

**ADVISORY BUDGET COMMITTEE  
TOWN OF MADISON  
January 16, 2024  
MINUTES**

**Members Present** – Chairman Tino Fernandes; Vice-Chairman Sharon Schilling; Ned Rogerson; Doug McAllister; Joe Dame; School Board Rep Sarah DeMartino; Alternate Joy Gray

**Selectboard Members Present** – Michael Mauro; John Arruda; Adam Price

**Others Present** – Town Administrator Linda Shackford; School Board Member Jim Curran; Principal Heather Woodward; MadTV Videographer Aysia Morency

**Where and When Posted** – Town Hall upper & lower bulletin boards and Madison & Silver Lake Post Offices on September 13, 2023.

**Meeting Called to Order** – By Fernandes at 6:00 p.m.

**Welcome and Introduction of the Committee** was made by Fernandes.

**Pledge of Allegiance** – Schilling led all in attendance in the reciting of the Pledge.

**Opening Statement by Fernandes** - At the Selectmen's meeting of January 9<sup>th</sup> there was public criticism by the Madison Police Chief of our last ABC meeting held on 12/5/2023 and of some of our members. After reviewing the video of that meeting and the minutes which we are about to review as a committee, I find that criticism unwarranted and potentially intimidating, especially when coming from an authority figure such as the chief of police.

I want to assure the members of this committee and the public that we are completely committed to unfettered inquiry of our town's finances. I believe this is why we were elected as an advisory budget committee, independent of the Board of Selectmen and the School Board, so that we could provide informed and accurate evaluation of Madison's finances.

I urge our committee to continue its work and maintain a professional and civil questioning of any town expense, be it a contract, equipment cost, salary or benefit expense.

Tonight's meeting is very full, and I would ask the members of the committee to be as concise as possible with questions or comments so that we can efficiently plow through or work. The agenda item for public comment is at the end, and I ask the audience to please honor that and save their comments/questions till then.

**Approval of December 5, 2023 Minutes:**

**Motion** by McAllister, seconded by Schilling to approve the minutes of the December 5, 2023 meeting with corrections per Fernandes and Schilling. The motion passed unanimously.

**Town and School Health Insurance Costs** – Dame presented a six-page document with an analysis of health insurance premium costs and how they are increasing at a rate that is faster than consumer goods and services. Ultimately, the premiums for employee health insurance are projected to be 49.7% higher in 2031 than it was in 2023, realizing there are factors that cannot be taken into consideration such as new hires or changes in plans.

Fernandes asked if there are alternatives that should be investigated in the future with a long-term goal of adding another group to be able to offer a better premium rate. Fernandes thanked Dame for his work with Dame noting that this is not just an issue for the Town of Madison.

Schilling would like to see looking at other options every couple of years as we want the burden to be sustainable over time.

**MES Budget with Vote on School Warrant Articles** – The committee made recommendation on the following articles:

*ARTICLE 2: Shall the School District raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$7,110,576? Should this article be defeated, the default budget shall be \$7,020,176 which is the same as last year, with certain adjustments required by previous action of the School District or by law or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. (The School Board recommends this appropriation 4-0-0).*

Fernandes thanked Curran, the School Board and School Administration for supplying the information requested by the committee. He does not understand why the default contains positions that were not in last years budget but has been assured it is calculated properly.

**Motion** by Rogerson, seconded by Dame to recommend Article 2. The motion passed **7-0-0**.

*ARTICLE 3: Shall the voters of the Madison School District adopt a school administrative unit budget of \$1,331,961 for the 2024-2025 school year in which \$467,389 is assigned to the school budget of this district? (The School Board recommends this appropriation 3-1-0).*

Fernandes noted that \$83,000 must be worked into the budget to cover expenses for pre-school should moving the expense to the SAU budget fail. Mauro questioned if the School Board can use the \$83,000 if the SAU funds the preschool. Curran responded it will not be expended by the School Board.

