

**TOWN OF DEERFIELD
MUNICIPAL BUDGET COMMITTEE**

**January 19, 2010
MINUTES**

Call to Order

6:03pm: Chairman~ James Spillane called the meeting to order.

Pledge of Allegiance to the Flag

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

Present:

James Spillane~ Chairman, Don Daley~ Vice Chairman, Richard Pitman, Tom Dillon, Harriet Cady, Kevin Briggs, Liz Murphy & Peter Menard

Absent:

Bill Carbonneau

Also Present:

Steve Barry~ Board of Selectmen Representative, Bonnie Beaubien~ School Board Representative, Peter Warburton~ Superintendent for Schools, Peter Aubrey~ Business Administrator, Cindy Heon~ Town Administrator, Cindy Kelley~ Financial Director and Nese Farrell~ Recording Secretary

Citizen's Comments:

None

School Board Budget

Selectman Steve Barry requested that the Municipal Budget Committee (MBC) go on with the School Board portion, as the Board of Selectmen (BOS) have a meeting that will not be over till about 7:30pm. Chairman Spillane confirmed that it was the unanimous consent of the Board to reverse the order of the agenda and commence with the School portion first.

School Board Representative, Bonnie Beaubien referred to the information provided by the School Board and addressed the Warrant Articles. She stated that the language of the warrant articles is according to the Department of Revenue Administration (DRA), whom advised how to write a warrant article. She mentioned that since the MBC hearing there have not been changes to the Budget and asked the public for any questions on the Warrant Articles or the School Budget.

Vice Chairman Daley asked about the specific number of the Concord High School (CHS) tuition line and stated that he will propose a reduction in that line when they break into the MBC regular meeting. Chairman Spillane asked the School Board if they have received an answer yet regarding the number of students going to into high school next year (for tuition purposes) and mentioned that the MBC was wondering if there was a buffer being included (the number of students being increased as an estimate), as it seems that there is a surplus each year of five or more students; causing an undue surplus of taxation and budget returns. Mrs. Beaubien believes that Mr. Aubrey has those numbers and he should be here shortly.

Superintendent for Schools, Peter Warburton spoke to CHS and informed the Committee that they take their 8th grade population this year of 61- students and add it to the CHS present number of Deerfield students for the most accurate number as they can. He added that previously they talked about a number of 225 being the present number and it is what they still have today. He said that the number they budgeted each year has ended up being lower due to certain circumstances and confirmed they are not building in numbers. He said there were 58, the 3 that were in the lottery and the present freshmen, juniors and seniors at CHS.

Harriet Cady asked if they surveyed the 8th grade to see how many choose to go to another school. Mr. Warburton said they typically do before the budget is finalized, but does not have an exact number at this time. He has not been informed of any going to another high school as of yet; it is delayed due to some waiting on acceptances.

Vice Chairman Daley stated that he looked at the previous budgets for what was projected and what was expended; he found that in 2007/2008 they projected 252 students, budgeted for 2.7 million for high school tuitions and actually spent 2.5 million. He tried to break that down and he came up with 225 students. He added that for 2008/2009 they were projecting 244 students, 2.9 million was budgeted and 2.6 million was actually spent; in his rough breakdown he came up with 223 students. He referred to this year's projection for 239 students total; which it should be because even if they go to another school, the Town is still paying for those tuitions. His concern is that it seems to be an extreme over-estimation each year. Chairman Spillane referred to the number of students enrolled and said that in this last school year they budgeted for 244 students, but the current in school enrollment is 234; showing a ten student difference and that is why the question of a buffer number was raised.

Selectman Barry would argue that it is not a buffer or an excess and stated that if at the point in time where they are right now, which is seven months before the year starts and they know that they have 239 students, then that is how many students should be budgeted for and that it could

go either way. Liz Murphy said it seems to come at the same time every year and they have interred from private schools by this time every year and she said it sounds like it happens regularly. Kevin Briggs added that some of the tuitions are estimated around this time of year.

Mr. Warburton said that he and the Business Administrator, Peter Aubrey both have talked to CHS about their 8.9% increase in tuition and they don't have the requested information yet. Chairman Spillane said he understands how difficult it is due to the way the school year is staggered off of the regular year, but they are getting close to when these numbers are going on the ballot and they need to close down negotiations with CHS and find out what the resolution is going to be.

Selectman Walt Hooker clarified that the Town Budget for 2010 is the one they are voting on and it will affect the tax rates for 2010, and the School Budget that affects the 2010 tax rate is the year they are in right now, the 2009/2010 year. He added that if there was a surplus with the high school tuition (or any surplus the school has) it will come back to offset taxes, unless some of it is taken out by a town vote to go into an expendable trust. He said it's not as though they are raising \$300,000.00 worth of taxes that comes back, it comes right off the top before DRA sets the tax rate.

Mrs. Cady addressed either selectmen and asked if they were saying that the \$300,000.00 that the school turned back in this year was immediately used to buy down the tax rate. Selectman Hooker replied that when the DRA sets the tax rate they look at what the school appropriations are, and the \$300,000.00 comes off the school appropriations when they set the tax rate; the taxpayers are not paying taxes on that money as it is netted out from the appropriation/ off the bottom line before the tax rate is set. Chairman Spillane feels that the taxes were raised at some point so that the money did come to the school's budget. Selectman Hooker said it shows up as income, but the taxes are based on the net amount, not the gross appropriations.

