

**TOWN OF DEERFIELD
MUNICIPAL BUDGET COMMITTEE
January 5, 2013
MINUTES**

Call to Order:

9:00am pm Chairman Don Daley called the meeting to order.

Pledge of Allegiance to the Flag

Chairman Daley asked all to rise and pledge allegiance to the Flag.

Moment of Silent Reflection

Roll Call:

Present: Don Daley, Chairman; Jim Spillane, Vice Chair, Harriet Cady, Maureen Mann, Fred McGarry, Brendan O'Donnell, Charles Reese, Jeff Shute and Kevin Verville, Members; Steve Barry, Board of Selectmen Rep; Maryann Clark, School Board Rep

Also Present: Patty Sherman, Co-Superintendent; Paul Yergeau, Principal; Peter Aubrey, Business Administrator ; Kevin Barry, Deb Kelly, and Peter Menard, School Board Members; Leslie Boswak, Town Administrator; Jan Foisy, Finance Director; Cherie Sanborn, Supervisor of the Checklist

Approval of Minutes December 18, 2012

Motion: S. Barry moves to approve the minutes as written

Second: M. Clark

Discussion: M. Clark asked that on page 4 "K. Barry" be corrected to "K. Verville" under the motion and discussion. H. Cady noted that on page 1 under Old Business, paragraph one, final sentence the text should be "raises" not "raised".

Vote to Approve the Minutes as corrected: Yea - 11; Nay - 0; Abstained - 0: Motion Carries

Old Business:

Chairman Daley reminded the MBC that at the December 4th meeting it had voted to remove \$711 from the Election budget that corresponded to a 10% increase in pay for the Supervisors of the Checklist. Cherie Sanborn, supervisor of the Checklist is present at today's meeting so that she can speak to that action. C. Sanborn read a description of the duties of the Supervisors of the Checklist, noting that prior to 2002 the reporting and filing was done by the Town Clerk. She noted that they maintain records that are changing with an increasing frequency, logging 328 hours in 2010, 242 hours in 2011 and more than 400 hours over four elections in 2012 not including time spent at elections, and training or in classes. The Supervisors team registered 98 voters in the two weeks prior to the November 2012 election and 322 voters on the day of. She feels strongly that the position has changed and that the work load justifies a pay raise to \$10/hour. J. Spillane agreed with C. Sanborn, but added that the MBC's decision had been motivated by a desire to keep raises consistent across departments and that the committee took concern with the fact that the Selectman had not been made aware of the raise. C. Sanborn indicated that the Town's business offices had been made aware of the change and noted that it was clearly presented if you compared last year's budget to the current proposed amount.

M. Mann asked if the Supervisors had considered a Wage Adjustment as has been done in the past for the Tax Collector and Librarian positions. She recommended the Supervisors take a survey of the surrounding communities as a way to build a quantifiable case supporting this increase. H. Cady responded that they have researched area Towns and noted that Northwood pays its Supervisors \$12/hr, Barrington \$15/hr.

Discussion was concluded and Chairman Daley noted that the MBC will have the opportunity to reconsider its previous action following the Public Hearing on January 9th.

Proposed 2013/2014 School Budget:

Motion: M. Clark moves the bottom line of \$11,986,253

Second: S. Barry

Discussion:

M. Clark opened discussion by pointing out some of the changes that had been made since the last MBC review. On page 1 the High School Tuition line was reduced by one student bringing the current total to \$2,913,603. There had been questions regarding the number of students included, this number represents 207 students with the one student to attend Pace Academy removed and placed in a separate line. Additionally the Coe Brown Tuition that was originally based on the estimate of a 5%

increase has been corrected to reflect the actual 4.5% increase in tuition. H. Cady asked if the tuition rates were higher for students with IEPs and P. Sherman confirmed yes, but that those amounts are represented in the 1200 series.

