

**BUDGET COMMITTEE
MINUTES**

JANUARY 19, 1999

PRESENT: Chris McRae (Chair), Pete Georgantas (Vice-Chair), Bob Draper, Ezra Beck, George Fullerton, John Stafford, Dick Fletcher, Tim Hanson, Bob Wheeler (Selectman), Craig Hieber (School Board), John Davis, Bill Tucker and Dennis Rechcyle.

Excused: Carmen Gangi

Absent: Peter Jennings.

C. McRae called the meeting to order at 7:18 p.m.

CORRESPONDENCE:

C. McRae: There were some questions asked at the last meeting. I am waiting for a return call from Carmen Gangi and from Peter Jennings. I don't have a letter, but I have received notice that Peter Jennings is resigning from the Budget Committee. He has in fact resigned from the Board. I will contact the Town Clerk so it is posted.

P. Georgantas: Will verbal notification be enough for the Town Clerk? Last year she needed it in writing.

C. McRae: I will have a letter. I did not get a chance to see him. I don't have any reason to doubt him. I could not physically get the letter.

B. Wheeler: Did Karl MacGibbon send a letter?

Karl MacGibbon: Yes, I mailed it to Chris and the Grasmere Water Precinct.

C. McRae: I never got the letter.

K. MacGibbon: It was sent to the Chair of the Budget Committee at the Town Hall and the Grasmere Water Precinct.

C. McRae: I never received the letter.

P. Georgantas: A letter, possibly, should have been forwarded from the Grasmere Water Precinct.

B. Wheeler: They may be working on finding a replacement for Karl.

C. McRae: Carmen Gangi has been trying. His work situation has changed. He has tried to make the sub-committee meetings as well. He is trying to get things changed now so he can attend. I tried to get more feedback, and maybe he did not have anything to add.

T. Hanson: I have a question. So, as far as Carmen Gangi is concerned, he will remain on the Board? I have had a few things Faxed to me. There were things in the box. I am not so sure. We heard about the process and the law. I am not sure we can ignore it. Are his absences considered excused?

C. McRae: His job has changed. It is not one of these cast in stone things.

T. Hanson: If you do this now, down the road it will be looked at that is the decision the Chair made at the time. Under paragraph 6, it does not say excused, it says four consecutive meetings – removed immediately. If it is up to the Chair or the Board to dissect it the way they want. I want everybody to treat it the same in the future. It says member at large shall cease to hold office immediately upon missing four consecutive scheduled meetings.

P. Georgantas: It does say without being excused by the Chair, and Chris is saying he excused him.

T. Hanson: I just don't recall that.

P. Georgantas: In the other case, Chris has been trying to get a hold of that person, and has not been able to.

T. Hanson: If you were to consider our sub-committees where John Stafford was the Chair, who would be excusing there?

B. Wheeler: I don't think the sub-committee meetings are addressed in the law.

T. Hanson: It says posted meetings.

J. Stafford: I think he did not miss four in a row.

P. Georgantas: Chris has excused him (Carmen). That is the way we would move along with it at this point.

APPROVAL OF MINUTES:

January 13, 1999 –

Initial minutes were distributed. These minutes will be reformatted and resubmitted by the February meeting. There were technical difficulties with the file.

December 15, 1998 –

J. Davis moved, seconded by B. Wheeler to approve with an amendment.

Amendments: Page 1, under Town Report, should read: “In addition, the town made an overall commitment to increase salaries by 2% plus steps and longevity pay.”

Vote: 10-in favor, 0-opposed, 3-abstained.

January 5, 1999 –

P. Georgantas moved, seconded by J. Stafford to approve with an amendment.

Amendment: Page 1, Carmen Gangi arrived at 7:55 p.m.

Vote: 9-in favor, 0-opposed, 4-abstained. Motion carried.

January 6, 1999 –

P. Georgantas moved, seconded by J. Davis to approve with amendments.

Amendments: Page 1, Carmen Gangi was excused. Add after “Last year the town voted on the union contracts. “I am not going to discuss those items.” Under Executive/Elected, last sentence should read: “Only the people who have used it in the past or request it will receive registrations by mail.

Page 2, Remove “L” before \$1,600 in the last paragraph.

Page 3, Last paragraph, remove “In CIP we are purchasing a chipper” and insert “We have reduced this line because in CIP, the town is purchasing a chipper.”

