

Town of Farmington
Budget Committee Meeting Minutes
Wednesday, January 24, 2018

Committee Members Present:

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

Others Present:

Town Administrator Arthur Capello
Resident Blanche Tanner

1). Call to Order:

Chairman Arcouette called the meeting to order at 7 p.m.

2). Pledge of Allegiance:

All present stood for the Pledge of Allegiance.

3). Public Comment:

Ms. Tanner asked if it was possible to get copies of the budget materials prior to the School District Deliberative Session and Town Meeting.

Mr. Capello said that copies of the budget will be available to the public after the Bud Com holds its public hearing on the Town budget on Feb. 13.

Mrs. Cardinal said to call the SAU office and they will provide copies of the school district budget as soon as it is available. By law, they must be available by one week before the Deliberative Session and on the morning of the Deliberative Session on Feb. 3 she said.

Ms. Tanner said that a comment made during a previous meeting prompted her to attend this meeting and express her viewpoint. During a conversation about the Town water and sewer systems a statement was made that non-users of the system should not have to pay for these systems. She said she then asked herself why she is paying taxes for a school system she doesn't use and has not used in the 15 years she has been a resident of Farmington.

Ms. Tanner said she has no problem paying to support the education of the children of this town. She said that as a resident of the town it is her obligation and her duty to support the children in town just like she supports the town itself although she does not use all of the available services such as police, fire and the library.

Mr. Henry said the comments were made by him and explained that the other services mentioned by Ms. Tanner are accessible by every property in town. He said he draws a difference between the school, fire and police services that every property has access to and water and sewer systems that are not available to every property in town.

Mr. Lauze said there are pieces of the budget that everyone is required to pay for whether or not they actually use them citing how he pays for plowing/sanding/salting the roads although he doesn't receive those services because he lives on a private road. He asked if someone doesn't pay for water or sewer if it means they can't use the restroom when they go to the library or Town Office.

Mr. Henry said public buildings pay for water and sewer as part of their budgets that are funded by taxation so the taxpayers do pay for it if they use those restrooms. He said that Ms. Tanner mentioned selling her home if she couldn't afford it anymore and said that having water and sewer will impact the value of her home just as not having those things will impact its value too. He said Mr. Lauze's private road should lower the value of his home and the taxes that he pays. Mr. Brown thanked Ms. Tanner for coming to the meeting and sharing her opinions with the committee. He asked if the town and school budget documents could be made available on the Internet for easier access by residents.

Mr. Capello said they can be scanned in and uploaded to the Town website.

4). Review of Minutes:

December 20, 2017- Page 3, 7th line from the bottom- add "be" after "may".

Motion: (N. Johnson, second Connolly) to accept the minutes as amended passed 10-0-1 (Henry abstained).

December 27, 2017- bottom of Page 10 to the top of Page 11

Motion: (N. Johnson, second E. Johnson) to accept the minutes;

Discussion: Mrs. Cardinal asked if the minutes they received were the Recording Secretary's original submission.

The Recording Secretary said it was her understanding the members were sent the original submission but she did not open the e-mail attachment to read it.

Mrs. Cardinal made a series of suggested corrections to the minutes that began on Page 10 beginning on the 10th line from the bottom of the page and continued onto the top of Page 11. After a lengthy discussion about what should and should not be included in meeting minutes Chairman Arcouette called for a vote on the motion.

Mrs. Cardinal said the motion was to accept the minutes as written and that she had made suggestions for amendments.

Mr. Johnson said if the committee was going to make a number of changes to the minutes that they would need to make them line by line so the Recording Secretary can make the corrections to the minutes.

Motion: (Cardinal, second Mitchell) to amend the minutes on the line that says "Mrs. Cardinal

appeared upset by Mr. Henry's statement" and replace it with "Mrs. Cardinal asked Mr. Henry what shell game" passed 9-1-1(Henry opposed, Connolly abstained).

Motion: (Cardinal, second Mitchell) to recommend that "Chairman Arcouette asked the members to stop the discussion to no avail. She then hit the table with her hand to get the members' attention and again asked them to stop the discussion" be changed to "Chairman Arcouette began hitting the table with her hands to get the members' attention while asking the members to stop the discussion" passed 5-4-2 (E. Johnson, N. Johnson, Arcouette, Henry-opposed; Connolly, Cataldo-abstained).

Motion: (Cardinal, second Mitchell) to amend the line that reads "Mrs. Cardinal expressed her displeasure about how Chairman Arcouette was running the meeting by banging on the table" to "Mrs. Cardinal asked Chairman Arcouette if this was how she was going to run the meeting by banging on the table" passed 9-0-2 (Connolly, second Cataldo abstained).

