for areas in last year’s budget where surplus money was spent and cut that money to get back to a more realistic budget. The number before the committee is a basic number to start at and then let the Superintendent tell us which programs she wants and adjust accordingly somewhere between the proposed budget and that number he said.

Mr. Henry asked for the amount that was pre-paid for fuel.

Mr. Brown said he did not have the breakdown of the fuel but the pre-purchases at the end of the year included Chrome Books, fuel and pre-paid insurance for \$120,000.

Mrs. Arcouette asked for an explanation of the type of insurance was pre-paid and why the decision to do that was made.

Ms. Verville said in the fall of 2016, they received the annual premium billing from Primex for unemployment compensation insurance which is based upon a calendar year. We paid 6 months of it and the billing is for 12 months so we paid the remainder of the bill. Now there is about \$31,000 budgeted for the calendar year for the unemployment premium she said.

Mrs. Vaughn added that it will be on this cycle ongoing.

Mrs. Cardinal said using the word “surplus” implies there is no purpose for those funds so a better description is “unexpended fund balance”. She said at the end of the fiscal cycle there will be outstanding accounts payables and some of the unexpended balance was used to settle those and close out the books for the fiscal year. The School Board, following the RSA’s and other standards for managing a public school district, then decided to prepay some items before the fiscal year ends on June 30 she said.

Mr. Henry asked if the billing cycle for the unemployment insurance changed when the district changed insurance providers.

Ms. Verville said the billing cycle did change as Health Trust was always on a fiscal year and Primex is on a calendar year. Primex will cover the district and the benefits and make slight adjustments and allows you to smooth out the annual premiums she said.

Mr. Henry asked if the district pre-bought fuel oil with funds from the 2016-17 budget fund balance and how much was spent for the oil.

Mrs. Vaughn said they did pre-buy fuel oil for the 2017-18 school year using unexpended funds

from the 2016-17 budget.

Ms. Verville said the total for the fuel oil was \$81,352.

Mr. Henry said if fuel costs follow projections for this year there will be \$81,000 more in the undesignated fund balance because of fuel usage.

Mrs. Vaughn said they don't know what fuel prices are going to do and would not say they will have \$81,000 at the end of the year as there are a lot of variables between there and here.

Ms. Connolly said that each year, money is turned back to the town and is used for extra things that weren't originally planned for. She said they need to start budgeting for the lowest income people and live within our means because we're forcing people out of this town just for our school system.

Mrs. Elbert that in order to attract new families to the town the school system needs to be stronger than it was in the past and the way to do that is to hold a steady budget and let them do some of the things they feel would benefit the school system.

Mr. Brown said he has confidence in the Superintendent and agrees with her goals on where she wants the district to be in 10 years. He said there should be a 10 year collaborative plan developed by the School Board, Superintendent, Budget Committee and the town detailing what will be done each year, the hoped for results and remedies if the results are not achieved.

Mrs. Elbert said surplus monies were turned back to the town, probably unwisely, instead of using that money towards the infrastructure in the school system that should have been done in the past and now they are trying to do those things.

Mr. Henry said that part of the problem is due to many changes in administration and there isn't a principal here now with a tenure of more than 5 years. The jump in per pupil cost is due to a big withdrawal of students from the district and because the cost of everything has gone up. He said he didn't see anything in the past 5-6 years of watching the undesignated fund balance returned to taxpayers where there were any significant things in the budget that weren't done.

Mrs. Cardinal recalled that in 2001 when the amount to raise and appropriate was so severely slashed the district had to suspend bus transportation and said she believes the effects of that year are still being felt 17 years later. She then asked what business puts out a good outcome when they've had a debilitating year in their history and the cost of running the business has gone up which is represented by the default budget every year.

Ms. Connolly said she did not think you could call this a business because it's not run as a business. If it was run as a business you'd be cutting this budget she said.

Mr. Henry said it operates as a business and has accounts and customers to serve like a business. He said the customers sit in the seats but use the community to represent them.

Mrs. Cardinal urged people to influence lawmakers to vote down SB193 where the state would take local taxpayer dollars and put them toward private school or home schooling needs. One could argue that could be a good thing but there are zero financial plans for where that money

will come from and it should be voted down until there is a plan she said.

Mr. Brown said his concern about the legislation is the potential for decreased revenue for the district and for the taxpayer to have to make up for that decreased revenue.

He said the district has made some strides which include a decent teachers' contract so we are no longer a revolving door and has a competent Superintendent who has brought in a staff to do a plan. He the School Board and the SAU are asking for money without a plan which is like a business owner going to the bank and asking for a loan without a business plan.

Mr. Brown then said he would stand corrected that the \$12,000 for a fence was in a CRF so he reduced his number by \$12,000 to \$734,000.

Mr. Lauze said he was confused about how you get a reduction of \$740,000 when you go from \$16.4 million to \$15.2 million which is actually a reduction of \$1.2 million.

Mr. Brown said he would like to make a friendly amendment to his motion.

Mrs. Cardinal then called the question on the original motion to reduce the raise and appropriation amount to \$15,199,000.

Mr. Brown said his friendly amendment would have been to raise the amount to be appropriated but said she was free to call the question.

Mrs. Cardinal said there is no deliberation on calling the question.

Chairman Arcouette called for a vote on calling the question.

Vote: The motion failed 3-7.

Mr. Brown then made a friendly amendment to his motion to reduce the bottom line budget to \$15,683,397. He said \$16,429,397 minus the \$746,000 that was spent in surplus funds last year leaves a balance of \$15,683,397.

Mr. Henry asked if Mr. Brown added back the \$12,000 for the fence to the total amount.

