

**ASHLAND BUDGET COMMITTEE**  
**July 11, 2013**  
**DRAFT MINUTES**

**Members Present:** C. Cilley, M. Badger, S. Coleman, I. Heidenreich, F. Newton, D. Ruell, M. Scarano, Jeanette Stewart, D. Toth.

**Alternates Present:** Renee Liebert (school board)

**Others Present:** Normand Dewolfe, Eli Badger, Stacy Luke, Mary Ellen Ormond, Trish Temperino, Steve Heath, and others  
Alice Staples, Lynn Davis, Sara Weinberg  
Lee Nichols, Bobbi Hoerter, Dan Vaughn

The meeting was called to order at 6:05 P.M. in the Ashland Elementary School Cafeteria.

**Public Hearing**

Chairman Scarano opened the public hearing: ***In compliance with the provisions of RSA 40:13, the Ashland Budget Committee will hold a public hearing on the proposed collective bargaining agreement between the Ashland School Board and the Ashland Teachers Association.***

Superintendent Mary Ellen Ormond explained the failure of the original warrant article by 8 votes, the ballot re-count with the same results, the School Board and the Ashland Teachers Association agreeing to bring back the same agreement to the voters. She complimented the professional staff of Ashland Elementary School on their expertise and professionalism as “teachers of children.”

Assistant Superintendent Trish Temperino explained the provisions of the collective bargaining agreement and its impact on the budget and tax rate. The provided handout was as follows:

*The Ashland Teachers’ Association currently represents 21.2 full time equivalent professional staff members. The members include classroom teachers, special education teachers, guidance, nurse, library and teachers for Title I.*

- 1. Salary: On average salaries will increase by 3.27% per year. Most of Ashland’s teachers are at the top step and donot receive any step increase. The cost of the salary increases in the first year is \$34,968.*
- 2. Health Insurance: The teachers will have the opportunity to choose between health insurance plans including a lower cost HMO. We estimate savings of approximately \$12,000in the first year of the agreement due to changes in health insurance.*
- 3. Professional Improvement: The agreement calls for an increase of \$2,000 in year three of the agreement to the overall pool amount for tuition, workshops, conferences, and other professional growth activities. These funds are distributed to the staff members who belong to the Association.*
- 4. Life Insurance will increase from a term \$10,000 to a \$30,000 policy at a cost of \$1,210.*
- 5. When salary costs are combined with the cost of life insurance less the savings in health insurance, the total cost to be voted on in the first year is \$24,178.*
- 6. If your house is assessed at \$100,000 this cost would increase your taxes by approximately \$0.76 per month or \$9.15 per year.*

Questions and comments from the Budget Committee were addressed.

- The anticipated turnover of teachers due to retirement will result in some additional savings. However, the warrant article must be calculated based on the staff employed at the time of the contract negotiations and the amount in the warrant article cannot be changed. An approximation of the additional savings will not be known before August.
- The amount of savings in the health insurance costs are an educated, conservative projection based on similar changes made in the Inter-Lakes School District. The exact savings will not be known until after the vote and after the Health Trust special open enrollment period.
- There are only 6 teachers below the 7<sup>th</sup> step of the salary matrix. Even after the proposed raise, those salaries will still be less than \$40,000 for a teacher with a bachelor's degree.

There were no comments or questions from the public.

A motion was made (David Ruell) and seconded (Fran Newton) to close the public hearing. The vote was unanimous in favor.

A motion was made (Fran Newton) and seconded (Sandra Coleman) that the Budget Committee approve the negotiated agreement for the warrant article. The vote was unanimous in favor. The Budget Committee members signed the appropriate form for the State.

The Administration and Mardean Badger thanked the Budget Committee for their support. Mark Scarano complimented the school on its upcoming reforms and Fran Newton commended the school for its integration into the community.

The Deliberative Session will be Tuesday, August 13, 2013, and the ballot vote will be on Tuesday, September 10, 2013. The text of the warrant article will be the same as on the original ballot from March 2013:

*Shall the Ashland School District approve the cost items included in the collective bargaining agreement reached between the Ashland School Board and the Ashland Teachers' Association which calls for the following increases in salaries and benefits at the current staffing levels?*

<u>Year</u>	<u>Estimated Increase</u>
2013-2014	\$24,178
2014-2015	\$41, 291
2015-2016	\$45,754

*And, further, shall the district raise and appropriate the sum of \$24,178 for the upcoming fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits over those of the appropriation at current staffing levels paid in the prior fiscal year?*

*The Ashland School Board and the Ashland Budget Committee recommend this appropriation.*

## Regular Meeting

Minutes of June 27 meeting: **A motion was made by F. Newton, seconded by I. Heidenreich, to approve the minutes. The vote to approve the minutes was 6 yeas, with 3 abstentions (Cilley and Stewart not at the meeting, Scarano as Chairman) with the following amendments/corrections –**

- Vote to hold a public hearing on the collective bargaining agreement between Ashland School Board and Ashland Teachers Association should be 8-0
- Vote to recommend the agreement should be 8-0
- Scarano -- misspelled on page 2 in the discussion of the May 8, 2013, minutes
- Vote to approve the May 8, 2013, minutes should be 7 yeas, with 1 abstention (Scarano)

