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3 **Minutes of the**  
4 **Special Meeting of the Litchfield Budget Committee**

5 **Held on January 14, 2010**  
6

7 The Litchfield Budget Committee held a special meeting on Thursday, January 14, 2010,  
8 at Campbell High School, 1 Highlander Court, Litchfield, NH 03052.  
9

10 **PRESENT:** J Harte (Vice Chairman), B Spencer, R Peeples, M Falzone, P Parker, G  
11 Lambert (Board of Selectmen Representative), J Guerrette (School Board Representative)  
12

13 **ALSO PRESENT:** Dr. E. Cutler, S Martin  
14

15 **ABSENT:** B Lemire (Chairman)  
16

17 Mr. Harte called the meeting to order at 7:02 p.m.  
18

19 **1. PUBLIC INPUT**

20 There was no public input.  
21

22 **2. APPROVAL OF MINUTES**

23 **MOTION:** by Mr. Falzone

24 *Move to approve the Litchfield Budget Committee minutes of the meetings of*  
25 *December 8, 10, 15, 17, 2009 and January 7, 2010 as printed*

26 **SECOND:** Mr. Guerrette

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

28 **The motion carried.**  
29

30 **3. SCHOOL DISTRICT**

31 **a) Discussion of Collective Bargaining Agreement**

32 Mr. Guerrette reported the School Board and the LEA had come to an agreement  
33 and he handed over to Dr. Cutler to provide further information. Dr. Cutler  
34 informed the Committee the teachers had ratified the contract on Monday  
35 afternoon and the School Board had ratified it on Monday evening. She  
36 expressed her appreciation to the Budget Committee for holding this special  
37 meeting, and handed out hard copies of the contract. Referring to the back page  
38 of the materials which showed a cost base analysis, she explained the impact of  
39 the changes, highlighted certain increases and provided examples for clarification.  
40 Referring to health insurance, Mr. Spencer pointed out the higher cost plan has  
41 now been dropped. Dr. Cutler reported the District had agreed to set up a fund of  
42 \$5,000 (for families with multiple prescriptions) to be managed by the LEA. She  
43 also highlighted changes affecting retirement. There was a discussion between  
44 Messrs. Martin and Spencer, in which Mr. Spencer stated it would be nice to put  
45 some sort of figure against this to quote at the budget hearing tomorrow.  
46 Responding to a query from Mr. Harte, Dr. Cutler reported the Board has not

1 made the decision as to whether healthcare will be rolled into the non-bargaining  
2 agreement, stating she thought the Board would not consider this until the  
3 contract has been approved by the voters. Dr. Cutler stated she felt it was a  
4 reasonable agreement which provided considerable savings to the District in the  
5 areas of healthcare and prescriptions.  
6

7 Responding to a query from Mr. Lambert regarding Article 16, Section C, on page  
8 20 of the contract, Dr. Cutler clarified they are trying to group teachers in subject  
9 matter when reducing numbers in force, and this gives the Administration  
10 flexibility in subject areas. She explained it was not a priority list and provided  
11 examples for clarification.

12 **MOTION:** by Mr. Spencer

13 ***Move that the Budget Committee does hereby forward Article 2 to the warrant***  
14 ***for the School District with recommendation***

15 **SECOND:** Mr. Guerrette

16 **VOTE:** 7-0-0

17 **The motion carried unanimously.**  
18

19 **4. TOWN**

20 **a) Discussion of Warrant Article on Ethics Commission**

21 Mr. Lambert introduced Jan Raccio, Chairman of the Ethics Committee. Ms.  
22 Raccio explained the Commission had discussed the warrant article with the  
23 Board of Selectmen. They had decided not to change the warrant article, and it  
24 had been approved by the Board. She explained they want voters to have a one  
25 stop voting opportunity.  
26

27 ***Discussion:***

28 Mr. Harte clarified this would include the policy, committee and money. Mr.  
29 Guerrette stated he felt this was a mistake as it may be voted down because some  
30 voters do not understand the policy. In response Ms. Raccio reported the  
31 Commission will be working to ensure citizens understand what the policy is,  
32 what their goals are etc. Mr. Lambert talked about them having a better chance if  
33 the Budget Committee support the article and he offered to assist the Ethics  
34 Committee in selling the article. There followed a discussion with Ms. Raccio.  
35 Responding to Mr. Harte's query about whether the voters can change the policy  
36 at the deliberative session as it is linked to the warrant article, Mr. Lambert stated  
37 he was unsure about this, and there followed a discussion about whether this was  
38 practical. The Committee was in agreement that it would like an ethics policy but  
39 felt the policy as written may cause unintended consequences. Ms. Raccio  
40 explained the policy comes from other towns who have tested it before and  
41 Litchfield has changed some of it. She stressed it was not a brand new idea and  
42 the Commission had studied the statutes and the Federal Code of Ethics and the  
43 policy is very standard. Mr. Guerrette stated he felt the two separate things within  
44 one article would be a stumbling block and there was further discussion. Ms.  
45 Raccio pointed out that legal counsel stated the article can be modified at the  
46 deliberative session. Mr. Spencer clarified that the Budget Committee has an