Amendment: Mr. Brown then said his friendly amendment to his motion was to reduce the bottom line of the budget to \$15,695,397

Discussion: Mr. Lauze said Mr. Brown is proposing a motion to cut approx. \$750,000. He said he has had all of the other numbers given to the committee for a few weeks and now he has 3 pages of scribbles that have changed "14 times". He said he didn't have a list to look at it so it is difficult for him to try to vote on it now.

Ms. Mitchell said Mr. Brown added up the year-end expenditures and just cut them off and figured this is the way we ran it last year so we can do it again. She asked if he had gone through any of the line items or if he was basically saying to cut \$734,000 and that he didn't care where it comes from.

Mr. Brown said that designation should be left to the Superintendent.

Second: Mrs. Connolly seconded Mr. Brown's friendly amendment to his motion.

Mrs. Cardinal asked about each of the items that total the \$734,000 reduction and if Mr. Brown thought the expenditures were the wrong thing to do and therefore should be taken out of the budget so the school district can't do it again.

Mr. Brown said his proposal is to go back to true budgeting. If our oil in this next fiscal year is going to cost \$120,000 then we appropriate \$120,000. If we spend \$90,000 we return that \$30,000 to the taxpayers that we didn't need. The School Board is saying if you give us a surplus we're going to spend it. Let's get back to true budgeting and what the bottom line number is and work up from there he said.

Mrs. Cardinal recalled when School Board member Linda McElhinney asked how detailed does the budget need to be in terms of amounts and purpose for this committee to be satisfied with the decisions being made at the school district. She added that the board is planning a budget more than 18 months out and making decisions with the information at hand at the time.

Mr. Johnson said the \$100,000 was a warrant article to fund the heating system CRF from the unexpended fund balance. The option is to fund it out of the unexpended fund balance or to raise and appropriate it from the taxpayers. The heating system has to be fixed so you either had to get it from unexpended funds which is money already taken from the taxpayer or give that \$100,000 back to the taxpayer and then take it back as part of the warrant article. He said it is a way of trying to level the tax rates because once you get the money it's easier to spend it as a warrant article that was approved by the taxpayers rather than decreasing the tax rate and then raising it again.

Mrs. Vaughn said there was a warrant article that asked the voters if they would raise and appropriate through the unexpended fund balance \$100,000 to fund a heating system. That passed and at the end of the year that \$100,000 was put into that CRF she said.

Mr. Johnson said the \$173,000 was returned to the town, so taking that away is a moot point because we got it back in this case.

He said the \$129,000 for the food service was encumbered and is being held pending the result of the food service issue. So there's potentially \$129,000 in the unexpended fund balance that if not used for this purpose could eventually be returned to the tax payers he said.

Mr. Johnson said he didn't have an issue with pre-paying for things like fuel as has been done for years with books and supplies. He said some of these charges are very legitimate and he disagreed with the method Mr. Brown used to get to his proposed reduction.

Mr. Henry asked if the money from the 2.5% emergency fund is rolled back into the unexpended fund balance at the end of the year.

Ms. Verville said at the end of fiscal year 2018 we know we had \$174,000 that was from 2017. If there is no emergency it rolls back to the unassigned fund balance. Then on July 1 there is a new calculation for 2.5% emergency fund based on the district assessment.

Mrs. Vaughn added this money isn't something they could use for a warrant article. If not expended for a specific catastrophic purpose it goes back to the town-period.

Ms. Verville said the emergency fund is not an aggregate-you don't keep building it.

Mrs. Vaughn said this year's emergency fund was approx. \$173,000 while last year's emergency fund was approx. \$166,000.

Attorney Lohman said when the Dept. of Revenue Administration (DRA) sets the tax rate they give you an additional amount of whatever that per cent is that goes into the emergency fund. It cannot be spent unless you have a catastrophe and if you don't have a catastrophe at the end of the year it is turned back. Then when the DRA sets the tax rate in the fall for the next year they do it again. They set aside again. You don't get to keep it from year to year she said.

Mrs. Vaughn said it is not part of the appropriations they have access to.

Mr. Johnson said it is part of the amount to be raised and appropriated for the overall operating budget in Warrant Article 3.

Mrs. Vaughn said she did not think that was correct.

Att. Lohman said the money is not part of the budget and is not money they can spend. It is part of the tax rate but is not appropriated. It is a set aside savings account the can only be spent if there is a catastrophe and if there isn't one it is turned back she said.

Mr. Henry said he thought the \$174,000 stated by Mr. Brown was misleading because of the \$166,000 that was returned and the new number will go to \$174,000 so it's really an \$8,000 difference over what was in the account.

Mr. Brown said there has to be an undesignated fund balance to fund the emergency fund.

Mr. Henry said he thought the goal was to get the unexpended fund balance to exactly zero based on previous years.

Mrs. Cardinal moved to call the question.

Ms. Connolly seconded the motion.

Vote: The motion passed 8-2.

Motion: to reduce the bottom line budget to \$15,695,397;

Vote: The motion failed 1-9.

Motion: (Cardinal, no second) to approve and recommend as a Budget Committee Warrant Article #3 as written with the total proposed amount of \$16,429,397.

Members then said Mrs. Cardinal's motion referenced the warrant that they did not have.

Mrs. Vaughn provided copies of the warrant to the committee.

Mr. Johnson suggested Mrs. Cardinal not read the entire warrant article and just make a motion regarding the total budget amount as they are not approving the warrant article as a committee yet.

Motion: (Cardinal, second Elbert) to adopt the amount proposed in the warrant article of \$16,429,397

Discussion: Mrs. Cardinal pointed out the amount is less than the default budget and the estimated tax impact is 8 cents less than the default budget tax impact.

Mr. Brown asked what the increase was for the school district portion of last year's tax rate.

Mr. Johnson said the school district portion of the increase was \$2.47.

Mrs. Cardinal asked if that figure was just for the operating budget or if it also included the warrant articles.

Mr. Johnson said it included the budget and the warrant articles.

Vote: The motion failed 4-6.

