

1
2
3 **Minutes of the**
4 **Litchfield Budget Committee**
5 **Meeting**

6 **Held on December 13, 2011**

7
8 The Litchfield Budget Committee held a meeting on Tuesday, December 13, 2011 at
9 Campbell High School, 1 Highlander Court, Litchfield, NH 03052.

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

13
14 **ABSENT with excuse:** M Falzone (Vice Chairman), B Lemire

15
16 **ALSO PRESENT:** S Martin (School Business Administrator)

17
18 Mr. Harte called the meeting to order at 6:33 p.m.

19
20 **1. PUBLIC INPUT**

21 Nick D'Alleva, Cutler Road introduced himself, stating he was concerned about a
22 recent School Board meeting at which \$1 million was added to the default budget.
23 He went on to talk about his concern about items in the default budget which he did
24 not feel were either appropriate or necessary. He quoted from the statutes and asked
25 for clarification.

26
27 In response, Mr. Harte clarified that the Budget Committee has no purview with
28 respect to the default budget and receives it for information only. Mr. Spencer
29 clarified that residents voted for the Budget Committee not to have a role in the
30 default. There followed further discussion between members of the Committee for
31 further clarification.

32
33 **2. MINUTES**

34 Approval of minutes was deferred.

35
36 **3. SCHOOL BUSINESS**

37 **a) Voting – GMS**

38 **MOTION:** by Mr. York

39 ***Move that the Budget Committee hereby approves \$598,069.47 for GMS in the***
40 ***2013 School District operating budget***

41 **SECOND:** Mr. Spencer

42 ***Discussion:***

43 Referring to an e-mail from Mr. Spencer requesting additional information
44 pertaining to line items, Mr. York stated the Budget Committee needs to ensure it
45 does not get into a detailed discussion about these. He read for the record the

1 responses from Mr. Martin to the Budget Committee's queries relative to the
2 GMS presentation.

3
4 **MOTION:** by Mr. Finnegan

5 *Move to reduce account 1011110000, line 737 (Furniture replacement) to zero*

6 **SECOND:** Mr. Pascucci

7 **Discussion:**

8 Mr. Finnegan provided the rationale for the cut, stating he had not heard anything
9 to convince him this was necessary and he would rather see the money spent on
10 direct student action and teachers rather than on furniture. Mr. Spencer clarified
11 this had been added by the School Board and Mr. York explained it had originally
12 been in the first edition of the budget and the SAU had made the cut. He further
13 reported that Mr. Guerrette had moved to add the item back in with a vote of 4:1
14 in favor. There followed a discussion with respect to the condition of the desks
15 and the School District's replacement policy (over 5-10 years). Mr. Pascucci
16 stated the Committee had insufficient information to make a valid decision on this
17 item.

18 **VOTE:** 1-6-0 (Mr. Finnegan voted in favor of the motion)

19 **The motion failed.**

20
21 **MOTION:** by Mr. Spencer

22 *Move to reduce account 1011110029, line 610 (Supplies) to \$6,218*

23 **SECOND:** Mr. Finnegan

24 Mr. Spencer cited enrolment figures as his rationale for the cut.

25 **VOTE:** 6-1-0 (Mr. York opposed the motion)

26 **The motion carried.**

27
28 **MOTION:** by Mr. Spencer

29 *Move to reduce account 1011212000, line 330 (Professional services) to \$5,511*

30 **SECOND:** Mr. Finnegan

31 Mr. Spencer stated this removes one potential student requiring 504 services.

32 **VOTE:** 6-1-0 (Mr. York opposed the motion)

33 **The motion carried.**

34
35 **MOTION:** by Mr. Spencer

36 *Move to reduce account 1011212000, line 734 (Equipment – Additional) to*
37 *\$1,500*

38 **SECOND:** Mr. Pascucci

39 **Discussion:**

40 Mr. Spencer stated this is in line with his previous motion. Mr. Finnegan clarified
41 the number of students/potential students. Mr. Martin clarified two new systems
42 were \$1,200 each and Mr. York stated the amount included refurbishment of
43 existing equipment and should be \$1,800 (which supports the rationale that the
44 line includes parts).

