

1                                   **Minutes of the Litchfield Budget Committee Meeting**  
2                                   **Held on December 10, 2013**

3  
4 The Litchfield Budget Committee held a meeting on Tuesday, December 10, 2013 at Campbell  
5 High School, 1 Highlander Court, Litchfield, NH 03052.

6  
7 **PRESENT:** R Peeples (Vice Chair), W Spencer, C Couture, C Pascucci, D Vaillancourt, J York  
8 (School Board Representative), J Brunelle (Selectmen’s Representative)

9  
10 **Absent:** A Cutter

11  
12 Mr. Peeples called the meeting to order at 7:00 p.m.

13  
14 **1. PLEDGE OF ALLEGIANCE**

15  
16 **2. PUBLIC INPUT**

17       There was no public input.

18  
19 **3. REVIEW/ADDITIONS TO AGENDA**

20  
21 **4. PRIOR MEETING MINUTE APPROVAL**

22  
23 **MOTION:** by Mrs. Couture

24 *Move to approve the minutes of December 3, 2013 as amended*

25 **SECOND:** by Mr. Spencer

26 **VOTE: 5-0-2, with Mr. Pascucci and Mr. Miller abstaining**  
27 **The motion carried.**

28  
29 **5. SCHOOL BUSINESS**

30  
31       • **General Updates**

32 Mr. Miller reported that the School Board Negotiating team and LEA Negotiating team reached  
33 an agreement. He indicated that the LEA will vote next Wednesday and the School Board will  
34 vote the same day.

35  
36 Mr. Peeples asked if the Budget Committee would be receiving a copy of the contract. Mr.  
37 Miller indicated a copy should be provided as soon as December 19.

38  
39       • **Review of Accounts**

40  
41               **Special Services**

42 The FY15 Recommended Special Services budget was presented to the Budget Committee by  
43 Mr. Miller.

44  
45 Mr. Markiewicz provided an overview of Special Services budget accounts by function, a  
46 breakdown by District Wide and by school. Mr. Markiewicz updated the Budget Committee

1 regarding transportation. He reported that it was discussed with the School Board that the  
2 contract with First Student expires at the end of FY14. He noted we asked for a one year  
3 extension. He explained that First Student services Nashua, Hudson and Litchfield. Mr.  
4 Markiewicz reported that for the first time in over 12 years Nashua is asking for bid proposals  
5 for transportation. He indicated we will not know their decision until sometime in February and  
6 it may result in a significant increase for Litchfield if First Student does not win the bid. He  
7 commented it is possible they may decide not to stay in the market in this area. Mr. Markiewicz  
8 indicated that originally we budgeted for a 3% increase in transportation; however, in light of  
9 this situation, he recommended considering a 15% increase in the event First Student does offer  
10 us a contract.

11  
12 Dr. Cochrane commented that we get the benefit of bundling with Nashua. He indicated that  
13 First Student suggested if we were to ask for a quote just for Litchfield at this time it would be an  
14 increase in the range of 25%. He noted based on the conversations we have had with Nashua,  
15 they are expecting this year would have resulted in a fairly large increase. Dr. Cochrane  
16 commented if we are able to deal with the successful vendor, we feel 15% is a comfortable  
17 number. He noted we have some flexibility with the high school buses due to low ridership.

18  
19 Dr. Cochrane mentioned another issue to address is the increase in the water rate, which we were  
20 told is a 7%-14% increase.

21  
22 Mr. Spencer asked Mr. Brunelle for a status on the rate case. Mr. Brunelle indicated that there is  
23 no status at this time, but the town budgeted for a 14% increase.

#### 24 25 Review of the FY15 Special Services Budget

26 Mr. Spencer asked about the decrease in tutor services. Mrs. Bandurski commented that a  
27 student was being tutored outside the district and has since been moved into the district.

28  
29 Mr. Spencer asked about handicapped tuition. Mrs. Bandurski commented that although there  
30 appears to be an increase district-wide, there is actually a decrease when you look at the  
31 corresponding posts under each of the schools.

32  
33 Mr. Spencer reviewed the cost items under handicapped tuition.