Mr. Johnson asked if the 2.5% emergency fund is approx. \$174,000 and \$173,000 was returned to the town, if most of what was returned to the town was due to the 2.5% return and everything else was spent or encumbered.

Mrs. Vaughn said that was correct.

Mr. Johnson said during the school budget presentation there was discussion about the default budget and asked Mrs. Vaughn if she had a chance to revise it.

Mrs. Vaughn gave the committee copies of the justifications for the default budget questions raised at that meeting. She said this answers Mr. Johnson's questions posed at the meeting and that the default budget that was presented at the meeting is the default budget that stands. She said she made a correction in that the increase in the Para's wages was included in the default budget because those hours are needed to fully implement the students' IEP's.

Mrs. Vaughn said there was 1 position that was eliminated from next year's budget that could have been included in the default budget. She said the default budget could have been \$48,734 higher but was not because she knew that it wasn't going to be spent.

Mrs. Connolly asked about the 4th line on the handout (default budget, page 8, Line 211-224, \$223,821) that states these are not new positions but a reclassification of job responsibilities for students with behavioral issues and asked what line the \$223,000 came out of.

Mrs. Vaughn said those positions were classified under Special Education and have been reclassified to Behavioral Services but are still under a salaries code. The default budget doesn't have to be line for line as it is the appropriation of the general amounts she said.

Mr. Johnson said he believed that was an incorrect statement and that he planned to address it later in the meeting.

Mrs. Connolly said where the amount was previously in the budget.

Ms. Verville said it could be found under the 1200 function code, Para educators in the regular operating budget, general fund, Lines 127-129.

Mr. Brown asked for the amounts for wages and benefits for new positions in the proposed budget.

Mrs. Vaughn said the cost totals \$156,124.

Mr. Brown asked if she could break out the increases in hours and any benefits costs to those hours that are proposed in the new budget.

Mrs. Cardinal called a point of order saying the committee needed a motion on the table to discuss it.

The members did not agree and continued the discussion.

Ms. Verville said the total cost for the increased hours with taxes and benefits is \$88,067.

Mr. Henry asked for the total full time equivalent of the new positions.

Mrs. Vaughn said it is for 1.5 teachers and 1 Para.

Mr. Henry asked if that reflects the reduction of the full time business teacher.

Mrs. Vaughn said it does not because he asked for the new positions only.

Mr. Henry asked how many positions have been removed and that cost value of those positions.

Mrs. Vaughn said there was 1 position removed which had a cost value of \$48,734.

Mr. Johnson said he had a list of specific proposed reductions/questions from the Nov. 21 summary budget. They are as follows:

1). Motion: (N. Johnson, second Brown) to decrease Line 13 to \$26,250 from \$39,376 which equals 350 substitute days at \$75 a day;

Discussion: Mr. Henry said the amount proposed would bring the substitutes up to a wage of \$10 an hour. He said the wage is still pretty low and was not inclined to cut that line.

Mr. Johnson he is only lowering the number of days to use substitutes.

Mrs. Vaughn this is a contractual issue covered under the collective bargaining agreement.

Mr. Johnson said they anticipated 525 days of substitute use but this year they only used 347 days. He said that is an additional 175 days that is being budgeted for over the actual use.

Mrs. Cardinal asked Mr. Johnson for the total amount of his proposed reductions.

Mr. Johnson said he had yet to add them up.

Motion: Mrs. Cardinal motioned to call the question.

Vote: The motion to move the question passed 9-1.

Vote: The motion passed 7-3.

2). Motion: (N. Johnson, second Connolly) to decrease Line 14 to \$30,750 from \$45,000;

Discussion: Mr. Henry asked if the budget included every potential sick day in the contract or is based on historical usage.

Mrs. Vaughn said the amount budgeted is the average of the days out for both sick days and professional development allowed under the contract. Last year's number wasn't lower because there weren't teachers out but because they could not get enough substitutes in to cover the days.

Mr. Henry said the numbers budgeted don't reflect their usage and asked how close they are to their needs.

Mrs. Vaughn said the budgeted number is pretty close to their needs.

Vote: The motion passed 6-4.

3). Motion: (N. Johnson, second Connolly) to decrease Line 15 to \$8,250 from \$11,250;

Discussion: Ms. Mitchell asked if the line item doesn't cover the cost of the substitutes where the money would come from.

Mrs. Vaughn said the money would have to be pulled from something else and in order for the cuts to be made the line items have to be submitted to DRA. It is a bottom line budget and the Bud Com can say cut individual lines but when it comes back to me, I need to see where the lines actually line up she said.

Mr. Lauze asked how many times they have called for a substitute and couldn't fill the opening. Mrs. Vaughn said it is a daily occurrence.

Mr. Lauze asked what the students do if there is no substitute.

Principal Jessica Richards said there are days when she and the Assistant Principal have to cover classes and Para's are the last ones she is able to cover. She said classes and grade levels may be combined and the United Arts (UA) team covers themselves by combining classes and the academic flow of the day is disrupted.

Mrs. Arcouette asked if raising the daily rate for substitutes would help bring in more subs.

Mrs. Vaughn said she hoped it would help but noted the district will still be at the low end of local districts but at least it would not be the lowest paying district.

Mr. Henry asked what was meant by the UA covers themselves.

Ms. Richards said if a music or art teacher is out that class has to be put into one of the other UA classes and that disrupts the rotation of the classes they should be in.

Vote: The motion passed 6-4.

Line 100- Mr. Johnson asked how many Smart Boards the district currently has and noted that a number of them were purchased a few years ago.

Mrs. Vaughn said Valley View School has 2 that were purchased with grant funding and there are no others at that school. This line reflects the purchase of Smart Boards for Valley View she said.

Mr. Johnson said \$4,500 for a Smart Board seems to be a lot more than they previously cost.

