

**TOWN OF CHESTERFIELD
BUDGET COMMITTEE
MEETING MINUTES
JANUARY 31, 2008**

Present: Bill Bucknell, John Koopman, Anita Lewis, Judy Idelkope, School Board Representative; Gary Winn, Chairman; Dave Thomas, Spofford Fire Precinct Representative; Elliot Rowsey, John Zannotti, Warren Porter, Dan Cotter, Selectboard Representative and Amy LaFontaine, Secretary.

Absent: Steve Laskowski and Elaine Blake, CF&R Representative.

Guests: Wayne Woolrich, Sharyn D'Eon, Principal and Tim Ruehr.

Housekeeping – Anita moved to approve the January 26th School Public Hearing Minutes as amended. The motion was seconded by Bill and passed unanimously. Tim requested the Committee allow amendment to salaries, 3 SPED teachers advanced a step for an increase of \$10,129, and the Nurse's salary decreased of \$4,502 because she was listed at a higher salary than her contract allowed for. The net increase to the budget is \$5,626.

Gary stated that he had read an article regarding recorded meetings in response to a suggestion that was made at the Public Hearing. The tapes are required to be available to the public until the minutes are approved. Minutes are considered the official record. Committees can choose to keep recordings as long as they want. Bill requested if the tapes are preserved to put a time limit. Tim stated that you may not want to keep them.

1100 Regular Instruction –Anita moved to recommend \$3,427,186. The motion was seconded by John Z and passed unanimously.

1200 SPED–Dan moved to recommend \$2,160,231. The motion was seconded by John Z. Elliot moved to amend SPED to \$2,170,360, an increase of \$10,129 for teachers salaries and benefits. The motion was seconded by Anita. Anita asked the Committee if they wanted to consider financing the SPED costs? Tim stated that he would not recommend it. The financing would only be beneficial for one year. In 2010/2011 the budget would reflect a note that would need to be repaid from State funds, and the amount to reborrow for the year. Tim stated that it would lower this budget, but next year you would have this bill, plus debt. If the money is borrowed and the students don't come then you are still required to borrow. Bill stated that he was opposed to borrowing any operating expenses. There are 2 students driving the costs up. One is in 12th grade, the Town is responsible until they turn 21; the other student is UG (ungraded) and could effect the budget for 2 or 3 years. Tim stated that the State could vote to decrease catastrophic aid. If the money is borrowed the School will be forced to make-up the shortfall. The motion passed unanimously.

1400 Co-Curricular Activites–Anita moved to recommend \$34,952. The motion was seconded by John Z and passed unanimously. Athletic Field Maintenance has decreased because of a change in service providers.

2110 Attendance Services –Anita moved to recommend \$1. The motion was seconded by John Z and passed unanimously.

2120 Guidance Services–Anita moved to recommend \$76,834. The motion was seconded by Bill and passed unanimously. Elliot stated that he was happy to see Chesterfield at the top of the list for test results.

2130 Health Services–Anita moved to recommend \$49,247 to reduce Salaries and Benefits by \$4,502. The motion was seconded by Bill and passed unanimously.

2140 Psychology Services–Anita moved to recommend \$101,631. The motion was seconded by Bill and passed unanimously.

2150 Speech Services–Anita moved to recommend \$71,528. The motion was seconded by Bill and passed unanimously.

2160 OT/PT Services–Anita moved to recommend \$33,400. The motion was seconded by Bill and passed unanimously.

2210 Staff Development–Anita moved to recommend \$52,732. The motion was seconded by Bill. Reimbursement for travel is 50.5 cents per mile. The motion passed unanimously.

2220 Library Services–Anita moved to recommend \$94,694. The motion was seconded by Bill and passed unanimously.

2290 SPED Support –Anita moved to recommend \$4,960. The motion was seconded by Bill and passed unanimously.

2310 School Board Services–Bill moved to recommend \$36,254. The motion was seconded by Dan. Anita abstained as she is paid out of this budget. Gary asked why all contracts come up for negotiation in the same year? They are 3 years contracts which used to terminate in different years, but the length of negotiations for the separate contracts caused them to end up in the same cycle. To get them back to an alternating cycle would require negotiating either a longer term, which the unions are likely to resist or to decrease the term of one contract to two years which is not productive. The motion passed unanimously. Judy stated that she was compensated under School Board Administration, but she is not abstaining.

SAU #29 Services–Anita moved to recommend \$414,992. The motion was seconded by Bill and passed by majority vote. Elliot voted No.

2410 School Administration–Bill moved to recommend \$295,425. The motion was seconded by Anita. The Assistant Principal compensation package is \$84,274. \$62,000 in salary, \$12,000 for health insurance and \$5,600 for FICA. The receptionist salary is \$19,885. Her Health Insurance is \$16,375. Her total compensation package is \$37,861. Tim stated that employees pay about 15% of a family plan. The support staff is not enrolled in the retirement

plan. They are given a stipend of 1.5% of their earnings at the end of the year. The motion passed unanimously.