M. Clark went on to point out that the Technology Equipment Repair line that was originally \$10,500 has been reduced to \$5,175. The Novell Server Licensing component of that line has been moved to line 2490-430-108-055. J. Spillane noted the \$4,000 for printer repair and asked what types of printers the School is using, would it be cheaper to replace these machines or to have them under a leasing agreement? The School representatives did not have printer specific information on hand, but J. Spillane asked that the School Board research leasing arrangements as a cheaper alternative to annual repair of old machines. K. Verville referenced last year's discussion of the shared Technology person within the SAU and asked for an update. P. Sherman responded that the person had been hired and was currently being shared by the other towns in the SAU who approved the position. DCS is not participating in this arrangement.

M. Clark moved on to page 5 of 10, noting that line 2220 for Educational Media, specifically Library Supplies was increased by \$500 for the purchase of 10 mp3 devices that can be checked out by students, she added that because each unit costs less than \$100 they are considered a supply and not equipment. K. Verville asked what the use of these devices included and M. Clark responded that students can check them out for projects that may involve voice recordings. Additionally M. Clark noted the Library will be purchasing 4 e-readers at a cost of \$150 each. K. Verville asked where the books for the e-readers come from and M. Clark answered through the State Library where most are free of charge.

M. Clark stated that the Telephone Line on page 8 or 10 was reduced by approximately \$1,700 due to the cancellation of Nextel service. J. Spillane asked if that portion of the budget included cell phones and P. Yergeau answered there are no cells, this is four physical lines only. H. Cady stated she feels there is a constant difference between what is done for Town employees versus School Employees, for example cell phones, longevity awards and Oil Costs, she would like to see a greater consistency. M. Clark agreed and noted that it was discussed at the last School Board meeting as to which vendor services could be identified as having an opportunity for working with the Town on.

M. Clark addressed the remaining questions raised at the last MBC Meeting:

- Population in Sports – Sports are available to students in Middle School grades 6, 7 and 8, with the exception of Cross Country which includes 5th grade and makes no cuts. There are three seasons where each sport generally has a girls and boys team, with A and B squads as the interest permits. There are 86 student athletes without counting duplicate participants and the cost to run these activities is \$32,665 including bussing. K. Verville asked if you counted multi-sport students individually what the number would be and M. Clark answered 171. K. Verville noted that 1.3% of the overall School budget is being spent on 18% of its student population, approximately \$380 per student per year, or \$191 per sport and thanked the School very much for providing this level of detail.

- Guidance Program – Guidance Counselors handle a total of 80 individual sessions per week (40 per staff member) and approximately 30 group sessions per week. 19 of the 80 mentioned individual sessions are students with an IEP and the Counselors address social issues, suicide, anxiety, depression, autism, familial issues. K. Verville asked how long a school day is. M. Clark answered 6.5 hours. K. Verville informed the MBC that using a 7 hour day and a total of 475 students that each staff member is spending approximately 1.3 hours per year per student. Chairman Daley asked if the Guidance staff was heavily involved in the 8th grade transition to high school and M. Clark confirmed yes, adding that they also work to coordinate 504 plans. H. Cady asked if 504 was a part of Special Education and P. Sherman answered that it is more under the jurisdiction of the Americans with Disabilities Act, an issue of Civil Rights. K. Verville asked who was responsible for enforcement of the plans and P. Sherman indicated that it is the Administration and teachers. Approximately ten years ago this duty fell under Special Education, but the School received legal opinion advising that the two not be mixed. M. Clark stated there are currently twenty two 504 plans at DCS. K. Verville indicated that since this area seems to be an annual point of focus for the MBC that the Guidance Staff might consider providing more quantitative data in the future.

- Grounds & Maintenance – The increase here is based on the mowing service contracted at \$200 per mowing. The School plans to go to bid for this service again in the spring but in the past has received zero interest. J. Spillane suggested this may be an area where coordination with the Town could save money.