Page 5, last sentence insert dollar sign.

Page 6, eighth paragraph “has not” is misspelled.

Page 8, sixth paragraph remove dollar sign.

Page 10, ninth paragraph, “has not” is misspelled.

Page 11, under fourth paragraph add: “The GTA has not done it. GTV 16 indicated they had 4800 subscribers there, that leaves 2,000 that don’t have it.

Vote: 12-in favor, 0-opposed, 1-abstained. Motion carried.

January 7, 1999 –

B. Wheeler moved, seconded by J. Stafford to approve with amendments.

Amendments: Page 1, C. Gangi was excused.

Page 3, 11th paragraph change sentence to read: “Since this information has come from the Police Department, and we have a variety of interpretations, and the former Chief is here, can he explain the information?”

Page 4, first paragraph, last sentence should read: "I think the town is responsible for paying for the police in schools."

Page 9, first paragraph, sewer budget figure should read: "\$1,648,844."

Vote: 11-in favor, 0-opposed, 2-abstained. Motion carried.

December 15, 1998 Town Sub-Committee –

J. Davis moved, seconded by B. Wheeler to approve as presented. Vote: 7-in favor, 0-opposed, 2-abstained. Motion carried.

PUBLIC COMMENT:

There were no comments from the public.

TOWN BUDGET REPORT:

There was no report from the town side.

SCHOOL BUDGET REPORT:

P. Georgantas: I still have not seen the new school expenditure report.

J. Stafford: I did not request one. I thought we were just going to talk about the contracts today.

P. Georgantas: That is by statute that it is provided on a monthly basis. This committee requested that. We have not had one for two months from the school. Have you suspended that, Chris?

C. McRae: No. I have not taken any action on that.

P. Georgantas: I would like to get back on track with a monthly expenditure report.

J. Stafford: Craig, can you relay that?

P. Georgantas: I think we have tried that before.

C. McRae: I see in our audience the Superintendent and the Vice-Chair of the School Board.

B. Wheeler: We have a member here that is a member of the School Board to be that liaison.

J. Stafford: I have a few things to report as far as the budget. Last night at the School Board meeting there was a proposal passed to lower their budget to \$80,000 above the default budget of \$18,518,983.

Dr. Lockwood: The default budget was changed. The figure the Board voted on was \$18,500,368. After the default budget was given to you, the SAU Board met and cut the amount that Goffstown will be paying, which is \$18,000.

J. Stafford: Our proposal was \$18,357,046.

\$18,357,046 – budget committee recommended budget
\$18,420,368 – default budget
\$18,500,368 – school board's budget

J. Stafford: I think they displayed a good faith effort last night to look at the budget and come to an agreement with us. I would like to reopen our number and talk about going up to meet their number.

J. Stafford moved, seconded by C. Hieber to amend our number to \$18,500,368, so that we can have an agreed upon figure.

B. Tucker: Robert's Rules requires that a motion to reconsider be made at the same meeting to which the original motion was passed. I believe that is in Robert's Rules. We all agreed to be bound by that.

C. McRae: That is correct. It needs to be considered that night.

J. Davis: I agree on tabled items, but not reconsidered items.

B. Wheeler: I think the purpose behind that rule was to make sure people that voted were there when the initial vote was made. If you wanted to do this, you need to ask the Chair to take a motion to consider waiving the rules.

C. McRae: Bill Tucker is right, it can only be made on the day of the vote.

J. Stafford moved, seconded by C. Hieber to suspend the rules for reconsideration for this particular issue.

J. Stafford: The purpose of doing this is not to circumvent the procedures we have had in the past. It is to acknowledge the good faith effort of the School Board and try to bring the budget down to a figure both sides can work with. Through my attendance of the School Board meetings over the summer, I feel and believe they have made every effort to meet us more than half way. I know it is very important for this town to get a budget passed agreed upon without the constant back and forth. We are not that far apart. I think we should make an effort to meet them part way.

D. Fletcher: We came up with a budget. Now you are asking us to reconsider that number.

Vote: 7-in favor, 4-opposed, 2-abstained. Motion carried.

J. Stafford moved, seconded by C. Hieber to amend the Budget Committee's recommended budget of \$18,357,046 to the School Board's figure of \$18,500,368, which is a \$143,322 difference.

J. Stafford: I would recommend doing this based on the hard work and good faith effort that has been put forward. I have been impressed with the School Board this year.

