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3 **Minutes of the**
4 **Litchfield Budget Committee Hearing**

5 **Held on January 15, 2010**
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8 The Litchfield Budget Committee held a Public Hearing on Thursday, January 15, 2010,
9 at Campbell High School, 1 Highlander Court, Litchfield, NH 03052.
10

11 **PRESENT:**

12 **Budget Committee:** Mr. Lemire (Chairman), J Harte (Vice Chairman), B Spencer, R
13 Peeples, M Falzone, P Parker, G Lambert (Board of Selectmen Representative), J
14 Guerrette (School Board Representative)
15

16 **Board of Selectmen:** F Byron (Chairman), A Santom (Vice Chairman),
17 P Jewett, S Perry
18

19 **School Board & Administrative Staff:** D Miller (Chairman), R Boehm (Vice
20 Chairman), C Couture, Dr. Cutler, Mr. Martin
21

22 ***NOTE: Please refer to the presentation materials which can be found on the Town***
23 ***web site for specific figures and information presented during the hearing.***
24

25 **Town Budget Presentation:**

26 Mr. Lemire opened the public hearing at 6:02 p.m., making an introductory statement
27 about the purpose and format of the meeting. He outlined the agenda and introduced
28 members of the Budget Committee, recognizing them for their work on the Committee.
29 He also thanked the Board of Selectmen and School Board for their cooperation during
30 the budget deliberations, and called upon Mr. Byron, Chairman of the Board of
31 Selectmen to introduce the members of his Board.
32

33 Mr. Lemire spoke about the goals of the Budget Committee, stating it had been their
34 intent to maintain level funding while keeping the town's infrastructure and services. He
35 also talked about the limited stimulus funds which had been available to the town and
36 about mandated costs which have increased, providing a comparison between last year
37 and this year and outlining the general categories where increases could be seen.
38 He referred to the presentation (which can be found on the town web site) providing
39 budget totals for 2010 for both the Town and the School and indicating the areas where
40 there were increases over the previous year. He provided net increases and decreases for
41 all major categories in the Town budget and went on to provide more detailed
42 information for each department (see below).
43

44 Mr. Peeples arrived at 6:41 p.m.
45

1 During the presentation of the budget on Public Safety Mr. Spencer clarified the patrol
2 car was a replacement and not an addition. Mr. Lemire pointed out during the
3 presentation on Solid Waste that the EPA had mandated changes which will result in the
4 closing of the incinerator and its conversion to a transfer station. He also talked about a
5 lighting audit during the presentation on Highways and Streets. In addition he provided a
6 summary by object for the Town budget.

7
8 Moving on to Town warrant articles, Mr. Lemire pointed out the Budget Committee only
9 recommends those articles with a fiscal impact.

10
11 **Article 4** – Mr. Lemire explained this article was for the 2010 Town Operating Budget,
12 and provided figures for the Operating and Default Budgets. He clarified that the tax
13 impact shown only relates to the Town budget and confirmed the article was
14 recommended by both the Board of Selectmen and the Budget Committee.

15
16 **Article 5** – Mr. Lemire reported this article is for a town administrator and confirmed the
17 article was recommended by both the Board of Selectmen and the Budget Committee.

18
19 *Public input:* Mr. Spencer moved to the floor to request that the three members of the
20 Budget Committee who voted against recommendation of this article explain their
21 reasons.

22
23 Mr. Spencer stated he had voted not to recommend the article because of the current
24 financial and economic situation of residents. Mr. Guerrette stated he voted not to
25 recommend the article because he could not justify the resulting increase in taxes and he
26 was not convinced that responsibilities of the position could not be handled by
27 department heads. Mr. Peeples stated he voted not to recommend the article as it would
28 result in another layer of government and because of the current economic situation of
29 residents, and he felt that financially it was badly timed.

30
31 **Article 6** – Mr. Lemire reported this article is for a welfare administrator, and the Board
32 of Selectmen and Budget Committee both recommended the article.

33
34 Mr. Guerrette stated he felt the Board of Selectmen should more fully explore the
35 possibility of contracting the position. Responding to a query from Mr. Lambert, Mr.
36 Guerrette stated he may have been in support of the article if this information had been
37 presented with it.

38
39 *Public input:* Mr. Dennis Miller pointed out the wording of the article indicates the
40 welfare officer would have to report to the Board of Selectmen, and they would have to
41 re-visit this if the article passes. He asked whether the Board had thought about this, and
42 Mr. Byron responded the reporting line can be changed.

43
44 **Article 7** – Mr. Lemire reported this article is for setting up an Ethics Committee
45 including funding and a new code of ethics. He stated the article was recommended by
46 the Budget Committee, but not recommended by the Board of Selectmen. Mr. Lambert

1 requested information on the reasons why members of the Board and Committee had
2 voted for or against recommending this article. It was noted that the Budget Committee
3 had approved only the money and not the policy itself.

