

1
2
3 **Minutes of the**
4 **Litchfield Budget Committee Meeting**

5 **Held on May 27, 2010**
6

7 The Litchfield Budget Committee held a meeting on Thursday, May 27, 2010, at
8 Campbell High School, 1 Highlander Court, Litchfield, NH 03052.
9

10 **PRESENT:** J Harte, B Spencer, R Peeples, M Falzone, P Parker, E Miller, F Byron
11 (Board of Selectmen Representative), J York (School Board Representative)
12

13 **ABSENT:** R Peeples
14

15 Mr. Harte called the meeting to order at 7:02 p.m.
16

17 **1. Public Input**

18 Mr. J. Guerrette, 11 Perry Court introduced himself and talked about the importance
19 of separating the Operating and Capital budgets and the need for capital expenses to
20 be on the warrant. He asked the Budget Committee to consider this for the future.
21

22 Mr. C. Pascucci, 12 Colonial Drive introduced himself. He talked about funding for
23 the play set at the GMS playground and about the options which are currently being
24 discussed. He thanked everyone for responding to the letter he had sent on this topic
25 to the Budget Committee, School Board and the Board of Selectmen. Mr. Pascucci
26 requested, for the benefit of the viewing public, an explanation as to why the Budget
27 Committee would not have this topic on their agenda for discussion. Mr. Guerrette
28 stated he had received feedback from residents that the Budget Committee should be
29 involved in this decision and that residents wish to hear the Budget Committee's
30 opinion.
31

32 Responding to the input, Mr. Harte explained it is the Budget Committee's response
33 that they are responsible for working with the governing bodies, but they are not
34 responsible for telling them how to use the budget money as it is a bottom line
35 budget. He stressed these matters are outside the Budget Committee's purview, and
36 that the Budget Committee can request information but cannot challenge the
37 governing bodies. He also confirmed he had responded to Mr. Pascucci's letter via
38 e-mail confirming it is not appropriate for the Budget Committee to take a formal
39 position on this.
40

41 **2. Approval of Minutes of Previous Meeting**

42 Mr. Byron requested a number of amendments to the draft minutes of the Budget
43 Committee's April meeting, which he read.

44 **MOTION:** by Mr. Falzone

45 *Move to approve the minutes of the Litchfield Budget Committee meeting held on*
46 *April 22, 2010 as amended*

1 **SECOND:** Mr. Spencer
2 **VOTE:** 6-0-1(Ms. Miller abstained)
3 **The motion carried.**

4
5 **3. Town Business**

6 Mr. Byron handed out copy of a Town Report to the Budget Committee, dated May
7 27, 2010 and proceeded to provide clarification and an update on a number of points
8 as he went through the report. He also asked members of the Committee to let him
9 know if they are not receiving e-mails via their town e-mail addresses.

10
11 Responding to a query from Mr. Spencer regarding how a salary adjustment had
12 been handled within the Police Department, Mr. Byron reported it had been a change
13 in position on the salary table. He also clarified that the lease for police cars is a
14 municipal lease. Mr. Spencer queried the amount left in the Social Security and
15 Medicare Taxes line within the Personnel Administration account and Mr. Byron
16 agreed to investigate this.

17 **Action: Mr. Byron**

18
19 Mr. Byron reviewed revenues, reporting the town is ahead of revenue projections.
20 He noted the town had not sent out reminders to residents regarding renewal of their
21 dog licenses and will now have to find money to send registered letters to residents
22 as there were approximately 360 residents who had failed to register their dogs.

23
24 **General Update:**

25 Mr. Harte asked whether anything stood out on initial review of the audit report, and
26 Mr. Byron stated he thought there may be an error relating to the Library. He also
27 stated the auditors will ask the Board to segregate Highway Block Grant money
28 which will have ramifications administratively for the town. He stated there may be
29 an issue over some of the basic financial procedures not yet being in place.