1 obligation to vote on the money side as presented to them. Mr. Harte had a  
2 discussion with Ms. Raccio, providing a hypothetical situation, for clarification of  
3 when a conflict of interest might arise for a Committee member and how it could  
4 be resolved according to the policy. Mr. Peeples pointed out that such policies  
5 must be a work in progress as it is impossible to think of every situation in  
6 advance of putting a policy in place. It was clarified that the Commission will  
7 apply to the town and not the school district. There was a discussion between  
8 Messrs. Spencer and Lambert about whether the Budget Committee is an  
9 operational unit of the town when it comes to the school budget. Mr. Lambert  
10 talked about his interpretation of conflicts of interest, stating he objected to the  
11 policy as he could see that it could be used to manipulate the system negatively.  
12 Responding to Mr. Harte, Ms. Raccio clarified any modification of the policy  
13 after it is enacted would have to be done through the voters.  
14

15 **MOTION:** by Mr. Spencer

16 *Move that the Budget Committee does hereby forward Article 7 to the Town*  
17 *warrant with recommendation*

18 **SECOND:** Mr. Falzone

19 **VOTE:** 5-2-0 (Messrs. Lambert and Parker opposed the motion)

20 **The motion carried.**  
21

22 ***Discussion:***

23 Mr. Spencer suggested the Budget Committee should make an amendment at the  
24 deliberative session to the effect that they make no recommendation regarding the  
25 merits of the proposed code of ethics, and if approved the Budget Committee  
26 recommends this dollar amount.

27 **MOTION:** by Mr. Spencer

28 *Move that the Budget Committee does hereby agree to make an amendment to*  
29 *Article 7 as follows: "The Budget Committee makes no recommendation*  
30 *regarding the merits of the proposed Code of Ethics, and the Budget Committee*  
31 *recommends X Dollars if the article is approved*

32 **SECOND:** Mr. Lambert  
33

34 There was a further motion made by Mr. Lambert, seconded by Mr. Falzone to  
35 the effect that the amendment should be made by the Board of Selectmen at the  
36 hearing on the 15<sup>th</sup>, however after further discussion both Mr. Lambert and Mr.  
37 Falzone withdrew their motion and second. Mr. Parker queried adding wording at  
38 the bottom of the article as a commentary and there was further discussion about  
39 where the Budget Committee's note should appear.  
40

41 **VOTE on the motion on the floor:** 7-0-0

42 **The motion carried unanimously**  
43  
44  
45  
46

1           **MOTION:** by Mr. Lambert  
2           *The Budget Committee makes no recommendation regarding the merits of the*  
3           *proposed code of ethics. If the proposed code of ethics is approved, the Budget*  
4           *Committee recommends this dollar amount.*

5           **MOTION:** by Mr. Spencer

6           **VOTE:** 7-0-0

7           **The motion carried unanimously.**

8

9    **5. MEMBER INPUT**

10    Mr. Harte confirmed the agenda for the Budget Hearing, confirming the hearing  
11    would begin at 6:30 p.m.

12

13    Mr. Spencer stated he would like to discuss the citizens' petition for the default  
14    budgets tomorrow to see if the Budget Committee would go on record with their  
15    recommendation. Mr. Harte clarified whether the Budget Committee wants to go on  
16    record as supporting the default budget.

17

18    Mr. Spencer stated he also wants to discuss tomorrow the School District warrant  
19    article for the SPED fund which the Budget Committee did not support, as he would  
20    like to discuss options. He asked the Committee whether it would be interested in  
21    zeroing the article at the deliberative session or whether it would prefer to add  
22    commentary which talks about the tax implication. There was a discussion in which  
23    Mr. Harte stated it would not be his position to zero a warrant because the  
24    Committee does not agree with it.

25

26    Mr. Peeples pointed out they are still looking at a tax increase, based upon  
27    everything, of 36cents/\$1,000 (including the teachers' contract).

28

29    Mr. Guerrette reported the School District had encumbered \$25,000 last year for the  
30    generator hookup. He explained this was for an 800 amp service but because the  
31    generator is only for a 400 amp service the cost will be approximately \$10,000 less.  
32    He also reported they had not found a suitable replacement for the Technology  
33    Director and the District will outsource the work as needed for the current year. He  
34    stressed they would like to find someone with a background in schools. Mr. Spencer  
35    clarified there will therefore be a significant savings in salary for this year.

36

37    Mr. Guerrette talked about an energy upgrade program which would provide  
38    potential savings and he explained how this program works.

39

40    Mr. Spencer queried why the Fund balance for the School District was not \$200,000  
41    as previously estimated, and Mr. Harte agreed to take the matter up with Mr. Martin.  
42    Mr. Spencer commented they should still stay with \$200,000 for the tax rate  
43    projection.

44    **Action: Mr. Harte**

45

1 Mr. Dennis Miller, Chairman of the School Board stated for the public record that  
2 the District would not do a detailed work up of revenues until March/April next year.

3

4 **MOTION:** by Mr. Falzone

5 ***Move to adjourn***

6 **SECOND:** Mr. Lambert

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

8 **The motion carried unanimously.**

9

10 There being no further business the meeting adjourned at 9:00 p.m.

11

12

13

14

15 **Minutes taken by:**

*Sandra Maxwell (Recording Secretary)*

16 **Date approved:**

*March 25, 2010*

17

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