45

46

1 **MOTION:** by Mr. Peeples

2 *Move to amend the motion on the floor for account 1011212000, line 734*
3 *(Equipment – Additional) to \$1,800*

4 **SECOND:** Mr. Finnegan

5 **VOTE:** 6-1-0 (Mr. York voted against the motion)

6
7 **VOTE on the amended motion:** 6-1-0 (Mr. York voted against the motion)

8
9 **MOTION:** by Mr. Finnegan

10 *Move to reduce account 1011241000, line 890 (Miscellaneous) to \$500*

11 **SECOND:** Mr. Pascucci

12 **Discussion:**

13 Mr. Finnegan provided the rationale for his cut, stating it is based on the 2012
14 figure and that other opportunities exist to recognize staff. Mr. Pascucci pointed
15 out the Committee had also reduced the same line in the LMS budget.

16 **VOTE:** 5-2-0 (Messrs. York and Brunelle opposed the motion)

17
18 **MOTION:** by Mr. Finnegan

19 *Move to reduce account 1011241000, line 810 (Dues and Fees) to zero*

20 **SECOND:** Mr. Pascucci

21 **Discussion:**

22 Mr. Finnegan provided the rationale, stating these are personal dues. Mr.
23 Brunelle pointed out the membership stays with the school and is not taken with
24 the principal when he leaves, and Mr. Peeples stated this may be part of the
25 principal's contract of employment. Mr. York pointed out that the membership
26 provides benefit to the whole school. There followed further discussion with
27 respect to various levels of membership for different principals. Mr. York pointed
28 out that information gained is filtered down for the benefit of staff.

29
30 **Messrs. Finnegan and Pascucci withdrew their motion and second.**

31
32 **Discussion:**

33 Mr. Peeples clarified with Mr. York that 'repeaters' had been removed from the
34 budget by the School Board and there followed a discussion with respect to why
35 the Board had taken this action.

36
37 In response to a query from Mr. Finnegan, Mr. Martin clarified the figures for re-
38 pointing is a budgetary quote and he would go out for three quotes before the
39 work was done.

40
41 **MOTION:** by Mr. Finnegan

42 *Move to reduce account 1011262000, line 430 (Repairs & Maintenance) to*
43 *\$53,861*

44 **SECOND:** Mr. Pascucci

45 **Discussion:**

1 Mr. Finnegan provided his rationale for the cut, stating he wanted to remove
2 anticipated repairs. Following some discussion, Mr. Finnegan stated he would
3 entertain an amendment to his motion with respect to the bathroom partition
4 repairs. Mr. Pascucci suggested the School Board could make a case for a special
5 fund and Mr. Finnegan pointed out they also have \$25,000 in the budget for
6 repairs and maintenance in addition to this.

7
8 **MOTION:** Mr. Pascucci

9 ***Move to amend account 1011262000, line 430 (Repairs & Maintenance) to***
10 ***\$56,361***

11 **SECOND:** Mr. Finnegan

12 ***Discussion:***

13 Mr. York pointed out the age of the building and stated they are doing a good job
14 on a lean budget. He also talked about the assessed value of the school versus the
15 maintenance cost, and encouraged the Budget Committee not to look at the detail
16 so much as the overall cost. Mr. Spencer talked about a better way to fund the
17 repairs and Mr. Pascucci suggested this was an opportunity for a warrant article.

18 **VOTE:** 4-3-0 (Messrs. York, Brunelle and Harte opposed the motion)

19 **The motion carried.**

20
21 ***Discussion:***

22 There followed a discussion between Messrs. Spencer and Martin with respect to
23 the cost per square foot to maintain GMS. Mr. Harte stated it was his opinion this
24 figure was too low for this building. Mr. Spencer explained why he would not
25 suggest changing the figure and there followed further discussion on the figure.

26
27 **VOTE on the amended motion:** 2-5-0 (Messrs. Finnegan and Pascucci voted in
28 favor of the motion)

29 **The motion failed.**

30
31 **MOTION:** by Mr. Spencer

32 ***Move to reduce account 1011262000, line 622 (Utilities – Electric) to \$57,000***

33 **SECOND:** Mr. Peeples

34 Mr. Spencer provided the rationale for his cut, citing historical figures support his
35 motion, in addition to usage drop, rate reduction, the removal of the portables etc.
36 Mr. Martin pointed out \$20,000 is a fixed amount for the cost of the Smart Start
37 program and there followed a discussion on the program and the kilowatt hours.