4
5 Selectman Jewett explained she had voted without recommendation because she thought
6 it could lead to a witch hunt, stating she did not feel it was appropriate and lack of
7 communication was the largest problem.

8
9 Selectman Santom explained he had voted without recommendation as there appeared to
10 be too many loopholes and no consequences for violations within the code. He stated
11 there were a lot of vague areas and it was not clear from the code what constitutes a
12 violation.

13
14 Selectman Lambert explained there are three distinct questions within the one article i.e.
15 money, committee and code and he thought the issues were too complicated to have in
16 one article. He also pointed out the code was not with the warrant article for voters to
17 read, and he felt the article needs to be revised to address issues of language and the
18 complexities involved.

19 Mr. Parker also referred to the three parts within the article, reporting that the Budget
20 Committee had requested the Board of Selectmen review the article to break it out into
21 two. He stated he felt the section about rescinding the conflict of interest law should
22 have been put before voters separately. Responding to a question from Selectman Byron,
23 Mr. Parker confirmed he had voted without recommendation for reasons other than
24 budgetary ones.

25
26 **Article 8** – Mr. Lemire reported this article is for salary and benefits for an additional full
27 time Police Officer. He pointed out this would be in line with the MRI recommendations
28 on staffing levels, resulting in two officers being on duty 24 hours/day, 7 days/week. He
29 also pointed out the article had been recommended by both the Board of Selectmen and
30 the Budget Committee.

31
32 **Article 9** – Mr. Lemire reported this article is to enable the Fire Department to purchase a
33 rescue truck from Londonderry. He also pointed out the article had been recommended
34 by both the Board of Selectmen and the Budget Committee.

35
36 *Public input:*

37 Ms. Elizabeth Miller, 21 Bear Run Drive introduced herself and enquired as to why the
38 Londonderry Fire Department was selling the truck. Chief Schofield responded by
39 explaining Londonderry has a 10 year replacement cycle and this vehicle is up for
40 renewal. He stated the department had offered it to Litchfield for a good price.

41
42 **Article 10** - Mr. Lemire reported this article is for the cost items within the collective
43 bargaining agreement between the Town of Litchfield and Council 93 of the American
44 Federation of State County and Municipal Employees and covered Police Department
45 employees. He confirmed the article had been recommended by both the Board of
46 Selectmen and the Budget Committee.

1 *Public input:* Mr. Spencer asked (as a resident from the floor of the meeting) for an
2 explanation of the implication of the Evergreen Law. In response Selectman Byron
3 clarified that in situations where a new agreement with a bargaining unit fails at the polls
4 the previous contract stays in place. Mr. Boehm clarified that staff will obtain step
5 increases but not additional COLA increases and there was a brief discussion with
6 Selectman Byron. Mr. Spencer clarified this new agreement was meant to make
7 Litchfield competitive with surrounding larger communities. Responding to a query
8 about the average overtime of surrounding communities from Mr. Spencer, Chief
9 O'Brien stated he did not know what officers in other towns obtain in overtime, but
10 offered to obtain the numbers for the Deliberative Session. Mr. Guerrette stated for the
11 record that he had voted against recommending this article. He talked about average
12 increases for various sections of the Police Department stressing that voters were not
13 obtaining these types of increases themselves. Chief O'Brien pointed out this would be
14 the third year without a contract and there followed a discussion about whether the
15 increases were retroactive, with Selectman Byron pointing out there were no retroactive
16 increases in the contract but that it attempted to address the fact that salaries within
17 Litchfield are behind other communities. Selectman Lambert further explained for
18 clarification that the contract would bring the pay scale for the department in line with
19 surrounding communities.
20

21 Mr. Lemire moved on to present information on revenue expectations for 2010 compared
22 with 2009, pointing out the town is expecting a decrease in revenues due to federal grants
23 not being received which they had received in 2009 and Selectman Byron used the
24 number for the previous year to explain this further.
25

26 Mr. Lemire explained the impact the budget would have on the tax rate providing
27 examples, and Mr. Spencer clarified that this would be rate if everything passed.
28 Responding to a query from Selectman Byron, Mr. Spencer explained the Budget
29 Committee had used the current home valuation for comparison purposes. Selectman
30 Byron pointed out the town will go through a revaluation this year and there followed a
31 discussion on the impact of this on the tax rate. It was then clarified for the audience that
32 the rate is an estimate for relative comparison purposes.
33

34 Mr. Lemire stated this completed the presentation on the town budget and called for a
35 recess. He called the meeting to order again at 7:35 p.m.
36

