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TOWN OF DEERFIELD
MUNICIPAL BUDGET COMMITTEE PUBLIC HEARING & MEETING
January 9, 2013
MINUTES

Call to Order:

6:30am 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

Chairman Daley opened with an introduction of Municipal Budget Committee Members and thanked the School and Town Representatives for their participation in the budget review process thus far. The Public Hearing then moved through each of the proposed School and Town Warrant Articles seeking any public comment.

2013-2014 SCHOOL BUDGET & WARRANT ARTICLES

Article 1: Shall the Deerfield School District raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$11,986,253? Should this article be defeated, the default budget shall be \$11,916,597 which is the same as last year, with certain adjustments required by previous action of the Deerfield School District, or by law; or the governing body may hold one special meeting in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only.

Discussion: M. Clark explained that the proposed \$11,986,523 represented a year over year increase of \$192,901 (1.64%), noting substantial increases to the Retirement amount, \$88,298 (25%) year over year and which represents 40% of the overall increases not controlled by the board. Decreases included Special Education Placements, down \$31,950 and High School Tuition, down \$27,318. The default budget is \$69,656 lower than the proposed, but M. Clark feels that the School Board has prepared a budget that is sound and in line with the DCS mission. Chairman Daley noted that the MBC had not made any changes to the School's proposed budget and that items reviewed included Athletic programming, NHSBA Dues, Contracted Services and the Guidance Positions.

M. Clark answered a previous MBC question regarding Technology Equipment Repair, noting that the \$4,075 cost is the cost of the maintenance, repair and toner contract for thirteen printers. J. Spillane asked if the machines were owned or leased and if they are owned asked that the School Board investigate to see if a leasing arrangement would be cheaper. M. Clark responded that the Board had been told the leasing would be more expensive based on the equipment needs, but that it will be reviewed as part of the long term needs of the School. M. Clark also informed the MBC that the NHSBA dues are based on the district's most recent expenditure figures and noted there has been no increase to this cost for the last four years.

Article 2: Shall the Deerfield School District vote to approve the cost items set forth in the collective bargaining agreement reached between the Deerfield School Board and the Deerfield Education Association for the 2013/14, 2015/16 fiscal years, which calls for the following estimated increases in salaries and benefits at the current staffing level:

2013/14	\$113,718
2014/15	\$117,183
2015/16	\$120,767

And further to raise and appropriate the sum of \$113,718 for the 2013/14 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels?

Discussion: M. Clark referenced the final page of the packet with a summary of changes. She noted the School Board is excited to propose a three year agreement. E. Berglund of Nottingham Road asked what the percent increase was for each salary year in the contract. M. Clark answered that the salaries were approached differently this year, so that the increase was not uniform across all levels, but that the bottom line is a 3% increase to the overall salary costs.

Article 3: Shall the Deerfield School District vote to approve the cost items set forth in the collective bargaining agreement reached between the Deerfield School Board and the Deerfield Para-educators Association for the 2013/14 and 2014/15 fiscal years, which calls for the following estimated increases in salaries and benefits at the current staffing level:

2013/14	\$38,634
2014/15	\$27,929

and further to raise and appropriate the sum of \$38,634 for the 2013/14 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels?

Discussion: M. Clark noted the agreement was for two years and that changes had been made to make consistent and level out the wage schedules. Misc language was added to clean up the contract and they are proposing an increase that is equal to 1 step + 1%.

At this time MBC Member F. McGarry was excused to attend the Planning Board Meeting

J. Spillane noted that he has concerns with the language of the contract that specified non-public school experience is not counted, he feels this is restrictive. Chairman Daley thanked the School Board for getting the contracts in when they did allowing ample time for the MBC to review.

Article 4: To see if the Deerfield School District will vote to raise and appropriate the sum of up to \$25,000 to be added to the Facilities Repair and Improvement Expendable Trust fund previously established. This sum is to come from June 30, 2013 fund balance available for transfer on July 1, 2013.

Discussion: M. Clark explained that this is an attempt to replenish the fund. The current balance of the fund is \$134,390.93.