38 **VOTE:** 6-1-0 (Mr. York opposed the motion)

39 **The motion carried.**

40
41 **MOTION:** by Mr. Spencer

42 ***Move to reduce account 1011262000, line 623 (Utilities – Bottled Gas) to \$3,885***

43 **SECOND:** Mr. Pascucci

44 Mr. Spencer explained how he had calculated the figure he was proposing.

45 **VOTE:** 6-1-0 (Mr. York opposed the motion)

46 **The motion carried.**

Discussion:

Referring to the parking lot, Mr. Pascucci reported he had looked at the condition and felt it was beyond repair. He suggested a plan needs to be put in place to replace it rather than spending money on crack sealing.

MOTION: by Mr. Pascucci

Move to reduce account 1011263000, line 430 (Repairs & Maintenance) to \$10,800

SECOND: Mr. Finnegan

Discussion:

Mr. Pascucci provided the rationale for his cut, stating this would remove \$6,800 for crack sealing as he felt doing this work was throwing good money after bad. Mr. Finnegan commented on the lack of justification/backup for some of the proposed repairs. Mr. Martin agreed the parking lot needs to be replaced but that they may not be able to do the work next year. There followed a discussion with respect to a possible warrant article for replacing the parking lot, and Mr. Pascucci suggested could it could be replaced for the amount being asked for the work on the LMS courtyard.

VOTE: 6-1-0 (Mr. York opposed the motion)

The motion carried.

MOTION: by Mr. Finnegan

Move to reduce account 1011263000, line 430 (Repairs & Maintenance) to \$9,000

SECOND: Mr. Pascucci

Discussion:

Mr. Finnegan stated this would remove the amount for miscellaneous unknown repairs. There was a discussion by the Committee and most felt this would be reducing the line too much.

VOTE: 1-6-0 (Mr. Finnegan voted for the motion)

The motion carried.

Responding to a query from Mr. Spencer with respect to including the purchase of the modular buildings in the budget when impact fees are being used to purchase them, Mr. Martin reported he must offset by appropriating them. Mr. York explained this was tax neutral and part of the budget.

VOTE on a new bottom line of \$571,612.98: 6-1-0 (Mr. York opposed the motion)

The motion carried.

b) Voting – GMS, Salaries & Benefits

MOTION: by Mr. York

Move that the Budget Committee hereby approves \$3,085,922.73 for GMS, Salaries & Benefits in the 2013 School District operating budget

SECOND: Mr. Finnegan

Discussion:

Mr. Finnegan queried the 15% increase in reading salaries for the summer reading program, and there was a discussion with respect to holding students back if they are failing in reading. Mr. Harte pointed out this would normally happen when a student is failing in multiple areas.

Mr. Martin pointed out this was not a new program but in 2012 it was being paid for with AARA funds which are no longer available. There followed a discussion with respect to the reading program being put on a warrant article.

Mr. Spencer raised the matter of monitors on buses with respect to the requirement to administer EpiPens if required and Mr. Martin explained where the cost of this has been charged. He stated they are now instructed to identify hours for 504 Plans. In response to Mr. Spencer, Mr. Martin stated the \$6,300 was developed by Guidance. Mr. York agreed to ask Dr. Cutler to talk about enrolment in the summer reading program

Action: Mr. York

VOTE: 7-0-0

The motion carried unanimously.

Mr. Harte called a short recess at 8:43 p.m., calling the meeting to order again at 8:47 p.m.

c) Voting – Special Education

MOTION: by Mr. York

Move that the Budget Committee hereby approves \$1,489,607.88 for Special Education in the 2013 School District operating budget

SECOND: Mr. Pascucci

Discussion:

Mr. Spencer stated he would make cuts in three areas which in total would come to what he felt was a reasonable figure. He provided details of the areas which he felt were historically under spent and reported his reduction came to 8% overall.

