

**Minutes of the  
Litchfield Budget Committee Meeting  
Held on January 12, 2017**

The Litchfield Budget Committee held a meeting on Thursday, January 12, 2017 at Campbell High School, One Highlander Court, Litchfield, NH 03052.

**PRESENT:** C Couture (Chair), K Douglas (Vice Chair), A Cutter, J Bourque, D Miller, R Keating, B Bourque (School Board Representative), P Izbicki (School Board Representative)

Absent: C Pascucci

**1. CALL TO ORDER**

Mrs. Couture called the meeting to order at 7:47 p.m.

● **PLEDGE OF ALLEGIANCE**

**2. PUBLIC INPUT**

There was no public input.

**3. REVIEW/ADDITIONS TO AGENDA**

There were no additions to the agenda.

**4. REVIEW/ACCEPTANCE OF MINUTES**

- **December 15, 2016**
- **December 22, 2016**

**MOTION:** by Mr. Cutter

*Move to approve the minutes of December 15, 2016 and December 22, 2016*

**SECOND:** by Mrs. Douglas

**VOTE: 5-0-3**

**The motion carried.**

**5. CORRESPONDENCE**

Mrs. Couture announced deficit appropriation information was received from the NHMA and School Board legal counsel that consisted of two similar, but different opinions. She indicated that a deficit appropriation is possible by raising the taxes on the current year.

Mr. Cutter commented he was concerned about the timing for the school district to get the funding. Mrs. Douglas commented it can be done. She noted the town is reasonable and was confident that it would be supported by the community. She indicated it is supported by the legal team.

Mrs. Couture reported information was also received from NESDEC regarding the influx of younger families moving into the town that could impact enrollment in the future; LEA contract

changes; LSS contract was forwarded; new warrant article information by the town.

Mr. Cutter commented he is not comfortable voting on the contract this evening.

Mr. Miller commented that he has a copy of the current contract and asked for a complete LEA contract for comparison.

Mrs. Bourque asked if it is relative for the Budget Committee's purposes. Mr. Miller believes the Budget Committee is voting on the contract.

Mrs. Izbicki indicated the Budget Committee has no authority to make any changes in the contract.

Mrs. Douglas commented that it does not change her opinion with or without the contract.

Mrs. Couture commented there was a question about part of the budget presentation.

Mr. Bourque indicated he had a question regarding the tax impact on School District Article 1. He commented that Mrs. Couture met with the Superintendent, Business Administrator and himself and was shown that the tax impact was \$0.21 on the operating budget. He asked why there was a difference between what the Budget Committee presented and the School District.

Mrs. Couture indicated her template takes into consideration the budget and individual revenue lines that have changed since last year.

Mr. Cutter commented we have this dialogue every year about these calculations. He indicated this committee tries to calculate to what the taxpayers would see on the actual tax bill.

Mrs. Couture commented that the revenues were adjusted in September, but she used all the revenues.

Mrs. Bourque asked if the presentation provided this evening will be the same for Deliberative Session. Mrs. Couture indicated it will if she is asked to give the presentation. She commented the School District prepares the ballot and can place their numbers on it. She noted for the last two years the Budget Committee was asked to present at Deliberative Session.

Mrs. Bourque explained she asked because she noticed that the decrease to the town budget was noted on a slide, but decreases on the school side were not. She commented we are trying to explain to the public we see an increase in technology, but a decrease in curriculum. She asked if that would be noted.

Mrs. Couture commented that there was a decrease in textbook replacements that should have been mentioned.

## 6. SCHOOL DISTRICT BUDGET

Mrs. Couture asked if Committee members had any comments or changes. Hearing no changes, Mrs. Couture moved on to the Warrant Articles.

### School District Warrant Articles

*Article 2: (LEA Collective Bargaining Agreement)*

**MOTION:** by Mrs. Bourque

**Move to recommend Article 2**

**SECOND:** Mr. Keating

Mrs. Douglas commented she would like to have seen structural changes in the contract. She indicated that it is a large increase and the largest percentage of the budget is going to personnel, which is now unsustainable. She noted when reviewing the contract proposed for the new union, she saw some things in there that would have been nice to see in the teachers' contract such as a larger health insurance contribution from employees, less sick time accrual. Mrs. Douglas commented that we need to take a look at the long term projection of the contract and improve the structurability. She indicated these are going to spiral out of control, which means less money for programming.