Article 5: Shall the school district vote to authorize, indefinitely until rescinded, the retention of year-end unassigned general funds in an amount not to exceed, in any fiscal year, 2.5 percent of the current fiscal year's net assessment, in accordance with RSA 198:4-b, II? Such fund balance retained can only be used to reduce the tax rate or for emergency expenditures and over-expenditures under RSA 32:11 which are approved by the Department of Education.

Discussion: Chairman Daley reviewed the LGC and DRA Legal Opinions solicited by the MBC and stated that based on that feedback it will not be appropriate for the MBC to make a recommendation on this Warrant Article.

2013-2014 TOWN BUDGET & WARRANT ARTICLES

Article 1: To see if the town will vote to raise and appropriate the sum of \$2,400,000.00 (two million, four hundred thousand dollars) for the design, engineering, construction, equipping and furnishing of a Public Safety Complex, and to authorize the issuance of not more than \$2,400,000.00 (two million, four hundred thousand dollars) of bonds and/or notes in accordance with the provisions of the Municipal Finance Act, NH RSA Chapter 33 and to authorize the Board of Selectmen to issue and negotiate such bonds or notes and to determine the rate of interest and maturity date thereon; furthermore, to raise and appropriate the sum of \$330,000 (three hundred, thirty thousand, three hundred dollars) for the purpose of paying the first year's bond issuance costs and interest payments on the bond. (3/5 ballot vote required)

Discussion: S. Barry noted that this has been presented in the past and that the Selectmen feel that the time has come to address the size and safety needs of the Fire and Police Departments, he turned the floor over to Chiefs Greeley and Tibbetts who presented an outline of reasons why the Departments feel this is a necessary endeavor. Chief Greeley spoke to the safety issues surrounding the location of the Police Department, both externally with the GBW Parking Lot and internally with the constraints of the current building. The plan would be to locate the new complex on North Road on property already owned by the Town with close proximity to the DCS. They added that the property is large enough there is potential for future Departments, for example Highway, to relocate here as well. The \$2.4 million estimate would be a soup to nuts cost for the 17,116 sq/ft facility. This same building proposal was defeated in 2004 by just 27 votes. With the approval of this Warrant the Selectmen will establish a committee to address uses for the current properties and the Departments anticipate a move in date of April 2014. The Chiefs noted that they have been approached by several local companies with offers for donated or discounted services.

Citizen R. Wilson asked if there would be a traffic light installed on North Road that could be activated when vehicles were responding to an emergency. Chief Tibbetts said that this has been discussed, but that nothing has been finalized as this is a State road and they would need the State's permission. H. Cady asked how soon site information would be available, citing the DES law that nothing be built within ¼ mile of the Lamprey River and Chief Greeley indicated that Steve Keech is working on obtaining permits and other formal paperwork.

Article 2: To see if the town will vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of purchasing Fire Apparatus and Equipment and to raise and appropriate the sum of \$50,000.00 (fifty thousand dollars) to be placed in this fund, and to name the Board of Selectmen as the agent to expend.

Discussion: S. Barry referenced the Capital Improvement Plans in the handouts and noted that these funds would be to work towards the future purchase of a Fire Tanker and other Department equipment. J. Spillane asked if there were penalties should the Town fail to upgrade this truck within three years and Chief Tibbetts answered no, that this was just a recommendation.

Article 3: To see if the town will vote to raise and appropriate the sum of \$35,000.00 (thirty-five thousand dollars) for the purpose of replacing windows, siding and energy improvements to the George B. White Building.

Discussion: S. Barry noted that this is a continuation of the work in progress. J. Spillane asked if the Safety Complex were approved, are the upgrades to the GBW Building still going to continue. S. Barry answered absolutely yes.

Article 4: To see if the town will vote to raise and appropriate the sum of \$25,000.00 (twenty-five thousand dollars) for the purpose of stipends to be paid to the members of the Deerfield Fire Department as compensation for their service to the town.

Discussion: R. Hutchinson asked how the number would be arrived at for each Fire volunteer's portion of the stipend. Chief Tibbetts answered that it would be a formula based on the number of fires attended, training, etc. He noted that his is similar to the Rescue Squad stipend, with a slightly larger amount because there are more members on the Fire squad.