C. Hieber: The School Board's cuts and the possible cuts that the school side recommended are fairly close. The difference is due to the International language course for \$80,000, an Assistant Principal for \$50,000 and the substitute teachers. We have already stated that the \$80,000 for the International Language Program is there to carry the program forward. If we cannot find teachers, the \$80,000 goes back.

P. Georgantas: Does the \$18,420,368 include the \$166,000 for the boilers?

C. Hieber: I believe that is the separate article.

P. Georgantas: There is \$166,000 already in there that will cover the \$143,000 difference and I would speak against this amendment.

J. Davis: How does this effect the process? We had a public hearing and explained the budget to the community. Are you required to have another public hearing?

P. Georgantas: The purpose of the public hearing is to take input, then we decide what our number is. We can change it after the public hearing on items we have had discussion on. One of the things we discussed was the \$80,000 for the International Language Program.

B. Wheeler: I voted to waive the rules so we can have that discussion. If we go back and examine the process, we ought to get to a point of conclusion when we go to the public hearing, we say this is where we are and we present them a budget. We ask them to comment on the work. Our obligation is to meet and reconsider our work in light of the public comment. We did that and we concluded. I don't disagree with your goal. I think it is nice and beneficial to the community, but I believe if we get there through the process your motion dictates, we have eroded our process. That would bring us to the point where we do not have any rules. I have a problem with that.

J. Stafford: At that particular public hearing, we were there to take input and we voted at the end. At that time, it was expressed that the School Board was still willing to work towards our numbers, and I think we did that. We should at least consider that and that is why I brought it forward tonight.

B. Wheeler: The other issue is the issue Peter raised. That is, I don't have any misgivings about whose responsibility it is to calculate what the default budget is.

My question is, how is it possible with the reading of the law that makes a specific notice as to how special articles are to be considered, how is it possible to include that \$166,000 in the number?

C. Hieber: I think it is considered a separate article, as opposed to a special article.

B. Wheeler: The \$166,000 by motion here was a special article. That issue traveled from the Budget Committee back to the School Board, and it was with the condition that it be a special article, and that is how it went to the meeting.

P. Georgantas: I sat at a meeting at the SAU Building. We met with Suzanne Tremblay. We had this discussion. The discussion was that the Budget Committee was recommending those boilers with a stipulation that it was a special article.

B. Wheeler: I think the School Board voted it as a special article. I am looking at the Town Report, the last page on the school official ballot, Article 7. It has all the characteristics of a special article.

D. Lockwood: Absolutely not. This issue came up at the last meeting. There are four specifics for a special article. The School Board would have to stipulate it as a special article. They did not, nor was it listed on the MS-27 as a special article. If you look in the town side at their individual articles, they include in their default budget separate or individual articles. Special articles are not. I can find no where where it indicates it was a special article. It was this School Board that voted to put it in the default budget.

P. Georgantas: There was an understanding with the BC last year that the \$166,000 was a special article, so it would not be incorporated into the default budget.

D. Lockwood: I don't doubt what you are saying. I am saying what I am able to find out by talking with Board members.

Vote: 3-in favor, 8-opposed, 2-abstained. Motion failed.
Craig Hieber notified the BC that Article 4 has been removed by the School Board.

GESS CONTRACT

P. Georgantas moved, seconded by J. Stafford to recommend the GESS Contract.

P. Georgantas: These folks have been without a contract for a while now. We are not talking about a lot of money. This is a four-year contract. They are hard workers. They do the best with the limited amount of resources they have.

J. Stafford: I want to echo what Peter said. They have been without a contract for a while. We are not talking about people making \$40,000 to \$50,000 per year. The percentage is minimal.

D. Fletcher: I concur with both of you. However, I have a problem. We are going to approve this proposal and another one that comes along. We are talking about a couple of million dollars over the next five years. Past history has nothing to do with it. I don't go along with a four-year contract because I think I can do better on a one year contract now if I was negotiating it.

B. Wheeler: I am going to vote for it. The reality is, it is not a new rule. The longer you can get a contract in place, the more in favors management. I think it is important for us to recognize we have something of extraordinary value and we should support it.

B. Tucker: I urge you to be opposed. Long term contracts are great if they have a great bottom line number. I don't think this one is. The annual percentage increases are above inflation. In the business I am familiar with, the increases over the last 2-3 years have been 2-4%, with 2% being what everybody gets and 4% for those people who have a done a good job. I also have to disagree with the math on the blue sheet. I agree these are the lowest paid employees. To give anybody a 7.5% increase over a 4-year period is too much.

