

Town of Farmington
Budget Committee Meeting Minutes
Wednesday, September 25, 2019

Committee Members Present:

Jodi Connolly, Chairman
Stephen Henry, Vice Chairman
Sylvia Arcouette, Secretary
Neil Johnson, Selectmen's Rep.
Linda McElhinney, School Board Rep.
Elizabeth Johnson
Heidi Mitchell
Samantha Place
Joshua Whitehouse

Committee Members Absent:

Jason Lauze, excused
Jeremy Squires, excused

Others Present:

Arthur Capello, Town Administrator
Blanche Tanner

1). Call to Order:

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

2). Pledge of Allegiance:

All present stood for the Pledge of Allegiance.

3). Public Comment: None

4). Review of Minutes:

August 28, 2019 – Public Meeting Minutes – No errors or omissions

Motion: (N. Johnson, second Whitehouse) to accept the minutes as written passed 7-0-2 (Place, Connolly-abstained).

5). Review of Town Reports:

Overview- Town Administrator Arthur Capello said the bottom line of the Town budget is in pretty good shape and that Finance Administrator Pam Merrill recently conducted a budget analysis and found that there is 33% of the budget remaining when there should be at least 25% of the budget left at this point. He said there will be some big bills coming in such as for the paving work (\$350,000) but we should be in good shape.

Parks & Recreation Reports- (August 2019) - There were no questions or comments on these reports.

Remittance Report (01/01/19 – 08/31/19) – There were no questions or comments on this report.

Detail Statement of Accounts- General Ledger (August 2019) – Chairman Connolly asked for an explanation of this report.

Mrs. Johnson said this report reflects the tax payments from the Town to the School District.

Mr. Capello said that Mrs. Merrill had hand written this information on the report last month so she printed out the ledger sheet and included it in this month's packets.

Mrs. Connolly asked if these payments were for the last school year.

Mr. Johnson said the payments they are getting now are for the 2019 school year.

Mr. Capello said that is correct as the tax rate for 2020 has not been set yet. He said the 2020 tax rate will be set in Oct. /Nov. and then the payments to the School District will readjust to reflect the new rate.

Mr. Henry asked if the Town makes a payment to the School District every 2 weeks.

Mr. Capello said it depends on the payment schedule but for the most part that is how it runs especially at the beginning of the year when the payroll, etc. are larger.

Actual & Budgeted Expenses and Encumbrance Report (August 2019) – Mr. Capello said some lines are over spent and some lines are under spent but that the bottom line is on track and added that he hoped we have a nice winter.

Page 6, Line 01-4220-50-344, Fire Dept. Dispatch (\$7,500 budgeted, \$7,076 spent) - Mr. Whitehouse asked about the expenditures in this line.

Mr. Capello said this is the annual payment to the Strafford County dispatch and that they would see the same thing in the Police Dept. budget.

Actual & Anticipated Revenues Report (August 2019) – Mr. Capello said the Town is doing okay with the revenues coming in. He said that the receipts were approx. \$48,000 less than anticipated but some of that shortfall was made up from insurance rebates and he noted that he has not seen the recent total income from motor vehicle registrations.

He said for budgeting purposes they use the amount of the state rooms and meals taxes received last year and then they will adjust the total amount of revenues received the day before the tax rate is set in Oct. or Nov. because that is when they will find out what we are receiving from the state for that tax this year.

Mrs. Connolly asked if that amount stays pretty much the same from year to year.

Mr. Capello said it is usually around the same amount but it may vary by \$1,000 - \$2,000 depending on the amount of tourism each year.

Mrs. Place asked if there is only one facility in town that has Keno games.

Mr. Capello said to his knowledge there is only one place that offers Keno games.

Mrs. Place said this can factor into the amount of tourism in some areas but it probably won't have much effect on the amount of the rooms and meals taxes Farmington will receive.

Mr. Henry asked if the amount of rooms and meals taxes we receive is based on what is generated in Farmington or if it is collected state wide and then divvied up among the cities and towns.

Mr. Capello said it is collected state wide and then the state uses a formula to apportion the revenues to the municipalities.

Mr. Henry said so it is really not related to how much tourism is drawn to Farmington but to the state in general.