Article 5: To see if the town will vote to raise and appropriate from surplus the sum of up to \$25,000.00 to be placed in the previously established Expendable Trust Fund for the purpose of repairs to Municipal Government Buildings and related infrastructure.

Discussion: S. Barry described this as a rainy day fund, noting that items with the Town's buildings arise all the time, most recently the Library Steps were in need of repairs for some \$25,000.

Article 6: To see if the town will vote to raise and appropriate the sum of \$19,775.00 (nineteen thousand, seven hundred, seventy-five dollars) to side, maintain, repair and improve the Fire Station located on Birch Road.

Discussion: S. Barry explained that the building was built in 1980 and is in need of maintenance. R. Wilson asked if the Safety Complex is approved, would this Station remain in active service and Chief Tibbetts confirmed yes.

Article 7: To see if the town will vote to raise and appropriate the sum of \$19,184.00 (nineteen thousand, one hundred, eighty-four dollars) representing salary, benefits and equipment for a part-time Police Officer who will serve as a School Resource Officer at the Deerfield Community School.

Discussion: S. Barry explained that this Article was developed at the request of the School Board. The cost represents a 6 hour/day, part time position with no benefits. The intent is to take this first step to begin to increase the security at DCS. R. Hutchinson expressed that she feels the Town is fooling itself if it believes that a part time officer will greatly security the school and the bodies in it. She would like to see a more comprehensive response to safety needs taken. S. Barry agreed saying that there are other security issues at the school that are being worked on jointly by the Police Department, School and Town Administration. R. Hutchinson asked how the powers that be will measure the success or failure of this undertaking. Chief Greeley stated that the school will never be 100% secure, but that this is a place to start and he feels it will put a good dent in the issues at hand. M. Clark added that a more comprehensive review is being done by the School Board.

K. Verville expressed the opinion that after year one, this position will go into the regular budget and from there the Police Department could opt to reallocate the resources. He takes issue that this is not a guarantee that there will be a Resource Office in the School going forward. R. Wilson expressed that the School Resource Officers have a broad scope of activities within the school and community and that he feels this would be a very positive addition.

D. Gorman indicated that the School Board had spent more than four hours going through the School today and have spent several hours speaking with the Maintenance Director looking at things that can be done, some as simple as

tinging windows or installing elevator locks, he feels adding a part time officer will greatly contribute to the work that is being done. J. O'Brien of Prospect Rd. asked why some felt that Mr. Verville's comments were not valid, and asked if this became part of the general operating budget after next year, is it safe to assume that the SRO will remain as intended until a new Warrant Article is presented to alter it. Chief Greeley answered yes he believes it would operate that way and that his intention would be to sign a letter of memorandum with the administration of the school outlining the position in very specific ways. J. Spillane asked if there were a situation in down that demanded resources, would the SRO be removed from the school. Chief Greeley answered that only at certain times could he foresee the SRO not being on site, one example would be if a student were involved in an incident at an outside location and the SRO had the existing relationship with the individual he/she may then be called away from the physical School to assist. A. Robertson, Selectman, added that the reason the item was presented this way was to give the Town a chance to debate and decide how they wish to proceed. If the Board of Selectman had not been looking for voter input it could have taken the monies to fund this position from elsewhere in the budget.

Article 8: To see if the town will vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of purchasing Highway Department Vehicles and Equipment and to raise and appropriate the sum of \$10,000.00 (ten thousand dollars) to be placed in that fund, and to name the Board of Selectmen as the agent to expend.

Discussion: No public comment.

Article 9: To see if the town will vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of purchasing Transfer Station Equipment and to raise and appropriate the sum of \$5,000.00 (five thousand dollars) to be placed in that fund, and to name the Board of Selectmen as the agent to expend.

Discussion: No public comment.

Article 10: To see if the town will vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of purchasing Police Equipment and to raise and appropriate the sum of \$5,000.00 (five thousand dollars) to be placed in that fund, and to name the Board of Selectmen as the agent to expend.

Discussion: No public comment.

Article 11: To see if the town will vote to establish a Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of purchasing Rescue Vehicles and Equipment and to raise and appropriate the sum of \$5,000.00 (five thousand dollars) to be placed in that fund, and to name the Board of Selectmen as the agent to expend.

