

**Minutes of the  
Litchfield Budget Committee Meeting  
Held on March 24, 2016**

The Litchfield Budget Committee held a meeting on Thursday, March 24, 2016 at Campbell High School, One Highlander Court, Litchfield, NH 03052.

**PRESENT:** C Couture (Chair), K Douglas (Vice Chair), C Pascucci, R Peeples, J Bourque, R Keating, K Bourque (Selectmen's Representative), B Bourque (School Board Representative)

Absent: B Spencer

**1. CALL TO ORDER**

Mrs. Couture called the meeting to order at 7:00 p.m.

**• PLEDGE OF ALLEGIANCE**

**2. ELECTION OF CHAIR, VICE CHAIR, WELCOME NEW MEMBERS**

Mrs. Couture asked for nominations for Committee Chair and Vice Chair.

**MOTION:** by Mr. Peeples

*Move to nominate Cindy Couture as Chair*

**SECOND:** by Mrs. Douglas

Mrs. Douglas commented that Mrs. Couture has done a great job as Chair.

**VOTE: 7-0-1, with Mrs. Couture abstaining**

**The motion carried.**

**MOTION:** by Mr. Peeples

*Move to nominate Keri Douglas as Vice Chair*

**SECOND:** by Mrs. Couture

**VOTE: 7-0-1, with Mrs. Douglas abstaining**

**The motion carried.**

Mrs. Couture announced that Mr. Spencer has resigned from the Committee.

**MOTION:** by Mrs. Couture

*Move to accept the resignation of Bill Spencer with gratitude for his many years of service*

**SECOND:** by Mr. Peeples

Mr. Peeples indicated that it is with great regret that the Budget Committee accepts Mr. Spencer's resignation.

## **VOTE: 8-0-0**

### **The motion carried.**

Mrs. Couture indicated that according to RSA 32:15, if a vacancy arises the Budget Committee can decide to appoint a member-at-large to serve until the next election. She noted the candidate with the next highest votes in the election was Andrew Cutter.

Mr. Bourque commented the previous time there was a vacancy the Budget Committee interviewed both candidates. He suggested the three candidates on the ballot should be interviewed with regard to their reasons for serving on the Committee. Mr. Bourque indicated that was the process the School Board used when filling the vacancy of a Board member who resigned.

Mr. Keating commented providing an opportunity for the candidates to be interviewed is important as the taxpayers can see who they are and hear why they want to serve.

Mr. Peeples believes the Committee should follow past precedent where the Budget Committee has appointed the person who received the next highest total of votes. He indicated that Mr. Cutter has experience on the Committee, has a deep financial background and was Mr. Spencer's recommendation.

Mr. Pascucci commented that he agrees with Mr. Cutter's appointment, but he agreed that a vacancy has been open to the community in the past.

Mrs. Douglas commented that the Committee should follow past precedent. She noted it is logical to appoint the person with the next highest total of votes.

Mrs. Couture commented that the year candidates were reviewed for service for a vacancy was because of the timing of the resignation of the Committee member. She indicated that it was very late in the year when that member resigned, which was a factor in the appointment decision.

Mrs. Bourque commented the difference in the number of votes between the remaining three candidates was small. She indicated there is no way of knowing if those votes would have been cast the same way had there been more positions open. She agreed that the opportunity should be open to all three candidates.

Mr. Kevin Bourque agreed with opening the vacancy to the three candidates.

Mrs. Couture commented that it seems there is consensus to open the vacancy to the candidates. She indicated that a date has to be set to interview the candidates and make a decision based on those interviews.

Mr. Peeples commented that the process should be formalized. He suggested the candidates provide their resumes so we can see what they will bring to the Committee. He indicated if we are going to adopt a process that is new we need to have rules to govern that process.

Mrs. Couture noted the next meeting is April 21. She asked Committee members for a deadline for the candidates to submit their intent.

Committee members suggested a deadline on April 8.

Mrs. Couture indicated she would submit a release to the HLN regarding the interviews. She asked Committee members what they would prefer as an interest statement.

Mr. Pascucci commented he was not aware there was a past precedent to appoint the person with the next highest votes to a vacancy.

Mr. Peeples indicated it has been the practice in the past.

Mr. Pascucci commented if that is the process he would support it. He indicated that the process is important to him.

Mr. Bourque asked how Committee members would know that past practice was to appoint the person with the next highest votes on the ballot.

Mr. Peeples commented that it was common to do that over the past 20 years.