37 **School District Budget Presentation:**

38 Mr. Dennis Miller, Chairman of the School Board introduced members of the Board. Mr.
39 Lemire provided an introduction to the School District budget process, talking about the
40 goal of the Budget Committee. He then pointed out a few notable increases and showed
41 a summary of the budget by location. Mr. Spencer clarified that the reduction in GMS
42 was primarily due to the reduction in kindergarten portables and site work which
43 amounted to \$68,000. Mr. Lemire then pointed out notable increases and reductions
44 which were district wide, along with some which were specific to each location. Mr.
45 Lemire then outlined the school budget summary by object code, pointing out the
46 increases and decreases in various categories of accounts. He confirmed for Mr. Lambert

1 he would demonstrate the net effect of the overall decrease on the tax rate later in his
2 presentation. He then moved on to the School warrant articles.

3
4 **Article 1** – Mr. Lemire explained this article was for the School Operating Budget,
5 pointing out the article was recommended by both the School Board and the Budget
6 Committee. Mr. Guerrette pointed out the vote for the School Board recommendation
7 should read 3-2-0.

8
9 Mr. Lambert asked how that amount of money only represents a tax rate increase of only
10 0.09 cents and Mr. Spencer requested the Board provide an understanding on why the
11 default budget is higher than the operating budget. In response, Mr. Martin stated it is
12 based on following the statute, clarifying that it is due to the fact that the law has strict
13 way of calculating the default budget, and there was a discussion on this with Mr. Martin
14 explaining they begin with the current budget (and not next year's), and then make
15 additions and subtractions. He stated it becomes confusing when budgets are decreasing.

16
17 *Public input:*

18 Ms. Elizabeth Miller, 21 Bear Run Drive introduced herself requesting the reasons why
19 some School Board members had voted not to recommend the Operating Budget.

20
21 Mr. Guerrette stated he felt there was more in the budget than was necessary.

22 Mrs. Couture stated she was concerned by some of the cuts made by the Budget
23 Committee and she felt the default would better serve the District.

24
25 **Article 2** – Mr. Lemire explained this article was for the Collective Bargaining agreement
26 between the District and the Litchfield Education Association (LEA). He confirmed the
27 School Board had voted 4-1-0 to recommend the article and the Budget Committee also
28 recommended the article. Mr. Lambert requested the members who had voted not to
29 recommend provide their reasons. Mr. Guerrette stated he had felt it was reasonable to
30 ask teachers to forego a small increase in times of economic need.

31
32 **Article 3** – Mr. Lemire explained this article was for funding the Special Education
33 Capital Reserve Fund with \$50,000. He confirmed the School Board had voted to
34 recommend the article by 4-1-0, and the Budget Committee did not recommend it. Mr.
35 Lambert requested an explanation from the Budget Committee for not recommending it,
36 and Mr. Guerrette clarified that any money left over at the end of the year will go to this
37 fund instead of being returned to voters and he was not in favor of this.

38
39 Mr. Spencer, speaking for himself, stated this was a tax appropriation which he cannot
40 afford and also he felt that the money currently in the fund would be adequate for 2011.
41 Mr. Lemire confirmed this was also the feeling of the rest of the Budget Committee.

42
43 Mr. Lemire provided an indication of revenue expectations, pointing out the District are
44 expecting these to be down from the previous year. Mr. Martin clarified this is a
45 projection due to the loss in the anticipated fund balance. There was a brief discussion
46 between Messrs. Guerrette and Martin with clarification given that the fund balance is

1 transferred back to the taxpayers to offset the tax rate. Responding to a query from Mr.
2 Spencer as to whether he was confident about the amount, Mr. Martin confirmed he was
3 comfortable with the amount, but stressed it was not a guarantee. Responding to a query
4 from Mr. Lambert about where the Superintendent had requested spending cuts and
5 where the SPED under spending was, Mr. Martin confirmed the year end fund balance is
6 a combination of all under spending in the budget.

7
8 Mr. Lemire presented the estimated tax rate impact of the School Budget, providing
9 examples. He then presented the impact on the tax rate of the combined town and school
10 budgets, stressing this is an estimate at this point.

11
12 It was pointed out that the second example in the presentation should be amended as it
13 was incorrect.

14
15 *Public input:*

16 Ms. Elizabeth Miller, 21 Bear Run Drive asked why a copy of the School District warrant
17 was not available as it was for the town and Mr. Lemire apologized, taking responsibility
18 for this omission. In response to her query about the difference between the figures in the
19 examples, Mr. Lemire explained this was due to the Food Service.

20
21 There being no further questions, Mr. Lemire closed the public hearing at 8:10 p.m.
22 thanking everyone for attending and for their input.

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26 **Minutes by:**

Sandra Maxwell, Recording Secretary

27 **Date approved:**

March 25, 2010

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