

Regular Meeting of the
Candia Budget Committee
March 12, 2014
Town Hall, Candia, NH
Approved Minutes of the Public Session

Present: Chairman Broadhead, Vice-Chair Allyn Chivers, Todd Allen, Selectman's Rep. Carleton Robie, School Board Rep. Emily Roster

Excused: Secretary Paul Leblond

Absent: Carla Penfield, Judith Szot, Christine Watson

Also Present: School Board Rep. Alt. Kim Royer, Marlene Montminy

Call to Order

Chairman Broadhead called the meeting to order at 7:00 pm and led the attendees in the Pledge of Allegiance.

Administrative Business

Minutes

Motion: To approve the minutes of February 12, 2014 as written. Motion by Allyn Chivers, second by Selectman Robie. All in favor, motion carried with Todd Allen and Emily Roster abstaining.

Old/New Business

Town Year-End Report

Chairman Broadhead stated that he liked to review the year-end report as a snap shot for what to highlight for next year's budget in terms of overages or adjustments. Allyn Chivers noted that (approximately) \$11,000 was being encumbered and (approximately) \$118,000 left unused in the 2013 budget. Emily Roster asked if the unused amount would go into the General Fund and decrease the tax rate. Selectman Robie confirmed that it would when the tax rate is set in October.

Todd Allen asked if the General Fund was at a reasonable amount. Selectman Robie stated that an Unreserved Fund Balance policy was just set and the town is within the parameters that were set, approximately 12% of the annual operating budget. Selectman Robie went on to explain that the recommended amount is between 5% and 15% of the annual operating budget. \$1.2 million is the desired amount to maintain through the policy. The Selectman will determine what to do with any funds that exceed that amount, specifically to offset the tax rate or increase the

Unreserved Fund Balance. \$1.2 million is a good amount to have available should there be an emergency or disaster.

Chairman Broadhead inquired as to why the Communication Equipment appropriation was over spent by more than \$1,200 and the Communication Maintenance appropriation was under spent by more than \$1,000 in the Fire/Forestry budget. Selectman Robie believed that the Communication Maintenance funds were used to purchase new equipment rather than repair the old equipment.

Emily Roster, noting that the Highway Winter Fund was over budget by approximately \$40,000, asked if the warrant article funds will be used or will the overage be drawn from the \$118,000 left in the town operating budget. Selectman Robie stated that the funds come from the warrant article.

Chairman Broadhead stated that he believed that having a breakdown within the budget showing the actual expenditures for the Highway Winter Fund was the best way to do it and Allyn Chivers agreed. Selectman Robie reminded the attendees that if the warrant article did not pass the funds would have had to come from somewhere in the operating budget.

There was a general discussion (out of agenda order) of the election results with Chairman Broadhead stating that he was pleased with the outcome, specifically the vote to approve the creation of a Smyth Building Board of Trustees. Selectman Robie briefly explained how the Selectmen plan to move forward with the Smyth Building and appointing the Board of Trustees.

Referring back to the town expenditures and the Emergency Management budget, Todd Allen asked if the generator fuel had been recycled as discussed at previous meetings. Selectman Robie stated that it was going to be addressed but asked for more time to deal with this issue.

Chairman Broadhead asked why \$50,000 for the incinerator site was added at the Deliberative Session and not at the Public Hearing. Selectman Robie explained that the test results for the site had been received just prior to the Deliberative Session and that the idea of adding the \$50,000 to the budget was presented to the Selectmen the morning of the Deliberative Session.

Election Results

Chairman Broadhead stated again that he was pleased with the voting results. A discussion ensued with Allyn Chivers highlighting some the voting results. There were some comparisons to last year as well as comparisons to how the Budget Committee voted versus the outcome of the ballots. Chairman Broadhead noted that the funding for CYAA passed by over 110 votes and the committee was split with a 3-3-1 vote. Allyn Chivers noted that although the Budget Committee did not recommend the mosquito spraying, it passed by a vote of 413 to 357.

Chairman Broadhead said that the voting reflects a good job done in the preparation phase of the process. Allyn Chivers noted that some of the charitable organizations that were not recommended by the Budget Committee still passed, some by a large margin. Todd Allen commented that there were always going to be voters who vote "no" to everything on the ballot.