Mrs. Couture commented that some people get to the middle of the season and resign. She indicated some have become frustrated and resigned right after the election. She noted that when a member has resigned right after the election, the person with the next highest votes was appointed to that position.

Mr. Pascucci commented, to Mr. Peeples' point, it is the will of the people.

Mr. Keating commented that if a one year term was on the ballot would more people have submitted their names on the ballot. He acknowledged the past practice, but believes that opening it up to the candidates is the best process.

Mr. Peeples disagreed. He commented that opening it up becomes a popularity contest and that is not the way it should be. He indicated that the vacancy should be filled by the person with the next highest votes. He noted it becomes academic and non-intellectual.

Mr. Keating commented it was not presented that way.

Mr. Pascucci commented in this case he looked at the RSA first, then he follows the process and the precedent. He indicated Mrs. Couture brought up the issue of timing, which is important. He commented that he is rethinking the issue. He noted there have been things that have been approved with two votes and was told that it is the will of the people.

Mrs. Couture indicated she will submit the release to the HLN and let the candidates express their interest. She noted that the Committee needs to move forward. She commented when the Committee meets on April 21 we will hear whomever is interested and have a discussion.

Mrs. Bourque asked if Mrs. Couture is saying the Committee will follow the precedent or a new process?

Mrs. Couture indicated it is the will of this board. She explained the Committee will listen to those who are interest and then make a decision.

Mr. Peeples commented past precedent becomes invalid if we follow that process.

Mrs. Couture commented we will provide an opportunity for those interested to apply, do our research for past precedent and see what the result will be.

Mr. Peeples commented once you choose that pat you are going down that path. He indicated we are changing that path to a process where every time we need to appoint someone for a vacancy we do it the new way. He noted if we follow past precedent we can move forward. Mr. Peeples commented if we follow a new process it is going against the will of the people. He noted most of the time it is difficult to get people to hold the position. He indicated it is what the people wanted. Mr. Peeples commented that he will go along with what the Committee chooses, but he is not going to compromise his values for a popularity contest.

Mr. Pascucci commented the experience can mean different things to different people. He noted he also does not support popularity contests. He indicated either you follow the process or the past practice. He indicated he is now feeling differently about this issue.

Mrs. Douglas asked why the Budget Committee would be allowed to override the vote of the people? She commented the people have voted, a member resigned before any business has occurred. She believes the appointee should be the candidate with the next highest votes.

Mr. Bourque commented there were only two positions open and only two people won.

Mr. Peeples commented that the behavior regarding this issue is childish.

Mr. Pascucci commented he read the RSA a couple of times and clearly this Committee is responsible.

Mrs. Couture read RSA 32:15 regarding the vacancy on the committee.

Mr. Pascucci commented we have had a productive and somewhat heated discussion and it is clearly in the hands of this Committee to make the decision.

**MOTION:** by Mr. Pascucci

*Move to appoint Andrew Cutter to the Budget Committee to fill the vacancy by Mr. Spencer*  
**SECOND:** by Mrs. Douglas

Mr. Bourque asked Mr. Peeples about his reference to a popularity contest.

Mr. Peeples commented if we are providing opportunity to who we like the most it becomes a popularity contest. He acknowledged that all the candidates that ran this year are good people, but he believes it comes down to those with the most votes. He indicated that people are not elected any other way than by those who receive the most votes.

Mrs. Couture read the voting results: Paul Mallory, 317 votes; Shana Dodge, 327 votes; Andrew Cutter 339 votes. She commented approximately 1,200 people voted for who they wanted in various positions in the town. She indicated the decision is now up to the 8 people in this room.

Mrs. Douglas commented that the difference between the totals in votes is not relevant. She indicated the candidate with the most votes should be the choice.

**VOTE: 4-4-0**

**The motion failed due to a tied vote.**

Mrs. Couture indicated that a release will be submitted to the HLN with a deadline for interest of April 8 and the Budget Committee will make a decision on April 21.

Mr. Peeples and Mrs. Douglas expressed their opposition.

### **3. PUBLIC INPUT**

Andrew Cutter expressed gratitude to Mr. Spencer for his service. He commented we all appreciate the years he has served the town.

Mr. Pascucci spoke as a community member regarding perceived conflict of interest. He commented that the School Board representative to the Budget Committee is the School Board Chair, Brian Bourque and his wife is an elected member of the Committee. He indicated this is a perceived and important conflict of interest. He noted this has to be self-policed. He commented that it is up to the Budget Committee to ensure things are done right for the people in the community.

Mrs. Couture clarified it is the School Board's issue as they appoint the representative. She indicated it is not something we can change.