6). Review of School Reports:

Questions from the August Meeting (See attached) – Chairman Connolly said Ms. McElhinney gave the committee written answers to their questions from the last meeting and asked her if she would like to give a synopsis of the information she provided.

Ms. McElhinney said the information she provided was rather lengthy and asked if there was something in particular the members would like her to go over in further detail. She said after the members had an opportunity to read it if they have any further questions they could ask during the meeting or e-mail them to her following the meeting.

Mr. Johnson suggested that in the future that Ms. McElhinney could e-mail the answers to the members' questions to the Chairman for disbursement to the members so they could have a chance to review it before the next meeting.

Mr. Whitehouse asked if this document would be added to the meeting minutes.

Chairman Connolly asked the Recording Secretary to see that it is attached to these minutes.

Expenditure Analysis FY 2019 – Ms. McElhinney said she didn't capture this analysis within the committee's questions and would like to go over it briefly with the committee. She explained that this print out is only for the Fund 10 General Fund and that the reason this document came about is because the School Board was going over the budget and a question arose about the amount the School District is turning back to the town this year. She said they asked for a breakdown of the numbers and where they came from and that is where this document came from. There are other factors that are added into that number and this document takes the year-end report for FY 2019 and gives you a snapshot of each line item she said.

Mrs. Connolly asked if this for SY 2018-19.

Ms. McElhinney said that is correct and is for the school year that just closed and that the members should also have this information in greater detail in their meeting packets.

Mrs. Connolly said it appears from the analysis that the school is turning back over \$610,000 to the town.

Ms. McElhinney said the amount being returned is actually a little over \$900,000 but she did not have the exact figure with her at this meeting.

Question 4- Expenditure Report -Mrs. Johnson requested that it be noted for the record that she has already spoken with Ms. McElhinney regarding that the 4th question on the Questions from August Meeting regarding the Expenditure Report (Why is the column marked "current period" different from the "reported period" and shouldn't they be identical?) does not contain the answer to the question. She clarified that the two entries should be identical for the month of July.

Ms. McElhinney read from the written answer that the reported period is the fiscal year and the current period is the month for which the report is being run. She agreed they raised a good

point in that for July the numbers should have been identical and they were not and that she would find out why.

Mr. Henry explained that July is the first month of school fiscal year.

Ms. McElhinney said if the committee has any questions from this meeting she would take them down and get them some answers.

Question 5 - Contracted Services Report - Mrs. Arcouette said that the 5th question on the question/answer sheet asks for the full amount for all contracted services used by the district and she did not see MRI (Municipal Resources, Inc) included in the response.

Ms. McElhinney said this service is not specified as MRI and it comes up under Contracted Services, SAU or under Contracted Services, School Board.

Mrs. Arcouette asked what service was performed by MRI for the entries under the Superintendent's office (SAU).

Ms. McElhinney asked if she wanted a breakdown of exactly what services were contracted by the SAU and by the School Board.

Mrs. Arcouette said she would like to have a breakdown of the services.

Mr. Henry said he thought that MRI provided interim administrative services in the Superintendent's absence which would fall under contracted services for the SAU. He said he would expect that the School Board also contracted with MRI for other services in a different role from those of the Superintendent which would fall under contracted services for the School Board. MRI does so many different things and provides services to towns as well he said.

Ms. McElhinney asked if Mrs. Arcouette wanted the contracted services broken down just specifically for MRI.

Mr. Whitehouse said his targeted concern would be MRI.

Mrs. Arcouette said the committee asked about MRI at the last meeting and it is not included in the answer. It could be in there but it is not broken down that I could tell she said.

Ms. McElhinney said she would get that information for the committee.

Page 7, line 20-2100-53230-00-00-02515, Contract Services, BCBA, IDEA 19-2 (\$110,257, \$8,007 spent) – Mr. Henry said in the interest of full disclosure his wife is a **Board Certified Behavior Analyst** and is a full time employee of the school district. He asked what the full time equivalent is that they are getting for that dollar amount.

Ms. McElhinney said she will find out how many full time in-house positions this amount would represent.

Meal Type Reimbursements - Mr. Henry then returned to the subject of school lunches and said one of his questions didn't get answered. He said that there was some information provided on school lunch subsidies but when he had asked at a School Board meeting if there were any additional federal subsidies for full price lunches he was told no. It seems that's been corrected and there are some subsidies on the full price lunches he said.