MOTION: by Mr. Spencer

Move to reduce account 1000120100, line 330 (Professional Services) to \$187,900

SECOND: Mr. Finnegan

Discussion:

Mr. Spencer provided figures for the last three years, pointing out the account was under spent, and Mr. York pointed out the School Board has tried to tighten up in this area of the budget. He asked that the Budget Committee take this into account, and talked about the legal requirements for providing services in a discussion with Mr. Spencer. Mr. Pascucci clarified with Mr. Martin what the process would be if additional money was required within the Special Education budget. Mr. Martin explained why he uses \$200,000 each year for estimating the

1 tax rate. He confirmed any money left in the Special Education budget goes back
2 to the fund balance and is not spent elsewhere. There was a discussion between
3 Messrs. Spencer and Martin regarding a deficit appropriation. Mr. Spencer stated
4 there was no question in his mind that this part of the budget will be under spent.
5

6 Also discussed was an article on December 12th in the Telegraph about potential
7 changes with respect to Special Education responsibilities.
8

9 **VOTE:** 4-3-0 (Messrs. York, Pascucci and Brunelle opposed the motion)
10 **The motion carried.**
11

12 **MOTION:** by Mr. Spencer

13 ***Move to reduce account 1000120100, line 569 (Handicapped Tuition) to***
14 ***\$714,566***

15 **SECOND:** Mr. Pascucci

16 ***Discussion:***

17 Mr. Spencer provided the figures for past years, and talked about the account
18 under running in those years. Mr. Martin clarified for Mr. Finnegan why the 2011
19 actual was showing zero. Mr. York pointed out to Mr. Finnegan that line 569 is
20 for handicapped students and requested the chair move on.

21 **VOTE:** 4-3-0 (Messrs. York, Pascucci and Brunelle opposed the motion)

22 **The motion carried.**
23

24 Mr. Peebles asked for clarification of line 610, Supplies on page 4 with respect to
25 rewards/incentives, and Mr. Martin provided an explanation of what these were.
26

27 Mr. Spencer stressed that Special Education transportation was not part of the
28 1200 series account that he had previously talked about.
29

30 **MOTION:** by Mr. Spencer

31 ***Move to reduce account 1000272200, line 519 (District Wide Transportation) to***
32 ***\$252,563***

33 **SECOND:** Mr. Finnegan

34 Mr. Spencer explained that based upon historical figures the account is usually
35 under spent. He stated the School District has budgeted this as if there is no bus
36 sharing going on. There followed a discussion between members with respect to
37 whether they felt this was the right thing to do.

38 **VOTE:** 6-1-0 (Mr. York opposed the motion)

39 **The motion carried.**
40

41 **VOTE on a new bottom line of \$1,291,607.80:** 6-1-0 (Mr. York opposed the
42 motion)

43 **The motion carried.**
44
45
46

1 **MOTION:** by Mr. York
 2 *Move that the Budget Committee hereby approves \$2,143,678.74 for Special*
 3 *Education, Salaries & Benefits in the 2013 School District operating budget*
 4 **SECOND:** Mr. Pascucci

5
 6 **Discussion:**

7 Referring to page 1, line 114 (Para/Monitor salaries), Mr. Spencer stated this line
 8 is spread across the three schools and regularly under runs overall (usually in
 9 CHS) and he provided the figures for the last three years.

10
 11 **MOTION:** by Mr. Spencer
 12 *Move to reduce account 1011120100, line 114 (DW Para/Monitor salaries) to*
 13 *\$541,372*

14 **SECOND:** Mr. Finnegan

15 **Discussion:**

16 Mr. Spencer explained this was a 7.7% reduction, or \$44,500 district wide.
 17 Mr. York reported this is the budget which will be impacted by the article in the
 18 Telegraph and he would ask the Budget Committee to be considerate of this
 19 budget line as they do not know what the outcome of the state investigation of the
 20 504 Plans will be. He strongly recommended that the Budget Committee not
 21 make this cut. Mr. Spencer stated he would be willing to withdraw the motion if
 22 the second were also withdrawn. There followed a discussion, and Mr. Spencer
 23 explained the reduction would include some benefits and was not purely salaries.
 24 It was decided to vote on the motion on the floor.

25 **VOTE:** 0-7-0

26 **The motion failed.**

27
 28 Page 5, District Wide Speech Services: Responding to Mr. Spencer with respect
 29 to the expansion of the speech pathologist, Mr. Martin explained this would come
 30 out of the budget for the current year. Mr. York stressed this position would fall
 31 under same argument for retaining as before.

32
 33 **MOTION:** by Mr. Finnegan
 34 *Move to reduce account 1031120100, line 114 (CHS Para/Monitor salaries) to*
 35 *\$132,755*

36 **SECOND:** Mr. Pascucci

37 **Discussion:**

38 Mr. Finnegan provided his rationale, stating Special Education paraprofessionals
 39 at the high school do not spend all of their time with Special Education students,
 40 and this would be the equivalent of one position. Mr. York suggested there was a
 41 conflict of interest for Mr. Finnegan in this particular area and there followed a
 42 discussion. Mr. Peeples requested the Chairman call the question.

