

**Minutes of the
Litchfield Budget Committee Meeting
Held on May 23, 2019**

The Litchfield Budget Committee held a meeting on Thursday, May 23, 2019, at Litchfield Town Hall, Two Liberty Way, Litchfield, NH 03052.

PRESENT: K Douglas (Chair); A Cutter (Vice Chair); J Martin, N Fordey, W Hayes, B Bourque (School Board Representative), R Leary (Selectmen Representatives)

Absent: J Bourque, B Hodgkins

1. CALL TO ORDER

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

• PLEDGE OF ALLEGIANCE

2. REVIEW / ADDITIONS TO THE AGENDA

Mrs. Douglas mentioned that the Budget Committee received a memo regarding the re-establishment school district capital planning committee and will discuss it under New Business.

3. PUBLIC INPUT

There was no public input.

4. REVIEW / ACCEPTANCE OF MINUTES

• April 18, 2019

MOTION: by Mr. Cutter

Move to approve the minutes of April 18, 2019

SECOND: by Mrs. Martin

VOTE: 5-0-2, with Mrs. Fordey and Mr. Bourque abstaining

The motion carried.

5. CORRESPONDENCE

Fire Station IT & overall project expense summaries were provided. School District Business Administrator reports for April and May were received

6. REPORTS

• Town Business

○ General Update

Mr. Leary reported 64% of town budget has been expended to date; the town audit is near completion and should be ready to view in September; all planned highway paving projects have been completed; tax bills going out this week; the Fire Chief applied for and received a grant for \$40,000 to purchase equipment and furniture for the new Emergency Operations Center in the new fire station.

○ Fire Station Update

48 ▪ **IT Contract**

49 Mr. Cutter commented that he submitted questions which are directed more to make the Budget
50 Committee aware of the expenses for the infrastructure.

51
52 With regard to the accounting for the construction of the new fire station, Mrs. Douglas inquired
53 about the remaining balance of approximately \$99,580. She wanted to know if the contingency
54 was not spent or if it were set aside for costs not captured in the construction process, or if that
55 money will be returned to the taxpayers.

56
57 Mr. Leary indicated that he will get that information for the Budget Committee.

58
59 ○ **Water Update**

60 Mrs. Douglas inquired about the status of the water issue.

61
62 Mr. Leary indicated that the Board of Selectmen met with the attorney after the board meeting to
63 discuss addressing the high cost and impact of the situation on the town. He noted that the town
64 and legal counsel are looking into it.

65
66 • **School Business**

67 ○ **General Update**

68 Mr. Bourque reported that new buses will be rolled out for the next school year and will be
69 equipped with both internal and external cameras, which will record any vehicles that try to pass
70 a bus while it is stopped, the lights are flashing and the stop sign is displayed. A five year
71 transportation contract with First Student was confirmed and is in place. A new LEA contract
72 was negotiated and is under review with the LEA.

73
74 ○ **Business Report**

75 Mr. Bourque reported that a list of end of year expenditures was provided for the School Board
76 in the amount of \$197,593, but the list has not yet been finalized by the School Board.

77
78 Mr. Cutter inquired about a new vehicle for Grounds that was included in the list.

79
80 Mr. Bourque indicated it was removed from the budget and placed on the year end expenditures
81 list. He explained the current truck is very old and beyond its useful life.

82
83 Mrs. Douglas commented that, although the list may be in line with what has been done before,
84 the philosophy of end of year encumbrances differs by opinion to some people.

85
86 Mr. Izbick explained the list was presented during the fall budget reviews and represents what
87 was removed to scale down the budget. He indicated the items are mostly what has been needed
88 for some time in terms of facility maintenance. He noted there is high confidence that there will
89 be funds remaining at the end of the year.

90
91 Mrs. Douglas referred to the respraying of the CHS track and asked when it was last done.

92

93 Mr. Izbicki indicated that it has not been maintained since it was installed several years ago. He
94 explained that respraying will extend the life of the track.

