

NEWINGTON BUDGET COMMITTEE

Public Hearing
February 14, 2004

Present: Budget Committee Members Alfred Smith (Chairman), Kay Akerley, Leslie Brock, Candice Cantaloupo, Laura Coleman, Gail Pare, Denis Acton and Richard Spinney, Deidre Link, Board of Selectmen Representative Jack O'Reilly. AA Gillespie

Those not in attendance: Jack Anderson and Wil Gilbert

School Board Members: James Katkin, SAU50 Business Administrator, Helen Maldini (Chairperson) Doctor George A. Cushing, SAU50 Superintendent, Newington School Principal Helen Rist

The Budget Committee Chairman Alfred Smith called the meeting to order at 10:10 a.m.

The purpose of this hearing is to allow the residents of Newington and the Newington Budget Committee to review the 2004-2005 School Budget.

NEWINGTON SCHOOL DISTRICT BUDGET

Budget Committee member, Gail Pare made the motion to open the Newington School District Budget for year 2004-2005 in the amount of \$1,586,970. The motion was seconded by Selectman O'Reilly. Chairman Smith opened the Public Hearing on this budget.

Selectman O'Reilly said that he recently attended a Superintendent's Meeting with Dr. Cushing in Concord. Selectman O'Reilly said that the school is looking into legal ways of keep the education tax money in Town. He added that it is so late the school may not be able to make any major changes to their budget this year. Chairman Smith stated that the School District could find a need and come to Town Meeting and request that the Budget be increased by up to 10%. Doctor Cushing pointed out that there are strict guidelines that must be followed. He added that the SAU has legal counsel looking into these issues.

Chairman Smith asked if there was any further discussion. There being none he closed the Public Hearing at 10:20 a.m.

Chairman Smith called for a final vote to recommend the Newington School District Budget in the amount of \$1,586,970. Vote: All in Favor; None opposed.

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SCHOOL WARRANT ARTICLES

Article 2: To see if the Newington School District will vote to approve the cost item included in the collective bargaining agreement between Newington School Board and the Association of

Coastal Teachers/Newington which calls for the following increases in salaries and benefits:

2004-05	\$ 11,901
2005-06	12,970
2006-07	13,520

And further to raise and appropriate the sum of eleven thousand nine hundred one dollars (\$11,901) for the 2004-05 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. (Majority vote required.) (Note This appropriation is in addition to Warrant Article number 1, the operating budget article.)

Selectman O'Reilly made the motion to recommend Warrant Article 2. The motion was seconded by Budget Committee member, Laura Coleman.

Chairman Smith opened Warrant Article 2 to the Public at 10:23 a.m.

Ruth Fletcher asked for further clarification of this article. Helen Maldini explained that the overall raise is 4.26%. She added that the teachers are on a step plan. The majority of the teachers are at step 12, which is the maximum. The teachers at level 12 will receive 3.50%, but others will receive more. Mr. Katkin explained the second and third year increases are 4.50%. Mr. Katkin further explained that all associated salary costs are included in that amount.

Chairman Smith asked if there were any further discussion. There being none he closed the Public Hearing at 10:25 a.m.

Chairman Smith called for a final vote to recommend the School Warrant Article 2. Vote: All in favor; None opposed.

Article 4: To see if the Newington School District will raise and appropriate the sum of \$30,000 (thirty thousand dollars) to be added to the previously established School Property Maintenance Fund, a non capital reserve fund under the provisions of RSA 35:1-c; for the purpose of repairing and maintaining the school buildings and grounds. (NOTE: This appropriation is in addition to Warrant Article number 1, the operating budget article.)

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Gail Pare made a motion to recommend Warrant Article 4. The motion was seconded by Laura Coleman.

Chairman Smith opened Warrant Article 4 to the Public at 10:27 a.m.

Chairman Smith explained that this non-capital reserve fund was set up by the School District on request of the Budget Committee for emergency repairs to the school.