Mrs. Cady referred to what they turned in last year and believes it went against the tax bill of the previous year. Selectman Hooker said that what was turned in last year offset the 2009 taxes before the rate was set. Peter Menard referred to last year's Default Budget and found the high school tuition default was \$2,705,000.00 and the expended was \$2,607,000.00 (a \$98,000.00 difference). He asked if that was used to buy down the 2009 taxes. Selectman Hooker confirmed it was and said he thinks about \$206,000.00 came back and it was not encumbered. Chairman Spillane stated that it is not encumbered unless there is a bill to transfer it into a fund or to hold it for a project that is not complete. Selectman Hooker said the school has a slightly different accounting system than the Town. He said the Town has (what used to be called "surplus") an Unreserved Fund Balance; the schools do not run an unreserved fund balance and if they were to run out of money during the year, they would have to find a way to get that money out of the rest of the budget. Mrs. Cady referred to 2008/2009 and said they raised the money for taxes with that \$300,000.00 in it; the \$300,000.00 came back and was reduced in the 2009/2010 Budget. She believes it goes to reduce what was going to be raised in the March 2009, not the 2008/2009.

Mr. Warburton confirmed that he has no date of receiving the answer from CHS on the tuition increase. Chairman Spillane asked if they know what CHS has typically raised the tuition, as an average each year. Mr. Warburton said that Mr. Aubrey would have those numbers, but he knows that they have not been in an increase category of 8.9%. Library Trustee, Maureen Mann asked if the Town has a choice to use another high school. Chairman Spillane said no, as the Town is still under contract with CHS, but they have a right to inquire how they justify such an increase. Mr. Warburton said there are State forms that govern how budgets are put together and how much taxes are to be raised and the State will have a figure, CHS has a figure and the Board is hoping they will come to some understanding. Mrs. Cady asked if the State looks at all the schools and what their costs are to determine what is increased. Mr. Warburton said they do; cost per people. Mrs. Cady asked if they would let the Town determine if they should be less than what they come up with Mr. Warburton said no. He confirmed that the contract with CHS is until 2014.

Chairman Spillane referred to the Warrant Articles and called for any questions or comments. Selectman Hooker said the 2010/2011 Budget will be on the tax rate, if there is any surplus from the 2009/2010 Budget it will be netting out at the end of year; it is really the combination of the budgets. He referred to the School Default Budget being about \$1,000.00 more than the Operating Budget, and stated that when reviewing last year's budget, he found that there was \$55,000.00 for the Bond and \$20,000.00 for an expendable trust. He said that if those had continued this year, the budget would have been about \$76,000.00 more than the Default Budget; it looks like the Operating Budget is less than the Default Budget, but there is \$75,000.00 that is not there this year. His estimate would be that the Operating Budget this year is in fact higher than the Budget last year if those two lines are taken out.

Mrs. Beaubien addressed Warrant Article #1 being the Budget that was just discussed, and referred to Warrant Article #2 being the Deerfield Education Association's Contract which was written according to DRA. She said the only change in money would be for next year's Step Increases for any teacher who has not completed 10 years of service at Deerfield Community School (DCS). She added that none of these teachers got any Step Increases this year; this is referring to next year. Chairman Spillane asked if the determination was to leave the word "estimated" in these warrant articles, even though they are not raising an estimated amount of money when this goes to the ballot, but rather the sums as are spelled out. Mrs. Beaubien said the Division of Revenue requested that they word it this way and said that last year's warrants were written with the same language. Mr. Warburton said that each year the DRA gives them the templates to use and it has always said "estimated" for lots of reasons; as they may not have as many staff persons. Chairman Spillane said that when it goes to the poll, that is the number that is voted on; not an estimated amount. Business Administrator, Peter Aubrey said it is like a picture of time, as they are voting on the staff they have right now and intend on having next year. He said they are not asking for more than that number and it can be changed, but you cannot guarantee that someone

will stay, as people come and go; they are stuck with that budget no matter what. He confirmed that they ran this past an attorney as well.

Mrs. Cady asked for an explanation of the Evergreen Clause; what it means and what will happen. Mr. Warburton said the Evergreen Clause (Article 273A) was passed in the summer of 2008. He summarized that is stated that any contract after that time period that is entered into, agreed to and voted on, and if the successor contract was not successfully passed then the teachers (firemen or police) would get their Step Increases from then on (even if they did not have another successor contract). He said that is why they are putting this note on the warrant, so that the people of town would know what it means; there is a change there because the townspeople have voted on every contract and the law that was passed has changed that. Chairman Spillane asked if on a defeat of a subsequent contract, base salaries remain frozen and step amounts remain frozen, but people will progress up the step; the amounts (percentages of everything) remain frozen at the last contract that was agreed upon. Mr. Warburton said yes. Maureen Mann gave an example of how the step program works. Mrs. Beaubien said the reason the DCS teachers did not get their Step Increase this year is because this Evergreen Clause took affect July 1st and their contract ended June 30th.

MOTION: Selectman Barry asked to be excused to proceed to the BOS Public Hearing at the George B. White building and asked that the MBC not take up the Town Budget until he has returned.

SECONDED: Richard Pittman seconded the Motion.

VOTE: Chairman Spillane called for the Vote. It was a Unanimous Vote in Favor.

Deb Boisvert referred to the insurance buyout and stated that she is one of those people who choose to get health insurance as a State Employee; the District pays her \$700.00 for making that choice. Chairman Spillane said the Board wanted to know if there was indeed a savings for this and how much would it cost if they did need health insurance.