2600 School Maintenance—Bill moved to recommend \$346,719. The motion was seconded by Anita. The new handyman will be considered a PT employee. John Z asked where the \$10,000 for the handyman was paid last year. Tim stated that Maintenance Services would be budgeted higher if the handyman wasn't in this budget. Judy stated that the School has some tools because of the custodians. Sharyn stated that the handyman could be working on projects such as building cubbies. The motion passed unanimously.

2700 Pupil Transportation—Anita moved to recommend \$379,495. The motion was seconded by Bill. Tim stated that he does not believe the new company will charge the fuel surcharge in 07/08. He does think they will charge us in 08/09. The bill will not be available until 09/10 budget. The motion passed unanimously.

2830 Staff Services—Anita moved to recommend \$1,500. The motion was seconded by Bill. Nothing is budgeted for unemployment. Tim stated that he believed it was a pay as you go system. \$1500 is for pre-employment physical and background checks. Dan looked at the Town Unemployment it is also a pay as you go. The motion passed unanimously.

2840 Information Tech—Anita moved to recommend \$78,552. The motion was seconded by Bill. The Laptops are kept in a cart with a padlock and a code. Sharyn stated that she has been advised to purchase the extra warranty on the new laptops. The motion passed unanimously.

5220 Transfers—Anita moved to recommend \$375,000. The motion was seconded by Bill and passed unanimously.

Anita moved to recommend \$8,045,461 to fund the School 2008-2009. The motion was seconded by Bill and passed unanimously. The Committee reviewed the estimated revenues.

Article 3: To see if the District will vote to raise and appropriate \$40,000 for window replacement and related costs associated with the replacement of all of the original windows in the older section of the school, and to authorize the withdrawal of up to \$40,000 from the CRF established by voters on 3/5/94, for the purpose of major renovation/reconstruction of the school buildings and related costs, or to take any other action in relation thereto. Dan moved to recommend Article 3. The motion was seconded Bill. There is an estimate around \$35,000. Judy stated that is was not in the 7 year to replace any more windows. The motion passed unanimously.

Article 4: To see if the District will vote to appropriate and authorize the School Board to transfer up to \$30,000 of its unencumbered funds, if any remain on hand at the end of the fiscal year, 6/30/08, to be deposited in the CRF established by voters on 3/5/94. Anita moved to recommend Article 4. The motion was seconded by Dan. Judy stated that there is typically at least this much left in unencumbered funds. The balance in the Reserve Fund in \$87,000.

Article 6: To see if the School District will vote to create a planning committee to consider withdrawal from the SAU #29; said committee to consist of 2 members of the Chesterfield School Board; one member of the Budget Committee; four members of the public, and the Superintendent of Schools who shall serve as a non-voting member, and to raise and appropriate the sum of \$5,000 for a professional feasibility study and report, as well as guidance in furthering the planning committee's research. Dan moved to recommend Article 6. The motion was seconded by Warren.

Elliot stated that Marty had been very adamant at the Public Hearing that this was a waste of time. Judy stated that the School Board has not voted whether to recommend or not recommend this article, the School Board has chosen to include this request in the warrant at the request of the SAU Withdrawal Committee. Dan was concerned that this discussion would happen again in 4 years if the study was not completed. Bill stated that one of the reasons the Study Committee was formed was because of the SAU facility, which has now been resolved. The SAU budget has gone up about 7% per year for the last 4 years. John K stated that he attended a couple of meetings, and was able to sense very quickly that Chesterfield can not duplicate these services. He stated that it was a waste of money to continue this study. In the future it may be beneficial to join with a couple of other Towns, but to pursue withdrawal alone will not be productive. The motion failed by majority. Judy abstained.

Wayne stated that there is a constitutional amendment, which would target state funding to neediest communities. This could cost Chesterfield around \$980,000. Chesterfield is not considered a poor community. Wayne stated that there is a State Committee studying a formula to determine an adequate education is around \$3,500. The Committee has not taken SPED and transportation costs into consideration yet. The average cost around the state is around \$10,000 per student. Chesterfield has about \$630,000 property valuation per student. The state average is about 1 Million per student. In a property tax situation Chesterfield would receive aid. Wayne stated he could not predict what the situation will be in a couple of years. The Committee did not wish to recommend financing for Catastrophic Aid.

Spofford Fire Precinct- Dave handed out the Schedule from NHMBB for the loan on the new fire station. The bond actually sold at market higher than what was borrowed. Anita moved to recommend \$212,564. The motion was seconded by Judy. Dave stated that electricity will power the geothermal heat. The oil is to heat the old building for the remainder of the winter. The motion passed unanimously.

