

**Draft Minutes of the  
Litchfield Budget Committee Meeting  
Held on August 27, 2020**

The Litchfield Budget Committee held a meeting on Thursday, August 27, 2020, at Litchfield Town Hall, Two Liberty Way, Litchfield, NH 03052 and remote locations.

**In response to COVID- 19 and the resulting need to practice social distancing, the meeting will be held remotely via Webex and be broadcast live via LCTV**

**PRESENT:** A Cutter (Chair), N Fordey (Vice Chair), K Douglas, J Bourque, B Hodgkins, W Hayes, J Son, R Meyers (School Board Representative), R Leary (Selectmen Representative)

**1. CALL TO ORDER**

Mr. Cutter called the meeting to order at 7:00 p.m.

● **PLEDGE OF ALLEGIANCE**

**2. PUBLIC INPUT**

Residents were encouraged to submit comments via email to Andrew Cutter, Budget Committee Chair, [acutter@litchfieldnh.gov](mailto:acutter@litchfieldnh.gov). Messages must include commenter's first and last name & address.

There was no public input.

**3. REVIEW / REVISION OF AGENDA**

There were no revisions to the agenda. Mr. Cutter initiated a roll call for attendance as some members are remote.

Members in person at Town Hall: A Cutter, J Son, N Fordey, R Leary, K Douglas, R Meyers.  
Members remote: J Bourque, B Hodgkins, W Hayes.

**4. CORRESPONDENCE**

Mr. Cutter reported that he received the following documents from the school district: the FY21 Budget Expenditure Report, June 25 Budget Committee minutes, FY20 Year End Expenditures and 2020 MS 25, July 20 draft warrant articles notifications, July 27 district financials, August 27 notification of special district meeting. Also received were questions from Budget Committee member J Son, new positions article of 2003/2004, revised audited financials from the Town, working 2021 Town budget, and NHMA workshop communications.

**5. REVIEW / ACCEPTANCE OF MINUTES**

● **June 25, 2020**

**MOTION:** by Mrs. Fordey

***Move to approve the minutes of June 25, 2020 as amended***

**SECOND:** by Mrs. Douglas

**VOTE to approve the minutes was taken by roll call vote:**

*Mr. Hodgkins, yes; Mrs. Harrison, yes Mr. Leary, yes; Mrs. Fordey, yes; Mr. Son, yes; Mrs. Douglas, yes; Mr. Hayes, yes; Mrs. Bourque, abstain; Mr. Meyers, abstain; Mr. Cutter, yes.*

**The motion carried.**

**6. REPORTS**

• **Town Business**

o **General Update**

Mr. Leary reported the town budget season is underway and department heads are working on submitting their budgets; the Town audit was clean; the Fund Balance is in the healthy range.

o **RSA 32:22; Review of Expenditures**

Mr. Cutter reported weekly expenditure reports were received from the Town.

• **School Business**

o **General Update**

Mr. Meyers reported the LMS secure entrance and canopy will be underway and anticipated to be completed by the end of October; the district HVAC assessment was completed and all filters have been changed at all buildings; GMS is now open and all electrical has been restored. He also reported that approximately \$708,706 of the FY20 General Fund Balance will be returned.

Mr. Izbicki, Business Administrator, explained the total to be returned from the FY20 General Fund was previously reported lower; however, the auditors found a liability account that had been accumulating for several years and made adjustments that resulted in additional revenue that was added to the total to be returned.

Mrs. Douglas commented that we are still seeing a 13 cent increase in taxes.

Mr. Izbicki explained the tax increase went from a 41 cent increase to a 13 cent increase. He noted that after deducting accrued payroll, the difference of encumbrances vs actual costs, and additional items found since June 12, the district general fund balance ended up where it was anticipated. He indicated it is important to keep in mind that end of year additional adjustments are always made prior to finalizing the general fund balance total.

Mrs. Douglas thanked Mr. Izbicki for working to keep the balances up to date.

Mr. Izbicki mentioned that the district will be holding a Special District Meeting on September 16 and is consulting with the Budget Committee to answer any questions members may have.

Mr. Cutter indicated it was mentioned at the last School Board meeting and brought to his attention on July 28. He noted the district requested from the Moderator to hold a special meeting.

Mr. Meyers explained this is not like an annual meeting, but more like a town meeting to appropriate additional funds from the State totaling approximately \$667,000.

Mrs. Douglas asked why the funds were not appropriated earlier.

Mr. Izbicki explained that this is one time funding from the State, which they are recommending be used toward infrastructure. He indicated this meeting will be like a traditional Town Meeting during which there will be a vote of the public in attendance to appropriate the funds for transfer into the district's Capital Improvement Expendable Trust Fund. The district has begun addressing HVAC and Energy issues, which are important for the district to repair. He noted this funding was spoken of by Litchfield State Representatives at Deliberative Session.

Mr. Cutter asked what will happen to the funds if the voters do not approve the appropriation.

Mr. Izbicki indicated the money will be returned to the taxpayers.

Mrs. Douglas commented we are talking about a vote in two and half weeks and no one knows about it.

Mr. Izbicki indicated these funds were mentioned at Deliberative Session and the district has a public notice going into the newspaper and will advertise the meeting. He commented these funds were in the biennial budget of the State and are available for infrastructure in the district. He noted there is much deferred maintenance that needs to be addressed.