Shana Dodge commented if the people had been voting for three open positions on the Budget Committee the votes may have been different. She indicated it is not a battle between her and Mr. Cutter.

### **4. REVIEW/ACCEPTANCE OF MINUTES**

- **January 5, 2016**

**MOTION:** by Mrs. Douglas

*Move to approve the minutes of January 5, 2016*

**SECOND:** by Mrs. Couture

**VOTE: 4-0-4**

**The motion carried.**

- **January 7, 2016**

**MOTION:** by Mrs. Douglas

*Move to approve the minutes of January 7, 2016*

**SECOND:** by Mr. Pascucci

**VOTE: 5-0-3**

**The motion carried.**

- **January 14, 2016 Hearing**

**MOTION:** by Mrs. Douglas

*Move to approve the hearing minutes of January 14, 2016*

**SECOND:** by Mr. Pascucci

**VOTE: 6-0-2**

**The motion carried.**

- **January 14, 2016**

**MOTION:** by Mrs. Douglas

*Move to approve the minutes of January 14, 2016*

**SECOND:** by Mr. Pascucci

**VOTE: 6-0-2**

**The motion carried.**

- **January 30, 2016 (Town Deliberative)**

**MOTION:** by Mrs. Douglas

*Move to approve the minutes of January 30, 2016*

**SECOND:** by Mr. Pascucci

**VOTE: 6-0-2**

**The motion carried.**

- **February 6, 2016 (School Deliberative)**

**MOTION:** by Mrs. Douglas

*Move to approve the minutes of February 6, 2016*

**SECOND:** by Mr. Pascucci

**VOTE: 5-0-3**

**The motion carried.**

## 5. ELECTION RESULTS

Mrs. Couture commented that there was some confusion on the School District ballot with the Article 5 recommendation. Referring to the wording of the recommendation by the School Board and the vote tally, Mrs. Couture indicated the town is traditionally used to seeing the first number of the tally as those who support the article; the second number as those who do not support the article; and the third number as abstention. She noted the actual motion made for the recommendation of the article was not to recommend the article, which passed by vote.

Mrs. Douglas commented that it is good feedback because the Budget Committee had a discussion about that very issue. She indicated people are used to seeing the recommendations a certain way.

Mrs. Couture indicated she has the NHMA presentation that was provided when the NHMA representative came to our meeting last year. She commented the representative had comments about the recommendation vote and what it meant. She offered to send it out to Committee members to re-read.

Mrs. Couture announced that Brian Bourque and Christina Harrison were elected to the School Board. She commented that the town election results were interesting as the operating budget failed. She mentioned that was one of the articles that had a split vote.

Mr. Pascucci commented that the article was initially recommended prior to the addition of the \$30,000 by the Board of Selectmen.

Mrs. Couture commented that it shows people do pay attention to the recommendations. She commented the main operating budget is a mystery to the voters and she believes that they weigh in more heavily on the recommendation.

Mr. Pascucci commented if the Board of Selectmen did not add the \$30,000 to the budget the operating budget would have been approved.

Mrs. Douglas mentioned the new wage scale was approved with no way to fund it.

Mr. Pascucci commented that the Health Agencies warrant was approved. He suggested leaving it as a warrant annually.

Mrs. Couture mentioned that there is a very small margin between the default budget and the operating budget.

Mr. Pascucci commented with the light winter and an additional \$60,000 in the default budget that was not needed, there is enough money in that budget.

## **6. REPORTS**

### **• Town Business**

Mrs. Couture asked Mr. Kevin Bourque if the Board of Selectmen will begin reallocating funds.

Mr. Kevin Bourque commented the Board of Selectmen will make decisions on how to reallocate that money. The Town Administrator will go through and make recommendations, which the Board of Selectmen will review. He indicated a preliminary reallocation is scheduled to be reviewed at the next meeting.

Mr. Kevin Bourque reported there is a meeting tonight regarding the water contamination issue. He indicated there has been much testing occurring in the north end of town and we should have a better understanding after tonight. He mentioned that the Mosquito Control video has gone nationwide after being televised on the John Oliver show.

Mrs. Couture mentioned the Committee will look at the preliminary calendar for the upcoming meetings. She asked Mr. Bourque to ask the School Board if there is a way to start thinking about dates for the budget process.

- **School Business**
  - **Enrollment**

Mrs. Couture reported that the Budget Committee received school district enrollment from February 19. She noted that Kindergarten registrations are at 43 and 1<sup>st</sup> grade registrations are at 70. She indicated the projections were for 57 grade 1 students and 46 Kindergarten students.