30
31 Responding to a query from Mr. Spencer regarding whether the school playground
32 equipment would be eligible for recreation impact fees, Mr. Byron stated he was
33 unsure about this, but that this would also have to be part of the CIP (Capital
34 Improvement Plan). There followed a brief discussion of CIP issues, and
35 clarification on the use of impact fees.

36
37 **4. School Business**

38 Talking about school lunches, Mr. York reported the District anticipates it will be
39 \$19,000 short at the end of the year. He reported there is a revised pricing proposal
40 which recommended an increase in the price of lunch at all three schools, but with no
41 increase recommended for St. Francis which the Board is querying. He stated the
42 third party vendor will make a presentation to take over school lunches but this will
43 not happen in 2010/11. He confirmed the District will get a notice from the state
44 about the deficit. He also pointed out that school lunches in Litchfield are between
45 25 and 50 cents per meal less than surrounding districts. Responding to a query from
46 Mr. Spencer, Mr. York reported a decision has yet to be made regarding where the

1 shortfall would come from. Mr. York confirmed the vendors would begin in 2011/12
2 and Mr. Harte stressed the Budget Committee will need to know what the
3 recommendation is for the upcoming budget season.
4

5 Mr. York talked about some of the possible implications of having an outside vendor
6 provide school lunches, including restrictions on the use of facilities by residents for
7 functions. Responding to a query from Mr. Harte, Mr. York stated the District will
8 possibly look at sub contracting in other areas. Mr. Byron requested that the School
9 Board consider the impact of using an outside vendor who would have control over
10 the cafeteria facilities and the use of those facilities in an emergency when the school
11 is used as a shelter for residents.
12

13 Mr. York obtained confirmation that the Committee had received Mr. Martin's May
14 7th report. He reported the next meeting of the Board will be on June 16th.
15 Responding to a query from Mr. Spencer, Mr. York reported the District is not
16 planning on doing anything at present regarding a network upgrade and the Board
17 has not made any recommendations, but stressed the matter is a concern for them.
18 He pointed out the Board is currently trying to work out how to deal with the
19 shortfall in funding from the state. There followed a discussion about the network
20 audit and the need for expansion. Mr. Spencer suggested advancing items from next
21 year to this year to alleviate the situation.
22

23 Mr. Falzone requested a status report on the GMS playground issue, and Mr. York
24 reported there was a motion made at the last Board meeting to allocate funds to the
25 playground but it had failed for lack of a second. He stated they will discuss the
26 matter again at their June meeting. He also reported the PTO has made a
27 commitment to raise a certain amount of money for the playground.
28

29 **5. 2010 Budget Season Goals Discussion**

30 Mr. Harte opened the meeting up for discussion on what the members felt should be
31 their goals for the upcoming budget season. There was discussion on what the drop
32 in funding from the state would mean for the town as a whole, as well as discussion
33 on the talks which will take place over the next few months to resolve the issue.

34 **a) Target Tax Rate**

35 There was a discussion on whether they could come up with a target tax rate and
36 which things would have a bearing on the discussions, such as teacher ratios. Mr.
37 Spencer suggested a means of achieving a reasonable operating budget increase
38 and Mr. Byron weighed in, suggesting the Committee have the town and School
39 District come forward with ideas before they discuss this any further. It was the
40 consensus of the Budget Committee to table this at present. Mr. Harte stated he
41 would like to give the various boards information on what the Budget
42 Committee's position is.
43

44 **b) Meeting Format**

45 Mr. Harte asked whether the members wished to continue with the way they had
46 handled the meeting format for last year's budget discussions/presentations, and

1 he provided an overview for the benefit of the new committee members. There
2 was a brief discussion, initiated by Ms. Miller regarding the time allotted to both
3 the town and the school by the Budget Committee, and about which
4 representatives from each area would present and answer questions from the
5 Committee.
6

7 **c) Meeting Schedule**

8 Mr. Harte reported that Mr. Byron had taken a first pass at a budget schedule for
9 the town. Mr. Harte provided Mr. Byron with suggested amendments based upon
10 the Committee's preferences. Mr. Byron agreed to discuss the amended schedule
11 with the Board of Selectmen on June 14th.