Tom Dillon referred to the warrant articles and asked how much of that \$48,000.00 will go into the teacher's salary line verses the pensions. He also inquired on how many teachers are estimated to receive Step Increases next year. Peter Aubrey said 21 employees are getting Step Increases. Mr. Warburton said that this is a step increase only on the previously negotiated base; on the present base they have (a tracking step).

Pat Pittman asked if the employees of the school pay a percentage of their health insurance. Mrs. Beaubien said the School pays 90% for a single plan and 75% for a 2-person or family plan and confirmed that the employees pay 10% of the single plan and 25% of the family plan. The Paraprofessional percentages just changed last year (scale); their contract is still in effect (they will be starting a brand new contract with them). Paraprofessionals last contract: 10% payment towards Health Insurance for the first year of service, 50% in the second year and 75% in the third. The new agreement was 25% the first year, 65% the second year and 80% for the third year; it is tied to some longevity.

Mr. Aubrey said the benefit's pricing is based on what type of plan they choose, but the buyout is \$700.00. Mr. Dillon asked if buyouts were offered to both the teachers and the paraprofessionals and if it was part of the \$48,000.00. Mrs. Beaubien said the teacher's contract buyout is not part of that and the 2010/2011 for \$14,000.00 is the buyouts for the Paraprofessional Health Insurance. Mr. Dillon asked if they are also being offered to the teachers and if so, where in the Budget is it reflected. He also wanted to know if all the Paraprofessionals take insurance from school.

Mrs. Cady said that Peter Aubrey mentioned that the District pays \$15,000.00 for a family plan and asked what the total would be including the employee contribution. Mr. Aubrey said 20. Mrs. Beaubien confirmed that the teacher's contract (\$48,000.00) is only for step increases for those with less than 10 years experience; it is the only money change in the contract, as the base stays where it was last year. Don Gorman confirmed that because of the wording in the warrant articles stating "salaries and..." it does not mean there are salary increases. The plan calls for steps; money, estimated or not, goes toward the steps. There are no salary increases for the teachers or paraprofessionals.

Mrs. Cady asked if the benefits are basically spread through the line, and if that is why the \$48,000.00 is completely for the Step Increases. Mrs. Beaubien confirmed this.

Deb Boisvert said that there can be other reasons to have an increase; typically after a year with no contract and people may move up two steps to make up for the damage of skipping a step. She gave an example of how it would work for a few years to even out.

Mrs. Cady said that under the State Law Constitution/ Article-28 it says that the State can vote an expense down to the Town (which they've done with this Evergreen law), by putting an expense on tax payers. She asked if the Town does not vote this contract, would the Evergreen Clause not come into effect. Mrs. Beaubien said the paraprofessionals have a contract as of July 4, 2009, so they will come under the Evergreen. The Evergreen won't take an effect for the teachers unless this is voted.

Mr. Warburton referred to the buyout question from Mr. Dillon and said that the first warrant article for \$48,000.00 is for step increases only. The next warrant article talked about the Paraprofessionals for 2010/2011 for \$14,000.00; budgeting a high number of Paraprofessionals and it is the first time they've had that in their contract. He added that an important part of the Evergreen Clause is that they would have to have a new contract if they are looking at the successor contract; once they are passed, the Evergreen kicks in for the next. He said that is why the warrant article shows the note for the townspeople to understand what the law is. Mr. Warburton confirmed that at this point neither one of the contracts is under the Evergreen Clause.

Mr. Dillon referred to Warrant Article #3 and asked if all the Paraprofessionals are presently insured through the school and if not, approximately how many are not. Mr. Warburton said up to this point they do not have a buyout for those who don't have insurance this year and confirmed that next year they will get the buyout if they opt out of insurance. Mrs. Beaubien said the teacher's contract in effect right now says they had to be a teacher as of the 1996/1997 school year and those would get the buyout; any teacher not employed in that year (and that was most of them), were not able to get the buyout. She clarified that the Paraprofessionals did not have any buyouts until this contract presented. Chairman Spillane confirmed if the 20 or so Paraprofessionals that do not currently use insurance and next year they got a buyout, they would see a significant saving if one Para decided to switch (they would save \$15,000.00), so the \$700.00 is meant to be an incentive.

Mrs. Cady said presently they have 39 Paraprofessionals and said it looks as if the School budgeted 35 this year. Mrs. Beaubien confirmed they have 35 and are budgeting for 35; the teaching staff was the one that was reduced by three staffers.

Mrs. Cady referred to the salary line for 2009/2010 as being \$30,028.00 and the proposed was \$42,393.00 and believes that they will be going \$12,365.00. Mr. Aubrey said they have regular aids; there are two fulltime and two part-time under the regular program (for Kindergarten and Preschool). Chairman Spillane confirmed it is not a reduction; it is just to not hire the three positions they had previously. Mr. Aubrey said the SPED aids are a different number; they have 2.6 aids and one part-time (FTE's is a different number). Mr. Aubrey confirmed that the aids are treated the same as Paraprofessionals.

Mr. Dillon asked what it costs the school to provide Health Insurance per person, per plan. Mr. Aubrey said it depends on the plan; \$15,000.00 for a family plan and \$6,000.00 for a single plan. Chairman Spillane asked if the buyout would not be applicable for a single plan because they cannot opt for another plan and the School would not let them go with no insurance. Mr. Warburton said that is correct. Mr. Aubrey confirmed that the 2-person plan for point of service would be in the range of \$15,000.00 and an HMO/ 2-person plan would be about \$14,000.00. He said if it is for point of service, a family would be in the \$20,000.00 range.