Chairman Smith asked if there was any further discussion. There being none he closed the Public Hearing at 10:30 a.m.

Chairman Smith asked if there was any further discussion from, the Budget Committee. Selectman O'Reilly asked Mr. Katkin what the balance the current maintenance account balance is. Mr. Katkin replied between \$15,000 and \$17,000.

There being no further discussion, Chairman Smith called for a final vote to recommend School Warrant Article 4. All in favor; None opposed.

Chairman Smith closed the Newington School Budget meeting at 10:35.

NEWINGTON TOWN BUDGET

Chairman Smith called the meeting to order at 11:15 a.m.

The purpose of this hearing is to allow the residents of Newington and the Newington Budget Committee to review the 2004 Town Budget.

Selectman O'Reilly made the motion to accept the Town Budget in the amount of \$3,792,625. The motion was seconded by Laura Coleman. Chairman Smith opened the Public Hearing on this budget.

Fire Chief, Roy Greenleaf stated that he would like to make a recommendation to decrease the Fire Department Budget by \$4,301. This is due to the fact that Firefighter, Ken Stanley has been deployed to Iraq and will be dropped from the Town's Health & Dental insurance. Chief Greenleaf also stated that the Firefighter's wife and child will still be covered under the Town's policies.

Chairman Smith stated that this change will bring the Fire Department's Budget to \$766,777.

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Ruth Fletcher asked what the difference is between salaries and wages in the executive office. Chairman Smith answered that salaries are stipends and wages are full time. AA Gillespie stated that wages include: wages for Brenda Foster and herself.

Ruth Fletcher asked about the Tax Collector and Town Clerk's wages and salaries. Laura Coleman explained that there is a \$3,000 stipend for the Town Tax Collector and \$14,000 is the wage for the Town Clerk. The wage line of \$3,000 is for the deputy Tax Collector and Town Clerk.

Ruth Fletcher asked if the Town Building Administration salary is for Rick St. Laurent. Laura Coleman answered yes.

Ruth Fletcher asked why the Town Hall Maintenance and Repair line was increased from \$25,000 to \$40,000. Selectman O'Reilly answered that the Town Hall needs new flooring in the auditorium.

Ruth asked about Town garage repairs. Selectman O'Reilly answered that the garage will be repainted this year.

Ruth Fletcher asked about Fire Department repairs and maintenance. Selectman O'Reilly answered that the increase in this line is to build the mezzanine. Mrs. Fletcher then asked what the Grant will be used for. Fire Chief Greenleaf answered that the grant is specifically designated for Fire Fighter Protection and Safety. It will be used for a new ventilation system in the station which will be attached to the current ventilation system. This ventilation system is to vent the truck exhaust from the station.

Ruth Fletcher asked if the Capital Outlay of \$53,000 was for the two police cruisers. Chairman Smith confirmed.

Ruth Fletcher asked why the maintenance and repairs line increased for the Police Station. Selectman O'Reilly answered that the Police Station needs a new heating and air conditioning system. Selectman O'Reilly pointed out that the current system is inadequate and has never worked right. Mrs. Fletcher said that she is getting tired of hearing that things were not done right. She asked if the Town has ever thought of holding back money on contractors until things are done right. Selectman O'Reilly said that there was no "Clerk of the Works" when the Police Station was built. Chairman Smith added that the Town has learnt from these situations and now has more of the right people and professionals in place.

Ruth Fletcher inquired about the Code Enforcement Salary increase. Selectman O'Reilly explained that previously the building inspector's salary was being charged off partly to Planning Board and part to Code Enforcement. The Budget Committee recommended that the salary be taken from one account. He added that the Building Inspector works 35 hours which is full time.

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He gets the retirement, but he does not get the insurance because he is under his wife's policy. Laura Coleman asked about his total pay increase. Selectman O'Reilly said that BI Smart will receive the 3% COLA increase. Laura Coleman then asked about mileage reimbursement. Selectman O'Reilly said that BI Smart uses the Town car. It was cheaper for the Town to insure the additional car than to pay mileage expenses.