Mrs. Izbicki commented that it is a fair contract. She indicated that you always want to resolve your negotiations fairly. She mentioned that a new superintendent will most likely be coming in the following year and the teachers did not get a contract a few years ago that had a longer lasting impact.

Mrs. Douglas commented that there have been statements that the teachers did not have a contract for years, which is untrue. She indicated there is no indication they have been working without a contract for years. Mrs. Izbicki noted that prior to the last contract there was one that did not pass and that statement was clarified.

Mr. Cutter asked why the contract is only for two years. Mrs. Izbicki indicate insurance plays a role. Mr. Bourque commented there was concern regarding the Cadillac tax.

Mrs. Douglas commented that there was no attempt to negotiate a savings in healthcare. Mrs. Couture noted the teachers agreed to an increase in copays and a 1% contribution in premium.

Mrs. Douglas commented that is too little and the last time we increased copays we established a copay fund that became a staple. Mr. Miller clarified it was a prescription reimbursement fund.

Mrs. Douglas commented that fund was supposed to expire. Mr. Miller indicated it is still in the contract.

Mr. Cutter asked Mr. Miller for his opinion of the contract.

Mr. Miller commented that the growth in salaries and healthcare is not sustainable for this town. He indicated he does not know anyone besides teachers that do not have high deductibles on health insurance. He commented it is not cost effective when the district pays almost \$23,000 per employee and compounds raises. He noted we are adding more full time employees. He indicated he has gone through negotiations and knows what it is like. He commented that the district may have to go four or five years without a contract to make an impact in healthcare. Mrs. Bourque asked if there are examples of other districts that have done that. Mr. Miller indicated he did not have that research.

Mrs. Bourque commented that she does care about what other communities do and wants more people to be attracted to Litchfield, wants the value of her home to increase, wants better education. She indicated she thinks about her own family and her own increase in insurance and that is what is happening with healthcare today. She does not believe it is fair to penalize the employees in the district because of what is happening in the world.

Mr. Miller commented it is not fair for the taxpayers to keep paying for it. Mrs. Douglas commented if we make changes maybe others will make changes. She indicated Litchfield has been at the forefront before and is not afraid of taking on a challenge. She noted we cannot continue to go down this route and we will begin to see critical programs (like enrichment) be crowded out.

Mrs. Izbicki commented that enrichment can be done with zero dollars. She indicated it is not fair to put that on the taxpayers.

Mr. Bourque commented the type of insurance the teachers have is typical in all districts and was negotiated. He indicated if you want to attract and retain good teachers you have to make it competitive. He noted that negotiations do not always end up the way you would like.

Mrs. Couture indicated that she liked the changes shown in the format. She commented it shows what was attempted to be negotiated. She noted the rate of the increases are small – 1.5% the first year and 2% the second year. Mr. Miller commented it calculates to 5% the first year and 6% the second year for the lowest tier.

Mrs. Douglas commented you can get a contract passed, but you just have to get the right number. She indicated she cannot support the article.

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

*Article 2 is recommended by the Budget Committee by a vote of 6-2-0.*

*Article 3: (Litchfield Support Staff Collective Bargaining Agreement)*

**MOTION:** by Mrs. Bourque

*Move to recommend Article 3*

**SECOND:** by Mr. Keating

Mrs. Douglas commented this contract is more agreeable and the health insurance share is a better percentage.

Mr. Cutter asked how many employees the contract addresses. Mr. Bourque indicated there are 110 employees in the LSS union.

**VOTE: 7-0-1, with Mr. Miller abstaining**

**The motion carried.**

*Article 3 is recommended by the Budget Committee by a vote of 7-0-1.*

Mrs. Couture indicated this is the final opportunity for Budget Committee members to change the FY18 recommended budget.

Mr. Cutter asked if he is able to make a motion to add \$106,000 to the budget for special education tuition. Mrs. Couture indicated the motion has to be made by someone who opposed the prior motion.

**MOTION:** by Mrs. Couture

*Move to add \$106,000 to Account 1000120100-561, Handicapped Tuition*

**SECOND:** by Mr. Cutter

Mrs. Douglas commented we do not have the additional information. She indicated she will not support the motion.

Mrs. Couture clarified that this is an existing student that we know about. She commented there are three additional placements, but this will give people an opportunity to weigh in.

**VOTE: 6-2-0, with Mrs. Douglas and Mr. Miller opposing**

**The motion carried.**

Mrs. Couture noted this changes the bottom line of the FY18 School District budget to \$21,827,223.