Discussion: No public comment.

Article 12: Shall the Town of Deerfield raise and appropriate an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by the vote of the first session, for the purposes set forth therein totaling \$3,390,963.00. Should this article be defeated, the default budget shall be \$3,377,844.00 which is the same as last year, with certain adjustments required by previous action of the Town of Deerfield or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13X and XVI, to take up the issue of the revised operating budget only.

Discussion: S. Barry informed the room that the Board of Selectman had worked with Department heads to create a budget that was \$69 under default, but that the MBC had voted to raise the budget approximately \$15,000, bringing it above the default amount. The Selectmen's focus had been to keep each Department's operating costs extremely lean with the goal of obtaining a 4% raise for all of the Town's employees. E. Berglund asked what the total increase to the Town's taxes would be if all proposed Warrant Articles and the Budget are passed. K. Verville answered by his math, the Warrant Articles separate from the proposed Safety Complex represent a \$175,000, or 5.1% increase over the bottom line. He added that if Article 1 is approved, that would be a 9.73% increase over the bottom line in year one, totaling a 14.89% increase over the proposed budget. S. Barry added that Article 1's approval represents a \$0.62/\$1,000 increase to the tax rate.

K. Verville confirmed that the MBC had voted to increase the bottom line of the budget, but that in his opinion the Selectman's budget had come in under the default through the use of gimmick accounting and rearranging of funds. He stated that he will making a motion to remove a cruiser from this year's budget in order to bring the total amount back below default and feels they can revisit including a cruiser in 2014. N. Shute asked for clarification of process, does the MBC have a right to make changes, she was of the impression the MBC was here to take input from the public and has heard no opinion from the public that it wishes to remove a cruiser from the budget. Chairman Daley answered that technically a public hearing is required only for proposed increases to the budget and that where Mr. Verville is

suggesting a decrease it would not need public comment, but that in fairness the MBC historically does like to take input from the Town on both increases and decreases. Chief Greeley explained that the Department replaces a cruiser very year and that this year they would also be adding a car to the fleet to be assigned to the Detective. In his experience once a car is removed from the budget it is very difficult to get back in, and he would respectfully request that the MBC not remove that item from the proposed budget. K. Verville sees the cruiser as a capital equipment purchase and feels that it should be presented as a Warrant Article, he is making the motion because he believes many people expect the budget to fail as it is larger than the default, this is his solution for ensuring the employees get a 4% raise. J. Wilson expressed that in her opinion cruisers are turned down as a Warrant Article, where Fire and Rescue vehicle purchases are approved because in general red lights are coming to “save” someone and are viewed as positive, whereas blue lights are perceived to be a negative visitor, she added that she feels the promise that “If a cruiser goes, the raise will pass” is false and cannot be guaranteed.

With no further Public Comment the Public Hearing is adjourned at 8:05pm

Call to Order: Chairman Daley calls to order the MBC meeting

Approval of Minutes January 5, 2013

Motion: J. Spillane moves to approve the minutes as written

Second: K. Verville

Vote to Approve the Minutes: Yea - 10; Nay – 0; Abstained – 0: Motion Carries

Voting School Budget & Warrant Articles:

Article 1:

Motion: M. Clark moves to approve the Article as written

Second: S. Barry

Vote: Yea 9, Nay 1, Abstained 0: Motion Carries

Article 2:

Motion: M. Clark moves to approve the Article as written

Second: S. Barry

Discussion: K. Verville feels the raises are skewed to the higher end of the salary scale and would ask that the negotiators do more in future years to attract new teachers.

Vote: Yea 9, Nay 1, Abstained 0: Motion Carries

Article 3:

Motion: M. Clark moves to approve the Article as written

Second: S. Barry

Discussion: J. Spillane feels the language is too restrictive regarding prior experience in non-public schools.