Motion: (Cardinal, second N. Johnson) to amend "Mrs. Arcouette said they did not cease the discussion when asked so she put her gavel down" to "Mrs. Arcouette said no one shut up when I didn't bang on the table so I'll bang on the table and put my gavel down and that's the way it's going to be" passed 10-0-1 (Connolly-abstained).

Mrs. Cardinal then said she would like it noted for the record that she asked if the Recording Secretary wrote these minutes and did not get an answer.

The Recording Secretary said she wrote the minutes.

Motion: (Henry, second E. Johnson) that it be noted that there was no gavel available on the table passed 10-0-1 (Connolly abstained).

Vote (original motion): The motion passed 9-1-1 (Henry opposed, Connolly abstained).

January 3, 2018- No errors or omissions

Motion: (Connolly, second N. Johnson) to accept the minutes as written passed 11-0.

January 11, 2018- Mrs. Cardinal said the language of the warrant articles was not included in the minutes and requested the draft articles either be included in the body of the minutes or as an attachment to them.

Page 2, 12th line from the bottom- strike "day" and add "week" after "regular".

Page 6, Article 10, 8th line down from the motion- "This was part of the CRF- change to CIP and strike the word "plan"

Motion: (N. Johnson, E. Johnson) to accept the minutes as amended passed 10-0-1 (Mitchell abstained).

5). Review Town Reports:

A). Remittance Report- Mr. Henry asked if there was anything of note on this report.

Mr. Capello said it is too early in the year for much activity.

Ms. Mitchell read the handwritten note at the bottom of the first page which states that not all revenues go through the Town Clerk's Office so this report is no longer a full picture of the revenues. She asked where the committee could get a full picture of the revenues.

Mr. Capello said the committee gets a full picture but that one report comes from the Town Clerk and one comes from the Finance Administrator. That particular report doesn't have all of the revenues in it he said.

Mr. Johnson clarified that the note was written by the Town Clerk to let them know this report only represents the money she collects and the rest goes through the Finance Administrator.

B). Actual & Anticipated Revenues- General Fund- Mr. Henry said this report is the other piece that goes with the Remittance Report.

There were no questions or other comments on this report.

C). Actual & Budgeted Expenses & Encumbrances- General Fund- Mr. Capello said the 2017 books have not been closed as there still some invoices coming in.

Mrs. Cardinal said there was no way of knowing if the budgeted amount or encumbrances were being overspent (columns show zeros for all accounts).

Mr. Capello said the only things that come out of the budget at this time are the necessities such as payroll and all of the salt the Town has had to purchase.

Ms. Mitchell asked if the salt budget was over expended.

Mr. Capello said the 2017 salt budget was over spent but the new budget has just begun.

Ms. Mitchell asked by how much the salt budget was over spent.

Mr. Johnson said the salt budget was over expended by \$31,000 which was mostly due to the 5 snow storms in December.

Mr. Henry asked for the overall salt budget figure.

Mr. Capello said the budgeted amount for salt was approx. \$63,000 and about \$94,000 was spent. He said the price of salt also increased from \$53 to \$56 a ton in December.

Mr. Johnson said the town normally buys 200-300 tons but last year almost 400 tons were bought.

Mr. Capello said they were hoping to get the "better" salt which is usually \$9-\$10 higher than the wetter salt and the bid for both types of salt was the same so the Town purchased the better salt. The difference is the better salt is sun dried and does not have as much water content so there is not as much water weight per ton he said.

Ms. Mitchell asked if the Town can pre-buy salt the same as it does with fuel oil.

Mr. Capello said they plan to pre-purchase salt for next season once this winter is over and refill the salt shed. He said the Town can't buy more than it has room to store.

Ms. Mitchell asked if the vendor would hold the pre-bought salt.

Mr. Capello said they would not due to the potential for price increases.

Mr. Henry said the Town has encumbered funds for salt in the past.

Mr. Capello said it has been done if there is any money left at the end of year.

D). Actual & Anticipated Revenues- (Jan. 2017 to Dec. 2017) - Mr. Henry asked if the Town is waiting on any 2017 revenues or if they would be booked as 2018 revenues if received now.

Mr. Capello said revenues that come in now would be booked for 2018.

Mr. Henry asked if the figures shown in the report were the final figures for 2017.