34  
35 Mrs. Couture asked why only \$471 was spent on legal services last year. Mrs. Bandurski  
36 indicated that legal services was not utilized much last year.

37  
38 Mr. Spencer asked about shredding services. He asked if shredding had been done in the past.  
39 Mrs. Bandurski indicated that records for Special Services are in different locations and there is  
40 no bin for Special Services documents. She noted that type of information should be disposed of  
41 and a bin is necessary for documents that need to be purged.

42  
43 Mr. Spencer asked why \$22,000 was budgeted for professional services in 2014 if all that was  
44 spent to date is approximately \$3,000. Mrs. Bandurski indicated that some services changed for  
45 the additional student.

46

1 Mr. Markiewicz noted that many service providers are not prompt when invoicing. He indicated  
2 that many times we have to keep asking for end of the year invoices.

3  
4 Mr. Spencer referred to transportation and commented that historically it is under spent by  
5 \$50,000. Mrs. Bandurski indicated that the actuals were pulled together. She noted the student  
6 numbers are accurate. Mrs. Bandurski explained that we took the daily rate times the number of  
7 students transported plus a 3% increase.

8  
9 Mr. Spencer commented that you are spending \$120,000 with First Student for four students and  
10 only have two next year. He indicated that even with the reduction by the School Board, and  
11 considering a transportation contract increase, it is still a significant overage.

12  
13 Mrs. Bankurski commented there are different situations with First Student. She explained the  
14 reason why money is left over is for the RESC bus run. She noted that we were able to use one  
15 of the in-district buses for that run, but are unable to continue using that bus. Mrs. Bandurski  
16 indicated we had to look for an additional bus. She added that there could be another student  
17 that may need the bus going forward.

18  
19 Mr. Spencer indicated that when adding the transportation detail, there is \$25,000 more listed  
20 than in the budget total.

21  
22 Mrs. Bandurski indicated regardless of the total, what is in the detail is what we are expecting.

23  
24 Mr. Spencer commented that First Student has always been over funded.

25  
26 Mr. Miller commented that the difference in the numbers is \$25,000 for the new student.

27  
28 Mr. Spencer indicated that his issue is the number for First Student. He commented that given  
29 the history in this account and the fact that we have the reserve fund, there is concern over the  
30 funding of this account.

31  
32 Mrs. Bandurski commented regarding the difference between what was budgeted for last year  
33 and what was spent, there were students who were moved around.

34  
35 Mr. Spencer commented that the budgeted amount is \$318,000 and the audit trail is \$275,000.

36  
37 Mr. Markiewicz cautioned that we are only three months into the school year and there could be  
38 some adjustments in the budget.

39  
40 **Salaries and Benefits**

41 Mr. Miller presented the FY15 Recommended Special Services Salaries and Benefits budget to  
42 the Budget Committee.

43  
44 Mr. Pascucci asked about savings with the Behavior Specialist position.  
45

1 Mrs. Bandurski indicated that there were contracted services that student needed that were  
2 provided by this position. She noted there is a decrease in professional services. She  
3 commented that over time there will be an impact to the budget.  
4

5 Mr. Spencer commented that we were told last year that this position would help keep a student  
6 in-district.  
7

8 Mrs. Bandurski confirmed that the student was kept in-district and would have gone out of  
9 district if not for this position. She noted that there are services this position will provide in 15  
10 students' IEP's. She indicated that data will be prepared on what it would cost to contract out vs  
11 providing the services to student in-district.  
12

### 13 **District Wide**

14 The FY15 Recommended District Wide budget was presented to the Budget Committee by Mr.  
15 Miller.  
16

17 Mr. Pascucci was concerned about budgeting for repairs on fencing and curbing from snow  
18 removal. He noted that should be included in their contract.  
19

20 Mr. Markiewicz commented in the past it was not included in their contract. He noted in the new  
21 contract we walked the properties with the vendor and verified the conditions. He indicated the  
22 vendor has been put on notice that any damage to the property will result in a delay of payment  
23 for any repairs.  
24