Vote: Yea 7, Nay 3, Abstained 0: Motion Carries

Article 4:

Motion: M. Clark moves to approve the Article as written

Second: S. Barry

Vote: Yea 9, Nay 1, Abstained 0: Motion Carries

Voting Town Budget & Warrant Articles:

Article 1:

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

Second: M. Clark

Discussion: K. Verville noted that this was proposed ten years ago at a cost of \$1.87 million, since that time the price has gone up 2.18%, which is less than the rate of inflation, he feels that the economic times are tough and as a result he cannot support adding 9.73% to the bottom line of the budget. J. Spillane supported this project in 2004 and still supports it though he has concerns over the use of the existing buildings. H. Cady does not support this as she feels the correct research has not been done, she does not see how the site will receive approval from the DES and does not see the need for a full service kitchen.

Vote: Yea 8, Nay 2, Abstained 0: Motion Carries

Article 2:

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

Second: M. Clark

Discussion: K. Verville noted that the remaining money line items represent a \$175,000 or 5.16% increase to the Town bottom line and for that reason he will be picking and choosing between items for support. J. Spillane struggled with the creation of the Capital Reserve funds, especially with so many in one year, as a result he will not choose favorites, but will not support any. M. Mann feels that the items should be allowed to go forward as the respective departments have each demonstrated that there is a need, she feels the yes or no should be decided by the individual voters, adding that a “yes” as a MBC member for her does not mean a “yes” as a Citizen in the voting polls. H. Cady will not be in favor of these as she does not vote for the establishment of trust funds. She feels it is taking money from the tax payers of today to pay for future items, where those originally paying may have moved out of town.

Vote: Yea 7, Nay 3, Abstained 0: Motion Carries

Article 3:

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

Second: M. Clark

Vote: Yea 9, Nay 1, Abstained 0: Motion Carries

Article 4:

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

Second: M. Clark

Vote: Yea 8, Nay 2, Abstained 0: Motion Carries

Article 5:

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

Second: M. Clark

Vote: Yea 9, Nay 1, Abstained 0: Motion Carries

Article 6:

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

Second: K. Verville

Vote: Yea 9, Nay 1, Abstained 0: Motion Carries

Article 7:

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

Second: M. Clark

Discussion: K. Verville does not support this item, he feels if it came back with more justification and rationale that it may make more sense, but the specifically relates to the public comment asking “what will be the metric for success”. J. Shute feels this is a beginning and a step in the right direction.

F. McGarry returned for this portion of the meeting

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

Article 8:

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

Second: M. Clark

Vote: Yea 9, Nay 2, Abstained 0: Motion Carries

Article 9:

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

Second: M. Clark

Vote: Yea 7, Nay 4, Abstained 0: Motion Carries

Article 10:

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

Second: M. Clark

Vote: Yea 7, Nay 4, Abstained 0: Motion Carries

Article 11:

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

Second: M. Clark

Vote: Yea 7, Nay 4, Abstained 0: Motion Carries

Article 12:

Motion: K. Verville moves to approve the Article as written

Second: J. Spillane

Discussion:

Motion: K. Verville moves to reduce the total budget by \$31,000, the cost of 1 cruiser in line 01-4210-01.76

Second: J. Spillane

Discussion: K. Verville reiterated that his intent is to bring the proposed budget under the default, making the likelihood of the Town Employees receiving a 4% raise more successful.

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

Vote: Yea 9, Nay 2, Abstained 0: Motion Carries

Old Business: H. Cady wanted to clarify an earlier discussion about changing the Overseer of Welfare from an elected to an appointed position. At the 2005 Town Meeting Mrs. Cady said she did not 2nd the motion, but simply “moved the question.”

New Business: Chairman Daley noted that the MBC is allowed to change its recommendations if articles are changed at the Deliberative Session and the Committee wants to re-discuss. Tuesday, February 12, 2013 would be the date of the MBC meeting and would only occur if a majority of the members want to revisit any money warrant articles changed at the Deliberative Session. There is an organizational meeting scheduled for Tuesday, April 16, 2013.

Citizen’s Comments: None

Adjournment:

Motion: S. Barry moves to adjourn the meeting of January 9, 2013

Second: K. Verville

All in Favor – Motion Carries – Meeting Adjourned @ 8:32p

The Minutes were Recorded, Transcribed and Respectfully Submitted by Katie Libby.
Pending Approval by the Municipal Budget Committee