95 Mr. Cutter commented many of the items on the list are sensible. He indicated some of the items
96 can be deferred to the Capital Planning Committee.

97
98 Mr. Izbicki indicated many of the items are to address security recommendations from the
99 Department of Homeland Security.

100
101 Mrs. Douglas inquired about the LMS heating repairs. Mr. Izbicki indicated that the district
102 needs to address the regulation of the heating system, which is an ongoing problem.

103
104 Mrs. Douglas believes it should be tied to the building assessment report. She commented that
105 we paid for a consultant to provide the report and the previous Capital Planning Committee
106 decided on the priorities.

107
108 Mr. Izbicki commented that we are looking into a broader report to enable the development of a
109 capital plan.

110
111 Mr. Bourque reminded the Committee that the year-end list is fluid and has not been voted by the
112 School Board.

113
114 **o End of Year Projections**

115 Mr. Cutter commented on the year end unassigned fund balance projection of \$487,000.

116
117 Mr. Izbicki indicated that is not the final total and is just anticipated.

118
119 Mrs. Douglas inquired about the enrollment status for Kindergarten and Grade 1.

120
121 Mr. Bourque indicated that Kindergarten registrations are at 60 and Grade 1 registrations are at
122 87. He noted the total enrollment for the district at this time is 1,321 with an outgoing senior
123 class of 121 students and an incoming freshmen class of 121. Mr. Bourque reported that the
124 district is getting new buses next year and will be adding external cameras at the back of the bus,
125 which will face front to record vehicles that may pass the bus when it is loading and unloading
126 students.

127
128 Mr. Cutter asked for confirmation that the First Student contract is for 5 years and clarification of
129 the annual increase.

130
131 Mr. Bourque indicated that the contract is for five years and will actually result in a decrease.
132 He reported that the LEA negotiating team has completed conversations with the LEA; however,
133 the LEA has not yet voted on the contract offer.

134
135 Mr. Cutter asked if there will be a special meeting for the new contract.

136
137 Mr. Bourque indicated that if the LEA approves the agreement we will file with the court for a
138 decision to hold a special meeting in the fall.

139
140 Mrs. Douglas commented that she spoke with Dr. Jette and the contract cost will be less than
141 what was presented at Deliberative Session and the insurance will be shifting to a consumer
142 driven plan with deductibles. She indicated contributions to the premiums will be less than what
143 was proposed, but higher than what is existing with no step and no COLA.

144
145 Mr. Bourque mentioned the contract would be retroactive if voted and approved in September.

146
147 Mr. Leary commented his understanding is for a special election to be approved it has to be an
148 emergency. Mr. Bourque commented although there will not be a strike, the teachers could opt
149 to leave the district.

150
151 Mr. Leary asked how much this will cost the town in legal fees. Mr. Bourque indicated that is
152 already included in the budget.

153
154 Mr. Cutter asked about the School Board's position on teachers benefitting from the Cadillac
155 plan with regard to those who do not want the new plan.

156
157 Mr. Bourque commented that is the negotiating team's responsibility to present to the
158 membership. He noted once the move to a deductible plan is made people will be more
159 conscious about their healthcare dollars and how they are spent.

160
161 Mr. Leary asked if the goal is to have all employees in the district move to this plan.

162
163 Mr. Bourque indicated the support staff union did not want the new plan; however, the goal is for
164 all employees to move to the new plan.

165
166 **7. MEMBER INPUT / NEW BUSINESS**

167 **• June 27 NHMA Training**

168 Mrs. Douglas reminded the Committee about the NHMA training on June 27. She noted that an
169 invitation has been extended to the Board of Selectmen and the School Board.

170
171 Mr. Cutter asked if the regular agenda will be tabled.

172
173 Mrs. Douglas commented if a discussion needs to be held after the training the Committee may
174 do so.

175
176 Mr. Cutter indicated he would like a status on the budget by June 27. Mr. Izbicki indicated that
177 he will provide the numbers at the close of the fiscal year; however, they will not be the final
178 numbers.

