

# **Minutes of the Litchfield Budget Committee Meeting**

**Held on November 1, 2012**

The Litchfield Budget Committee held a meeting on Thursday, November 1, 2012 at Campbell High School, 1 Highlander Court, Litchfield, NH 03052.

**PRESENT:** J Harte (Chairman), R Peeples (Vice Chairman), B Spencer, A Cutter, C Pascucci, C Couture, D Barka (School Board Representative), J Brunelle (Board of Selectmen Representative), J Hoch (Town Administrator)

**ABSENT:**

Mr. Harte called the meeting to order at 7:00 p.m.

## **1. PLEDGE OF ALLEGIANCE**

## **2. PUBLIC INPUT**

Jason Guerrette, 11 Perry Court, announced that Coach Patterson's wife suffered a mini-stroke. He asked that people keep her in their thoughts.

## **3. PRIOR MEETING MINUTE APPROVAL**

**MOTION:** by Mr. Cutter

*Move to approve the minutes of the Litchfield Budget Committee meeting on October 25, 2012 as amended*

**SECOND:** Mr. Barka

**VOTE: 6-0-2, with Mr. Peeples and Mrs. Couture abstaining**

**The motion carried.**

## **4. SCHOOL BUSINESS**

Mr. Barka provided the list of towns used in the School Board Non-LEA market data comparison as requested. He reported that the School Board met last night and the FY14 Superintendent's budget was presented. He noted that Dr. Cochrane outline four main goals as focus areas for the budget. Mr. Barka reported that the budget is level funded, except for areas that relate to the four goals. He explained the four goals are:

- Common Core State Standards: implementation costs increase around rigor;
- Special Education: to be move toward being more proactive vs. reactive;
- Education Technology: we are falling behind as we are now in a situation where we were 2 or 3 years ago and all testing for CCSS is computer-based;
- Buildings & Grounds: increasing coordination across all schools with regard to maintaining grounds investments and assets.

Mr. Barka reported that included in the FY14 Superintendent's budget is an increase for the entry of all facility and maintenance data into SchoolDude as time is currently dedicated to the maintenance of grounds. He noted that the town withdrew its offer to plow for the District. Mr. Barka reported that the overall increase to the FY14 Superintendent's budget bottom line is

approximately \$950,000. He noted that the budget approach is focusing on strategic goals and is structured well.

Mrs. Couture asked about the hierarchy of the goals. Mr. Barka commented that rigor would most likely be the priority.

Mr. Peeples asked about savings from dropping part time employees' hours from 6 hours per day to 5.5 hours per day to avoid PPACA. Mr. Barka indicated that there is potentially no savings as we have to hire additional support to fill the gaps.

Mr. Peeples asked why the district would pay more in salaries instead of paying insurance for those part time employees. Mr. Barka commented that paying insurance would be more expensive. He explained that according to PPACA the district must offer insurance to employees that are eligible. However, Mr. Barka noted that if the district does not offer the same insurance to employees and they go to the exchange and discover it is (in fact) different, the district will get fined. He commented that if the district offers insurance at a higher cost and the employees decline to take advantage, the district will get fined.

Mr. Cutter commented that the Superintendent's goals appear to be short term. He asked if there was any discussion regarding a longer term vision.

Mr. Barka commented that CCSS will be implemented over the next couple of years. He noted that the district has to be more proactive than reactive with Special Education, which involves other methods of offering services to students to keep them in the district as opposed to out of district placements. Mr. Barka indicated that included in the budget is a request for an Autism & Behavioral Specialist, and the increase is offset by a savings of \$71,000 in out of district tuition.

Mr. Pascucci commented that the Behavioral Specials is a new position. He commented that there should be consideration for putting it on a warrant article and explaining the rationale.

Mr. Spencer commented that the potential savings of this position appears to be for one student. He indicated that when the student leaves, the position will not be removed from the budget. Mr. Barka explained that the position would not be just for one student, but would provide service for other students with needs in the district.

Mrs. Couture suggested that when we review the budget, the Director of Special Services can attend so that she can answer our questions. She pointed out that in the past a specialist was hired for autistic students at GMS and at LMS, but it further justification is needed for the proposed position.