Mark Scarano asked the committee members for their preferences regarding formats of financial reports. When he receives financial reports by email, he will put them on the Box.com site, allowing him about a day for posting. All items on the Box.com site are public documents and the link may be shared with anyone. **Committee members would like their reports in the following formats:**

- **Email – J. Stewart, C. Cilley, D. Ruell, S. Coleman, I. Heidenreich**
- **Print – D. Ruell**
- **Box.com – F. Newton, D. Toth, M. Badger, R. Liebert, N. DeWolfe**

Norm DeWolfe brought the June financial reports for the committee. Other reports which are still outstanding are the April cash flow and the capital reserve balances. Sandra Coleman indicated that we have asked for, but never received, a copy of the collective bargaining agreement. **Jeanette Stewart said she would get an electronic copy of the collective bargaining agreement for the committee, with paper copies for David Ruell and Sandra Coleman.**

Tim Paquette was unable to attend. **The mid-year review of the Public Works budget is rescheduled for July 25.**

## Library Mid-Year Budget Review

The Library Trustees (Alice Staples, David Ruell, Lynn Davis) and the librarian (Sara Weinberg) were present for the mid-year review of the Ashland Town Library budget. Highlights included:

- 48.8% of the appropriation has been spent.
- *Code compliance* -- Unexpected expense – fire extinguishers. (Scribner Trustees previously declined to pay their share of this item. This year the Library Trustees paid for the fire extinguisher inspection and replaced 2 of the 4 extinguishers.)
- *Code compliance* – The only item remaining is installation of sprinklers on the stairway and in the upper hallway. The progress on this item by the Scribner Trustees is unknown.
- *Email software* was purchased for the computers.
- *Audios* -- may be underbudgeted.
- *Cleaning* – represents 7 months.
- *Downloadable books* – the one-time fee was increased after the budget was approved.

- *Lost books* – this is a new account, non-lapsing, established under RSA requirements. The beginning amount is an estimate of the amount received over the last 5 years. This money can be used for any library-related purchase.

Mark Scarano asked why the library uses a different reporting format and if the library could use an accounting format similar to the town. David Ruell explained that, by RSA, the Library Trustees are an independent board charged with running the library, establishing a separate bank account, and exercising financial authority over the library budget. The Board of Selectmen must turn over the whole library appropriation; the Trustees and Selectmen have agreed on a quarterly payment schedule. The Town handles the payroll as established by the Library Trustees. The Library does not have access to the accounting software used by the Town.

David Toth asked if the Library is part of the CIP process. Both the Scribner Trustees and the Library Trustees have appeared before the CIP Committee. There are continuing issues that need to be resolved between the two trustee groups.

### **Electric Department Mid-Year Budget Review**

Two of the three Electric Commissioners (Bobbi Hoerter and Dan Vaughn) and the Electric Superintendent (Lee Nichols) were present. Highlights of the presentation and discussion included:

- *North Ashland Road project* – Work on Rt 175 should be completed by middle of next week, to be followed by North Ashland Road work. 98% of the supplies are in. The work is being funded through capital reserve funds.
- *Re-finance of the bond* – The rate was reduced from 4.25% down to 2.5%. The Commissioners are also putting additional money aside monthly to allow for an early payoff.
- *LED Street lights* – a small number of street lights have been replaced with LED fixtures, which are ½ more efficient, somewhat more expensive up front, but a longer useful life. Others will gradually be replaced as the old fixtures fail. Some target areas may be designated as higher priority. (Line 361.1)
- *Pole replacement* – Sandra Coleman asked if there are target areas for pole replacement. Lee Nichols responded that various factors are considered (age, condition, location, ground type, etc.) One goal is to put all poles into a computer listing, identifying all pertinent descriptors including connections and equipment.
- *Revenue projections* – Differences between anticipated and actual figures are often weather-related. December and January are typically the highest usage months, although July and August are catching up.
- *Billing system* – Anticipated completion date is still unknown. Multiple programmers are developing a new program at the cost of the old program. The routes for meter reading are being changed to eliminate frequent road crossing and must be verified by Lee Nichols before including in the program. The billing system project is not currently over budget.
- *Building improvements* – a new protective overhand at the front door and an outside announcement board have been completed. (Line #311)

- *New meters* (Line #359.1) Eventually the water meters will be moved next to the electric meters.
- *Postage* – will be over-budget because new billing system is not yet in place. (Line #761.2B)
- *Legal* – Ongoing issues cannot be discussed. (Line #781.2)
- *Hydro maintenance expenses* -- need to be clarified. (Lines #797)

### **Additional Announcements**

- **The July 25 meeting will include mid-year budget reviews of the Public Works Department, Parks & Recreation Department, and Water & Sewer Department.**
- **Renee Liebert will provide a brief overview of the Conservation Commission.**
- **Mark Scarano will put some dates together for fall meetings and will add them to the Box.com site.**
- **Mark Scarano will work with David Toth and Steve Felton regarding the fall financial forum. The August 8<sup>th</sup> regular meeting will include planning for the financial forum.**
- **Minutes for the next meeting will be taken by David Toth.**

A motion was made (Jeanette Stewart) and seconded (Christine Cilley) to adjourn the meeting at 7:50 pm. The vote was unanimous.

Submitted by Mardean Badger