- NHSBA Dues – Chairman Daley noted there had been a question as to how the NHSBA dues were determined. K. Barry did not have immediately, but will find out how it is formulated and indicated that they are the LGC equivalent for the School Board. M. Clark informed the MBC that the services were used a lot in preparation for the collective bargaining agreements, additionally the NHSBA employs lobbyists and School board members receive targeted weekly emails with legislative updates. H. Cady asked if the insurance was through the NHSBA and P. Aubrey answered no, that it is accessed through the LGC.

To finalize the review, M. Clark pointed out that the expected revenues have decreased significantly, that combined with the expected \$88,000 increase to the NH State Retirement costs makes lowering the overall budget very difficult. The proposed budget represents a 1.64%, or \$192.191, increase year over year.

Vote to approve the School Budget in the amount of \$11,986,253 – Yea 9, Nay 1, Abstained 0 – Motion Carries

(Member F. McGarry was absent at the time of this vote)

Proposed 2013/2014 School Warrant Articles:

Warrant Article #2 – Teacher’s Contract

Motion: M. Clark moves to approve Warrant Article #2

Second: S. Barry

Discussion: J. Spillane asked the School Board representatives to address his prior question regarding the “child rearing” language. P. Sherman responded that if you look at the full Article 13 that the “child rearing” reference is secondary to a prior definition and that the intent is well outlined as to what applies and what does not. P. Menard informed the MBC that the contract had cleaned up excess language regarding longevity payments and had presented the steps in a much more straight forward table. H. Cady noted the language regarding 50% of the school year and 90 days, she has an issue with a person receiving credit for a complete year based on a half year’s employment. M. Mann noted that the State sets retirement requirements and asked if they too count 90 days as a full year credit, P. Sherman was not sure, but can find out.

P. Menard referenced the previous retirement compensation question, as to what would happen if after receiving the separation compensation a teacher decided not to retire and he confirmed that at the conclusion of the three year period a teacher has effectively resigned and would need to be rehired, by the school board, if they wished to continue on. He would expect that either repayment of the separation benefit or forfeiting of any future additional benefit would be a piece of the negotiation for re-hire. P. Sherman added that, should this occasion ever arise, the School would engage legal counsel and address the issue at that time.

Chairman Daley noted the bottom line salary increase of 3% and raised concern that it does not seem to be across the board. P. Menard agreed and said that the School Board’s approach was to look at the big picture, getting details to the MBC early that they felt would have a strong likelihood of passing. M. Mann added that people in the first years who are receiving the smaller percentage increase to salary would also be receiving a step up. S. Barry suggested that the MBC should focus only on the bottom line as this is a contract the Teacher’s Union has agreed to and the Committee has no ability to adjust the inner components of it. Chairman Daley indicated he wanted to understand the contract in full prior to making a recommendation. K. Verville reiterated his concern that the Teacher’s roster is “top heavy” and feels the School Board should be working to bring up the next generation of teachers. M. Clark agreed, but noted that the direction from the MBC last year was to make the steps in salary more consistent and that as a result, eliminating inconsistencies had been the focus of the School Board for this budgeting session. P. Menard added that with the School Board having accepted six intents to retire this year, they are starting to address Mr. Verville’s concerns, however the Teachers have expressed that there needs to be more done to keep the top tiers satisfied.

H. Cady asked what concessions were made in arriving at the 3% salary increase figure. P. Menard indicated that there had been a focus on the Reduction in Force language and allowing more flexibility in certain personnel matters as a way to keep young “superstars” was one area of the negotiation.

