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3 **Minutes of the**  
4 **Litchfield Budget Committee**  
5 **Hearing**

6 **Held on January 12, 2012**

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8 The Litchfield Budget Committee held a budget hearing on Thursday, January 12, 2012  
9 at Campbell High School, 1 Highlander Court, Litchfield, NH 03052.

10  
11 **PRESENT:** J Harte (Chairman), M Falzone (Vice Chairman), B Spencer, R Peeples,  
12 C Pascucci, T Finnegan, J York (School Board Representative), J Brunelle (Board of  
13 Selectmen Representative)

14  
15 **ABSENT with excuse:** B Lemire

16  
17 **ALSO IN ATTENDANCE:**

18 **Board of Selectmen:** S Perry, F Byron, G Lambert

19 **Town Administrator:** J Hoch

20 **School Board:** D Miller, J Guerrette, P D'Alleva

21 **SAU:** Dr. E Cutler, S Martin, Michele Flynn

22  
23 **1. TOWN BUDGET PRESENTATION**

24 Mr. Harte opened the hearing at 7:04 p.m. and introduced the members of the Budget  
25 Committee, the Board of Selectmen and the Administration who were on stage. He  
26 provided an overview of the format the hearing would take, and informed those in  
27 attendance and the viewing public that the presentation would be available on both  
28 the Town and School web sites. He then went through each slide stressing the major  
29 highlights of the 2012 Town Budget which included the following areas:

- 30 • Tax rate impact of the Operating budget without warrants with examples based  
31 on an average Litchfield home  
32 • Changes being proposed, such as a warrant article for a reserve fund and removal  
33 of contingency from the Operating budget  
34 • Details of proposed warrant articles which Mr. Harte read for the record.

35  
36 *Please refer to the Town web site for details of the presentation.*

37  
38 **Questions / Comments from the Public:**

39 Ralph Boehm, Gibson Drive: observed that the town population has increased less  
40 than 10% over the last few years, but that the Town budget has doubled.

41  
42 George Lambert, Lydston Lane: responded to Mr. Boehm, asking about the increase  
43 in the School budget over the same period. Mr. Boehm reported the School budget  
44 had increased from \$13 million to \$20 million over the same period.

45

1 Jason Guerrette, Lydston Lane asked questions about the warrant articles as follows:

2  
3 **a) *Warrant Article 2***

4 *(Change Highway Agent from an elected position to an appointed one – zero*  
5 *impact on the tax rate)*

6  
7 Where will the funds come from? It was explained the money is already in the  
8 budget and there will be no change in salary.

9  
10 Responding to Mr. Guerrette's query regarding why the Board of Selectmen wish  
11 to make the change, Mr. Brunelle explained it would put the highway department  
12 under the control of the Board of Selectmen, and will enable the Board to ensure  
13 the department is run by a qualified agent in the future which the Board cannot  
14 ensure if the position remains an elected one.

15  
16 Mr. Guerrette made the point that often a part-time position becomes a full-time  
17 one and there followed a discussion with Mr. Brunelle about the hours for the  
18 Road Agent not changing from what he does currently. Mr. Lambert made the  
19 point that the Board had requested this change in the past, pointing out some of  
20 the problems there have been in the past. He stated the Town will save money in  
21 the long term with this change.

22  
23 Mr. Harte respectfully requested that members of the audience keep questions  
24 specifically to appropriation of funds.

25  
26 **b) *Warrant Article 3***

27 *(Town Hall / Police Department Roof Replacement – zero impact on the tax rate)*

28  
29 How much typically goes to the unexpended fund balance? Mr. Hoch responded  
30 that there was \$108,000 last year and there will be around \$50,000 this year. He  
31 stated that some of the unexpended money goes to offset taxes and how much is a  
32 decision of the Board of Selectmen.

33  
34 Mr. Lambert reported the Board of Selectmen consulted with the auditors who  
35 suggested the Town reduce its unexpended fund balance.