Mr. Hodgkins asked if it will be made public that the funds will go to the taxpayers if the voters do not approve it.

Mr. Izbicki indicated that is the reality of it.

Mr. Hayes asked if there will different ways to vote.

Mr. Izbicki indicated it will be similar to traditional Town Meeting voting.

Mrs. Flynn clarified the Moderator informed the district that the Secretary of State has stated that there will be no drive up voting.

Budget Committee members discussed the budget impact of the funds.

Dr. Jette joined the meeting. He asked what has been discussed so far.

Mr. Meyers indicated the Committee is asking about notification and advertisement of the special meeting to the public.

Mrs. Douglas asked about the impact and cost of reopening schools and the legal costs for negotiations.

Dr. Jette indicated that negotiations are still ongoing and impact bargaining will be ongoing during the year.

Mr. Son asked about additional staffing and if there will be a vote to take place for that staffing.

Mr. Meyers indicated that has not been openly discussed and is only a proposal in the reopening plan.

Dr. Jette indicated at this time we are implementing reopening with current staff. He noted that there are proposals, but no agreement to add staff. He explained the district has been specific with the associations that we have to follow the rules to add staff and adding it without voter approval will be problematic.

Mr. Hodgkins asked if this information can be added to the What's Not Up page if it is going to be communicated on social media.

Mr. Meyers indicated that is not an open page.

Mr. Cutter recommended the Committee follow the same process that was decided and agreed upon.

Mr. Son commented that he had questions about end of the expenses and much centered around teacher retirement.

Dr. Jette indicated there is one additional early retirement.

Mr. Izbicki indicated that retirement is budgeted in the FY21 budget.

Dr. Jette explained that the staff member submitted intent for an early retirement in November and we budgeted the expense; however, that person decided in the Spring they would work another year. He believes if we have additional requests, the difference between the wages at the top of the pay scale and the beginning of the pay scale will be budget neutral.

With regard to the discussion about the Special Meeting and the additional funding from the State, Dr. Jette indicated the district returned much at end of year due to savings from the COVID 19 shut down. He explained the infrastructure funds are needed for ventilation and building upgrades in the district and we are hoping the voters see that. He commented we were very clear about the intent of the use of those funds in March and we are asking voters not to "handcuff" us from getting the ventilation at the schools, which is critical.

**RSA 32:22; Review of Expenditures**

Mr. Cutter asked if there were any questions regarding school district budget expenditures. Committee members had no questions.

**7. MEMBER INPUT / NEW BUSINESS****• Capital Improvement Planning Commission - Town/School Updates**

Mr. Cutter asked if the plan is to use the additional funding from the State toward some of the HVAC costs that were submitted in the Capital Plan.

Dr. Jette indicated that we are planning to use some of those funds toward the ventilation work because we have accelerated some of that work. He noted contractors are identifying deficiencies and helping to map out long term goals. He reported the entire system at LMS is from 1985 and is beyond its useful life, with a complete replacement recommended.

Mr. Cutter asked if there is an opportunity to reduce what is in the capital improvement plan by those funds.

Mr. Izbicki responded that there is that opportunity. He noted the district is addressing some of the items outlined in the Capital Plan.

Mr. Cutter reported the Town Capital Improvement Committee met on Monday to wrap up planning.

Dr. Jette indicated he spoke with the contractor that is doing the assessment at CHS and discovered he found definite deficiencies. He noted this work will improve the investment to the public and produce efficiency.

Mr. Leary asked how many quotes the district is getting for this work as \$3M is a high cost.

Dr. Jette indicated that it is approximately \$1M per building. He noted there are no controls over air flow and the cost for LMS is \$1.5M.

Mr. Izbicki indicated there have been many estimates based on the HL Turner report, which was from a high level and not drilled down to the detail of the systems. He noted we are now getting into the actual work that is recommended.

Mr. Cutter commented in terms of capital improvement plans, these are rough estimates and does not mean it will all happen. He indicated the items will go to the voters for approval when they are requested. He reported the Capital Improvement Committee is meeting every other week and a Planning Board survey is planned to be sent to residents. The Committee will meet on August 31 for a final review and there will be a presentation of the plan to the Planning Board mid-September. There will be a public hearing to review the entire plan with the Town in mid-September; and a presentation of the Plan to the Select Board for acceptance.

Mr. Cutter indicated the plan will be socialized and the recorded session where members of the Committee walks through the presentation will be available to everyone.

Mr. Cutter asked members if they have any input or questions.

There was no member input.

**8. PUBLIC INPUT**

There was no public input.

**9. ADJOURN**

**MOTION:** by Mrs. Douglas

*Move to adjourn the meeting.*

**SECOND:** by Mr. Son

**VOTE to adjourn the meeting was taken by roll call:**

*Mr. Hayes, yes; Mr. Hodgkins, yes; Mrs. Fordey, yes; Mrs. Douglas, yes; Mr. Son, yes; Mrs. Bourque, yes; Mr. Meyers, yes; Mr. Leary, yes; Mr. Cutter, yes.*

**The motion carried.**

**Next meeting: September 24, 2020**

The meeting was adjourned at 7:50 p.m.

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

**Approved:**