Article 5: To see if the District will vote to raise and appropriate \$26,000 to the Heavy Equipment CRF. Bill moved to recommend Article 5. The motion was seconded by Dan and passed unanimously. The Precinct made some repairs to the boat and moved the replacement schedule up to 2012. The boat was purchased used.

Article 6: To see if the District will vote to raise and appropriate \$9,700 to the Small Equipment CRF. Anita moved to recommend Article 6. The motion was seconded by Dan and passed unanimously.

Article 7: To see if the District will vote to raise and appropriate \$1,000 to the Water Hole EXTF. Bill moved to recommend Article 7. The motion was seconded by John Z. The motion passed unanimously.

Article 8: To see if the District will vote to raise and appropriate \$1,000 to the Catastrophic Emergency EXT. Anita moved to recommend Article 8. The motion was seconded by Bill. \$1,000 is the deductible for insurance. The Precinct would like to have \$5,000 in this fund. The motion passed unanimously.

Article 9: To see if the District will vote to raise and appropriate \$3,500 to purchase Fire Gear and EMS Gear and authorize the withdrawal of \$3,500 from the Small Equipment CRF created for that purpose. Anita moved to recommend Article 9. The motion was seconded by Bill. The motion passed unanimously.

Article 10: To see if the District will vote to raise and appropriate up to the maximum sum of \$30,000 for the purpose of constructing and equipping a new fire station and authorize the use in that amount of the 12/31/07 fund balance for this purpose. This amount is the interest earned on bond proceeds that was transferred to the general fund on or before December 31st. Bill moved to recommend Article 10. The motion was seconded by Anita. Dan was concerned that there is no specific purpose to the Article. Dave stated that this is interest on the bond because it took more than a year and a half to start building. The Precinct encountered increased construction costs. Dan was concerned about “constructing and equipping”. He thought the revenue from the bond should be returned to the Town for taxes. Dave stated that the Precinct needed to remove things from the building to meet the budget. They have exceeded the cap on the bid. There is an \$18,000 exhaust fan that they are delaying installation. Anita asked how short of funds to finish the building? Dave stated that even with the \$60,000 the Precinct will be short of funds. The steel structure of the building needed to be upgraded for a cost of \$15 to \$18 thousand. Article 10 is interest already earned. Article 11 is interest on anticipated earning. The Interest on Article 10 will be less than \$30,000.

Anita moved to amend Article 10 to see if the District will vote to raise and appropriate the sum of \$60,000 for the purpose of completing construction on the Spofford Fire Station as originally specified. The motion was seconded by Elliot. The contingency amount has been exceeded. The Contingency amount was around \$80,000. The geothermal heating system will be rebated by PSNH for more than the cost of installation. There was more site work than expected. The well was also more expensive. Gary did not think the Committee had the authority to rewrite a warrant article. Bergeron Construction is the manager. John Z was concerned because \$60,000 was not the right amount to complete the building. Judy stated that the Committee can only vote to recommend or not recommend. Elliot and Anita withdrew their amendment. Dan moved to postpone discussion of Article 10 and 11 until the February 7th meeting pending revision by the Commissioners. The motion was seconded by Bill and passed unanimously.

Article 11: To see if the District will vote to raise and appropriate up to the maximum sum of \$30,000 for the purpose of constructing and equipping a new fire station and authorize the use of \$30,000 of the interest to earned on the bond proceeds. The amount raised shall not exceed the amount of the interest earned.

Article 12: To see if the District will vote to create an expendable trust fund under the provisions of RSA 31:19a to be known as the Old Fire Station Disposal Fund, for the purpose of investigation, site assessment, transfer of ownership or disposal of the building and property and to raise and appropriate the sum of \$2,500 for this purpose and the appoint the Commissioners as agents to expend from the fund. Dan moved to recommend Article 12. The motion was seconded by Anita. Dave stated that Neil Jenness is on the Committee, but the use of the building is limited because of Septic and Parking. The motion passed unanimously.

Article 13: To see if the District will vote to authorize the Commissioners to apply for accept and expend for construction and equipping of the new Spofford fire station without action by the district meeting, funds that may be received from PSNH as a rebate for geothermal and energy conservation measures. There is no money attached to this article. The Committee is unable to recommend or not recommend.

Discussion-Judy asked what the appropriate way to look at merging Chesterfield and Spofford Fire Precincts. A warrant article could be petitioned with 25 signatures on both warrants. Dan stated that the time to do this was 4 years ago. Chesterfield has almost completed the payment on their bond. Residents of Chesterfield and West Chesterfield will not want to take on the new bond for the Spofford Fire Station. Dan stated that the Selectboard could decide not to collect taxes for them.

When firefighters are mandated to a full-time station 1 person 24 hours per day will cost more than both of these budgets together. Dan stated that organization needs to be centralized so they all respond to 1 tone in order to save money.

The meeting adjourned at 11:10. The next meeting will be February 7th @ 7PM.

Respectfully Submitted,

Amy LaFontaine