Mr. Pascucci commented there has been much discussion about budgets and enrollment. He indicated at this time in 2011 the district had 1,591 students enrolled and currently enrollment is 1,388. He noted that enrollment is declining. He commented that Kindergarten enrollment is declining from 5 years ago as is grade 1 enrollment. He indicated factually speaking enrollment is declining.

Mrs. Couture commented when the economy is down houses are not selling and are empty. She indicated students transition through the schools. She noted as the economy improves you see more students than the year before. She commented we may see projections start to trend up.

Mr. Bourque commented that no one is denying enrollment is declining. He indicated it is interesting that at GMS enrollment is up by 15 since the beginning of the year.

Mrs. Bourque commented that when there is a decline in the economy there is a decline in the birth rate. She indicated her most recent birth rate is on an upward trend and projected to be significant over the next 5 years.

Mr. Peebles commented that demographics needs to be matched against the income in this town. He indicated we have not seen a great upshot in the baby boom or with single mothers. He noted we need another number to balance.

Mr. Pascucci commented that the projection he brought up was based on past facts. He indicated anyone can pick any statistic from any source and prove a point. He noted we have to keep the statistics to Litchfield.

Mrs. Couture explained the process for projections starts with the second Friday student counts, but the numbers used for projections are from October 1. She indicated that the NHSBA prepares the projections and are usually on target. She noted the enrollment numbers for Kindergarten and Grade 1 are always fluid.

### o **January Business Administrator's Report**

Mr. Bourque reported that the School Board met last evening, but the Business Administrator was not in attendance and the Board deferred the report to April 6.

### o **Audit**

Mrs. Couture deferred the audit report for another agenda as it is a large report with much information.

Mr. Bourque addressed statements made by Mr. Pascucci regarding conflict of interest and self-policing. He commented he is here representing the School Board because he has the most knowledge about the budget. He indicated that the Committee will see through the actions of he and Mrs. Bourque that he is his own person.

Mr. Bourque reported the district support staff has unionized.

Mr. Pascucci commented it is their right to do that. He indicated that the Committee has been told many times that raises have to be approved and recommended or the employees will unionize. He believes that raises should not be included in the budget. He noted now they will have to ask permission of the owners of the town.

Mrs. Couture commented that it makes things more difficult because employees spend more time in union meetings. She believes that there is less control when unions are involved. She indicated if you are fair and keep your employees happy they do not unionize.

Mr. Pascucci commented that Mr. Bourque is saying the Budget Committee is not doing the right thing. He indicated he has stated that raises be placed on the warrant. He noted the way it is going is not working. He agreed that dealing with unions is more difficult.

Mr. Peeples asked Mr. Bourque if he is saying the reason the employees unionized is the direct result of Budget Committee actions. Mr. Bourque indicated that is not the case.

Mr. Bourque reported that an officer from the Department of Homeland Security will be coming to the district to complete a security assessment of our buildings. A detailed report with recommendations will be provided. He indicated this will tie into the building assessment. He commented that the district may be able to apply for grants to fund the recommendations.

Mr. Bourque reported a new committee was formed: Capital Planning Committee. He indicated it is similar to the Building and Planning Committee that was established in the recent past. He asked if a Budget Committee member would like to serve on the new committee. He noted once the building assessment is completed we will have an idea of what we need to plan. Mr. Bourque reported that the School Board has been reviewing and revising policies and procedures.

Mrs. Couture commented the Budget Committee can discuss the new committee on the next agenda.

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

### **• Budget Calendar 2016-2017**

Mrs. Couture provided a draft calendar for the upcoming meetings of the Committee. She commented that there will be no meeting in July. She projected (from her interpretation of the RSA) election day will be March 17, 2017 and that the last day to post for a budget hearing would be January 10, with January 17 the last day to hold a hearing; deliberative session should be held between February 4 and 11. Mrs. Couture commented that five meetings were held to review the town budget and six were set aside for the school budget, with one night in January finalize the town budget and one night for the school budget. She asked the town and school to discuss the draft calendar with their boards and return with input.

Mr. Pascucci commented the governing bodies have been proposing hundreds of thousands of dollars in increases each year and this Committee reduces a small portion. The tax impact is up to \$500 per homeowner, enrollment is dropping or staying stagnant, the population is not growing and there are no additional services. This Committee has rationally proposed reductions to budget that should not be included in the budgets in the first place (i.e. historical underspend, no rationale). Mr. Pascucci asked if it is the Budget Committee's role to clean up these math errors or is it their role to discuss parameters and vision about where we want the budget to be, so the governing bodies can create their budgets to perform to the parameters created by this Committee. He commented we should work together. He indicated the average homeowner is now paying \$7,000 in taxes and will most likely pay \$10,000 in a few years.