179
180 **• Analysis of School Budget**

181 Mr. Cutter previously provided an analysis of the 2019-2020 School District approved budget
182 with comparison to the previous five years. He commented that it is his intention to provide
183 awareness to the Committee regarding how he views the budget.

184 Mr. Cutter believes that the district budget is over-budgeted by \$1M based on historical
185 spending. He indicated there are areas where we can take a hard look at spending.

186
187 Mr. Bourque commented this is an approved budget. He indicated that Mr. Cutter is telling the
188 public the Budget Committee passed a budget that is \$1M higher than it should be.

189
190 Mr. Cutter commented there is \$1M in positions at GMS. He indicated if you look at those
191 numbers it is clear that salaries and benefits are 80% of the budget. He expressed that he is
192 struggling with the new contracts.

193
194 Mr. Izbicki indicated that is not the total.

195
196 Mrs. Douglas commented that she felt the budget was high and believes it should be lower than
197 the default budget.

198
199 Mr. Bourque asked for the number for GMS and indicated that Mr. Cutter stated the budget is
200 \$1M higher.

201
202 Mr. Cutter clarified that the budget has increased \$1M over 6 years. He indicated that LMS is up
203 by \$300,000, CHS is up by \$400,000 and there is a higher increase at GMS.

204
205 Mr. Bourque commented that when the budget is presented in the fall those numbers will become
206 clear.

207
208 Mr. Cutter commented that he is not suggesting anyone's budget be zeroed. He recommended
209 that the Committee look at the areas of overspend to determine if it matches the district's
210 objective.

211
212 • **Capital Planning Committee**

213 Mrs. Douglas commented that the School Board has provided a new Capital Planning Committee
214 as the original committee has expired.

215
216 Mr. Cutter asked about the objective of the committee.

217
218 Mr. Bourque explained that the first committee was tasked to come up with a 3 to 5 year capital
219 improvement plan. He indicated the committee suggested putting the bonding the money to put
220 into the buildings. He noted that the School Board discussed it with the district and determined
221 that a solid capital plan is required. He commented that representation and input is needed from
222 the Budget Committee.

223
224 Mr. Izbicki indicated the intention is to set up monthly meetings to prepare and finalize a capital
225 plan for the district.

226
227 Mrs. Douglas commented the prior committee decided to spend the money on the largest issues
228 because they were mechanical and electrical. She indicated it makes no sense to spread that out
229 over five years.

230 Mr. Bourque indicated that the original committee was formed to develop a capital plan.

231

232 Mrs. Douglas asked Committee members for their thoughts on representation. She was
233 concerned that the representative will be able to bring forward the feel of the Budget Committee.
234 She noted if that member needs to vote he/she may not have the ability to get direction from the
235 Budget Committee.

236

237 Mr. Cutter asked what will happen to a Budget Committee vote at the committee level if the
238 School Board proposes a new school.

239

240 Mr. Bourque indicated that member can abstain from the vote.

241

242 Mrs. Flynn suggested that the Budget Committee representative can be an ex-officio member.

243

244 Mr. Cutter commented he is not comfortable with voting on this topic tonight. He suggested that
245 it be addressed at a brief meeting prior to July.

246

247 Mrs. Douglas asked if membership will be open to town or community members.

248

249 Mr. Bourque indicated people that are on the committee from town boards are already
250 community members.

251

252 Mr. Cutter believes that the development of a capital plan is needed.

253

254 Mrs. Douglas believes community members should be on the committee. She asked for
255 clarification if the Budget Committee members will be an ex-officio or voting member.

256

257 **8. PUBLIC INPUT**

258 There was no public input.

259

260 **9. ADJOURN**

261 **MOTION:** by Mr. Cutter

262 *Move to adjourn the meeting.*

263 **SECOND:** by Mr. Leary

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

265 **The motion carried.**

266

267 **Next meeting: June 27, 2019**

268

269 The meeting was adjourned at 7:55 p.m.

270

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

272

273 **Approved:**

274