Ruth Fletcher questioned the decrease in transfer station collection from \$49,000 to \$37,000. AA Gillespie answered that in the past some of the tipping fees to Waste Management were being charged to the collection line, tipping fees should be charged to disposal.

Ruth Fletcher asked about the \$3,500 for Fox Point. Selectman O'Reilly responded that the septic system needs to be replaced. Also, any other work on the house is put in this line item. Guy Young stated that the septic system is ten years old.

Ruth Fletcher asked about gravel pit maintenance. Chairman Smith answered that this will be used to re-grade the bank at the transfer station, to make it safer.

Ruth Fletcher asked why Outside Details increased from \$25,944 to \$38,000. She stated that she thought details were reimbursed. Selectman O'Reilly said that these are reimbursed, with an additional \$5 an hour for administrative costs. The Town has to appropriate the expenditure in order to spend the money. However, it is reimbursed through revenue. Kay Akerley made the point that the Police Department decreased their budget.

Ruth Fletcher asked what is included in the "Other" line item of the Police Department Budget. Police Chief Loomis said that this includes the Animal Control Officer's expenses, vacation time for someone that leaves and emergency management expenses. There is a yearly stipend for \$5,500 for the Animal Control Officer.

Ruth Fletcher asked about salaries and wages paid out for Jan Stuart's ACO and Selectman wage. Mrs. Fletcher was referring to a spreadsheet provided to her by AA Gillespie. She pointed out the Jan Stuart had \$5,000 under regular pay and \$10,000 under overtime. AA Gillespie said that this was an error and that the line total should be \$10,000 under regular pay only, not \$15,000.

Ruth Fletcher asked the Fire Chief how much a physical cost. Chief Greenleaf answered \$350.00. She asked why the Fire Chief allowed Firefighter Spainhower to have a physical when he knew the Spainhower was leaving. Chief Greenleaf said that Spainhower was due for a physical in December. Also, he did not know the Spainhower was leaving because Spainhower had not given his notice yet.

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Ruth Fletcher asked about the bill to Comcast for cable TV. Chief Greenleaf said that the cable TV at the Fire Station does not cost the Town. Mrs. Fletcher said she thought it cost \$105 per month. Chief Greenleaf said that is for internet service. Gail Pare said that the schools and libraries have free internet service. Chairman Smith confirmed.

Ruth Fletcher stated that she feels that her husband, George Fletcher as Treasurer, should receive more than a \$300.00 raise. She said that he spends a lot of time doing the job. He handles a lot of money, investing it for the Town. Mrs. Fletcher made the point that the Dog Catcher receives more than the Treasurer. Selectman O'Reilly said that last year the Treasurer had asked for a \$2,000 raise and received \$1,000. He added that this year the Board of Selectmen had made the decision to give all stipends a 10% increase across the board.

Guy Young asked why the request for the two new firefighters was not put in a Warrant Article. Laura Coleman said that she would have liked to have seen the hiring of the two firefighters in a Warrant Article. Chairman Smith said that this was discussed and after looking at the number of Warrant Articles and after further review of the Fire Department's Budget the costs were left in the budget. Chairman Smith stated that the budget, along with the department's Five Year Plan clearly outlines the costs involved. Chairman Smith recommended that Chief Greenleaf come to Town Meeting with budget numbers that do not include the additional personnel, in case the total Fire budget is denied.