Mrs. Beaubien referred to the Warrant Article #4 and said it is to start a trust fund if there are any surplus funds to start accumulating money to pave the front parking lot at DCS. She added that their other two trusts have reached their caps (special education and maintenance). She said the school has been in operation for 20 years and it is time to take care of the parking lot. Don Gorman said he did some background on this and that in today's prices it would be around \$52,000.00 to pave the front and a little of the back parking lot (he's not sure if that includes painting the lines). He is looking at the fact that they are not paying for finance of the building this year and they are not paying for the bond anymore and the parking lot has been an issue for 20 years. They feel that if they put in say \$20,000.00 each year (to be conservative) to get it done in three or four years. He would actually like to see it done in one year. Chairman Spillane said the Board discussed this and that they would rather see a warrant article come up with the full number to just get it done in one year. He added that whether or not that comes out of surplus to pave it, or in ways to appropriate to pave it, the Town needs to care for the property and he feels that people would rather see it come before them as a choice they make. He added that the quotes will change every year as well. Mr. Gorman said the \$52,000.00 quote came from Pike Industries as an estimated number (it did not include sub-grading or painting the lines), but it is a fairly firm number. He is looking for an opportunity to increase that at the Deliberative Session for Warrant Article #4. Chairman Spillane said there is some language there that needs to be discussed with someone who knows better the legality of what can be done at the Deliberative Session; to find out if that warrant article could be changed to that extent or if only the dollar figure can be changed. Mr. Warburton said he understands that the warrant article's wording can be changed at the Deliberative Session, but they cannot change the consent. Chairman Spillane said that the intent was to setup a trust and no matter how much they change that language, the purpose of it was to setup an expendable trust. He suggested finding out how much they are changing the intent by changing the wording. Mrs. Cady disagrees, as the expendable trust is allowed by the School Board when it reaches the amount they need to be expended. She believes that if they change the amount so they raise the money in one year and they go out for bid this year and expend that expendable trust in one year, it won't matter as long as they have the money to do what the intent of the expendable trust is. Mr. Warburton believes that's correct.

MOTION: Harriet Cady moved to recess at 7:35pm until the Town comes back.

SECONDED: Vice Chairman Daley seconded the Motion.

VOTE: Chairman Spillane called for the Vote. It was a Unanimous Vote in Favor.

MOTION: Bonnie Beaubien moved to go into the Municipal Budget Committee's regular session to allow discussion and to vote as a Committee on the School Budget and the School Warrant Articles, prior to resuming the Town's Public Hearing.

SECONDED: Vice Chairman Daley seconded the Motion.

VOTE: Chairman Spillane called for the Vote. It was a Unanimous Vote in Favor.

Chairman Spillane confirmed they are now in MBC session for the purpose of discussing the School Budget and Warrant Articles.

MOTION: Bonnie Beaubien moved the School District Budget at \$12,234,124.00, the Default Budget \$12,235,492.00 and Warrant Article #1 as written.

SECONDED: Selectman Barry seconded the Motion.

Chairman Spillane read the language of Warrant Article #1 and called for discussion

Warrant Article #1: Shall the 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 the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$12,234,124? Should this article be defeated, the Default Budget shall be \$12,235,492, which is the same as last year, with certain adjustments required by previous action of the 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.

MOTION: Vice Chairman Daley moved to reduce that amount by \$122,148.00, specifically related to the high school tuition line.

SECONDED: Richard Pittman seconded the Motion.

Vice Chairman Daley said he is concern that the number of students they are estimating is a high estimate, based on what he wrote down from previous budgets, the number of students appear to be in the range of 220 to 225. Mr. Warburton is to get those specific numbers, but he believes that is an overestimation and that it also includes the students that are listed in the special placement tuition, which is a separate line item. He added that the special placement tuition was to be \$1.3 million for the 2010/2011 Budget. He said that with the trend they are seeing in town that there are more students moving out than there are moving in he feels that they should be presenting the Town the tightest budget as possible. The reduction would pretty much level fund the bottom line to the Default Budget that was passed last year.

Selectman Barry asked how they would budget any tighter than using the numbers available to them. He said that trends are just that and that there is no way to actually forecast how many students are going to appear in September to go to high school from the Town of Deerfield. He said this is the number they have right now and there have been years that they have gone up. Mrs. Beaubien agrees with Steve, as there is no other way to do this but to give their best estimate and if something drastically changes with CHS tuition, then at the Deliberative Session they can make a motion to adjust that figure.

Peter Menard asked Mr. Daley how he came up with the amount in which he wanted to lower it. Vice Chairman Daley said it would total nine students' tuitions (using the CHS tuition amount); it would bring the estimate down to 230 students. He added that it appears that amount (as far as projected enrollment and current high school enrollment) includes students that may be in the special placement tuition, which is budgeted for separately, as well as it doesn't seem to take into account the students that may be going to private schools. Mrs. Beaubien said it would not cover students moving into town either, so they try not to get in the situation to have to find money later. Chairman Spillane said trends do matter and looking back at the least three years, there has been a surplus in each of those years of between \$200,000.00 & \$300,000.00. He does not see that there is a drastic underestimation on the students; the trend tends to be between 7 to 10 students of overestimation proceeding to high school (those currently in high school as well). Liz Murphy said she respects Mr. Daley's work on all of this but she does not think she could vote for this motion. She feels the school has worked equally hard to present their Budget with as little as possible.