He said his question was what the actual meal cost is and he is trying to find out how much the

taxpayers are subsidizing the school lunch program on an individual meal basis.

Ms. McElhinney said the School Board still does not have that information from the food service program. She asked if he wanted to know the average meal cost.

Mr. Henry said that is correct and that they know how many meals they are serving and know how much they are spending so it should be a pretty simple formula. He offered to take their budget and do the math if she could tell him how many free, full and reduced price meals were served last year. He added that he didn't think the subsidy has been looked at for a while and if we knew how much we are subsidizing and if we still want to.

YTD Expenditure Report –Grants Special Revenue Funds (7/1/2019-6/30/2020) – Ms.

McElhinney said she did not have anything of note to add to the review of this report.

There were no questions or comments from the members on this report.

All Funds – Revenue Report (7/1/2019-6/30/2020) – There were no questions or comments on this report.

General Fund 10 YTD Expenditure Report (7/1/2019-6/30/2020) -

Mr. Henry asked if there were any major Special Education costs that were not budgeted for.

Ms. McElhinney asked if he meant if there were any unplanned out of district placements.

Mr. Henry said he was asking about out of district placements or if any new Spec. Ed. students moved into the district.

Ms. McElhinney said she was not aware of any unplanned in-coming or out- going Spec. Ed. students and that she would look into it.

Mr. Henry clarified that his question was if there were any major changes, one way or the other to the number of Spec. Ed. students from when the school budget was adopted.

7). Old Business:

Mr. Henry said that being a business owner downtown people come in and ask him questions and he would like to pass along some of those questions. He asked what the employee turnover was last year for the teaching and non-teaching staff as a percentage of the total number of employees.

Ms. McElhinney said she knew it was large but she did not have it in a form of a percentage and asked how he would like the information broken down.

Mr. Henry said he could do the math if he is given the numbers and gave the example of out of 120 teachers, this many teachers left. He said he didn't need it by dept. but would like the numbers for everyone who isn't a teacher included.

Chairman Connolly asked if there was a reason why the turnover was so high last year.

Ms. McElhinney said it was just one of those things and that she would get the information for the committee.

8). New Business:

a). Set Dates for the Budget Process – Thanksgiving - Chairman Connolly said that Thanksgiving

is on Nov. 28 and their regular Bud Com meeting for Nov. would be the night before on Nov. 27 and that every year the committee usually switches the Nov. regular meeting to the prior week. She said that would move the meeting to Nov. 20 and then called for a motion.

Motion: (Johnson, second Henry) to switch the regular monthly meeting to Nov. 20 instead of Nov. 27;

Discussion: Mrs. Arcouette asked if it would be held at the regular meeting time (7 p.m.). Mrs. Connolly said it would be held at the same time and place but would be changed to Nov. 20.

Vote: The motion passed unanimously.

Christmas – Chairman Connolly said the regular monthly meeting for Dec. would be on Dec. 25. She said they would run into some other important dates such as for the presentation of the school budget and a school budget workshop and suggested that they determine those dates first and then decide when to schedule the Dec. regular monthly meeting.

Ms. McElhinney said there is a calendar of the budget dates set by the School Board that she would e-mail to the members.

Mrs. Connolly said they were trying to go by the Important Dates for the 2020 Traditional March Town Meeting Calendar put together by the NH Municipal Association that the members received in their meeting packets.

Mr. Johnson said that is wrong set of important dates to use for the School District as the district is an SB2 district and doesn't use the traditional March Town Meeting system.

Mr. Henry said they would need to have a copy of the SB 2 deadline dates to set dates for the school budget process.

The members set the following dates for the School and Town budget process:

November 2019:

Wed., Nov. 23 – Bud Com regular monthly meeting at 7 p.m.; School District budget and warrant articles submitted to the Bud Com

December 2019:

Wed., Dec. 4 – Presentation of the proposed School District budget to the Bud Com at 6 p.m.

Wed., Dec. 11 – Snow date for School District budget presentation at 6 p.m.

Wed., Dec. 18 – Bud Com regular monthly meeting and workshop on the School District budget at 6 p.m.