Mr. Lauze said that he purchased 2 boards for approx. \$12,000.

Line 121- Mr. Johnson said the note states this is an existing position in the previous budget and asked what line it was in previously.

Mrs. Vaughn said the Special Ed Coordinator is listed under the teaching positions currently. It needs to be reclassified under Administrator because of the duties being performed but is not a new position she said.

Mrs. Connolly asked for the specific line item for the position.

Ms. Verville said it was under Line 115, Salaries, Teachers, Special Education, High School.

Mr. Johnson said there is reduction in Line 115 of \$37,000 but they moved a position for \$62,000 from that line to Line 121.

Mr. Henry asked if that position comes out of the collective bargaining agreement.

Mrs. Vaughn said it is an individually negotiated position.

Mrs. Connolly noted that Line 115 states the line was reduced to 3 full time equivalents and asked how many there were previously.

Mrs. Vaughn said there were 5 full time equivalents in this line.

Mrs. Connolly asked if 2 positions were removed why the line was only decreased by \$36,000.

Mrs. Vaughn said the adjusted budget for this year shows the Spec. Ed. Coordinator is currently expensed under line 115.

Mr. Johnson asked what line the Behavioral Services is in and noted there should be a corresponding reduction in Line 115 for the second position that was moved from that line.

Mrs. Vaughn said the comparison line on the difference between the current year and the proposed compares the adopted budget to the school adopted budget for next year. It does not compare to the adjusted budget that includes that position this year.

Mrs. Connolly said if the budget was adjusted up from \$174,000 to \$212,000 it should be adjusted up by \$62,000 or whatever that position is being paid.

Mrs. Vaughn said that shows in the adjusted budget and doesn't show in the adopted budget. We can't change what was adopted and have shown the adjustment to that line where monies were transferred for that position. Within those salary lines we don't have all the same teachers in those positions we had last year so there has also been some changes in the salary amounts because we have not had people come in at exactly the same steps she said.

4). Motion: (N. Johnson, second Connolly) to eliminate the position in the amount of \$46,448 on Line 216;

Discussion: Mr. Henry asked if this is the position that was just moved out of Line 215.

Mr. Johnson said that it is a new position.

Mrs. Connolly asked what this person would do.

Mrs. Vaughn said this person would provide behavioral support for students at the Henry Wilson School.

Mr. Henry asked if the position was created but an out of district placement it would bring back has not been identified.

Mrs. Vaughn said if there was a student who was out of district it may be appropriate to bring him/her back with that support but they are looking to support current students.

Mrs. Connolly asked for more specifics on what this person does.

Ms. DiNetto said the intention is to model the system at Valley View where a Spec. Ed. person works with Spec. Ed. students and non- Spec. Ed. students with behavior challenges who might require sensory breaks or a different location to de-escalate. The proposed idea was to staff the position with a Para who would also be responsible for emotional regulation and verbalization instruction. It is to serve the school-wide body not just those on IEP's she said.

Ms. DiNetto said the plan is to continue the system into the middle and high schools as well. There would be a teacher/behavioral coach and a Para for each school and theoretically bring some students back from out of district as one of our goals she said.

Vote: The motion failed 5-5.

5). Motion: (N. Johnson, second Henry) to decrease Lines 218, 219 and 220 so they remain at 30 hours;

Mr. Brown asked for the numbers associated with those lines.

Mr. Johnson said the lines include: (\$28,149 salary, \$2,153 benefits), (\$1,741 salary, \$133 benefits), (\$1,741 salary, \$133 benefits), (\$22,202 salary, \$1,698 benefits), (\$26,634 salary,

\$8,455 benefits) and (\$7,328 salary, \$560 benefits). He said he did not total the decreases to the lines and went by the staffing request sheet that was provided to the committee.

Mrs. Vaughn asked if Mr. Johnson was seeking to cut all Para's back to 30 hours.

Mr. Johnson said that is correct.

Mrs. Cardinal asked if Mr. Johnson had watched the recording of the meeting or read the meeting minutes of when the School Board discussed this issue.

Mr. Johnson said he had not.

She asked if there was a specific point in the decision that he disagreed with and wished to give feedback on to the board so they might reconsider their thoughts or if he just decided it wasn't the right thing to do and is un-doing it.

Mr. Johnson said he did not have any feedback for the board and did not wish share his reasons at this time.

Vote: The motion failed 4-5.

Line 297- Mr. Johnson said nothing has been budgeted for this use before and asked why there is something budgeted for it now.

Mrs. Vaughn said part of it has been covered through Title I grants in the past and there is a need for summer school and remediation so it is now included in the budget.

Mr. Johnson asked why it was no longer covered by Title I funds.

Mrs. Vaughn said the Title I funds have been reduced.

Mrs. Connolly asked if the next 2 lines following Line 297 are for the middle and high school.

Mrs. Vaughn said the lines sometimes get cut off due to the number of characters allowed for each line but the lines for the 2 schools are designated through the function code for the lines.

Line 416- Mr. Johnson said this line proposes to change the .6 time Occupational Therapist to a full time employee.

Mrs., Vaughn said the contracted service line covers the balance of the current position which is more expensive than to have a full time employee. In time the increase will be more than covered by the savings from the reduction to the contracted services line she said.

Mrs. Arcouette asked if these services can be billed to anyone's insurance.

Mrs. Vaughn said they would like to be able to do that but can't.

Mr. Johnson asked for the contracted services line that would be affected by this change.

Mrs. Vaughn said Line 426 would be affected by this change.

Mr. Henry asked how long the position has been a .6 equivalent position.

Mrs. Vaughn said it has been a .6 position for just this year.

6). Motion: (N. Johnson, second Connolly) to level fund Line 437, Staff Development at \$9,600;

Discussion: Mr. Brown asked if the proposed increase to this line is contractually obligated.