VOTE: Chairman Spillane called for the Vote to lower the bottom line by \$122,148.00 (which represents nine students being pulled out of the high school tuition line at the CHS rate), bringing the new bottom line to \$12,111,976.00.

It was a Vote of 6 in Favor, 4-Opposed.

The Motion passes and the High School Tuition line has been reduced to \$12,111,976.00.

Warrant Article #1 stands at no change to the Default Budget. \$3,089,481.00

VOTE: Chairman Spillane called for the Vote in Favor of Warrant Article #1 as amended at \$12,111,976.00.

It was a Vote of 6 in Favor, 2-Abstentions.

Chairman Spillane read the language of Warrant Article #2 and called for discussion.

Warrant Article #2: Shall the District vote to raise and appropriate the cost items set forth in the collective bargaining agreement reached between the Deerfield School Board and the Deerfield Education Association for the 2010/2011 fiscal year, which calls for the following estimated increases in salaries and benefits totaling \$48,832.00 and further to raise and appropriate the sum of \$48,832.00 for the 2010/2011 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits over those of the appropriation at current staffing levels paid in the prior fiscal year? (Note: Pursuant to RSA 273-A:12, if approved, the terms of this collective bargaining agreement, including the pay plan, but excluding cost of living increases, will continue in force and effect until a new agreement is executed).

MOTION: Bonnie Beaubien moved to accept Warrant Article #2 as written.

SECONDED: Vice Chairman Daley seconded the Motion.

VOTE: Chairman Spillane called for the Vote in Favor of Warrant Article #2.

It was a Vote of 7 in Favor, 2-Opposed and 1-Abstention.

MOTION: Bonnie Beaubien moved to approve Warrant Article #3 as written.

SECONDED: Selectman Barry seconded the Motion.

Chairman Spillane read the language of Warrant Article #3 and called for discussion.

Warrant Article #3: Shall the District vote to raise and appropriate the cost items set forth in the collective bargaining agreement reached between the Deerfield School Board and the Deerfield Paraeducators Association for the 2010/2011 and 2011/2012 fiscal years, which calls for the following estimated increases in salaries and benefits totaling: \$14,000.00 for the 2010/2011 fiscal year and \$25,000.00 for the 2011/2012 fiscal year, and further to raise and appropriate the sum of \$14,000.00 for the 2010/2011 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits over those of the appropriation at current staffing levels paid in the prior fiscal year? (Note: Pursuant of RSA 273-A:12, if approved, the terms of this collective bargaining agreement, including the pay plan, but excluding cost of living increases, will continue in force and effect until a new agreement is executed).

VOTE: Upon no further discussion, Chairman Spillane called for the Vote to approve Warrant Article #3 as written.

It was a Vote of 6 in Favor, 2-Opposed and 2-Abstentions.

MOTION: Bonnie Beaubien moved to approve Warrant Article #4 as written.

SECONDED: Selectman Barry seconded the Motion.

Chairman Spillane read the language of Warrant Article #4 and called for discussion.

Warrant Article #4: Shall the District vote to create an expendable trust fund under the provisions of RSA 198:20-c to be known as the "front parking lot expendable trust fund", for the purpose of funding future expenses related to parking lot paving at Deerfield Community School, and to raise the appropriate sum of up to \$20,000.00, from surplus, for this purpose, and to name the Deerfield School Board as agents to expend such trust funds.

Selectman Barry is totally against putting an expendable trust in, as there is a repair and maintenance line in the School Budget. He recommended finding out the cost to pave the parking lot, as it needs to be done, and to put it in Operating Budget where it belongs. Chairman Spillane advised him that Don Gorman said Pike Industries gave a price. Mrs. Cady said this is an area where they should raise this amount to the total amount at the Deliberative Session. She would like to see it as a warrant article and would also like to see the School Board give the proper figures at the Deliberative Session to raise that amount to get it paved this year.

VOTE: Chairman Spillane called for the Vote in Favor of Warrant Article #4 as written.

It was a Vote of 3 in Favor, 7-Opposed. Warrant Article #4 will not go on the ballot, as it is not recommended by the MBC.

Chairman Spillane recessed the MBC meeting to move back into the Public Hearing.

Selectman Barry informed the members that as of tonight's BOS meeting they agreed to put Warrant Article-1 on the ballot (regarding the bond issue).

Selectman Hooker said that there are only four items that are different between the MBC Budget and the BOS Budget and addressed two of those instances. He said he's been at the MBC meetings since 12/12/09 and there were some that didn't like the idea of raises during this economic time. However, the MBC voted to put more money in the Library line for a raise. Vice Chairman Daley said that they had talked about the Tax Collector and Data Processing budgets and he made a motion to reduce the Town Clerk/Tax Collector salary line to make it level funded and it was voted down. He said there was comment on how even though they were considered wage adjustments, the Town employees had not received pay raises in two years. He added that there were documents submitted by a Library Trustee and they wanted to give the Library a similar wage adjustment per her qualifications.