Mr. Barka commented that the number of students with needs has increased at this time and the rationale for the position will make sense.

### **TOWN BUSINESS**

Mr. Brunelle thanked all town employees involved for assistance with clean up efforts after the recent storm. He reported that the Board of Selectmen had a discussion on the Ambulance

account and will have a discussion on the Accounting account. He indicated that the contract will need to be re-negotiated.

Mr. Spencer asked why there is an increase in the Ambulance account [from \$220,000 to \$260,000] if there is no change with Hudson. He believes Hudson is charging Litchfield for the ambulance.

Mr. Brunelle noted that the response from Chief Murray was that it has not changed. He commented that the Chief surmised the salaries increased. Mr. Hoch noted that Chief Murray provided the information for analysis. Mr. Brunelle added that the information will be analyzed and investigated.

Mr. Cutter asked if the quarterly bills are validated against the call records to Litchfield. Mr. Brunelle indicated that the billing validates with the call records.

## **BUDGET REVIEW**

### a. 4411.20 - Mosquito Control

Mr. Hoch presented the 2013 Mosquito Control budget with a bottom line of \$29,910. He highlighted the following increases/decreases:

- Contracted Services increase of \$3,000 (limited market of certified service providers in the state)
- Printing increase of \$200 (added for production and distribution of information and educating the community)

The total increase to Account 4411.20 is \$3,200.

Mr. Harte asked if there is a specific purpose for the information distribution.

Mr. Raccio, Mosquito Control Committee Chairman, explained that the actual intent is the replacement/replenishment of heavy laminated signage for treatment applications and warnings across the parks and schools. He indicated that several years ago we had an urgent need for the signage. Mr. Raccio commented that signs and plaques are posted community awareness.

Mr. Harte asked if the contract for the contracted services increased. Mr. Raccio indicated that the actual service hours and what is provided remained flat. A small percentage for actual costs of materials is included. Mr. Raccio explained that the majority of the cost represented is federal taxes and fees. The tax was implemented last year and the town did not absorb it. He noted that we were made aware the town was to absorb the cost of the tax and fees. Mr. Raccio indicated that the Committee struggled with reducing service to the town, but made a recommendation to the Board of Selectmen that services would remain unchanged and the contract cost would be increased due to federal taxes and fees.

Mr. Raccio noted that federal taxes were imposed on Michael Morrison's company for filing and handling hazardous materials, with a 2% increased cost of materials.

Mr. Pascucci asked about Mr. Morrison and his company. Mr. Raccio explained that Mr. Morrison is the principal owner of the company and runs federally sponsored conservation restoration program. He noted that Mr. Morrison brought much money into the town with conservation restoration. Mr. Raccio commented that Mr. Morrison has treated us with the utmost care and is always available for Litchfield in an emergency.

Mr. Cutter asked if the town research other types of companies in comparison for value. Mr. Hoch indicated that there are only 3 or 4 companies certified by the state for this type of work. He noted that last year the previous Chair received similar pricing from other contractors. Mr. Hoch commented that this contract is several thousand less than others in comparison. He noted that with a survey of the market and limited services, we have the lowest contract cost.

b. 4520.10 – Parks

Mr. Hoch presented the 2013 Parks budget with a bottom line of \$95,745. He highlighted the following increases/decreases and/or changes:

- Utilities – water cost is increasing driven by additional sprinklers at the other fields
- Building Repairs/Maintenance decreased \$1,000
- Field Maintenance increased \$3,000 for extra seeding, fertilizing, mowing and irrigation for all fields
- Field Improvement decrease of \$1,500 – targeted project is repair of slide at Darrah Pond and safety mulch replacement

The total increase to Account 4520.10 is \$951.

Mr. Harte asked how the increase for field maintenance was calculated. Mr. Brunelle indicated that the square footage for Darrah was used and the square footage of the new fields was added.

Mr. Harte commented that \$34,000 has been used to date and noted that information suggests the new fields are being mowed. Mr. Brunelle indicated the new fields have only been mowed recently. He offered to provide more details.