25 Mr. Pascucci asked if the top dresser rental is a duplicate posting as it was included in the CHS  
26 budget.  
27

28 Mr. Markiewicz indicated that one is rented at a different time of year for the stadium field. The  
29 other is rented at another time for the other fields.  
30

31 Mr. Vaillancourt asked if the snow plowing contract is a site contract. Mr. Markiewicz indicated  
32 that it is fixed price contract.  
33

34 Mr. Vaillancourt asked if the town provides the road salt for the district. Mr. Markiewicz  
35 indicated that the district pays for the salt.  
36

### 37 **Salaries and Benefits**

38 The FY15 District Wide Salaries and Benefits budget was presented to the Budget Committee by  
39 Mr. Miller.  
40

41 Mr. Spencer asked about the reduction of \$29,000 in the salaries account.  
42

43 Dr. Cochrane indicated that a position was reduced at LMS and they agreed to move to a 5<sup>th</sup>  
44 period, reducing what the grade 8 6<sup>th</sup> priod would have cost next year.  
45

1 Mr. Spencer was concerned that the reduction may not have flowed through the deduction  
2 accounts, specifically Social Security.

3  
4 Mr. Miller indicated that we have to withhold FICA on the LEA severance.

5  
6 Mr. Spencer commented that he would have to do some research.

7  
8 Mr. Markiewicz indicated that there would be a reduction of approximately \$2,100 in FICA. He  
9 noted that FICA has already been expensed for the severance. He offered to provide that number  
10 for the Budget Committee.

11  
12 Mr. Spencer asked about the Health Insurance summer checks benefit rate adjustment.

13  
14 Mr. Markiewicz indicated that summer checks are adjusted for the benefit rate that goes into  
15 effect July 1. He explained that the money has to be reserved because we do not know what the  
16 increase will be for all employees.

17  
18 Mr. Spencer did not believe the numbers were accurate.

19  
20 Mr. Miller added that the numbers are based on the current selections of open enrollment this  
21 year continuing through July.

22  
23 Mr. Markiewicz indicated that we withhold two months of anticipated annual cost.

24  
25 • **VOTING**

26  
27 **LMS**

28  
29 **MOTION:** by Mr. Miller

30 ***Move to approve the FY15 LMS Recommended Budget of \$453,661***

31 **SECOND:** by Mr. Pascucci

32  
33 **MOTION:** by Mr. Spencer

34 ***Move to reduce Account 1021142000-391 by \$610***

35 **SECOND:** by Mr. Pascucci

36 **VOTE: 6-1-0, with Mr. Miller opposing**

37 **The motion carried.**

38  
39 **MOTION:** by Mrs. Couture

40 ***Move to reduce Account 1021212000 610 by \$2,500***

41 **SECOND:** by Mr. Pascucci

42  
43 Mrs. Couture explained that this will keep some money in the budget for Project  
44 Safeguard, but will allow some fundraising to be done as was done by the Budget  
45 Committee for 2014.

46

1 **VOTE: 6-1-0, with Mr. Miller opposing**  
2 **The motion carried.**

3  
4 **MOTION:** by Mr. Pascucci  
5 *Move to reduce Account 1021263000 430 by \$500*  
6 **SECOND:** by Mrs. Couture

7  
8 Mr. Pascucci commented that he was reducing some money from the snowblowing line,  
9 which will leave money in the budget for a new snowblower.

10  
11 **VOTE: 6-1-0, with Mr. Miller opposing**  
12 **The motion carried.**

13  
14 **MOTION:** by Mr. Pascucci  
15 *Move to reduce Account 1021263000 430 by \$700*  
16 **SECOND:** by Mrs. Couture

17  
18 Mr. Pascucci commented that power sweeping should be done one time per year.

19  
20 **VOTE: 6-1-0, with Mr. Miller opposing**  
21 **The motion carried.**

22  
23 **MOTION:** by Mr. Spencer  
24 *Move to reduce Account 1021272400 519 by \$1,677.87*  
25 **SECOND:** by Mr. Pascucci  
26 **VOTE: 6-1-0, with Mr. Miller opposing**  
27 **The motion carried.**

28  
29 **MOTION:** by Mrs. Couture  
30 *Move to reduce Account 1021272500 529 by \$1,745.45*  
31 **SECOND:** by Mr. Spencer  
32 **VOTE: 6-1-0, with Mr. Miller opposing**  
33 **The motion carried.**

34  
35 **MOTION:** by Mr. Vaillancourt  
36 *Move to reduce Account 1021110013 610 by \$217.67*  
37 **SECOND:** by Mr. Spencer

38  
39 Mr. Vaillancourt commented that level-funded the line based on declining enrollment.