43 **VOTE:** 1-6-0 (Mr. Finnegan voted in favor of the motion)

44 **The motion failed.**

45
 46 **VOTE on the (unchanged) bottom line:** 7-0-0

1 **The motion carried unanimously.**

2
3 **MOTION:** by Mr. Peeples

4 *Move to re-open the SAU budget*

5 **SECOND:** Mr. Harte

6 **VOTE:** 6-0-1 (Mr. Finnegan abstained)

7
8 **Page 2:**

9 **MOTION:** by Mr. York

10 *Move to add \$6,500 to account 1090251000, line 330 (Professional Services)*

11 **SECOND:** Mr. Brunelle

12 Mr. Martin provided an explanation for this change, stating this was the figure for
13 actuarial analysis of post employment benefits as required by GASB-45.

14 **VOTE:** 7-0-0

15 **The motion carried unanimously.**

16
17 **VOTE on a new bottom line of \$106,948 for the SAU budget for 2013:** 7-0-0

18 **The motion carried unanimously.**

19
20 **4. TOWN BUSINESS**

21 Mr. Brunelle reported the Board of Selectmen is currently working on warrant
22 articles and he will try to get a draft to committee as soon as possible.

23
24 He reported on the following items:

- 25
26 • The Board has decided to take action to fund the Town IT project from this
27 year's budget for a total of \$80,000.
28 • They are still tracking to return approximately \$100,000 back to residents.
29 • The Board is also looking at other reductions which could be made to the 2012
30 budget.

31 Responding to Mr. Brunelle with respect the Board's decision on funding the IT
32 project, Mr. Harte stated while he understood the rationale of the Board, he felt it
33 was unfortunate the way it came about. Mr. Brunelle stated he is able to obtain
34 significant savings by purchasing the equipment this year, and there followed some
35 discussion.

36
37 Mr. Finnegan raised the matter of the warrant for the Road Agent's salary with
38 respect to changing the position to one which is appointed. Responding to a query
39 from Mr. Spencer, Mr. Brunelle stated he would ask the Board whether the salary is
40 also in the budget.

41
42 Mr. Brunelle reported on other warrant articles which the Board is currently working
43 on as follows:

- 44 • A roof for town hall (\$80,000)
45 • Creation of a revolving fund for police vehicle capital equipment (\$10,000)
46 • Creation of a trust fund for solid waste.

1 Responding to a query from Mr. Spencer, Mr. Brunelle stated he would follow up on
2 whether the Town is scheduled to receive funds from the state for Rooms and Meals.

3
4 Mr. Peeples posed the question as to why the Board would not do the Town Hall roof
5 from funds this year instead of IT.

6
7 **5. MEMBER INPUT**

8 Referring to a point raised at previous meetings by other members of the Committee,
9 Mr. York provided historical information on the property tax rate over the last ten
10 years and how this has affected him as a taxpayer to make the point that that he did
11 not think the tax rate was driving people out of town. He encouraged Committee
12 members to ensure they have the facts to support their arguments. There followed
13 some discussion.

14
15 Referring to the School District default budget, Mr. Pascucci asked that the
16 Committee point him to where the statute states there must be the same level of
17 service. In response, Mr. Harte reported the RSA states 'the same level of
18 appropriation' but is not black and white. There followed a discussion with respect
19 to what goes into the School Board default budget and how residents should proceed
20 if they have a concern with this. There was also a discussion with respect to the role
21 of the Budget Committee in the default and why the Committee needs to have the
22 information and why it is relevant to the Committee.

23
24 Mr. York was excused at 10:38 p.m.

25
26 **6. PUBLIC INPUT**

27 There was none.

- 28
29 • **Upcoming meetings**
30 ○ December 15, 2011

31
32 **MOTION:** by Mr. Finnegan

33 *Move to adjourn.*

34 **SECOND:** Mr. Pascucci

35 **VOTE:** 6-0-0

36 **The motion carried unanimously.**

37
38
39 There being no further business, the meeting adjourned at 10:43 p.m.

40
41
42 **Minutes by:** *Sandra Maxwell (Recording Secretary)*

43 **Date approved:** *February 23, 2012*

44