**ACTION: Mr. Brunelle**

Mr. Spencer asked about the increase in the telephone and data line item. Mr. Hoch commented that there will be two lines per month. He indicated that there are two lines, but we discovered one was disconnected. He noted that the problem was discovered this year and was corrected. Mr. Hoch indicated that the service for both lines was overlapped, instead of being separate.

Mr. Spencer commented that the town has spent \$4,838 for propane to date. He asked if the town would spend the \$10,000 that is budgeted in 2013.

Mr. Hoch explained that for budgeting purposes, he doubles what was spent in the first half of the year with the expectation of a small increase.

Mr. Spencer asked what was spent on Public Notices to date. Mr. Hoch noted that nothing has been expended. He explained that last year the Board of Selectmen thought they would be publishing an RFP for a landscaping contract, which they opted not to do this year.

Mr. Spencer asked if nothing was spent this year, why budget \$900 for next year. Mr. Brunelle commented that they budgeted for preparation and advertising of the RFP.

Mr. Pascucci asked if the money currently in the budget can be used to prepare the RFP in December. Mr. Brunelle indicated that he will ask the Board of Selectmen if the money will be used this year.

Mr. Cutter noted that there appears to be limited use of the playground equipment at Darrah and asked if the repair expenditure is warranted. Mr. Brunelle indicated that survey results reflected that people want those assets repaired. He noted that we want to offer the service and maintain our assets.

Mr. Spencer asked how the amount in Equipment Purchase was developed. Mr. Brunelle commented that a scoreboard controller was donated, but we are trying to get a scoreboard and replace damaged playground equipment. Mr. Harte indicated that the Committee would like the breakdown from lines 730 and 740. Mr. Spencer added line 750 as well.

**ACTION: Mr. Brunelle**

Mr. Spencer asked about the mileage line item. Mr. Brunelle indicated that the custodian travel to the fields. He commented that nothing was spent this year to date and we are trying to determine the reason.

Mr. Hoch commented that we can determine the mileage between Darrah and Jeff Lane and calculate the number of trips to determine the number.

c. 4550.20 – Library

Mr. Hoch presented the 2013 Library budget with a bottom line of \$228,792. He noted that the Library account reflects an increase of \$30,793.

Vicki Varrick, Director of the Aaron Cutler Library, and a member of the Board of Trustees presented information regarding the 2013 Library budget. Ms. Varrick reported that to date there is an average of 99 daily users and 194 circulations. She noted that the library has evolved into more than just a place where someone can get print and movies. Downloadable e-books and digital media are available at no cost. The library has the ability to get materials found in other libraries throughout the state upon request. The library offers computer and wifi services at no charge.

Ms. Varrick indicated that other services and/or programs added include:

- A book discussion group for grades 5-7 in the Children's department
- A drop-in knitting group in Adult programming
- Evening programs will be offered for adults in the North room with presenters
- Haunted Lighthouses of New England was presented this year with 77 attendees
- Woodworking for the holidays
- Other community programming is ongoing.

Mr. Pascucci asked how a daily user is determined and how the average is calculated. Ms. Varrick indicated a daily user is someone who comes to the library physically or access online downloads virtually. People and groups who attend programs are classified as daily users.

Mr. Pascucci asked how many people walk into the library on a daily basis. Mr. Peeples clarified the questions indicating that virtual user information would be easier to track. He asked about the virtual component which will yield the number of users. Ms. Varrick indicated that there are up to 200 virtual users per month; the majority of users walk in physically. She estimated that approximately 80 people walk into the library on a daily basis.

Ms. Varrick noted that line 411, Heating Oil, reflects an increase of \$964 and explained that the placeholder in last year's budget was never updated.

Mr. Spencer asked what was spent last year. Ms. Varrick commented that she did not have that information with her, but will research it and provide the information to the Budget Committee.

Mr. Spencer asked what has been spent to date. Ms. Varrick indicated that \$895 has been spent because the remaining oil from the fire station was transferred to the library when the fire station converted to propane. She noted that another delivery is due this year.