12 **Action: Mr. Byron**

13
14 Mr. Harte stated the schedules would be presented to the Budget Committee at
15 their next meeting. Mr. Spencer suggested the Budget Committee meetings
16 should have opportunity for public input at both the beginning and the end of the
17 meetings and Mr. Harte said he had no objection to this.
18

19 **d) Board Interaction**

20 Mr. Harte reported he had spoken with the Chairmen of both the Board of
21 Selectmen and the School Board regarding the possibility of joint sessions with
22 the Budget Committee for the exchange of ideas. He made the following
23 suggestion:

24 June - Board of Selectmen

25 July – School Board

26 August – a joint session with both the School and Board of Selectmen.
27

28 He confirmed the Budget Committee would post the meetings and invite
29 everyone, and that the Budget Committee would run the meetings.

30 **Action: Mr. Harte**

31
32 **e) Teacher Ratio Discussion**

33 Mr. Spencer talked about whether the Budget Committee should discuss in
34 advance the type of criteria they will use to make cuts in the budget, and in
35 particular the school budget. He handed out copies of the existing teacher ratio
36 policy, as well as a chart which can be used to determine teacher head count, and
37 also one which included the state standards. He compared these to Litchfield's
38 standards and suggested letting the voters decide whether extra teachers required
39 by the school should be in the budget or not. He also suggested the Committee
40 come to agreement about what they think is acceptable as this would make it
41 easier for the School District at budgeting time. He requested members take a
42 look at the information he had shared and give it consideration. Responding to a
43 query about why the high school was not included in Mr. Spencer's information,
44 he pointed out it is difficult to know how to measure teacher ratio at the high
45 school. Mr. Harte mentioned his concern about certain class dimensions and
46 increasing the number of students in those classes, stating he would want to take

1 another look at first grade through second grade to ascertain whether there are
2 classrooms which can support state standard of 25 students. Mr. Falzone
3 suggested touring the schools with the principals. He also stated he has a problem
4 with the Budget Committee deciding what the teacher ratio should be. Mr.
5 Spencer pointed out the standards in place were never put to the voters and were
6 arbitrarily decided by the District.
7

8 Ms. Miller clarified what her position is regarding the tax rate.
9

10 **f) *Community Interaction***

11 This was not discussed at this time.
12

13 **g) *Road Maintenance Budgeting***

14 Mr. Spencer suggested any road projects which are not funded by Highway Block
15 Grant money be separate warrant articles, suggesting they reach a proposal at
16 their next meeting regarding the Budget Committee's position. Mr. Harte asked
17 for clarification of 'any road maintenance', and Mr. Spencer suggested the Budget
18 Committee may wish to propose a figure. There followed a discussion in which
19 Mr. Byron provided input about Highway Block Grant money. They went on to
20 discuss the accounting procedures for receipt of this money and what it can be
21 spent on, as well as certain procedures resulting in unnecessary restrictions on
22 when and how to use the money. Mr. Harte provided some clarification during
23 the discussion.
24

25 **h) *Salary Increase Budgeting***

26 Mr. Spencer stated he would propose there should be separate warrant articles for
27 salary increases of non-bargained staff, and he would like to discuss the matter
28 and whether they wish to take a position on freezing non-bargained staff into their
29 step, and the position in the step, at their next meeting.
30

31 **6. Member Input**

32 The Committee held a brief discussion about the input Mr. Guerrette had provided at
33 the beginning of the meeting.
34

35 • **Upcoming Meetings**

- 36 ○ June 24, 2010
37

38 **ADJOURN**

39 **MOTION:** by Mr. Falzone

40 ***Move to adjourn***

41 **SECOND:** Ms. Miller

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

43 **The motion carried unanimously.**
44

45 There being no further business the meeting adjourned at 9:17 p.m.
46

1
2
3
4

Minutes taken by:
Date approved:

Sandra Maxwell (Recording Secretary)

DRAFT