Mrs. Vaughn said in the past this line has been under funded. By the contract each teacher is allowed 6 credits a year and this proposal reflects the results of a poll of teachers who anticipate taking courses in the coming year.

Mr. Johnson said last year \$9,600 was budgeted and only \$6,600 was spent. It was available and not taken advantage of and the reason he proposed level funding the line he said.

Mrs. Cardinal said she didn't think it was as cut and dried as they had the opportunity and they should have taken it under the previous administration. The culture is changing along with being perceived as being more competitive as an employer she said.

Mr. Johnson said that administration was not in place last year.

Mrs. Cardinal said a culture does not change in months.

Vote: The motion failed 5-5.

7). Motion: (N. Johnson, second Connolly) to level fund Line 438 at \$9,600;

Discussion: Mr. Johnson said this line proposes a major increase of almost \$35,000 and only \$7,000 of the \$9,600 budgeted was spent last year.

Mr. Henry asked if the teachers are surveyed to find out how many plan to take classes and how accurate the surveys are.

Mrs. Vaughn said she could only speak for this year and that she notified the teachers she must their intentions by a certain date for budget purposes and there are several teachers who have started Master's degree programs.

Mrs. Elbert asked for clarification about the line jumping from \$9,600 to \$34,000.

Mrs. Vaughn said she is anticipating 5 teachers taking 1 graduate level course and 5 teachers taking 2 graduate level courses which is a total of 45 credits at UNH.

Mrs. Elbert asked if the courses are completely funded or if teachers pay a portion of the courses as well.

Mrs. Vaughn said the contract calls for 6 credits a year at UNH rates and anything beyond that they pay for.

Mr. Lauze said because this is covered under the contract, you can cut it all you want but if they take we still have to spend it.

Mrs. Vaughn said that is correct.

Vote: The motion failed 4-6.

Line 440- Mr. Johnson asked which contract agreement is up this year.

Mrs. Vaughn said the Para's contract is up this year.

Mr. Johnson said the amount for their contract should not be included in this budget.

Mrs. Vaughn said if the new contract proposal fails to pass they would still be under the old contract and the amount would not change between contracts.

Mr. Johnson disagreed and said there is no "Evergreen clause" in the contract.

Mr. Henry asked if this is for stuff Para's do on their own or stuff that is brought in house and done by them.

Mrs. Vaughn said this apart from any in house professional development.

Mr. Henry asked if professional development has to be approved by administration.

Mrs. Vaughn said that it does need to be approved.

Line 510- Mr. Johnson asked what accounted for the 7% increase to the cost for auditing.

Mrs. Verville said the cost includes all of the audit work for all funds, a single audit for federal funds received and auditing of student activity accounts.

Mr. Johnson said these are things we already pay \$9,000 a year for and asked why there is an increase of \$7,300.

Ms. Verville said they received notice of a rate increase from the current auditor but plan to put the service out to bid. She said she did not know what the bids will be so she is using the quote from the current auditing firm as a benchmark for budgeting purposes.

Mrs. Vaughn said part of the increase is due to the addition of the audit of the student activities accounts which have not been done for several years.

Line 529- Mr. Johnson said the math for this line doesn't work and the current salary adjusted is \$102,000 and the proposed 3% increase should be \$3,060 not \$5,060.

Ms. Verville said when the proposed budget is compared against the current year adopted budget the difference is \$5,060. The third column in the sheet is the current year adjusted budget and the board made a recommendation to increase that salary so you compare the current year adopted to the School Board adopted and that is where you get \$5,060 she said.

Mr. Johnson said in reality it is a \$3,060 increase and this setup is "weird".

Mr. Brown asked if the SAU administrative staff is union or non-union employees and what contribution is made toward their health insurance.

Mrs. Vaughn said they are non-union employees and they receive 100% paid health insurance.

Mr. Brown asked what teachers pay for health insurance under the contract.

Ms. Verville said the teachers get 88.1% paid health insurance.

Mr. Henry pointed out that it is less expensive to pay health insurance dollars than wage dollars due to the other benefits/taxes paid associated with wage dollars.

Mr. Brown said he was looking at if the 3% increase was enough versus the offset of benefits because if she had paid 10% of her health insurance cost he may have made a motion to increase the percentage rate.

Line 619- Mr. Johnson asked what "PBIS Incentives" are and why there are 325 students receiving the incentives.

Ms. Richards said the acronym stands for Positive Behavior Intervention System and the middle school will implement the system next year for all 325 students in the school. The incentives are not yet set but could include whole class/whole grade participation awards in the form of non-tangible items such as an assembly or watching a movie as a reward for reaching their behavior goal she said.

Line 750- Mr. Johnson said the liability insurance has increased \$42,000 over this year which is a 40% increase.

Ms. Verville said during the transition from the Local Government Center to Primex, there was a period where Primex was looking at what there would be for potential exposure previously.

During the 2017-18 year some exposure was removed so they gave us a credit and reduced the premium. We are also still working on mitigating some other potential losses she said.

Mr. Johnson said the district was credited approx. \$35,000 and the town also received a credit.

Ms. Verville said when they developed the 2017-18 budget they cut out the credit and they are looking at their modification rate and other Primex programs that offer potential discounts.

Mr. Henry said a liability was removed which reduced the cost and asked if the liability was brought back.

Mrs. Vaughn said there was a potential pending litigation that had lapsed. She said the liability is still gone but the district can only get a credit for it once.

Att. Lohman said it was a reduction in what the normal rate would be and now the district is back to the normal rate.

Mr. Brown asked if the district is on a 3 year contract with Primex that includes a guarantee of no more than a 7% increase.

Ms. Verville said there is a cap but there is still a history in the modification rate from their membership with the Local Government Center.

Mrs. Vaughn said the cap is limited due to some issues they brought with them when they moved to Primex.