Ms. Varrick noted that the library is requesting \$1,000 for presenters for Community Programs to fund what has been started. She indicated that they are hoping to have six paid programs and supplement with grants and free resources. Ms. Varrick reported that Library supplies have increased. She commented that under Equipment Maintenance they are trying to get additional IT resources for the maintenance of computers. She explained that 10 hours is allotted in the budget currently, but those hours are used up when there is an issue or an update. Ms. Varrick indicated that we do not have the person come to update the computers to ensure they are running properly. Computers are sluggish and the 10 systems are very old (Windows 98, XP). She indicated that there is funding to replace some of the systems.

Mr. Harte asked what are the means by which you will get more equipment. Ms. Varrick indicated that the Board of Selectmen set aside year end funds so that the library can replace some computers.

Mr. Harte asked what the funds will be used to purchase. Ms. Varrick noted that they should be able to purchase at least 6 computers. Mr. Brunelle commented that the Board of Selectmen set aside \$6,000 for 7 machines with monitors and keyboards.

Mr. Harte asked about the use of those computers. Ms. Varrick indicated that the core is the automated library system. Installation will be covered as well.

Mr. Harte asked if there would be any other software costs or additions. Ms. Varrick indicated that the ILS software needs to be replaced to be compliant with the newer operating systems. She noted that we will use the unused health insurance money that is in the current budget.

Mr. Harte asked if the library will need further infrastructure for support. Ms. Varrick answered that she is not aware of the need for further infrastructure.

Ms. Varrick further reported that Septic service was added to the budget and all other non-payroll items reflect a decrease of \$80. She noted that the copy machine needs to be replaced and she is working with Mr. Hoch on acquiring an older unit from the town.

Mr. Spencer asked what the funds budgeted in line 740, Equipment Purchases, will be used to purchase. Ms. Varrick indicated that is the money to purchase a server.

Mr. Cutter asked about the age of the library and condition of the facilities. Ms. Varrick indicated that the library was built in 1924. She commented that there is a moisture problem, flooding, and some walls are crumbling from the moisture. She noted that a Building Maintenance Trust Fund was established in 1924 and when issue arise the funds are used.

Ms. Varrick referred to the Salaries line and explained there are two components: an additional position and health/dental concerns. She indicated that although two people are entitled to benefits, they take advantage of their spouses' insurance.

Mr. Spencer commented that at this point there are no employees on health insurance and none for next year. Ms. Varrick commented that one person will need coverage next year. She indicated that she would like included in the budget health insurance for another employee in the event an employee needs coverage. She suggested a warrant article to establish an expendable trust fund so there would not be a need to budget for health insurance each year.

Ms. Varrick indicated that the new position requested is a Teen and Technical Services Librarian. She explained that this position will assist young adults with library research as well as maintain the database of materials and orders on the shelves, catalog materials, help with promotion of adult programs online, and allow adult and children's librarians to be on the floor at all times. Ms. Varrick noted that the library began developing a teen collections when CHS opened and made a space for teens in the library. Ms. Varrick indicated that the town needs a librarian who likes working with teens and can reach more of them with someone who is more "in tuned" with teens. She commented that this person would be able to update the website, post teen pages, and do more promotions.

Ms. Varrick indicated that having this position would also allow the library to have additional programming, such as computer courses or a literacy program for infants and toddlers, which has been requested.

Mr. Harte indicated that the overall Library budget reflects an increase of \$30,000 and this position is budgeted at \$30,000. He asked if there is any consideration to include the position in a warrant article. Ms. Varrick noted that they have considered it, but are waiting for the Budget Committee's recommendation.

Mr. Spencer commented that this is a new position and should be on a warrant article with health insurance.

Mr. Pascucci asked Mr. Brunelle why this is a need and not a want. Mr. Spencer commented that the Board of Selectmen cannot change the Library budget.

Mr. Brunelle indicated that the Library has to ask for the money and that the Board of Selectmen has reduced it in the past.

Mr. Pascucci asked if Mr. Brunelle disagreed with the position, would he remove the position from the budget. Mr. Brunelle indicated that the Board of Selectmen agreed with it and did not discuss removing it from the budget. He explained that they felt the Library could present their case and see if the Budget Committee agreed; otherwise it would go on the warrant.