*This year's adjusted budget of \$1,055,505 with \$396,275 assigned to the School District budget will be adopted if the article does not receive a majority vote of all the district voters voting in this administrative unit.*

Fernandes feels it is important to know that the continuing costs are not known but expect that they will be more efficient. McAllister asked why a member of the School Board voted against the article. Curran could not answer that question.

**Motion** by Dame, seconded by Rogerson to recommend Article 3. The motion passed **5-0-2** with McAllister and Schilling abstaining because they want to know why one member voted against the article.

*ARTICLE 4: To see if the Madison School District will vote to raise and appropriate the sum of \$30,000 to be placed in the previously established Special Education Capital Reserve Fund. (The School Board recommends this appropriation 4-0-0).*

**Motion** by McAllister, seconded by Schilling to recommend Article 4. The motion passed **7-0-0**.

*ARTICLE 5: To see if the Madison School District will vote to raise and appropriate the sum of \$50,000 to be placed in the previously established Building Capital Reserve Fund. (The School Board recommends this appropriation 4-0-0).*

Fernandes feels there was not enough discussion on the MES CIP. Curran noted that not all funding to finish projects is in the grant. Schilling asked again that CIP items get a priority listing.

**Motion** by Dame, seconded by Rogerson to recommend Article 5. The motion passed **7-0-0**.

*ARTICLE 6: To see if the Madison School District will vote to raise and appropriate the sum of \$50,000 to be placed in the previously established Building Capital Reserve Fund, with such amount to be funded from the June 30 unreserved fund balance. (The School Board recommends this appropriation 4-0-0).*

**Motion** by McAllister, seconded by Schilling to recommend Article 6. The motion passed **7-0-0**.

*ARTICLE 7: To see if the Madison School District will vote to establish the Madison Corner Schoolhouse Capital Reserve Fund, and to raise and appropriate the sum of \$50,000 to be placed in this fund. Further, to name the Madison School Board as agents to expend from said fund. (The School Board recommends this appropriation 4-0-0).*

Fernandes feels it is logical to decide what will be done with the building before funding it. Schilling said the lead will not increase over time so it is not a significant health danger that will allow for time to make a decision one way or another.

**Motion** by DeMartino, seconded by Dame to recommend Article 7. The motion failed **3-4-0**.

Though the Committee will not vote on the following petition, Fernandes read it aloud.

*ARTICLE 8: (Submitted by petition) To instruct the Madison School District to declare the building known as the Madison Corner School House as surplus and follow through with removal of the building from the Madison School District property either through demolition or sale to include lead abatement from the area.*

**Employee Wage Reports** – Fernandes explained that the catalyst for the creation of a report was a DPW position that was part-time salaried. Gray noted that the same position is now listed as DPW Director, asking Arruda if that is still a part-time position. Arruda responded yes, on paper they are part-time meaning they work until the job is done with Arruda adding there are no NH Retirement benefits paid or health insurance benefits offered. Gray reiterated Arruda's remarks adding that per NH Retirement that employee is capped at 26 hours per week which equates to \$52 per hour.

Schilling commented that a Foreman was put in charge with the Selectmen not feeling the need to fill the Director's position; what has changed? Arruda explained that the last DPW Director that resigned had a total package of \$139,000. The Selectmen put in place a Foreman and it worked to a degree however, there was a need for a leader. Schilling questioned if the position's needs were discussed or advertised. Arruda feels that the position could not be filled for \$72,000 and did not want to go out of Town, which was done before; Arruda feels this is a bargain.

Fernandes stated that no one is questioning your position that this position is needed but more questioning why the unique compensation. Fernandes would have liked more transparency about this unique position. Gray cited non-public minutes that state the employee was asked to be made Director. McAllister said it is probably true that it would be hard to fill the position for that money but would like to be transparent. Schilling stated that the process needs to be the same for all.

Arruda stated that he has been a Selectman for 23 years and has never done anything that was not in the best interest of the Town doing the best he can do with what he has.