Mr. Pascucci believes that the School Board and Board of Selectmen are not going to slow down increases they present to this Committee. He requested that we do not repeat the same process where the governing bodies propose high increases and the Budget Committee makes the same reductions. He suggested discussing parameters and vision with regard to the budget.

Mr. Bourque commented that he is interested in knowing how much taxes have increased over the last five years. He offered to do some research and bring the information to the next meeting.

Mr. Pascucci commented this Committee owes a prudent discussion of tax dollars to the taxpayers. He suggested inviting them in and engaging in discussion before deliberative session. He indicated that we need to know how all that extra money per year is not enough with declining enrollments.

Mr. Bourque commented that we have the School Board on one side of the stage, the Budget Committee on the other and no one in the audience at deliberative session. He indicated that the town has changed. He noted deliberative session used to be held on a Friday night and the room was packed.

Mr. Peeples commented that a person could walk out at the end of the session and know why something was done and what was done. He indicated it is great to have control over what happens in our town.

Mrs. Couture clarified that town meeting packed the gym prior to becoming an SB2 town.

Mr. Bourque commented if hold deliberative another day more people will attend.

Mr. Pascucci commented there should be more people here to voice opinions. He indicated they need to be reached.

Mrs. Couture commented we have had the discussion in the past about parameters and tax targets. She noted it is a good session to have once again.

Mr. Peeples asked why budgets have to increase every year. Mr. Bourque commented the Budget Committee directs if there are additional items needed they should be placed on the warrant, but it is not fair to have a Budget Committee member then reduce the article to \$1.

Mr. Peeples commented that he was not in attendance that day, but heard what transpired. He indicated that the Budget Committee is trying to give the people a reasonable budget and that Mr. Spencer's action was logical. He noted Mr. Spencer was not acting as a Budget Committee member.

Mrs. Couture indicated the Budget Committee does not have any say on the dollar amounts on the warrant and the only time it can be changed is at deliberative session.

Mr. Pascucci requested that each member should weigh in on the parameters.

Mr. Peeples commented that the candidate interviews be completed first.

Mrs. Couture suggested putting a discussion about parameters on the May agenda and she will submit an article to the HLN to invite community members to attend and provide input on budget parameters. She indicated that one thing that was missed in the election results is the that the tax cap was approved overwhelmingly, but it is not valid because the HLN did not post the hearing announcement and no one showed up at the public hearing. She noted the issue has to be revoted.

## **8. PUBLIC INPUT**

Derek Barka, 8 Simeon Lane, commented regarding statements made about the perceived conflict of interest earlier this evening. He indicated that Mr. Bourque has one job on the Budget Committee and that is to advocate for the School Board. He does a good job and the Board asked him to be the representative. Mr. Barka commented Mr. Bourque can try to sway your minds, but he has to vote with the School Board. He does not believe a conflict of interest exists.

Mr. Pascucci commented the voters may have elected Mrs. Bourque to this position, but the voters did not elect Mr. Bourque to be the School Board representative to this Committee. He indicated whether or not it changes anyone's mind is irrelevant. He believes it is a perceived conflict.

Mr. Peeples addressed Mr. Barka's statement. He commented rational minds will argue it is not a perceived conflict; however, anyone that is married would say spouses have influence on one another. He indicated whether or not the town elected you, you are sitting here believing this is right, but the reality is that this will be a problem in the end. He believes this will be discussed at every meeting.

Mrs. Couture commented that time will tell and the voters have a way of making their concerns known. She noted many are concerned. She indicated the best thing Any Committee can do is "fly under the radar" and the Budget Committee is certainly now going to have to deal with an "elephant in the room".

Mr. Kevin Bourque commented people do need to get involved in the process.

Mr. Peeples commented people that are outspoken are usually put under pressure and some may not want to put their families under that pressure.

Mrs. Couture commented that it is true people need to get involved. Mr. Pascucci agreed.

## **9. ADJOURN**

**MOTION:** by Mrs. Douglas

***Move to adjourn the meeting***

**SECOND:** by Mrs. Cotuure

**VOTE: 8-0-0**

**The motion carried.**

The meeting was adjourned at

**Next Meeting:** Thursday, April 21, 2016 at 7:00 p.m.

**Recorded by: Michele E. Flynn, Recording Secretary**