40  
41 **VOTE: 5-2-0, with Mr. Miller and Mr. Peeples opposing**  
42 **The motion carried.**

43  
44 **VOTE ON A NEW BOTTOM LINE FOR THE FY15 RECOMMENDED LMS**  
45 **BUDGET OF \$445,713.01: 6-1-0, with Mr. Miller opposing**  
46 **The motion carried.**

1 Mr. Spencer asked for rationale on the Behavioral Specialist position and for a  
2 breakdown of the savings from adding that position.

3  
4 **LMS Salaries & Benefits**

5  
6 **MOTION:** by Mr. Miller

7 ***Move to approve the FY15 Recommended LMS Salaries & Benefits Budget of***  
8 ***\$3,438,590***

9 **SECOND:** by Mr. Spencer

10 **VOTE: 7-0-0**

11 **The motion carried.**

12  
13 **CHS**

14  
15 **MOTION:** by Mr. Miller

16 ***Move to approve the FY15 CHS Recommended Budget of \$1,001,897***

17 **SECOND:** by Mr. Spencer

18  
19 **MOTION:**

20 ***Move to reduce Account 1031130100-561 by 3,800***

21 **SECOND:** by Mr. Pascucci

22  
23 Mr. Spencer indicated that he reduced the Vocational Tuition budget to tuition for 22  
24 students.

25  
26 Mr. Miller cautioned that 103 students may be moving on, but a larger class of students  
27 become eligible for vocational education.

28  
29 **VOTE: 5-2-0, with Mr. Miller and Mrs. Couture opposing**

30 **The motion carried.**

31  
32 **MOTION:** Mr. Spencer

33 ***Move to reduce Account 1031142000-391 by \$2,974***

34 **SECOND:** Mr. Pascucci

35  
36 Mr. Spencer commented that this account should be consistent with what is being spent.

37  
38 **VOTE: 7-0-0**

39 **The motion carried.**

40  
41 **MOTION:** Mr. Spencer

42 ***Move to reduce Account 1031142000-442 by \$1,500***

43 **SECOND:** Mr. Pascucci

44  
45 Mr. Spencer indicated that he was reducing the line item for rental of lights for night  
46 games.

1  
2 **VOTE: 6-1-0, with Mr. Miller opposing**  
3 **The motion carried.**

4  
5 **MOTION:** Mr. Spencer  
6 *Move to reduce Account 1031150100-391 by \$1,922*  
7 **SECOND:** Mr. Pascucci  
8

9 Mr. Spencer commented that self-funded programs is budgeted to show as an appropriation. He  
10 noted that how the account is compensated has been discussed. He asked if the number for that  
11 budgeted for that account would make any difference. He indicated this would be a logical time  
12 to budget \$1 for that account.

13  
14 Mr. Miller commented that it would reduce what the district could expend. He indicated that the  
15 district cannot overspend what is appropriate regardless of the revenue.

16  
17 Dr. Cochrane commented that much of the account is expended, but there are some areas where  
18 we are losing track of those expenses.

19  
20 Mr. Spencer commented that he analyzed the historical spending. He indicated he cannot find  
21 where the expenditures are being expensed. He commented that it appears as if the budget is  
22 over inflated.

23  
24 Mrs. Couture agreed with the concern, but commented that if the budgeting is correct, leave the  
25 account alone and let the district fix the process.

26  
27 Mr. Miller commented that this has been an issue in the past. He indicated that the expenses  
28 need to be recorded against the correct budget line.

29  
30 Mr. Markiewicz commented that the existing process has been in place for some time. He  
31 indicated that it needs to be analyzed and we need to determine how expenses are posted against  
32 the revenue.