P. Georgantas: What would be acceptable over a six-year period?

B. Tucker: An average increase range of 2-4%.

C. Hieber: I don't think the non-passage of this contract had anything to do with negotiations or the union. That contract was killed by the voters for reasons not apparent to many of us, and because there were a lot of things on the plate at the time.

B. Wheeler: I suggest that everybody can do the math the way they want to. I believe if you take the percentage figure increase over the six years, since the last time these people got a raise, you are looking at 4.53% over the six years. Labor represents the lion's share of the educational budget.

T. Hanson: There are possibly a few people in town that feel the way I do. These people deserve a raise. Last year the committee recommended that the contract be approved, yet the voters did not agree with us. On top of that, a lot of people in town received a huge tax increase. I think I speak for, not just myself, the second year of this contract, we really don't know what kind of support we will get from the state.

D. Rechcygl: I agree with a lot of what Tim is saying here. Personally, I think the article will bomb when it comes to the taxpayers. Since the reval, there is plenty of outcry now and they will come back with a vengeance.

D. Fletcher: There comes a point in time that people have a hard time paying it. I have been told by people that this is putting a burden on them. I say a five-year contract is too long.

P. Georgantas: Dick, did you notice the actual tax rate with the contracts is still going down?

D. Fletcher: I don't believe that. We were told that last year.

P. Georgantas: The first year, even with the approval of the contracts, the tax rate will go down.

C. Hieber: With the BC's number and these two contracts, the tax rate goes down \$1.14 per thousand.

B. Draper: I would like to speak in favor of the contract. It includes custodians, food service, and secretaries. These people all effect our kids as they go through the school. It is important that we keep some of these same people in these positions. They have to feed their families. They have mortgages and they have taxes. They don't earn a lot of money. They need this increase. I think you will see a big turn over of people.

B. Wheeler: To every member who sits here, if you can't take the difference between \$799,000 and the \$437,000 that these contracts will incur and see that we still have more income coming in... If you throw you hands up and say, 'I don't believe the taxes will go down', shame on you. This year the school sub-committee asked the question that should have been asked last year and they know that the reimbursement tuition figure is accurate. We were surprised last year because we did not ask the appropriate question.

B. Tucker: I am just livid at the thought that we look at income coming from outside this town as something we can spend, and not look at what is being raised within the town as the true tax rate.

E. Beck: Why are our taxes so high all the time? Other towns are doing the same job. Why are we so special? I think this is a good contract. These people are very deserving.

G. Fullerton: Having been on the SB and listened to input on negotiations, these salary schedules are not done in a vacuum. You look at surrounding communities. I am in favor of this.

Vote: 9-in favor, 3-opposed, 1-abstained. Motion carried.

GEA CONTRACT

J. Stafford moved, seconded by P. Georgantas to recommend the GEA Contract.

J. Stafford: I would like to support it for the same reasons as the last one.

P. Georgantas: I believe it is important that our teachers get paid as to what the market bears. Recruitment efforts from other schools are getting more and more. Goffstown does have some good teachers, and it is important that we keep them.

The only way you can do that is to pay them a competitive salary. A five-year contract locks them into a competitive salary.

E. Beck: I am reluctantly in favor of this motion.

C. Hieber: This is a 4% increase per year, 3.83%, if you average it over the year they did not have a contract. They are professional people.

Vote: 7-in favor, 4-opposed, 2-abstained. Motion carried.

OTHER BUSINESS:

B. Tucker: There was money for the telecommunications study for \$35,000.

B. Wheeler: That will not be spent.

B. Tucker: Why?

B. Wheeler: It was not needed.

B. Tucker: I made a motion to take this out of the budget. I was told it was absolutely necessary. Now, I notice we do not spend it. Amherst is having on their ballot a comprehensive tower ordinance. We are still sitting here and we will not be ready.

B. Wheeler: I think we may want to ask somebody from the Planning Board to share this with us. The Planning Board has done a lot of work on this issue.

C. Hieber moved, seconded by B. Wheeler to adjourn the meeting at 9:30 p.m. So voted.

Respectfully submitted,

Jo Ann D'Avanza

THESE MINUTES ARE SUBJECT TO APPROVAL