Mr. Menard said it seems that there was a mix up in timing that the Board was not entertaining for putting it back into scale and it was the intent of those motions for the IT Director and Town Clerk. He proposed they do the same for Evelyn Dakota, the Librarian, but it was toned back a bit. Mrs. Cady said the Library Trustee spoke to the fact that because the BOS had said there would be no raises they had not put in for the raise for the Town Librarian. However, given the fact that her position was in the position as the wage adjustments were for the other two positions, the MBC was under the feeling that if the BOS made wage adjustments for two, then certainly she was entitled to a wage adjustment as well. She added that their Motion does not do what the BOS did for the adjustments for the IT Director and the Town Clerk/Tax Collector to bring them to their full value; it is a slight increase in comparison to the other town's librarians they compared the salaries for. Chairman Spillane said that the total number would bring her into adjustment, but it was too large of a number to talk about at the time. Vice Chairman Daley noted that the BOS made those other two pay increases effectively immediately, so they are also in the Default Budget, but in the case of the Librarian, if the budget is voted down, she would not receive that increase.

Chairman Spillane said that was a sticking point and that someone said those numbers would not appear in the Default Budget. He asked if those wage adjustments that were made part way through the year (being made immediately) appear in the Default Budget. He feels that is a way around the will of the people by giving a raise into an area where they cannot vote on it, rather than putting a wage increase into the budget for the next year and allowing people to have a decision at the ballot.

Selectman Hooker asked what the wage scale is for the Librarian. Mrs. Mann said the wage scale (which includes communities around Deerfield with similar populations and income) shows the lowest as \$18.20 an hour and the highest was \$22.47 an hour; and it is different than the wage proposal. She added that our Librarian is presently \$2.00 per hour lower than the lowest in surrounding towns.

Selectman Hooker said he believes that that the MBC said it wasn't their goal to cut programs or projects, but with the Town Budget they cut two programs; one for the traffic counter and the other for traffic calming on Church Street. He added that there was a Public Hearing that the Planning Board held in which the DOT was present, members of the public, members of the Library Trustees and the consensus was (based by the suggestion of the DOT) to put stripes along the edge of the road to reduce the apparent width of the road (which would reduce the speed). There were discussions of how speed limit signs are not that effective, how speed tables or speed bumps would reduce the response time of the Fire Department and would make it difficult to plow in the winter. They decided that the striping was an economical alternative; DOT estimated fifteen cents a foot for stripe and for signs that would go up for a cross walk near the Community Church (totaling \$2,000.00). He feels that the MBC is affecting the safety of the Town by removing the program. Chairman Spillane said he does not agree with the terminology, as the MBC isn't effecting safety, but merely looking at the Budget.

Liz Murphy feels it is a matter of semantics, as they did not cut a program, but rather voted not to add one. She clarified that the BOS added the program and the BOS voted not to put funding toward that. Vice Chairman Daley said that there was disagreement among the members on what the MBC can and cannot do. He believes the MBC has the authority to reduce or add money (he had the RSA with him for review). Selectman Hooker agrees with him as the budget says that the MBC can prepare a budget.

Mr. Menard recalls that it was a confusing presentation, as it was in Chief Greeley's budget and he did not know what it was for, so it seemed like this was not the year to do it without enough information.

Selectman Hooker said the Planning Board came to the Select Board with a recommendation to do the traffic calming for Church Street. The BOS decided to put it in the Highway Safety Budget, but the Chief was not at the meeting and that is why he was not aware of that project being in there. Upon question of how he felt about this project, Chief Greeley said anytime a project is put in to make things safer it is a good thing. He feels that \$2,000.00 is a cheap amount for the project and if it is going to affect the safety of the people walking down the road, it's a good thing. He added that he cannot speak to what the MBC wants; now that it's been explained to him, he would highly recommend the Town do it.

Maureen Mann said it is a safety issues and right now the DOT said the best thing to do for Church Street is to put a line down it, as people drive down the middle of the road (which is 26' wide). She said they now have a summer camp program and almost everyday those kids and counselors trotted down the middle of that road, because there were cars parked all along the front of the library. She said this plan would stripe in front of the library, stripe all the way down across the Church, up Upom Drive (where the elderly home is). There would be a crosswalk there and another near the library. She said with snowy weather, people cannot back out of the driveways, because when there is more snow in front of the Library people park further and further out on the street. The project entails striping down middle of Church Street, from the Deerfield Community Church, up to the intersection of Rt-43 and Rt-107 and putting a walking/biking lane in to remove traffic from the front of the Library. She noted that another issue is traffic coming out from Candia Road, people coming in from Cornerstone Place, people coming in from Rt-107 and Rt-43. They found that the cheapest way to solve that is with barrels (something movable). The plan also included paving behind the Fire department so they would not have space to park back there and no longer park in front of the library; allowing space for library patrons to park. The handicap entrance is behind the library and it is important that there be accessible handicap parking. She said the \$2,000 covers the painting and the barrels.

Vice Chairman Daley asked if they were talking about brining this forward as a warrant article now. Mrs. Mann said it was originally in the Highway Safety budget and asked which department would be bringing it forward. Deb Boisvert said it sounds like the paving of the school situation and that it needs to be in the budget as regular maintenance. She feels it is dealing with the growing population of the Town and she would recommend keeping it in, as \$2,000.00 is not a lot of money for it.

Chairman Spillane addressed the Warrant Articles for the Town and acknowledged the new addition from the BOS meeting earlier this evening (Article-1 on Page 2 of 5).