33  
34 Mr. Spencer commented that he has always accepted the past explanation for self-funded  
35 budgeting. He indicated that some funds may not be spent or are ending up in the actual  
36 operating budget. Mr. Spencer noted that there is an anticipated transportation increase and the  
37 upcoming teachers' contract. He commented that if we fund self-funded programs that way it  
38 has been requested, he believes the total self-funded budget will not be expended.

39  
40 Mr. Pascucci agreed with Mr. Spencer. He indicated that it is unknown what the correct number  
41 may be. He commented that the process needs to be resolved and that if the error is clerical he  
42 would support that budget. However, he noted that if it is something else that significantly  
43 impacts the budget, he will not support that budget.

44  
45 Dr. Cochrane commented that what people see at Deliberative Session does not reflect what is  
46 actually expended.

1  
2 Mr. Miller commented if the account is reduced by 50% and we discover we need that 50%, we  
3 have to come back and ask to over spend the bottom line. He indicated that people will think  
4 they will not be able to spend the money for the self-funded sport.

5  
6 Mr. Brunelle commented that there will be some angry people speaking out if this reduction  
7 negatively impacts the programs. He indicated he would have concerns if this reduction  
8 negatively impacts the programs. He noted that students work hard raising funds and parents are  
9 paying for these programs.

10  
11 Mr. Spencer commented that he would withdraw his motion and wait until we determine the  
12 number for the District Wide budget.

13  
14 ***Mr. Spencer withdrew the motion. Mr. Pascucci withdrew his second.***

15  
16 **MOTION:** by Mr. Pascucci

17 ***Move to reduce Account 1031263000-430 by \$700***

18 **SECOND:** by Mr. Spencer

19  
20 Mr. Pascucci commented that he was reducing the power sweeping line to accommodate  
21 sweeping once per year.

22  
23 **VOTE: 5-2-0**

24 **The motion carried.**

25  
26 **MOTION:** by Mr. Spencer

27 ***Move to reduce Account 1031272300-519 by \$5,534.47***

28 **SECOND:** by Mr. Vaillancourt

29  
30 Mr. Spencer commented that when calculating the reduction he used what was previously  
31 budgeted vs. the actual expenditures, which resulted in 87% expended.

32  
33 Mr. Markiewicz commented that, like Special Education transportation, we try to keep it to one  
34 bus, but some blocks in other vocational schools may not coincide with the transport time.

35  
36 **VOTE: 6-1-0, with Mr. Miller opposing**

37 **The motion carried.**

38  
39 **MOTION:** Mr. Spencer

40 ***Move to reduce Account 1031272700-519 by \$7,234***

41 **SECOND:** Mr. Pascucci

42  
43 Mr. Spencer indicated he used the previously state method to calculate the reduction.

44  
45 **VOTE: 6-1-0, with Mr. Miller opposing**

46 **The motion carried.**

1  
2 **MOTION:** by Mr. Spencer  
3 *Move to reduce Account 1031272500-519 by \$497.25*

4 **SECOND:** by Mr. Pascucci

5 **VOTE:** 6-1-0, with Mr. Miller opposing

6 **The motion carried.**

7  
8 **VOTE ON A NEW BOTTOM LINE FOR THE FY15 RECOMMENDED CHS BUDGET**  
9 **OF \$979,657.28:** 6-1-0, with Mr. Miller opposing

10 **The motion carried.**

11  
12 **CHS Salaries & Benefits**

13  
14 **MOTION:** by Mr. Miller

15 *Move to approve the FY15 Recommended CHS Salaries & Benefits Budget of*  
16 *\$4,027,915*

17 **SECOND:** by Mr. Pascucci

18 **VOTE:** 7-0-0

19 **The motion carried.**

20  
21 **6. TOWN BUSINESS**

22  
23 • **General Updates**

24 Mr. Brunelle reported that the Board of Selectmen met and finalized warrant articles. He noted  
25 that the articles will be completed and approved by the Board of Selectmen at the next meeting.  
26 Mr. Brunelle reported that the Board of Selectmen took action on all budgets and adjusted health  
27 insurance and benefits, as well as addressed some other lines. He indicated that the Board of  
28 Selectmen make adjustments based on actual data we have at the time. He noted there may be  
29 some increases and mentioned that fuel lines are now consolidated into one line and tracked  
30 there.

