

WEARE FINANCE COMMITTEE MEETING JANUARY 24, 2018

1. The Weare Finance Committee met on Wednesday 24 Jan at 7pm at the Town Offices. Members present were Lori Davis, Bill Anderson, Keith Erf, Neal Kurk, Gregg McDowell, Ellen Dokton and John Vanloendersloot. Also present were Town Administrator Naomi Bolton, Selectmen Tom Clow and Jan Snyder, School Board Chairs Zach Lawson (Stark) and Marge Burke (Weare), SAU24 School Superintendent Dr Lorraine Tocconi-Moore, SAU24 Business Administrator Kathleen Sargent, John Astholz Facilities Manager for Stark/Weare Schools, and Mike Davey of EEI.
2. Business. Purpose of the meeting was to review/ make recommendations on updated town warrant articles and receive information on school warrant articles.
3. Town Warrant Articles. Justification for recommendations was detailed in the 17 Jan minutes. Where warrant articles were updated, justification is detailed.
 - a. Article 2 Town Budget. No changes. (NOT RECOMMENDED 1-6)
 - b. Article Non-Union Raises. Proposed raises were lowered from 3% to 2% on average consistent with the Committee's earlier recommendation. (RECOMMENDED 7-0)
 - c. Article 4 Government Bldg. and Maintenance Capital Reserve Fund. Amount to be added was lowered to \$15K. This would bring the fund balance up to \$75K consistent with the historical standard supported by the Committee. (RECOMMENDED 7-0)
 - d. Article 5 Police Cruiser (1). Proposal lowered from 2 to 1 consistent with the Committee's earlier recommendation in support of current frontline operations. Purchase will still be funded out of the unreserved fund balance. (RECOMMENDED 7-0)
 - e. Article 6 Police Officer. No changes. (NOT RECOMMENDED 1-6).
 - f. Article 7 Fire Dept. Special Revenue Fund. No changes. (RECOMMENDED 5-2)
 - g. Article 8 Plow Truck. No changes. (RECOMMENDED 7-0)
 - h. Article 9 Backhoe. No changes. (RECOMMENDED 7-0)
 - i. Article 10 Road Reconstruction. No changes (RECOMMENDED 7-0)

- j. Article 11 Part Time Truck Driver. No changes. (RECOMMENDED 7-0)
 - k. Article 12 Bridge Reconstruction. No changes. (RECOMMENDED 7-0)
 - l. Article 13 Bolton Park Pavilions. No changes. (NOT RECOMMENDED 0-7)
 - m. Article 14 Bell Tower. No changes. (RECOMMENDED 6-1)
 - n. Article 15 Library Space Planning. No changes. (NOT RECOMMENDED 0-7)
 - o. Article 16 Cemetery Perimeter Maintenance. No changes. One abstention was cited asking clarification of how much is currently in the reserve fund. (RECOMMENDED 5-1-1)
 - p. Article 17 Cemetery Maintenance . Interior). No changes. (RECOMMENDED 7-0)
 - q. Article 18 Fireworks. No changes. (NOT RECOMMENDED 3-4)
 - r. Article 19 Forest Management Planning. No changes (RECOMMENDED 7-0)
 - s. Article 20 Conservation Commission Land. No changes. (RECOMMENDED 6-1)
 - t. Article 23 Large Tax-deeded Property Sales. Per guidance from the Town Administrator our recommendation may not be used since this has no budget impact. It is an administrative measure to allow Selectmen greater flexibility in selling large parcels without going to the voters. The Committee felt voters should be involved in decision making for large parcels. (NOT RECOMMENDED 1-6)
 - u. Article 25 Fire Department Fitness Equipment. Funds will be withdrawn from a private fund so this will have no tax impact. (RECOMMENDED 7-0)
4. John Stark School Board. School District representatives provided detailed information on proposed warrant articles, which are now posted on the SAU website.
- a. Article 3 School Budget. Proposed 18-19 budget is \$13.3M; the default is \$13.2M. Both budgets are below last year's operating budget of \$13.5M. Student population continues a slight decline to 668 as of October 2017. The primary impact in budget was the reduction in 4.4

teaching positions. Health insurance increases also stabilized with only a maximum 5% hike for the next year. Approval of Article 5 would also result in a slight further reduction in both budgets. Cost split between Henniker and Weare, based on student population and assessed valuation, is projected to be relatively consistent with the previous year at Henniker 27% and Weare 73% shared costs

- b. Article 4 Teacher Contract. The teacher contract was voted down last year. This year's three year proposal increases teacher contributions to health care from 15% to 20%. District Health Savings Account contributions would be reduced from \$5K to 4K for a family and \$2.5K to \$2K for singles. Employees who opt out of the district health plan each year would receive a higher incentive, which would be less costly to the district than providing health care coverage. Salary matrix is similar to last year's proposal of 1% COLA and 1% raise between steps with a flat \$1000 increase if off the grid. Professional development requirements and a master's degree after 10 year experience are required to stay on the salary grid. The cost impacts are \$113.7K in year 1 with an additional \$76.2K and \$78.2K in years two and three. Thus cumulative increase after three years would be \$571.7K compared to current salary/benefit costs. It should also be noted that with reduction in staffing, this year's proposed budget for salaries and benefits is \$540K less than in 17-18. It is also welcomed by the Committee that the School Board has not submitted a second bite of the apple proposal in event the first vote fails.
 - c. Article 5 Energy Equipment Lease Agreement. Proposal would provide \$2.3M in equipment upgrades at the high school to improve heating, lighting, insulation, and their associated systems. The existing oil boiler and storage tank/lines require upgrade/replacement in the next 2 years making the timing right for such a proposal. The boiler being considered would have the flexibility of using wood chips or propane. The energy savings each year would pay for the lease. EEI, the company being considered through competitive bid has completed such projects elsewhere in the state.
 - d. Article 6. Building and Grounds Expendable Trust Fund. Article would add \$50K to the reserve fund out of any unexpended fund balance at the end of the fiscal year. Follow up with the SAU clarified this fund currently has \$269K in it. It was also noted in follow up John Stark has additional trust funds available for specific purposes as follows: John Stark Future Building \$63K; Roof Fund \$130K; Water Fund \$30K; and Special Ed Fund \$171K.
5. Weare School Board. Marge Burke summarized what would be expected in this year's warrant articles which had not been approved as of the meeting. There will be no teacher contract article for the voters as an agreement could not be

reached with the teachersunion. The Proposed Budget for 18-19 of \$15.299M is comparative to last year's approved budget of \$15.302M. The default would be \$15.138M. The Board is also requesting a \$35K increase in the School Building Maintenance Trust Fund. That account currently has \$99K in it. The Committee would like to see the Weare Board pursue a similar initiative to the high school on energy improvements, which would reduce the need for such a reserve fund. Other specific purpose trust funds available to Weare Schools and their balance are Future Expansion \$42K, MS Water and Waste \$14K, Grounds and Playing Fields \$12K, and Special Ed \$101K.

6. Adjournment. The meeting adjourned at 10pm. Next meeting is scheduled Wed 31 Jan 7pm at the Town Offices.

Bill Anderson
Secretary

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