Kathy Berglund asked about the \$4,000.00 for furnace at the Library. Selectman Barry replied that it was approved at the MBC meeting last week; going under the Repair and Maintenance line item, changing the bottom line.

Greg Williams asked about Conservation Commission regarding Article-17 and asked if it is having any tax impact or the Town and asked if the owners were contacted by the Deerfield Conservation Commission about those easements. Mrs. Cady said these properties were given to the Town with some of them saying they would revert back to the Owners if the Town decided to do anything with them. Selectman Barry said the BOS

put it through upon recommendation of the Conservation Commission. No one from the Conservation Commission was present to answer these questions.

Chairman Spillane confirmed that the Public Hearing has now ended and they moved into the MBC session.

Chairman Spillane addressed Warrant Article-12.

MOTION: Selectman Barry moved the Operating Budget of \$3,441,320.00.

SECONDED: Kevin Briggs seconded the Motion.

MOTION: Selectman Barry moved to amend the number to add an additional \$4,422.00 for the purpose of buying the Traffic Radar Counter

SECONDED: Liz Murphy seconded the Motion.

Vice Chairman Daley said they actually reduced that line from \$4,422.00 to \$500.00 (it was reduced \$3,922.00).

AMENDMENT: Selectman Barry amended his Motion to add \$3,922.00; bringing the line total to \$4,422.00.

Mrs. Cady said she called David Crease at Southern New Hampshire Planning Commission and he asked why the Town would buy one when they would provide theirs anytime. Chief Greeley said the State's device is a counter but does not do radar speeds and they are looking to buy one that does both. Selectman Barry said the reason for going for the radar one is that it can be placed inconspicuously and they can see actual speeds of cars going by with the time of day or night they are going by. He feels it is an invaluable tool for Highway Department, Police Department and the BOS.

Vice Chairman Daley said he cannot support that motion, as he is concerned that it is not a necessity and if they start increasing this budget, more than like they are going to end up with a Default Budget. Selectman Barry said the reason of bringing it forward is that the Chief has expressed his opinion that it would be an invaluable tool for him to do his job, along with the Highway Department to do theirs. Chairman Spillane asked if there was grant money available for this. Chief Greeley said no.

VOTE: Chairman Spillane called for the Vote to amend the line to \$4,422.00.

It was a Vote of 5 in Favor, 5-Opposed. The Motion Failed.

MOTION: Peter Menard moved to increase the Safety Programs line from \$400.00 to \$2,400.00.

SECONDED: Bonnie Beaubien seconded the Motion.

VOTE: Chairman Spillane called for the Vote.

It was a Vote of 7 in Favor, 2-Opposed and 1-Abstention.

Chairman Spillane confirmed that the Safety Program line is amended, bringing the bottom line to \$3,443,320.00.

MOTION: Vice Chairman Daley moved to reduce the Highway Equipment line (for the used truck) by \$34,999.00 and to leave it funded at \$1.00.

SECONDED: Kevin Briggs seconded the Motion.

Chairman Spillane said that upon discussion, they would prefer to go with a new truck and they understand that the BOS has put the \$34,999.00 in that line to be able to purchase a used truck should the warrant article fail. However, they were also given information that the vehicle they want to replace would last another year and they would not have to increase the Maintenance line item take care of any additional maintenance.

Vice Chairman Daley said he made the motion because he is in favor of Warrant Article-2 for the new truck and he is afraid that if they leave this other warrant article in there it will hurt the warrant articles. He added that he does not feel it will pass and it comes down to vehicles; when the Police and Fire Department request vehicles, they give them new ones with the expectation that they will last longer than they normally should and they should give the same expectation to the Highway Department. Selectman Barry said he doesn't necessarily feel the Town will vote for a new truck, which he believes is the best way to go about it. Should the Town vote the warrant article down, the Highway Department is still faced with the need for something better than what they have already. He said the old truck could possibly last another year, but the recommendation is that it may not last much longer.

Chairman Spillane said he is in favor of Warrant Article-2, but he doesn't necessarily think that buying a piece of equipment that large belongs in the Budget either, as sometimes it can come back out of the line when it has been bought and they do not need to buy one every year. Selectman Barry feels they would handicap the Highway department if this Motion was to carry, by not leaving them options.

Mrs. Beaubien said the BOS has done a good job at explaining the warrant articles and she thinks the voters would understand that they would not spend the \$35,000.00 for the used truck if the warrant article passes. Kevin Briggs asked if it is only used for plowing. Selectman Barry said it is used all summer too, but lately it has been unavailable all summer; the Road Agent is trying to keep it going. He added that if they are successful in getting a new or used truck, that one would become a spare (making 3 town trucks of that size).

VOTE: Chairman Spillane called for the Vote to remove \$34,999.00 from the Highway Equipment line; leaving it funded at \$1.00.
It was a Vote of 6 in Favor, 4-Opposed.

Chairman Spillane confirmed the line is reduced by \$34,999.00, adjusting the bottom line of the Budget to \$3,408,321.00.

Chairman Spillane confirmed they are still in discussion of Article-12 of the Budget and called for further discussion on the Budget's new amended line of \$3,408,321.00, noting that should this fail the Default Budget would be \$3,397,725.00.

VOTE: Upon no further discussion, Chairman Spillane called for the Vote.
It was a Vote of 9 in Favor, 1-Opposed.

MOTION: Selectman Barry moved Article-1 as written (contract to purchase the land by the Fire Department), in which the BOS just approved by a Vote of 3-1/ Payments of \$28,635.00 every year.