31  
32 Mr. Pascucci asked about plans to use end of year funds to purchase police supplies. Mr.  
33 Brunelle indicated based on the unexpended funds forecast, we will use funds for the one time  
34 expenditures (i.e. tasers, fire arms).

35  
36 Mr. Pascucci commented that during budget discussions, you stated some things are not getting  
37 done or have not been able to be done. He asked if end of year funds can be used to complete or  
38 purchase some of those items. Mr. Brunelle indicated they are being considered. He noted that  
39 some funds were used for file cabinets and items that we could get for a good price. He  
40 commented that we usually try to leverage one time expenses.

41  
42 Mr. Pascucci commented that there was a change in the Solid Waste budget regarding the skid  
43 steer. Mr. Brunelle indicated that the skid steer was able to be repaired and should not have  
44 issues.

45

1 Mr. Pascucci commented that the emergency management stipend was added back. Mr. Brunelle  
2 indicated that the Board of Selectmen decided to restore that cost. He commented that the Board  
3 of Selectmen does not have to accept the Budget Committee's decrease. He noted that the  
4 budget still reflects a significant decrease.

5  
6 Mr. Pascucci commented that money was added to health and dental for the Library. Mr.  
7 Brunelle indicated that the Library informed the Board of Selectmen that two employees are  
8 eligible for health and dental benefits. He noted that the Board of Selectmen also did not agree  
9 with the overall \$2,000 reduction.

10  
11 Mr. Spencer asked for the estimate of the town valuation. Mr. Brunelle indicated that the  
12 estimate is \$824,159,054. He reported that this year we will use some of the fund balance to  
13 fund some of the warrant articles.

14  
15 Mr. Pascucci asked about the default budget. Mr. Brunelle indicated that the default budget is  
16 being calculated.

17  
18 Mr. Pascucci commented that although the Budget Committee has no control over the default  
19 budget we would like to review it. Mr. Brunelle indicated a copy will be provided to the Budget  
20 Committee.

## 21 22 **7. MEMBER INPUT/NEW BUSINESS**

23 Mr. Spencer mentioned that Mr. Cutter will not be in attendance for quite a few meetings. He  
24 noted that Mr. Cutter expressed concern regarding the travel and supply accounts. He indicated  
25 that Mr. Cutter sent an email with some information regarding his research of these accounts, but  
26 did not mention his plans going forward.

27  
28 Mr. Peeples indicated Mr. Cutter is away until December 18.

29  
30 Mr. Pascucci commented that he always wondered why we do not hear from people who have no  
31 issue with taxes in Litchfield. He indicated he met a man from Litchfield while in Manchester  
32 and during conversation property taxes were discussed. Mr. Pascucci shared that the man  
33 mentioned he was not concerned about the increase in taxes as long as he is assured the town or  
34 school district need the money. Mr. Pascucci indicated that he understands how some people  
35 think. He commented it is the Budget Committee's responsibility to make tough decisions on  
36 what is affordable and we have to make sure what is asked for is needed. He commented that  
37 spending has to be controlled as people want to be sure every dollar spent is absolutely  
38 necessary.

39  
40 Mr. Peeples referred to the discussion regarding self-funded budgeting and commented that it  
41 needs more clarification. Mr. Miller commented that was discussed by the School Board last  
42 week and will be discussed at the meeting tomorrow night.

## 43 44 **8. PUBLIC INPUT**

45 There was no public input.

46

1 • **Upcoming meetings**

2 The next meeting of the Budget Committee will be held on December 12, 2013.

3

4 **MOTION:** by Mr. Spencer

5 *Move to adjourn.*

6 **SECOND:** Mr. Miller

7 **VOTE:** 7-0-0.

8 **The motion carried unanimously.**

9

10 There being no further business, the meeting adjourned at 10:14 p.m.

11

12 **Minutes by:** *Michele E. Flynn (Recording Secretary)*

13

14 **Date approved:**

DRAFT