January 2020:

Friday, Jan. 10 – Town budget and warrant articles submitted to the Bud Com

Tues., Jan. 14 – Last day for voters to file petitioned warrant articles for Deliberative Session

Wed., Jan. 15 – School District budget Public Hearing at 6 p.m. School District warrant articles and Collective Bargaining Agreements submitted to the Bud Com

Fri., Jan. 17 – Snow date for Public Hearing on School District budget at 6 p.m.

Wed., Jan. 22 – Presentation of Town budget to the Bud Com followed by the Bud Com regular monthly meeting beginning at 6 p.m.

Mrs. Place suggested the members may find it helpful to watch the Selectmen's meetings over the next few months as their discussions may help bridge some gaps on what they present to the Bud Com and make the process a little easier.

Mrs. Connolly asked if the School Board meetings are available online similar to the Town board meetings.

Members said the meetings were available on FSDTV 25 and online on You Tube.

Mr. Johnson asked why the School Board does not televise their budget workshops.

Ms. McElhinney said that was because the workshops took place at the Henry Wilson School and there was no set up to televise the meetings there. She said the budget workshop for this year was not shown live but it was recorded and should be shown at some point.

Blanche Tanner said she was at that meeting and confirmed that it was taped and they said it would be available for review.

Thurs, Jan. 23 – Bud Com delivers the final school budget to the school. Mr. Johnson said this is to allow the School District to post the budget for 2 weeks prior to the Deliberative Session.

Tues., Jan. 28 – Snow date for Town budget presentation to the Bud Com. at 6 p.m.

Wed., Jan. 29 – Bud Com workshop on Town budget at 6 p.m.

February:

Sat., Feb. 1 – School District Deliberative Session (tentative) at 9 a.m. Bud Com meeting at 8:30 a.m.

Tues., Feb. 4 – Last day for voters to file petitioned warrant articles with the Town

Wed., Feb. 5 – Public Hearing on the proposed Town budget at 6 p.m.

Sat., Feb. 8 – Snow date for Deliberative Session (tentative) at 9 a.m.

Tues., Feb. 11 – Snow date for the Public Hearing on the Town budget at 6 p.m.

Mr. Johnson said that Mr. Capello suggested that they take into account if another petitioned warrant article comes up that requires a Public Hearing that they set aside a date in case that happens. He said they didn't do this last year and then had to have a Public Hearing for the fire truck.

Wed., Feb. 19 – Bud Com regular monthly meeting and Public Hearing on petitioned warrant article if needed beginning at 7 p.m.

March:

Tues., March 10 – Election Day

Wed., March 11 – Town Meeting

Wed, March 25 – Bud Com regular monthly meeting at 7 p.m.

b). Bud Com Rep to the CIP Committee – Ms. McElhinney said the former Bud Com rep. to the

Capital Improvement Plan Committee was Tim Brown and there is currently no Bud Com Rep to the CIP Committee.

Mrs. Johnson corrected that the current Bud Com Rep to the CIP Committee is Mrs. Arcouette.

c). Presentation Time Limits- Mrs. Connolly said that the budget presentations can be very lengthy and suggested that a time limit be set for the length of the Town and School District budget presentations.

Mr. Whitehouse suggested that they make a recommendation on the length of the presentations instead of setting a time limit for them and noted that they can tell them to stop at any time.

Mr. Henry said he would rather provide the feedback that there was one part of the school presentation that was a lot longer than it needed to be.

Mrs. Place said that Ms. McElhinney could take this feedback to the School Board for when they are planning their presentations.

Mr. Henry said the Chair can reel them in if it gets to that point and he did not think they need to set a time limit for presentations as generally they are appropriate for what they need to convey.

Mrs. Place said in their defense it was a very expensive line that she (IT Director) was asking for and it truly had a huge impact on the budget. That was probably one of the biggest increased lines in the entire budget she said.

Mr. Henry said he thought the feedback has been sufficient to get the point across.

Mr. Johnson said that the feedback should include that they stick to the budget during their presentations. He said they as members and Mrs. Connolly as the Chair can do something to push them along as well. The same thing goes for the Town he said.

9). Next Meeting: Wednesday, October 23, 2019 at 7 p.m.

10). Adjournment:

Motion: (N. Johnson, second Arcouette) to adjourn the meeting passed 9-0 at 7:58 p.m.

Respectively submitted

Kathleen Magoon

Recording Secretary

Jodi Connolly, Chairman