George Fletcher said that he talked to the insurance company and he feels that the Town has the Cadillac of insurance plans. He added that there are other insurance plans available. Mr. Fletcher stated that recently in the News he heard that there are over 40 million people in the United States without health insurance. In yet the Town is going to pay approximately \$17,000 to cover the Stanley Family for 18 months on the insurance and they are already covered by the military. Mr. Fletcher pointed out that the Town of Rye pays their firefighter's \$15.27 an hour for a 42 hour work week, but the employee pays 20% of their medical insurance. He added that Dover pays 10%, North Hampton pays 10%, and Hampton 10%. He asked what insurance plan the other Towns offer. AA Gillespie stated that Rye has Comp 500 and pays 100% of the employees insurance and 80% of dependants insurance. However, Rye self-insures the \$500.00 deductible and any co-pay amounts. Mr. Fletcher said that he feels the Town of Newington should get an insurance policy that does not cost as much and then self-insure the difference. He also said if the Town charged the employees 10% of the costs of the insurance, that money could be used for salary raises for the employees. He stated that the Town should investigate lowering the cost of the benefits to the employees. Selectman O'Reilly stated that the Board of Selectmen have already looked into other insurance policies. However if the Town employees have a couple of catastrophic illnesses it could cost the Town even more than the policy the Town is paying for now. He added that if the Town saves \$766,000 it can change the tax rate by a penny. Chairman Smith stated this is part of the Governing Body's personnel policy as it

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stands now, covering 100% of the insurance premiums for the employees. Until this is changed by Warrant Article at Town Meeting this is the way it will stand. He added that there have been two previous attempts with Warrants to institute a co-pay of insurance. Both times the Town decided not to adopt that policy and decided to continue to pay 100% of the insurance for the employees. There has been a lot of discussion about this issue. From the stand-point of this budget committee, this is a personnel issue that is set by the Governing Body. Chairman Smith pointed out that giving the employees a raise in order to institute co-pay will also affect the costs of all salary related items, such as retirement and FICA. He stressed that this is an issue that should be watched carefully, because insurance rates are only going to increase.

Police Chief Loomis told everyone that there is an officer that has been heavily courted by Portsmouth this last year, but he stayed with Newington partly because of the benefits. He added that the Town must also look at the cost involved with replacing personnel. Bringing on a new officer can cost about double the amount of the increase of the insurance for the entire department. He pointed out that when a patrol officer leaves, because it is an emergency service his shifts must be covered. This puts the other officers into overtime, which runs from the time the officer leaves until the Town recruits, hires and trains a new officer. There is also the cost of recruitment, uniforms, and physicals. It takes about six months for the new recruit to meet all the requirements, with the academy and the FPO programs. He said that several years ago he computed out the costs based on the salaries at that time and came up with about \$30,000 to \$35,000.

At the General Government Budget Meeting on February 7th, the budget committee recommended reporting all of the Building Inspector's salary under Code Enforcement instead of splitting it between Planning and Code Enforcement. However, it was also recommended by the budget committee that Tom Morgan get a merit increase. Selectman O'Reilly said a 2% merit raise is warranted. He suggested decreasing the Planning Board budget from \$113,774 to \$110,774 and putting the Building Inspector's salary of \$5,000 back under Code Enforcement. This would allow for a merit increase for Tom and raise the budget by \$2,000.

Gail Pare stated that she would like to recommend that the Town Treasurer's salary be raise to \$5,000, which will increase the General Government budget by \$1,700. This will not increase the total budget because of the \$4,301 the Fire Department is giving back.

Chairman Smith reviewed:

The executive office budget of \$177,627 will be increased by \$1,700 to \$179, 327. The Planning and Zoning budget will be decreased by \$3,000 from \$113,774 to \$110,774. The Fire Department budget will be decreased by \$4,301 from \$771,076 to \$766,777. The Building Department budget will increase by \$5,000 from \$53,474 to \$58,474. Selectman O'Reilly said the total budget will be reduced by \$601.00 to \$3,792,024.

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Chairman Smith asked if there were any further questions from the public about the budget. There being none, the public hearing was closed at 1:04 p.m.

Chairman Smith asked for an amendment to the budget to reflect the changes discussed. Selectman O'Reilly made a motion to amend the budget recommendation to amount of \$3,792,024. Seconded by Leslie Brock. Chairman Smith called for a vote to recommend the Town Budget of \$3,792,024. Vote: All in favor; None opposed.

Chairman Smith called for a twenty minute recess.