Emily Roster stated that the warrant articles need to be reorganized so that town articles come before the charitable organizations. Should there be a need to utilize the 10% rule, she would much rather see a road get done than money go to a charitable organization. Voters also lose interest when the ballot is so long and she would prefer the voters read about resurfacing a road than giving money to charities. Todd Allen stated a reorganization of the articles could be requested at the Deliberative Session.

Referring to the School Budget and Warrant Articles, Chairman Broadhead inquired if the support staff contract made up for the contract that had failed two years ago. Emily Roster explained that this contract was different, as it specifically dealt with health insurance costs and the Affordable Care Act. Under the ACA any paraprofessional or support position governed by this Collective Bargaining Agreement who works more than 30 hours per week would need to be provided with health insurance. Kim Royer further explained that the employee would be provided with a "Single Plan" insurance and would be obligated to pay the difference of any other plan (2 person or family) if needed. The first two years of the contract addresses costs for insurance and it would not be until the third year of the contract that any pay increases would take effect.

Selectman Robie spoke of the increasing costs of the Group 2 Retirement benefit for the police officers. The town is now obligated to pay 25.30% of gross wages to the retirement plan when historically a portion of that percentage was paid by the State. The State no longer contributes any portion forcing the towns, cities, and counties participating in the NH Retirement System to pay the entire amount. This downshifting from the State, as well as, the increase in the age for retirement has had an impact on the budget.

School Reports

Emily Roster spoke about the on-going capital improvements that are being done. Some doors are going to be replaced and a new handicap lift will be installed in the stairwell. The gymnasium was also painted over the Christmas break.

Todd Allen asked if the required maintenance will continue to be done on the existing handicap lift until the new lift is installed. Emily Roster stated she was unsure and that bids were still being solicited for the new lift.

Chairman Broadhead asked if the Paraprofessionals Salary line is going to be over-expended since there is only 9% left of the appropriation. Emily Roster explained that there were still encumbrances to be spent but could not provide a definitive answer. There were a few positions that were actively being recruited for and contingent upon experience, a salary offer was uncertain at this point.

Emily Roster referred back to a previous meeting when the issue of buses and student ridership was raised. A survey was done for a few weeks and the ridership was pretty consistent. There are not a lot of options to decrease buses or costs. One option was to ask all parents at the start of the school year to sign a waiver stating that their child would not be taking the bus to/from

school. Because situations may change and the bus may be needed later in the school year this is an unreasonable request and it is doubtful any parent would agree to it. Emily further explained that it is required by law to provide bus transportation to students in grades K through 8. It is also policy that even if a student lives within walking distance of the school a bus would be provided for safety reasons since there are no sidewalks in Candia. The only potential savings that could be identified was in fuel costs if one bus run to Central High School was eliminated. Logistically this would be difficult and inconvenient for parents and students.

Allyn Chivers asked if the high school students still paid to ride the bus. Emily stated that the fee was \$75 per semester (\$150/year). Chairman Broadhead asked how many students typically rode the buses. Emily stated there was an average of about 47 students per route. There are approximately 100 students out of 370 who did not ride the bus.

Selectman Robie stated that it was interesting to see the voting results for the high school issue (Central vs. Pinkerton) in Hooksett. The voters rejected contracting with Pinkerton and it appeared part of the reason was due to the student bus transportation and the outstanding monetary obligation for terminating the contract prior to its expiration. Candia voters elected to explore alternative high schools in preparation for possibly ending our contract with Central. Emily Roster stated the year 2016 is the opportunity to notify Central of the intent (if decided) to end the contract in 2018.

Other

Chairman Broadhead thanked the departing members of the committee for everything they have done. Chairman Broadhead also stated that Carla Penfield and Judith Szot were long standing members of the committee and wanted to convey his gratitude for their years of commitment to the committee and the residents of Candia. Allyn Chivers noted that Carla Penfield was on the original committee and has served the town for a long time.

An organizational meeting will be held April 9th (the next regularly scheduled meeting). The Select Board and the School Board will be meeting in the interim to select which members will be represented at the Budget Committee meetings going forward. Chairman Broadhead also welcomed the newly elected members of the committee.

Adjourn

Lacking further business, Chairman Broadhead entertained a motion to adjourn.

Motion: To adjourn. Motion by Emily Roster, second by Allyn Chivers. All in favor, motion carried.

The meeting adjourned at 7:54 pm.

Recorded by Marlene Montminy