Mr. Capello said he would have to check to see if the accounts were finalized. He said there would not be any big changes to items like the tax revenues or motor vehicle registrations. There may be some grants that we have not received complete payments for yet he said.

E). Parks & Recreation- January 2018- There were no questions or comments on this report.

Petitioned Warrant Articles- Mr. Capello said that as of this date no petitioned warrant articles have been received for the Town Warrant. He said any petitioned warrant article with a dollar amount assigned to it has to be reviewed by the Bud Com and Selectmen and they must vote whether to recommend or not recommend the article. The last day to submit petitioned warrant articles to the Town Clerk's Office is Feb. 2 he said.

Mr. Lauze asked if the article would require a Bud Com vote if it did not mention a specific amount but asked to cut a Town position.

Mr. Capello said that would not require a recommendation unless there was a dollar amount and that is only advisory. It could pass but the Selectmen would not be held to it he said.

Mr. Henry asked why the article would only be advisory.

Mr. Capello said it only advisory to Selectmen because it is a personnel matter.

Mr. Henry asked about an article that sought to have the sidewalks downtown redone but didn't mention a specific cost or a personnel matter.

Mr. Capello said in his opinion that would require a recommendation because there is a cost involved.

Mr. Lauze said cutting a Town position would affect the budget as the position would have a defined amount for salary and benefits.

Mr. Capello said that it was his understanding that if the article is just a personnel matter that it is strictly advisory but if it is a personnel matter with a dollar figure then that needs a vote to recommend or not recommend the article.

Mr. Henry asked if that holds for any governing body or if SB2 would be different.

Mr. Johnson said it would be the same for both governing bodies (School and Town).

Mr. Capello said the only difference between Town Meeting and Deliberative Session is the Deliberative Session is the Town Meeting for the School District.

6). Review School Reports:

Year-to-Date Expenditure Report- Members noted this report, dated 12/20/17 is the same report they reviewed at their previous meeting.

Chairman Arcouette said all of the school reports provided were printed last month.

Mrs. Cardinal said these are the most recent reports reviewed by the School Board in time to meet the deadline to make it into the members' meeting packets.

Mrs. Johnson asked if there was a School Board meeting Monday night.

Mrs. Cardinal said the meeting was canceled and that meeting would have been past the deadline to submit reports for the meeting packets. She said there was a meeting scheduled for

Jan. 29 and before that the last meeting was Jan. 2.

Mrs. Johnson asked about **why the School Board meetings were not being televised or available online.**

Mrs. Cardinal said she would find out.

Mr. Brown said that **in December, the school budget was at the 6 month point and asked what percentage of the budget has been spent and if the expenditures are tracking on par.**

Mrs. Cardinal said the budget is not over expended at this point but that she would have to get back to Mr. Brown with an answer to his question.

Mr. Henry asked if a lot of the school budget is encumbered for the entire year early on which would make it look they have already spent a lot of the budget.

Mrs. Cardinal said anything that is contractually based would be encumbered. She said that it takes a while to enter all of the encumbrances so it wouldn't show in the July report but would probably show up in the first quarter of the fiscal year.

Mr. Johnson said he asked Superintendent Ruth Ellen Vaughn for the **results of the survey conducted last spring** and asked if she had a chance to back to Mrs. Cardinal regarding his request.

Mrs. Cardinal said the committee didn't ask her for that information.

Mr. Johnson said she was asked directly at a previous Bud Com meeting and that she agreed to provide the information.

Mrs. Cardinal said Mrs. Vaughn did not get the information to her and that even though Mrs. Vaughn works for the School Board she will directly answer questions.

Mr. Johnson asked if a copy of the petitioned warrant article submitted to the school district would be provided to the Bud Com.

Mrs. Cardinal said it would be included with the materials for the Deliberative Session.

Mr. Johnson said the Bud Com needs to vote on whether to recommend or not recommend the article.

Mrs. Cardinal said that the School Board and the Bud Com don't have to vote on petitioned warrant articles. She said there is some language about money but there is no estimated tax impact.

Mr. Johnson said the School Board assigns an estimated tax impact to a warrant articles.

Mrs. Cardinal said the School Board does not address petitioned warrant articles and they go before the voters as submitted, typos and all.

Mr. Johnson repeated that the Bud Com needs to vote on whether to recommend or not recommend the article.

Mrs. Cardinal said their attorney said the petitioned warrant articles don't go before the School Board for a vote to recommend or not recommend it but said that she would go and triple check on the answer.