SECONDED: Liz Murphy seconded the Motion.

Selectman Barry said the deed contains no constrictions, but if the Town were to purchase it, deed restrictions would be put on. Mrs. Cady said that Mark Tibbetts came to the BOS meeting asking if they'd give the Fire Department the land they own at Freese Pond for a Fire House. She asked how they would remove a deed restriction if they were to build a Fire House on one of those properties. Selectman Barry said they would not have the actual wording of the deed restrictions until such time, if this warrant article was approved by the voters and supplemented into negotiations with the two associations on a purchase and sales agreement. He added that the association has presented sample language, stating the restrictions and the conditions upon their removal. Selectman Barry confirmed that the payment would be made to Fire & Rescue and he understands that it would apply through negotiations of the purchase and sales, as to how the payments would be made. It is not being held; it would be paid every year and the deed transfer would take place at the end.

Mrs. Cady believes that one town meeting cannot bind another town meeting and asked if this year they vote this through how will they get the money next year. Selectman Barry said it would be in the Budget; it would be a financial obligation and they did not need a bond. Mrs. Cady asked why the money would be turned over until such time. Selectman Barry said they would be making payments to own and he believes that being a financial obligation, it would be in the Default Budget every year. Kevin Briggs thinks it says that they are going to buy the land at \$114,540.00, with the first payment of \$28,635.00; after that they are going to buy the land and it is just how they are breaking it down in payments.

Richard Pittman left the meeting at 8:43pm

VOTE: Chairman Spillane called for the Vote to approve Article-1 as written.
It was a Vote of 7 in Favor, 2-Opposed.

MOTION: Selectman Barry moved Article-2 as written (for the purchase of the 2010 truck at \$111,764.00).

SECONDED: Vice Chairman Daley seconded the Motion.

VOTE: Chairman Spillane called for the Vote.
It was a Unanimous Vote in Favor.

MOTION: Selectman Barry moved Article-3 as written (to replace the fire truck engine in order to keep the Town's rating from going from 9 to 10 in insurance rates).

SECONDED: Vice Chairman Daley seconded the Motion.

Mrs. Cady asked how far she is from the fire house and if she has a fire hydrant. Mark Tibbetts said insurance companies call him every time they try to insure houses in Deerfield and he has to come out and physically measure how far they are to the Fire Station, tell them where the nearest water hole is and what they have for apparatus. He said if they cannot be less than five miles from the station, they will go from a 9 to a 10 rating.

VOTE: Chairman Spillane called for the Vote.
It was a Vote of 7 in Favor, 1-Opposed and 1-Absention.

MOTION: Selectman Barry moved Article-4 as written (for road reconstruction on Church Street that will be offset by impact fees).

SECONDED: Liz Murphy seconded the Motion.

VOTE: Chairman Spillane called for the Vote.
It was a Vote of 8 in Favor, 1-Opposed.

MOTION: Selectman Barry moved Article-5 as written (to allow the townspeople to decide whether or not the town employees should get a 2.5% COLA).

SECONDED: Vice Chairman Daley seconded the Motion.

VOTE: Chairman Spillane called for the Vote.
It was a Vote of 8 in Favor, 1-Opposed.

MOTION: Selectman Barry moved Article-6 as written (to pay stipends to the Deerfield Rescue Squad).

SECONDED: Vice Chairman Daley seconded the Motion.

VOTE: Chairman Spillane called for the Vote.

There was no count of the vote before moving onto the next motion.

MOTION: Selectman Barry moved Article-7 as written (to look at the intersections at Rt-43 and Rt-107).

SECONDED: Vice Chairman Daley seconded the Motion.

Mrs. Cady feels the town shouldn't be involved, as the Highway Department will pay 2/3 for an engineering study, but they will not put it on a 10 year or fixed plan until the money goes into the Budget. She said they could have the study done for 10 years and nothing would be done unless the State Highway Department has the money. Selectman Barry said the study does not sunset and without the study it will never be considered for the Budget. Mrs. Cady said that it can be if the BOS writes a letter to the Governor's counsel.

VOTE: Chairman Spillane called for the Vote.

It was a Vote of 7 in Favor, 2-Opposed.

MOTION: Selectman Barry moved Article-8 as written (to try to pull two numbers together to hold two Waste Days).

SECONDED: Vice Chairman Daley seconded the Motion.

VOTE: Chairman Spillane called for the Vote.

It was a Unanimous Vote in Favor.

MOTION: Selectman Barry moved Article-9, 10 & 11 as written (highway check points/all subject to a grant).

SECONDED: Vice Chairman Daley seconded the Motion.

VOTE: Chairman Spillane called for the Vote.

It was a Unanimous Vote in Favor.

Approval of Minutes:

MOTION: Vice Chairman Daley made a Motion to approve the Minutes of December 12, 2009 and January 5, 2010 as written.

SECONDED: Selectman Barry seconded the Motion.

VOTE: Chairman Spillane took a Vote to approve the 12/12/09 and 1/5/10 Minutes as written.

It was a Vote of 5 in Favor, 2-Abstentions.

New Business:

None

Old Business:

None

Adjourned:

8:58pm

MOTION: Selectman Barry made a Motion to adjourn.

SECONDED: Vice Chairman Daley seconded the Motion.

VOTE: Chairman Spillane called for the Vote. It was a Unanimous Vote in Favor.

The Public Hearing of January 19, 2010 is adjourned.