Vote to approve Warrant Article #2: Yea 10, Nay 1, Abstained 0: Motion Carries

Warrant Article #3 – Para Professional’s Contract

Motion: M. Clark moves to approve Warrant Article #3

Second: S. Barry

Discussion: D. Kelly indicated that the focus of this contract negotiation was to create a two-year agreement and to clean up language. J. Spillane raised concern with the language that limits experience to that in “public schools” and feels it would be unfair to anyone coming from the private or religious schooling sectors. D. Kelly agreed, but added that this language came about as a result of people wanting to apply day care experience to their resume and P. Sherman added that private schools are not obligated to provide Special Education under State Mandates so it would be rare that an individual would have Special Education experience in a private school, additionally Charter schools are included and considered the same as a Public School. K. Verville asked if length of experience is a part of the negotiation of an offer of employment and P. Sherman confirmed that legally, yes it can be.

Vote to approve Warrant Article #3: Yea 10, Nay 1, Abstained 0: Motion Carries

Warrant Article #4 – Appropriation of \$25,000 to the Facilities Repair and Improvement Fund

Motion: M. Clark moves to approve Warrant Article #4

Second: S. Barry

Discussion: M. Clark noted that this is a replenishment of the existing account, Chairman Daley asked how much was in the account now and P. Aubrey answered approximately \$134,390.93. Chairman Daley reiterated his concern regarding recent projects that were done outside of the formal bid and budget process and would like to see a better long range plan from the School Board to address the larger needs of the facility. M. Clark agreed and noted that the School Board is working towards a Capital Improvement Plan. Specifically, D. Kelly has been asked to look into the modular unit situation. H. Cady asked if there was a bid procedure in place as the Town adheres to and the School Board was not aware of anything, H. Cady feels there certainly should be.

Vote to approve Warrant Article #4: Yea 11, Nay 0, Abstained 0: Motion Carries

Warrant Article #5 – Retention of Year-End Unassigned General Funds – No Dollar Amount Assigned

As this Warrant Article does not contain a specific dollar amount, the MBC will not be voting to recommend or not recommend, however Chairman Daley thought it may be helpful to review. M. Clark informed the MBC that this was the result in a law change whereby the School would be able to retain up to 2.5% of any year-end unassigned general funds in a pool that can be used to reduce the tax rate or for emergency expenditures. She added that this is something the Town can do and that based on the current year's figures the amount able to be retained would be \$230,274. S. Barry asked for clarification, if the School has a \$10 million budget where the bottom line is exceeded – could it then use these monies versus going through the usual deficit appropriation steps? P. Aubrey replied that there is still a process for applying the funds, a public hearing would be required and it would have to be approved by the MBC, going on to the Department of Education and ultimately the Department of Revenue for approval, this fund just gives the option, and added flexibility.

Motion: K. Verville moves that the MBC take a formal vote on this Warrant Article

Second: J. Spillane

Discussion: K. Verville would like to see the MBC take a vote on this as it does involve a percentage amount which directly correlates with a dollar figure. M. Mann asked if there is a cap on the amount of monies that can be retained in the fund and P. Aubrey answered that it is a 2.5% cap every year, where the monies are either spent, or returned forward into the next budget. Chairman Daley was hesitant to accept the motion as he feels it could open doors to the MBC discussing and voting on other Warrant Articles with similar structures. J. Spillane contended that 2.5% is a dollar amount and has concern with money being set aside to reduce future tax rates by not reducing the current tax rate.

Motion: S. Barry moves to overrule the Chair in allowing this motion

Second: M. Clark

All motions and corresponding seconds were withdrawn with the understanding that Chairman Daley will engage the LGC and DRA to obtain a legal opinion as to whether or not the MBC can make a recommendation on a Warrant Article structured this way.

Proposed 2013/2014 Town Budget:

S. Barry followed up on a previously posed question regarding Gas tax revenue returned to the Town in 2011, the total for 8,677 gallons was \$1,561.89 returned to Deerfield. Chairman Daley verified that the bottom line of the Town Budget to be presented at the Public Hearing is \$3,390,963 and S. Barry confirmed.