Mr. Pascucci commented that the position should not be in the budget, but should go to the voters on the warrant. He noted that he is not trying to take something away from children, but would like to know if this position is a need or a want. Mr. Brunelle indicated it is a need from their perspective as they would like to have services for teens.

Mr. Harte clarified that when the Budget Committee removes an item and recommends its inclusion on a warrant article, we are not taking anything away. We are simply giving the voters a choice to voice their support or non-support.

Mr. Pascucci commented that some School Board members made statements that the Budget Committee has no power to recommend warrant articles, but can remove items from the budget.

Mr. Peeples commented that there has been a long standing practice to put new positions on the warrant.

Mr. Brunelle commented that there are certain positions that are clearly needs and if the governing body wants to reduce services, that is a different argument. Mr. Peeples indicated the argument is to give the people a choice to decide for the services they would like.

Mr. Cutter commented regarding average daily users, it was mentioned that approximately 80 walk in daily. He asked how many of those that physically walk into the library are teens. Ms. Varrick offered to research and provide that information. Mr. Brunelle commented that this is an expansion of services.

Mr. Peeples asked if the vast majority of teens are being serviced by the middle and high school libraries. Ms. Varrick indicated that school libraries do not provide recreational needs or programming.

Mr. Barka asked about the difference in materials as compared to school libraries. Ms. Varrick indicated that school library materials are geared toward curriculum and the public library meets recreational and community needs.

## **BUDGET VOTING**

a) 4150.10 Accounting

**MOTION:** by Mr. Brunelle

*Move to approve account 4150.10, Accounting, for a bottom line of \$204,896 for 2013.*

**SECOND:** by Mr. Cutter  
**VOTE: 8-0-0**

b) 4215.10 Ambulance

**Voting for this account has been deferred to the next meeting.**

c) 4311.10 Road Agent

**MOTION:** by Mr. Brunelle

***Move to approve Account 4311.10, Road Agent, for a bottom line of \$33,858 for 2013.***

**SECOND:** by Mr. Cutter

Mr. Pascucci asked about the formula used to calculate the cost of propane for the budget. Mr. Hoch indicated it is the same formula used for all accounts – doubling what was spent for the first half of the year with consideration for a small increase.

Mr. Pascucci commented that he would like to know what is left in the propane tank(s). Mr. Hoch indicated that he was cautious because we had a mild winter last year.

A lengthy discussion regarding propane followed. Mr. Hoch commented that he will do his best with whatever number the Budget Committee recommends for propane.

**MOTION:** by Mr. Pascucci

***Move to reduce line 411, Propane, to \$5,400***

**SECOND:** by Mr. Cutter

Mr. Pascucci commented that he would feel more comfortable knowing how much propane is left in the tank.

**VOTE: 7-1-0, with Mr. Brunelle opposing.**

**VOTE ON AMENDED BOTTOM LINE OF \$33,058: 7-1-0, with Mr. Brunelle opposing.**

d) 4312.20 Road Maintenance

**MOTION:** by Mr. Brunelle

***Move to approve Account 4312.20, Road Maintenance, for a bottom line of \$593,596 for 2013.***

**SECOND:** by Mr. Cutter

Mr. Pascucci referred to contractor services and commented that the contractors are paid hourly and supply the trucks and we supply the plows and sanders. He asked who maintains the equipment and who pays for the gas to run the trucks. Mr. Brunelle noted that the town maintains the plows and sanders, and the town pays for the gas.

Mr. Pascucci asked if the contractors supply their own insurance. Mr. Brunelle answered that they supply their own insurance.

Mr. Pascucci asked if the town pays for repairs if a contractor's truck breaks down during their service to us. Mr. Brunelle indicated that the contractors pay for their own repairs and if the truck is not able to continue that particular run, we would send out one of our trucks.

Mr. Pascucci commented that we pay plow operators \$70 per hour. Mr. Brunelle indicated that includes the cost for the truck as well.

Mr. Pascucci indicated he has spoken with some colleagues regarding payment for contractor services. He noted there is a big distinct difference between plowing the town roads and plowing parking lots. Mr. Pascucci indicated that he acquired some information regarding plowing from the City of Nashua. He commented that the rate paid for a 6-wheeler with a wing is \$58 per hour and with a sander the rate is \$73 per hour. He noted that the contractor has to supply the plow, wing and sander as well as inspection of equipment. Mr. Pascucci indicated that there is a fuel cost adjustment based on the price of fuel. He commented that there is no minimum of hours to work. He indicated that it may be worthwhile to research similar information in other towns.