Mr. Brown said a year passed since joining Primex and the district entered a 3 year contract with a 7% cap and asked if he was missing something.

Mrs. Vaughn said the statute of limitations has not passed on all of the potential liabilities.

Mr. Johnson said the premium went up \$3,000 which is under 7%. The normal rate is \$137,905 and last year for being "good" there was rebate of \$35,000.

Mr. Brown said that means the cost is going from \$137,000 to \$144,000.

Line 798- Mr. Johnson said there is \$3,000 budgeted for a vehicle that there is nothing previously budgeted for.

Ms. Verville said this line is for mowers and facility equipment that was previously covered under function code 2620 and is now under 2650 which is for vehicles, mowers, tractors, etc.

Mr. Johnson asked if this was a reclassification of the existing equipment to a new line.

Mrs. Vaughn said it is a reclassification of things historically shown elsewhere in the budget. This is for repairs not for new equipment she said.

Line 802- Mr. Johnson said bus driver salaries have gone up from \$78,000 to \$90,000. He said he thought there was only a \$1,000-\$2,000 increase for the additional kindergarten days.

Mrs. Vaughn said there was a \$3,500 increase for kindergarten and the drivers' wages were also increased by \$3 an hour this year to remain competitive with other districts.

Mr. Henry asked if there is shortage of drivers in the district.

Mrs. Vaughn said no drivers left the district but there is a temporary shortage of drivers due to some injured drivers.

Ms. Mitchell asked what is done if a bus driver is out sick.

Mrs. Vaughn said they have to double up on the bus runs.

8). Motion: (N. Johnson, second Connolly) to decrease Line 830 to \$5,000 from \$10,000;

Mr. Johnson said that historically the expenditures for this line haven't been anywhere near \$10,000 yet it continues to be budgeted at that amount.

Mr. Henry asked if the money in this line reflects the money for the proposed warrant article for the purchase of 2 new buses. He recalled the bus coordinator saying if the warrant article doesn't pass there would need to be more money spent for vehicle repairs.

Ms. Verville said if the warrant article passes the repairs line would be reduced by \$17,000.

Mr. Henry asked what equipment could be replaced using funds from this line.

Mrs. Vaughn said that radios, seats, cameras, tires could be repaired/replaced with these funds.

Vote: The motion failed 5-5.

Line 843- Mr. Johnson asked why there is a \$4,500 increase to the Salaries, Bus Drivers, Vocational line.

Mrs. Vaughn said this line reflects the \$3 an hour wage increase mentioned earlier.

Mr. Johnson asked if the wage increase was 20% of their current pay.

Ms. Verville said the wage increase was done after this budget was adopted and it occurred in August so there was a compounding effect of the 3% wage increase, the expense in this year's budget plus they budgeted for another 2.5% wage increase going forward in the proposed budget.

Mr. Henry asked what the average wage for a bus driver is now.

Ms. Verville said they are making between \$16 and \$18 an hour.

Line 931- Mr. Johnson said the proposed increase for this line is \$9,218 and \$129,000 has already been encumbered and asked why Café Services needs to be subsidized.

Mrs. Vaughn said Café Services is the name of the company that the district currently contracts with. The encumbered funds relate to a different company and they are 2 separate issues. This \$9,218 is part of the contract with Café Services that the district is funding she said.

Mrs. Verville said Café Services had to provide a budget and a contract that had to be reviewed by the state Bureau of Nutrition. The district has to disclose if it will be coming in under budget but the reality is the cost of food, labor and transportation has increased tremendously over the last 5 years. Café Services said they are letting the district know that it will have to come up with a \$9,200 subsidy. The other \$3,000 is for at the end of the fiscal year when we have to pay the lunch accounts the kids' parents haven't paid as required by the USDA. Then the SAU attempts to collect those monies from the parents she said.

Mr. Henry asked if there is also a management fee of approx. \$35,000.

Ms. Verville said the management fee is part of the program itself and is for having a Director and running the program. It is paid out of the lunch account which is funded by the revenues from the lunches.

Line 40- Mr. Henry asked about the Testing GED options line.

Mrs. Vaughn said the ELO (Extended Learning Opportunities) Coordinator is combined with the HiSET (High School Equivalency Test) GED program. Previously there was a part time position for coordinator and the HiSET teacher and the positions were combined in this school year. The ELO coordinator works with the student as a community liaison for internships, job shadowing and other community resources she said.

Mr. Henry asked about the cost of the HI-SET or GED options and what the regular education cost per pupil is for this year.

Mr. Brown said the cost per pupil is \$15,230 in grades k-8 and \$16,839 for high school students.

Mr. Henry said for kids starting school this year we will be paying more \$15,000 yearly to get them to a diploma and when they get toward the end we pay more for them to not get a diploma. He asked if we really want to spend that money and send the message that it's okay.

Mrs. Cardinal said there are very strict requirements to be adopted into a HiSET program. It is a way to make every student successful in one way or another but it is limited alternative she said.

Mrs. Vaughn said HiSET is one option and there are other options. She said they are looking at having the ELO Coordinator tailor a program for students to meet the educational requirements and demonstrate competency in content without having HiSET be the only other option to get some type of equivalency diploma. The numbers of students who have gone into HiSET has gone down and hopefully this is a sign we are able to better keep them engaged and get them to a diploma she said.

Mrs. Arcouette asked if there benchmarks set for each grade that the children have to meet before they go on to another grade.

Mrs. Vaughn said there is state and internal testing but there is no automatic point where a student will be held back if they haven't demonstrated certain competencies. That is part of the reason we have summer school to help kids to get to the next level. Once they get into high school there are a certain number of credits they need to earn to advance to the next grade and to graduate she said.

Motion: (Henry, second Connolly) to reduce Line 40, Testing GED Options from \$2,000 to zero dollars and Line 53, GED Supplies from \$100 to zero dollars;

Discussion: Mrs. Vaughn said because the position is combined with HiSET and ELO that probably 90% of the position is ELO and 10% of the position is HiSET.