Proposed 2013/2014 Town Warrant Articles:

S. Barry presented the most recent versions of the Town Warrant articles and pointed out a newly added Warrant Article #8 which asks to raise and appropriate the sum of \$19,184.00 for the salary and benefits for a part-time Police Officer to serve as a Resource Officer at the DCS. Mr. Barry was waiting for direction from the School Board as to whether or not they wanted to proceed in this manner and K. Barry indicated that yes, the School Board is in favor of posting this article to the voters. L. Boswak informed the MBC that this had been quickly pulled together and is based strictly on a part time person, working 6 hours a day for the 180 days the school is in session. She noted that it was suggested this way because extending to more than 30 hours a week would cause the position to go from a cost of approximately \$19,000 to over \$100,000 with benefits and the NH Retirement requirements. She stressed that this does not solve all the security concerns at the school and that nothing can eliminate 100% of the risk, but that the Town felt this was an appropriate step to begin enhancing security, this has not yet been formally approved by the Board of Selectmen. J. Spillane asked if this individual would come from the existing Police force by rotating duty and S. Barry answered no, that after a conversation with the Police Chief it was felt this would need to be a new position. J. Spillane would prefer to see this structured as detail work for the current officers and added that he feels the School Board should take advantage of the NRA's offer to train and certify teachers free of charge.

K. Verville expressed his opinion that this is a knee jerk reaction to the tragedy in CT and while he is not opposed to having Police spend time at the schools, he has an issue with #16 and #17 in the suggested job description which allow for the Resource Office to be called out responding to outside incidents. He feels this is something that should be vetted and taken slowly. He is not in favor of approving a position with details to be sorted out later. H. Cady agreed and indicated that she sees more questions than answers, she asked if the School could hire a certified officer on their own, versus going through the Deerfield Police Department. S. Barry indicated that it was presented this way because it was the Town that was proposing the Article, if the School Board had had their own Emergency Meeting and presented the Warrant Article it could have been presented as Ms. Cady suggests. J. Shute noted that the School Board has had lots of discussion surrounding the School building and its security and this article was the simplest way to get started on doing something. K. Verville asked if the School Board feels the DCS requires an armed and licensed Officer every day and K. Barry confirmed yes, that they feel this is a necessary first step. J. Spillane asked who would be in charge of managing the schedule, and how items such as snow days and make up days would be handled. L. Boswak indicated that the Chief of Police would be the primary supervisor with the Principal acting secondary and that it would be up to them to work out the exact schedule and J. Foisy would serve as the watch dog for ensuring the position was not over 30 hours a week.

Motion: J. Shute moves to accept Warrant Article #8 as written

Second: M. Clark

Vote: Yea 8, Nay 3, Abstained 0: Motion Carries

S. Barry pointed out that Warrant Article #13 had been added, the Warrant is to raise and appropriate \$2,000 for the purchase of shelving at the Library, an item that was previously removed from the Department's Budget.

Motion: S. Barry moves to approve Warrant Article #13

Second: K. Verville

Discussion: M. Mann indicated that she believes the Library is meeting on Monday night and may have made the decision not to go forward with this Warrant Article as a "no" vote would prohibit the purchase all together, if funds were donated or raised another way.

S. Barry and K. Verville withdrew their motion and resultant second.

New Business:

Chairman Daley reviewed the format of next week's Public Hearing for any new Committee Members noting that it is generally a time for the Public to make any questions and comments and that comments from the MBC should be limited, they will then take formal votes. He also noted that there are four members with terms expiring in March, J. Spillane, M. Mann, B. O'Donnell and C. Reese and would ask that if they have an interest in continuing service that they be prepared to do so.

Citizen's Comments: None

Adjournment:

Motion: J. Spillane moves to adjourn the meeting of January 5th

Second: S. Barry

All in Favor – Motion Carries – Meeting Adjourned @ 12:15p

Next Meeting Wednesday, January 9th at 6:30pm, Public Hearing at the Town Hall

The Minutes were Recorded, Transcribed and Respectfully Submitted by Katie Libby.

Pending Approval by the Municipal Budget Committee