Mr. Brunelle indicated that all contractors for Litchfield have been providing their services for a long time and know the streets well.

Mr. Pascucci commented that this is about saving costs and should be at the top of the discussion in April. He indicated that discussion regarding plowing for the schools sparked the issue.

Mr. Brunelle commented that plowing for the schools is no longer an issue. He indicated that this line item decreases each year.

Mr. Cutter wanted to know if Mr. Pascucci was making a point. Mr. Pascucci commented that we are paying too much for contractor work and fuel, as well as supplying and maintaining equipment for contractors. He indicated that contractors can come with their own equipment and the town can pay less for the service.

Mr. Brunelle indicated there is savings in maintenance. Mr. Peeples concurred. Mr. Brunelle commented that he would bring the budget back to Mr. Pinciero.

Mr. Cutter asked about the Albuquerque project and wanted to know if the cost is for the entire repaving of Albuquerque Avenue. Mr. Hoch indicated that the cost is for repaving from Grouse to the new culvert the town replaced two years ago. Mr. Brunelle commented that the Albuquerque project was identified and had Board of Selectmen support.

**VOTE: 8-0-0**

e) 4415.xx Health Agencies

**MOTION:** by Mr. Brunelle

***Move to approve Account 4415.xx, Health Agencies, for a bottom line of \$0 for 2013.***

**SECOND:** by Mr. Cutter

Mr. Peeples asked why the account was zeroed. Mr. Brunelle explained that the Board of Selectmen received a request for resolution as the agencies are asking for higher accounts and the Board of Selectmen opted to let the voters decide.

Mr. Cutter asked what happens if the warrant fails. Mr. Brunelle indicated that the Board of Selectmen are discussing how to draft the warrant to reflect that if the warrant is not approved the budget for the account will revert to last year's funding.

Mr. Peeples noted there have been patrons that have used the services in the past. Mr. Brunelle indicated that the Board of Selectmen may return with a request for some funding in this account.

**VOTE: 6-1-1, with Mr. Spencer opposing and Mrs. Couture abstaining.**

f) 4445.xx Welfare

**MOTION:** by Mr. Brunelle

*Move to approve Account 4445.xx, Welfare, for a bottom line of \$20,000 for 2013.*

**SECOND:** by Mr. Cutter

**VOTE: 8-0-0**

## **5. MEMBER INPUT**

Mr. Cutter asked when the District budget would be reviewed. Mr. Harte commented that the Budget Committee usually receives the budget the Wednesday before Thanksgiving.

Mr. Barka commented that the Board is considering making reductions per account and the Superintendent can make the decision for re-allocation of the funds in the accounts. He asked if the Budget Committee would prefer that to be done prior to receiving the budget.

Mr. Harte commented that the Budget Committee makes recommendations by Object account. He noted that it would be to the Superintendent's benefit to do so if he knows which accounts to offset with the reductions.

Mr. Harte announced that Mr. Martin asked if the Committee would like a copy of the budget before we receive the budget recommended by the School Board. He noted that he recommended the Committee will follow historic practice.

## **6. PUBLIC INPUT**

Jason Guerrette, 11 Perry Court, commented that during the discussion regarding the Library, a question arose about use of the high school library. He indicated that from information garnered from his son who attends the high school that the school library has a high amount of usage. Mr. Guerrette commented that there is usually a request for more library funding in each budget. He noted that the high school library does contain controversial materials not used in the classrooms.

- **Upcoming meetings**

The next meeting of the Budget Committee will be held on November 8, 2012.

**MOTION:** by Mr. Cutter

***Move to adjourn.***

**SECOND:** Mr. Barka

**VOTE:** 8-0-0

**The motion carried unanimously.**

There being no further business, the meeting adjourned at 9:45 p.m.

**Minutes by:**

***Michele E. Flynn (Recording Secretary)***

**Date approved:**

**November 8, 2012**