**MOTION:** by Mrs. Bourque

*Move to recommend Article 1 with a revised total for the FY18 Recommended Operating budget of \$21,827,223*

**SECOND:** by Mr. Cutter

**VOTE: 6-2-0, with Mrs. Douglas and Mr. Miller opposing**

**The motion carried.**

*Article 1 is recommended by the Budget Committee by a vote of 6-2-0.*

Mrs. Couture indicated that the Budget Committee needs to vote to accept the School District projected revenues for FY18.

**MOTION:** by Mrs. Douglas

*Move to accept the use of the projected revenues for FY18 provided by the School Board*

**SECOND:** by Mrs. Bourque

**VOTE: 8-0-0**

**The motion carried.**

## **7. TOWN BUDGET**

Mrs. Couture commented the Budget Committee needs to vote to recommend three articles.

*Article 12: (Fire Vehicle and Equipment Repair Expendable Trust Fund)*

Mrs. Couture asked why the Board of Selectmen made this article a taxable item and are now proposing the use of impact fees for Article 13?

Mr. Kevin Bourque indicated that he was not at the meeting that night and does not have the information.

Mrs. Douglas commented in order to support the article we now have to find additional funds to reduce from the 2017 Recommended budget.

Mrs. Couture indicated this exceeds the tax cap and we will have to reduce the budget by \$49,999.

Mr. Miller commented that he suspects they are placing more importance on the fire station architectural fees than the expendable trust fund.

Mrs. Couture commented you cannot have a plan without spending money.

Mr. Bourque commented considering the increase of the town budget and the surplus they have, it is expected they will find the money.

Mr. Kevin Bourque commented he was not present at that meeting, but believes it is based on importance.

Mrs. Couture commented if we do not recommend the article it is because it exceeds the tax cap.

Mrs. Bourque commented it is frustrating because prior to being elected to the Budget Committee she took great stock in what the Board of Selectmen and Budget Committee had to recommend.

Mr. Cutter indicated he will not support the article. Mr. Keating commented repair of fire equipment is a priority.

Mrs. Bourque indicated we cannot present a budget higher than the tax cap.

Mrs. Couture commented the Board of Selectmen and citizens do not have a tax cap. She indicated this is on the Budget Committee. Mr. Kevin Bourque commented anyone can add this back into the budget at Deliberative Session.

Mrs. Douglas commented she was supportive of the original article, but now we have to put people on record voting against repairs.

**MOTION:** by Mr. Cutter  
*Move to recommend Article 12 as presented*  
**SECOND:** by Mr. Bourque  
**VOTE: 1-6-1**  
**The motion failed.**

*Article 12 is not recommended by the Budget Committee by a vote of 1-6-1.*

*Article 13: (Architectural and Engineering Fees for New Fire Station)*

**MOTION:** by Mr. Miller  
*Move to recommend Article 13*  
**SECOND:** by Mr. Cutter  
**VOTE: 2-4-2**  
**The motion failed.**

*Article 13 is not recommended by the Budget Committee by a vote of 2-4-2.*

*Article 14: (Non-Lapsing Appropriation)*

**MOTION:** by Mr. Bourque  
*Move to recommend Article 14*  
**SECOND:** by Mr. Miller

Mr. Bourque asked why the funds would be returned to the general fund and not the taxpayers.

Mr. Miller indicated it is never returned to the taxpayers. He noted the Board of Selectmen can pull it out if they choose.

Mr. Bourque asked if the vote is negative, what happens to the money? Mr. Miller indicated it stays in the fund.

**VOTE: 2-5-1**

**The motion failed.**

*Article 14 is not recommended by the Budget Committee by a vote of 2-5-1.*

Mrs. Couture asked if there were any last minute changes to the budget. Hearing none, she indicated that the revenues have to be accepted by the Budget Committee.

**MOTION:** by Mrs. Douglas

*Move to accept the use of the revenues provided by the Board of Selectmen*

**SECOND:** by Mr. Cutter

**VOTE: 8-0-0**

**The motion carried.**

Mrs. Couture indicated there are four positions that will be posted for election on the Budget Committee in March.

Mr. Kevin Bourque announced the Board of Selectmen will ask the Budget Committee to present the budget at Deliberative Session.

## **8. ADJOURN**

**MOTION:** by Mr. Miller

*Move to adjourn*

**SECOND:** by Mr. Bourque

**VOTE: 8-0-0**

**The motion carried.**

The meeting was adjourned at 8:52 p.m.

**Next Meeting:** Saturday, February 4, 2017 immediately following Deliberative Session.

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

**Approved:**