The purpose of this part of the hearing is to finalize the Budget Committee's recommendations for the 2004 Warrant Articles.

Chairman Smith informed the Budget Committee that on completion of the MS7, AA Gillespie discovered an oversight of \$2,000 on the total budget recommendation, due to \$2,000 that had been taken out of the highway department budget at a previous meeting. Selectman O'Reilly made the motion to amend the budget amount of \$3,792,024 to \$3,790,024. The motion was seconded by Chairman Smith. Motion carried; None opposed.

Chairman Smith called for a vote to recommend the Newington Town Budget in the amount of \$3,790,024. Motion carried; None opposed.

The next section of the Newington Budget Committee Meeting of February 14, 2004 is to review and to vote on the Town's 2004 Warrant Articles. The results are as follows:

ARTICLE 5. If the voters of the Town of Newington approve Article 4 shall the Town appropriate up to the sum of \$200,000 from revenues generated from ambulance and emergency medical service calls for purchasing ambulance vehicles and providing, improving, and/or enhancing ambulance and emergency medical services? Adoption of this article will have no effect on the Town's tax rate.

THIS ARTICLE IS NOT RECOMMENDED BY THE BUDGET COMMITTEE

Gail Pare made the motion to recommend Warrant Article 4. The motion was seconded by Laura Coleman. Those in favor- Denis Acton, Leslie Brock, Selectman O'Reilly and Gail Pare- **4 Yes.** Those opposed- Kay Akerley, Candice Cantalupo, Laura Coleman, Chairman Smith and Richard Spinney- **5 No.**

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ARTICLE 7. If the voters of the Town of Newington approve Article 6 shall the Town appropriate up to the sum of \$100,000 from revenues generated from fire alarm fees and /or fines to operate, maintain, and upgrade the Fire Alarm System in Town of Newington? Adoption of this article will have no effect on the town's tax rate.

THIS ARTICLE IS NOT RECOMMENDED BY THE BUDGET COMMITTEE

Gail Pare made the motion to recommend Article 7. The motion was seconded by Laura Coleman. Those in favor- Denis Acton, Leslie Brock and Gail Pare- **3 Yes.** Those opposed- Kay Akerley, Candice Cantalupo, Laura Coleman, Selectman O'Reilly and Richard Spinney- **5 No.**

ARTICLE 8. Shall the Town raise \$9,176.00 and appropriate \$91,760.00 to fund the Fire Operations and Firefighter Safety program? The Federal Emergency Management Agency will contribute \$82,584.00 as part of the Assistance to Firefighters Grant Program for a total program cost of \$91,760.00. The grant targets two areas of Firefighters Assistance: Equipment \$47,660.00 and Construction \$44,100.00. This appropriation is in addition to the operating budget (Majority vote required.)

THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE

Selectman O'Reilly made the motion to recommend Article 8. The motion was seconded by Laura Coleman. Motion carried; None opposed.

ARTICLE 9. Shall the Town appropriate \$23,698.00 to fund Firefighter's Personal Protective and Detection Equipment? The Federal Emergency Management Agency will contribute \$1,818.00 from 2003 Homeland I Grant; \$1,880.00 from 2003 Homeland II Grant; \$20,000.00 from 2003 Competitive Award. This appropriation is in addition to the operating budget. (Majority vote required.)

THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE

Gail Pare made the motion to recommend Article 9. The motion was seconded by Laura Coleman. Motion carried; None opposed.

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ARTICLE 10. To see if the Town will vote to raise and appropriate the sum of Fifty Thousand Dollars (\$ 50,000) to be placed in the existing Conservation Fund established in accordance with RSA 36-A:5 to be used for expenses associated with the purchase of conservation land and open space, easements, wetlands, and other land management acquisitions.

THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE

Selectman O'Reilly made the motion to recommend Article 10. The motion was seconded by Laura Coleman. Motion carried; None opposed.