The report will be updated by Shackford to add two overlooked stipend positions and make a double check of the retirement calculations.

**2024 Draft Budget Discussion** – The proposed 2024 operating budget was reviewed with pertinent comments listed:

Assessing – BTLA line reduced by \$1,500

Solid Waste – This line is \$15,000 less than 2023. Arruda explained that now that we have a compactor for plastics, we expect to save in recycling costs.

Executive – The office assistant line was reduced. The explanation was because the position did not expect to be filled any time soon.

General Government Buildings – The heat line was reduced by \$2,000.

Personnel Administration – A \$66,000 reduction was mainly because the police department filled their vacant full-time position with a part-timer therefore there is no need for insurance or contribution to the retirement system.

Planning Board – Increased back by \$2,000 for legal.

Police – Similar to the Personnel Administration line, personnel changes caused the decrease.

Rec Department – The wages line was decreased by \$2,000.

**2024 Draft Warrant Articles** – The committee reviewed the draft warrant with pertinent comments listed: Schilling questioned why the Veteran’s Monument ETF creation is not listed. It was explained that the Selectmen decided not to do it this year.

Purchase Solid Waste Truck – Arruda explained that there would be no impact this year as the expected trade-in value of \$30-35,000 would be used as the first-year payment, along with funds from the Transfer Station Capital Improvement ETF would reduce the cost. Fernandes would like to see some rough numbers for Town Meeting to which Arruda said that he is working with Swift on that. The truck we have has seen its day said Arruda.

Modoc Hill Road – Brooks explained that the May 1<sup>st</sup> storm damage to Modoc Hill Road has different avenues of repair ranging from \$400,000 and up, with the Selectmen not having made a decision on that avenue. Schilling asked if the Town will get FEMA funds. Brooks stated there has been no disaster declaration for the May 1<sup>st</sup> storm, but even if there was, the Town would have to pay up front and get reimbursed.

Create Groundwater Remediation ETF – Brooks explained that this has been a direction of DES to have caused the Town to hire a professional company to begin initial testing for chemicals in the PFAS family.

**2023 Warrant Article Drawdown** – No comments.

**Public Comment:**

Nicole Nordlund of E. Madison Rd feels it appears that it costs more to use an outside vendor for hauling trash but would like to see more numbers on a garbage truck. Nordlund feels that a lot of people would be interested in a job that pays \$72,000 for 26 hours per week.

Nordlund commented on the health insurance discussion stating that she cannot afford her taxes so she'd like to see more creativity suggesting that employee's children can be covered by the state health insurance. Nordlund feels the spending is non-sustainable and feels some things need to be said no to.

Fernandes encourages the Selectmen to explore other insurance groups and let the employees pick and choose.

Jim Curran, on the topic of transparency, asked that the December 19<sup>th</sup>, 2023 email discussion of this committee be considered a meeting and be properly recorded as such, noting that a "reply all" constitutes a meeting. Fernandes stated he should have Bcc'd members.

The email chain is added below for transparency's sake:

*From: Tino Fernandes <xxx6@xxx.com>*

*Sent: Tuesday, December 19, 2023 1:34 PM*

*To: Linda Shackford <linda@madison-nh.org>*

*Cc: Joy Gray <xxx@xxx.com>; Ned Rogerson <xxxxx@xxx.com>; Joe Dame <xxx@xxx.net>; Sarah Demartino <xxx@xxx.com>; Sharon Schilling <xxx@xxx.net>; Doug Mcallister <xxx@xxxx.com>*

*Subject: Upcoming ABC schedules*

*Fellow ABC members, our schedule after the first of the year becomes more critical. The School Committee meets on 1/8, and this will be their last meeting before the public deliberative session on 2/5 when the final version of the school budget and warrant articles are set for town vote. I may have misinformed some of you when I thought that our ABC meeting was scheduled for 1/9, but it is actually the following week on Tuesday, 1/16. At the 1/16 meeting we will need to VOTE on the proposed school budget and warrant articles, so that our votes are available for the deliberative session on 2/5. Therefore, you should be prepared to vote at the 1/16 meeting, and your last chance to question the school committee would be at their 1/8 meeting. I encourage you to attend the school committee's 1/8 meeting if possible.*