36  
37 Ann Moody, Garden Drive: asked what the age of the Town Hall was, about  
38 what the specific problem is with the roof and whether anyone has followed up  
39 with the manufacturer. It was reported the building was built in 1998 and Mr.  
40 Harte explained both the contractor and shingle manufacturer have gone out of  
41 business. It was further explained there was a surplus in the fund at the end of  
42 2011 and some things are being brought forward from the 2012 budget to  
43 purchase with these funds in order to reduce the 2012 budget.  
44

1 Responding to Mr. Guerrette, Mr. Hoch reported the Town is pursuing the claim  
 2 process to try and recoup from insurance with respect to the shingle company and  
 3 any reimbursement will be put towards the roof replacement project.  
 4

5 **c) Warrant Article 6**

6 *(Establish a Public Works Expendable Trust Fund – zero impact on the tax rate)*  
 7

8 Mr. Harte explained what the fund would be used for. Mr. Guerrette obtained  
 9 confirmation that money could be taken out of the budget for the same purposes.  
 10

11 **d) Warrant Article 8**

12 *(Rescind requirements for capital expenditures approved in 1996 and adopt an*  
 13 *annual purchasing policy)*  
 14

15 Mr. Guerrette asked the Board of Selectmen to add clarifying language as newer  
 16 people in the Town are not aware of the history. Mr. Perry explained the Board  
 17 would like to set a purchasing policy to ensure it keeps pace with today's costs,  
 18 and he provided an example of a plow truck which the Town recently had the  
 19 opportunity to obtain and how the current policy had jeopardized that opportunity.  
 20

21 Mr. Guerrette pointed out the Board would be undoing safeguards for the odd  
 22 exception and the residents would lose control as citizens, and there followed a  
 23 discussion.  
 24

25 Mr. Lambert talked about the fiscal impact every time the Town has to put a  
 26 notice in the newspaper when going out to bid. He stated the change would  
 27 enable streamlining for better governing and more attention would be paid to  
 28 things on an annual basis. Mr. Guerrette suggested adding a further check to the  
 29 policy.  
 30

31 **e) Warrant Article 10**

32 *(A COLA increase of 1.5% for non-union regular Town and Library employees –*  
 33 *\$0.0201 impact on the tax rate)*  
 34

35 Mr. Harte explained the Budget Committee had voted to recommend this tonight  
 36 and at Mr. Guerrette's request he provided details of the vote. Mr. Guerrette  
 37 clarified this was the equivalent of a 15% increase for some staff.

38 There being no further questions on the Town budget or warrant articles, Mr. Harte  
 39 declared a recess at 8:01 p.m. calling the hearing to order again at 8:13 p.m.  
 40

41 **2. SCHOOL BUDGET PRESENTATION**

42 Mr. Harte went through each slide stressing the major highlights of the 2013 School  
 43 Budget which included the following areas:

- 44 • Reasons for the increases

- 1 • An update on the food service figures will be obtained from Mr. Martin and an
- 2 error on page 46 was corrected. Mr. Harte stated the presentation will be updated
- 3 appropriately.
- 4 • Tax rate impact of the Operating budget without warrants with examples based
- 5 on an average Litchfield home
- 6 • Details of the School Warrant Articles

7  
8 ***Please refer to the Town web site for details of the presentation.***

9  
10 ***Questions / Comments from the Public:***

11 Steve Perry, Lydston Lane: Asked what the brick 1930's GMS building was

12 currently used for and he was informed it is now closed.

13  
14 Mr. Perry also asked what the School Board's original figure had been for its budget

15 and Mr. Martin responded, stating \$581,000 should be added to Budget Committee

16 recommended figure.

17  
18 ***a) Warrant Article 1***

19 *(School Operating Budget)*

20 Mr. Harte reported the Budget Committee had voted this evening to reduce this

21 article and provided details of the amount and the vote.

22  
23 ***b) Warrant Article 3***

24 *(Funding the Summer Reading Program at GMS)*

25 Derek Barka, Simeon Lane: Asked who on the Budget Committee had voted

26 against recommending the article and why. It was reported that T Finnegan had

27 voted against, but Mr. Finnegan declined to provide his reason.

28  
29 Dennis Miller asked why the Budget Committee had voted to recommend the Town

30 COLA increase but had not supported the COLA increase for non-union School

31 District staff. Mr. Harte reported the Budget Committee had decided to re-vote with

32 respect to recommendation of the Town COLA due to some members being

33 confused about what the Committee was voting on at the time of the original vote.

34  
35 There being no further input from members of the public, Mr. Harte closed the hearing at

36 8:39 p.m., thanking everyone for attending. He confirmed he would update the slides and

37 get them onto the web sites so that residents have accurate representation of the budgets.

38  
39 The Budget Committee moved to a meeting after the hearing.

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42  
43 **Minutes by:**

***Sandra Maxwell (Recording Secretary)***

44 **Date approved:**

***February 23, 2012***

45