Mr. Henry asked if the position was no longer tasked at taxpayer expense with HiSET responsibilities if the ELO responsibilities for the position would be expanded.

Mrs. Vaughn she would if she had the budget to do it.

Mr. Henry asked how many budget lines are affected by the GED program.

Mrs. Vaughn asked if Mr. Henry was looking to cut the GED program altogether.

Mr. Henry said he was not looking to eliminate the program but to eliminate taxpayer funding of the program. In other districts and in times past those that opted for the GED program went

to night school and paid for it themselves he said.

Mrs. Vaughn asked if he was looking to eliminate the supplies for the program but not to eliminate the position.

Mr. Henry said he was looking to eliminate any taxpayer funding of the GED/Hi-SET programs.

Mrs. Vaughn said Line 53 would be affected.

Mr. Henry added Line 40 and that the total would be \$2,100.

Mrs. Connolly asked if there is currently a teacher for the GED program.

Mrs. Vaughn said that is position that is also covering the ELO program.

Mrs. Connolly asked what the extended learning opportunities consist of.

Ms. Moore said the ELO is not only for students that may not have been successful in regular classes but is also for students looking to go beyond the curriculum that is currently offered at FHS. It could be a college course, an MIT course or courses through a self-assigned program. She said they also work with students who are behind in their courses and have “given up the ship” and the last step to keep them from becoming a drop out is the GED/HiSET program. The teacher will also tutor the student if necessary in hopes of a successful result for the HiSET test the first time they take it as it is very difficult to get students to try again if they fail the test the first time she said.

Ms. Mitchell asked if Mr. Henry was proposing to cut Lines 40 and 53.

Mr. Henry said that is correct.

Mrs. Cardinal asked if there is a Dept. of Education (DOE) standard that requires that a GED program to be offered whether it is in-house or contracted.

Att. Lohman said she did not think there is any law or requirement but the DOE is really pushing schools to offer whatever they can so kids will end up with a diploma.

Mr. Brown asked for a ballpark figure of the number of students going through this process yearly.

Ms. Moore said she has only been in district for 4 months but it was her understanding that there were 6 or 7 students in the GED program last year and 1 student who has completed it and 1 student in process this year.

Mr. Brown asked if she was saying the number of students in the program has gone down from 6 to 2 because of what they are trying to do at the high school.

Ms. Moore said she was not going to lay any claim to victory at this point and that the current school population may be more motivated and aware of what they would like to have happen to themselves.

Vote: The motion failed 5-5.

Mrs. Elbert left the meeting at 9 p.m.

Mr. Brown asked for the total amount of reductions to the proposed budget with motions that were passed during this meeting.

Committee and audience members said the total reduction is \$30,376.

Mrs. Vaughn asked for the lines affected by reductions.

Mr. Lauze said Lines 13, 14 and 15 are affected by the reductions.

Mrs. Cardinal said the new bottom line is \$16,399,021.

Motion: (Cardinal, second Lauze) to recommend Warrant Article #3 as written with the new dollar amount of \$16,399,021;

Discussion: Mr. Brown asked if the committee was proposing this number as their final number at the end of the hearing or if they were coming back to discuss further cuts.

Mrs. Arcouette said this would be what the committee voted to adopt and put forward.

Mr. Henry said the motion is to recommend the entire article which means they would not be able to discuss the default budget that is included in the article. He said he was comfortable approving the operating budget amount but did not know if there was any discussion on the default budget.

Mr. Brown said he would like to have further discussion about the operating budget after a recess.

Vote: The motion failed 3-6.

Chairman Arcouette called for a 5 minute recess at 9:05 p.m. The meeting reconvened at 9:10 p.m.

Motion: (Lauze, second Cardinal) to approve the operating budget in the amount of \$16,399,021;

Discussion: Mr. Brown said he had additional budget cuts to discuss and planned to make motions for those cuts.

Vote: The motion failed 3-5-1.

Motion: (Mitchell, second Cardinal) to continue the hearing to Jan. 11, 2018;

Discussion: Mrs. Cardinal said she was in favor of the motion because it would give the members time to read the 2018 draft warrant.

Vote: The motion failed 3-6.

Motion: (Cardinal, second Lauze) to set a time limit for this meeting to 9:35 p.m.;

Discussion: Mr. Henry asked if they would be able to finish review of the warrant in 20 minutes.

Mrs. Cardinal said at 9:35 p.m. they could call the meeting and decide to continue it to Jan. 11.

Vote: The motion failed 3-6.

Motion: (Brown, second Connolly) to decrease the budget from \$16,399,021 by \$244,191 to \$16,154,830;

Discussion: Mr. Brown said he is recommending to cut the new positions and the new hours and reiterated his earlier stated philosophy about limited spending, true budgeting, making cuts without hurting education and having a 10 year plan

Mr. Henry asked if there is a goal set and things that can be measured to see where you are in relation to that goal.

Mrs. Vaughn said they are in the process of setting the benchmarks. There are academic goals,

current testing and behavioral data to determine what the needs are. There are data points that show some of the changes already made are resulting in some significant changes especially in the lower grades. Those get reported to the School Board and are not necessarily part of my budget presentation she said.

Mrs. Cardinal asked if this request is for a documented plan where everything is laid out on paper for the next 10 years before Mr. Brown will really truly support the Superintendent.

Mr. Brown said his votes at this meeting show that he does support the Superintendent. He said his function as a Bud Com member as defined by the courts is to come up with a fair budget for the taxpayer and not necessarily to be a cheerleader for the town or the school.