*The next item on our schedule will be the town budget. In the past we have had our votes concurrent with the selectmen's votes which occur at the public meeting scheduled for 2/13. However, at least two of our committee will be out of town that week, and I have asked Linda to see if the selectmen would change the public meeting to Thursday, 2/8. Due to legal requirements the meeting cannot be later than the week of 2/12. If the selectmen do not want to change the public meeting date, then I would plan to have us meet on 2/8 so that the full complement of the ABC would be present to vote on the town budget and warrant articles.*

*Please let me know ASAP if you see any conflicts with your schedules.*

*Also, I had some time to review the Default MES Budget with which we were presented at the last MES meeting. I found a \$49,158 item increase on page 50, line 01.2220.220.077, Fica Media, which was a mistake and Jim Curran says has been picked up and will be corrected, reducing the Default Budget. I also noted that the Default Budget included increases for the art teacher and the PE teacher, as well as substantial increases in the custodial staff which were not in the 2023-2024 budget, and I thought shouldn't be in the Default Budget. However, Jim Curran explained that these contracts had already been signed this school year (2023-2024) and, therefore, should be included in the Default Budget. This logic would mean that whenever the school committee proposed an increase in personnel for the coming year's budget, all they would have to do is sign a contract in the current year, and it would automatically be in the default budget preventing the town from having a decision in the process.*

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*From: doug mcallister <xxxx@xxx.com>  
Sent: Wednesday, December 20, 2023 1:21 PM  
To: Tino Fernandes <xxx@xxxl.com>; Linda Shackford <linda@madison-nh.org>  
Cc: Joy Gray <xxx@xxx.com>; Ned Rogerson <xxx@xxxx.com>; Joe Dame <xxx@xxx.net>; Sarah Demartino <xxx@xxx.com>; Sharon Schilling <xxx@xxx.net>  
Subject: Re: Upcoming ABC schedules*

*We should make it clear to Jim that you picked up the contract trick and will make it known at the open meeting. It probably won't mean much since the meeting is filled with school supporters.*

*Maybe one of your letters to the Sun might be appropriate.*

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*From: Sarah DeMartino <xxxx@xxx.com>  
Sent: Wednesday, December 20, 2023 1:22 PM  
To: Doug McAllister <xxx@xxxxx.com>  
Cc: Joe Dame <xxxx@xxxx.net>; Joy Gray <xxxx@xxx.com>; Linda Shackford <linda@madison-nh.org>; Ned Rogerson <xxxx@xxx.com>; Sharon Schilling <xxxxxx@xxxx.net>; Tino Fernandes <xxxxx@xxxx.com>  
Subject: Re: Upcoming ABC schedules*

*I'm not sure it's a trick and why shouldn't you be a supporter of the school? That's a shame. So glad I joined this committee. Sarah*

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*Tino From: Linda - Town of Madison <linda@madison-nh.org>  
Sent: Wednesday, December 20, 2023 1:38 PM  
To: 'Linda - Town of Madison' <linda@madison-nh.org>  
Bcc: 'Joe Dame' 'Joy Gray' 'Ned Rogerson' 'Sharon Schilling' 'Tino Fernandes' 'Sarah DeMartino' 'Doug McAllister'  
Subject: RE: Upcoming ABC schedules*

*Good Afternoon ABC Members,*

*Just a friendly reminder. Please do not respond to each other via email, I believe Tino intended this to be informational and for scheduling purposes only. Thank you for only responding back to Tino and refrain from using reply all.*

*Thank you again,*

*Linda Shackford*

*Town Administrator*

**8:31 PM – Motion** by McAllister, seconded by Rogerson to adjourn. The motion passed unanimously.

Respectfully Submitted,

Linda Shackford,

Town Administrator

Recording Secretary