ARTICLE 11. To see if the Town of Newington will vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of major Municipal Building Emergency Repairs and to raise and appropriate the sum of Fifty Thousand Dollars (\$50,000) to be placed in this fund and to appoint the Board of Selectmen as agents to expend from this fund.

THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE

Gail Pare made the motion to recommend Article 10. The motion was seconded by Laura Coleman. Motion carried; None opposed.

ARTICLE 12. To see if the Town will vote to raise and appropriate the sum of Fifty Thousand Dollars (\$50,000) to be placed in the existing Capital Reserve Fund for the replacement and/or repair of vehicles operated by the Fire Department.

THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE

Gail Pare made the motion to recommend Article 12. The motion was seconded by Laura Coleman. Motion carried; None opposed.

ARTICLE 13. To see if the Town will vote to raise and appropriate the sum of Thirty Five Thousand Dollars (\$35,000) to be placed in the existing Capital Reserve Fund for the Revaluation of the Town.

THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE

Gail Pare made the motion to recommend Article 13. The motion was seconded by Laura Coleman. Motion carried; None opposed.

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ARTICLE 14. To see if the Town will vote to raise and appropriate the sum of Thirty Thousand Dollars (\$30,000) to be placed in the existing Capital Reserve Fund for the replacement of the Town Ambulance and any major medical equipment.

THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE

Selectman O'Reilly made the motion to recommend Article 14. The motion was seconded by Gail Pare. Motion carried; None opposed.

ARTICLE 15. To see if the Town will vote to raise and appropriate the sum of Twenty-Five Thousand Dollars (\$25,000) to be placed in the existing Capital Reserve Fund for the Fox Point Pavilion.

THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE

Kay Akerley made the motion to recommend Article 15. The motion was second by Richard Spinney. Vote: Motion carried; Those in favor-Denis Acton, Kay Akerley, Candice Cantaloupo, Laura Coleman, Leslie Brock, Selectman O'Reilly-**6 YES**. Those opposed: Gail Pare and Richard Spinney-**2 No**.

ARTICLE 16. To see if the Town of Newington will vote to establish an Expendable Trust Fund under the provisions of RSA 31:19-a, to be known as the Town Employee's Accumulated Leave Fund, for the purpose of payments of Severance to Town Employees in accordance with the Town's Personnel Policy and to raise and appropriate the sum of Twenty Thousand Dollars (\$20,000) to be placed in this fund and to appoint the Board of Selectmen as agents to expend from this fund.

THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE

Gail Pare made the motion to recommend Article 16. The motion was seconded by Laura Coleman. Motion carried; None opposed.

ARTICLE 17. To see if the Town will vote to raise and appropriate the sum of Ten Thousand Dollars (\$10,000) to be placed in the existing Capital Reserve Fund for Fire Department Communications.

THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE

Selectman O'Reilly made the motion to recommend Article 17. The motion was seconded by Gail Pare. Motion carried; None opposed.

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ARTICLE 18. To see if the Town will vote to increase the compensation for the Town Clerk from \$14,000 to \$15,400 annually and to raise One Thousand, Four Hundred Dollars (\$1,400) to fund this purpose for year 2004. This appropriation is in addition to the operating budget.

THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE

Denis Acton made the motion to recommend. The motion was seconded by Laura Coleman. Motion carried; None opposed.

Gale Pare made the motion to accept the minutes of February 4, 2004. The motion was seconded by Denis Acton. Motion passed with none opposed.

Gail Pare made the motion to accept the minutes of February 7, 2004. The motion was seconded by Laura Coleman. It was noted that the Warrant Articles were accepted at the February 7th meeting, not recommend. It was recommended that this wording be changed in the minutes of February 7th. All in favor of the change. Motion passed with none opposed.

There being no further business before the Budget Committee , a motion was made to adjourn the Public Hearing at 3:30 p.m. by Selectman O'Reilly. The motion was seconded by Kay Akerley. The meeting was adjourned at 3:30pm.

Respectfully Submitted,

Cynthia L. Gillespie
Administrative Assistant