He said 46% of the student population receives free/reduced meals which means there are poverty based students in town and we need to look out for those taxpayers. He said he is trying to represent the taxpayer and not attack the school but with no plan it's hard to fund it. Mrs. Cardinal said it would be great if they worked together instead of underminding all of the work that was done by making a \$250,000 cut to the bottom line citing items that you suddenly disagree with in January.

Ms. Mitchell said you can't go by the number of reduced cost meals to determine the number of poverty level residents because there could be some people who rent and don't pay taxes at all. The voters voted for the taxes and if they didn't it wouldn't have passed. She said she understood there are people who are on fixed incomes but our school is our biggest amount of money and our biggest employer. You have to look at the whole picture and not just a small piece of it she said.

Mrs. Connolly said we are not in the employment business and there are a lot of people in town who can't afford for their taxes to increase every year. I feel it is part of my job on the Bud Com to look out for those people she said.

Vote: The motion passed 5-4.

Motion: (Cardinal, second Lauze) to recommend Warrant Article #3 with the newly amended number of \$16,154,830;

Discussion: Mr. Johnson said he was not going to vote in favor of the amendment because he hasn't had a chance to review the default budget information that was provided at this meeting.

Mrs. Cardinal said the Bud Com does not have the ability to change the default budget.

Mr. Johnson said he was not looking to change it but to make sure it is right.

Mrs. Cardinal asked what that has to do with this meeting and the actions taken by the committee.

Mr. Johnson said it may help him to decide whether to recommend this article or not.

Mrs. Cardinal said if he did not have enough information then to vote no.

Ms. Mitchell said the whole article wouldn't make sense if the operating budget number is changed because the tax impact will be different so it doesn't calculate correctly.

Mrs. Cardinal then withdrew her motion.

Mr. Lauze withdrew his second to the motion.

Motion: (Brown, second N. Johnson) to restrict reconsideration on the \$16,154,830 operating budget figure;

Discussion: Mr. Henry said the time for restricting reconsideration is once the committee votes on the warrant article.

Mrs. Cardinal asked if the motion was in the context of the Bud Com's adoption of this language in the recommendation only. It is to say this number is what will go forward to the Deliberative Session.

Mr. Brown said his motion is to restrict reconsideration on the operating budget number of \$16,154,830 and that number would go forward to the deliberative session if the motion passes.

Mr. Henry said it would still have to pass in Article #3.

Vote: The motion passed 8-1.

Ms. Verville said with an operating budget of \$16,154,830 the estimated tax impact is 14 cents.

Motion: (Connolly, second Cardinal) for the committee to vote on Article #3;

Discussion: Mr. Brown asked Mrs. Connolly to clarify if her motion was to approve Article #3.

Mrs. Connolly said it is to recommend or not recommend the whole article as amended.

Mr. Henry then read the article aloud as amended with an operating budget of \$16,154,830 and an estimated tax impact for the operating budget of 14 cents.

Vote: 0-8-1 (0 to recommend the article, 8 to not recommend the article and 1 abstention).

Some members expressed some confusion about the purpose of the motion. After a brief discussion the following motion was made;

Motion: (Henry, second Connolly) to recommend Article #3 as previously read as amended;

Discussion: Mr. Johnson clarified that this is to put the Bud Com vote on the article.

Mrs. Connolly said it to recommend or not recommend the article.

Mr. Brown said there were questions asked by Mr. Johnson and that he wants to review the default budget and there is time to take a second look through some of the default numbers. He asked if the committee was "there yet" in deciding to make a recommendation and suggested waiting until they vote on all of the warrant articles.

Discussion then included if the committee has to vote to recommend the article because the operating budget number is their number and if they are ready to vote on the article as a whole without looking at the default budget.

Vote: 0-7-2 (0 to recommend the article, 7 not to recommend the article and 2 abstentions).

Chairman Arcouette then read aloud Article #4 which seeks approval of the Para's proposed contract.

Ms. Mitchell noted that this is the first time that the committee has seen the warrant and said she did not feel comfortable voting on it as she has not read it.

Motion: (Mitchell, second N. Johnson) to table the vote on the remaining warrant articles passed 7-2.

Mr. Brown asked for the date that the committee would discuss the warrant articles. He said if they close the public hearing tonight and there is an error in the budget process they can't change the numbers. He suggested they continue the public hearing to a date within the deadline to discuss the warrant articles.

Motion: (Brown, second Cardinal) to continue the public hearing to 1/11/18 at 6 p.m.;

Discussion: Mrs. Vaughn said the deadline to post the warrant budget and the default budget is Jan. 29.

Mrs. Cardinal said the Bud Com only has the authority to change the operating budget number in Article #3 and to recommend or not recommend the special warrant articles. She said a continuance date for this hearing was set when the committee reviewed the calendar and suggested the committee be polled to see if there will be a quorum of members for the Jan. 11 date to continue the hearing.

Mrs. Connolly said the committee won't change anything on the warrant so it is going to DRA as written whether or not they recommend it.

Ms. Verville said action by the Bud Com is required before sending the warrant to DRA.

Amendment: Mr. Brown made a friendly amendment to his motion to start the meeting at 7 p.m.

Mrs. Cardinal said she did not second the amendment because the meeting has already been posted for 6 p.m. She said the meeting would have to be reposted and republished in the newspaper with the new time.

Mr. Johnson said as long as the meeting is not held before the posted time the meeting would not need to be reposted.

Second: Mr. Henry seconded Mr. Brown's amendment to his motion.

Mr. Lauze said he was not in favor of changing the time because there would be less than a week to notice the public of time change.

Motion: (Brown, second N. Johnson) to call the question.

Vote: The motion to call the question passed 8-1.

Vote: The motion failed 4-5.

Motion: (Johnson, second Mitchell) to recess the meeting to 1/11/18 at 6 p.m. passed 8-1 at 9:30 p.m.

Respectively submitted

Kathleen Magoon, Recording Secretary

Sylvia Arcouette, Chairman

DRAFT