Mr. Brown said he has spoken with the Superintendent about the warrant article and is familiar

with it. The way the article is drafted now it may not require an approval (vote) but if it is amended at the Deliberative Session it will need an approval. He said it would be beneficial to provide the information to the Bud Com prior to Deliberative Session because he suspected they would not support it as written.

Mrs. Cardinal said that it is not her or the School Board's information to provide and it will be on the warrant for SB2 like it is supposed to be. She said as soon as the materials are available she would let the Chairman know.

Ms. Connolly said Mrs. Cardinal told the committee that the materials would be ready one week before Deliberative Session and asked if they would be ready by Friday, Jan. 26 and if the petitioned warrant article would be included.

Mrs. Cardinal said the materials would be ready by Friday and the petitioned warrant article would be included.

7). Old Business: None.

8). New Business:

MS 27- Mrs. Cardinal provided copies of the MS 27 for the committee members to sign. She explained that the document is a comparison of the budget line items by subject code and the dollar amounts as moved forward and recommended by the School Board and the recommended amounts adjusted by the Bud Com reflective of the Jan. 3 amendments that were made to Warrant Article #3. This document that is required by the NH Dept. of Revenues (DRA) itemizes to a certain level of detail that the Bud Com is recommending to reduce amounts in those areas. The document will also be available to voters at the Deliberative Session and will be uploaded to the DRA online portal she said.

Elective Office Sign-ups- Chairman Arcouette said sign ups to run for elective office started today and will be open until Friday, Feb. 2 at 5 p.m. There are 2 Selectman, 1 School Board member, 3 Bud Com seats, Moderator, Trustee of the Trust Funds and the Treasurer positions open members said.

Town Report Photo- Chairman Arcouette asked the members to remain after the meeting so the committee picture for the Annual Town Report can be taken.

SAU Representation- Mr. Brown asked if there was a reason that the SAU Superintendent Ruth Ellen Vaughn and Business Administrator Laurie Verville stopped attending the Bud Com meetings.

Mrs. Cardinal said the School Board delegates the authority to Mrs. Vaughn to manage her time and her team's time. The board deliberated on it and decided that it was not the best use of 2 district employees' time to come to the meetings every month. She said she is the School Board representative and the board decided she should be the conduit and to assign Mrs. Vaughn and Ms. Verville to more important tasks.

Mr. Brown asked if the School Board voted not to have Mrs. Vaughn and Ms. Verville attend the

Bud Com meetings.

Mrs. Cardinal said the School Board informed Mrs. Vaughn they would not be required to attend Bud Com meetings every month and that the board would let them know when they are required to attend. It was a directive of the School Board she said.

Mr. Brown said he would like to give his opinion on the matter and asked Mrs. Cardinal to bring it back to the School Board. He said he finds it helpful when determining how to vote to have the Superintendent and/or the Business Administrator at the meetings to answer questions and communicate with the committee on how to grow or not grow our school dept. He said he previously mentioned that he wants to see a plan and that he didn't want to cut money as they work toward next year's budget because he didn't see a plan.

Mrs. Cardinal asked Mr. Brown if he was asking that both individuals attend the meetings.

Mr. Brown said that at least one of them should attend the meetings. He said if Mrs. Vaughn wasn't available that he had no problem with Ms. Verville attending the meetings.

Ms. Mitchell asked if the Superintendent has always attended Bud Com meetings.

Mr. Johnson said prior to Mr. Wellford, the Superintendents did not attend the regular monthly meetings and only attended during budget season or when specifically requested by the Bud Com. He said it's something that Mr. Wellford started to make sure the correct information was being passed to the committee. He added that the Selectmen don't require the Town Administrator to attend the meetings and Mr. Capello shows up because he wants to.

Mr. Henry said that sometimes answers generate another question and they got answers very quickly with the Superintendent at the meeting. Now we could be 3 meetings out to an answer to a question and it is more efficient with her here he said.

Mrs. Cardinal advised the members they could also send her an e-mail with any questions and she will bring it to the School Board meeting. If at any time I'm not bringing answers back quickly enough everyone is welcome to come to School Board meetings as well she said.

9). Upcoming Dates:

Deliberative Session- Saturday, Feb. 3 at 9 a.m. at the FHS gym.

Public Hearing on Town Budget-Tuesday, Feb.13 at 6 p.m. at the Municipal Office Building.

Next Regular Meeting: Wednesday, February 28, 2018

10). Adjournment:

Motion: (E. Johnson, second Connolly) to adjourn the meeting passed unanimously at 8:18 p.m.

Respectively submitted

Kathleen Magoon, Recording Secretary

Sylvia Arcouette, Chairman