

**TOWN OF DEERFIELD
MUNICIPAL BUDGET COMMITTEE
April 20, 2010
MINUTES**

Call to Order

6:00pm: 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, Peter Menard, Liz Murphy & Kevin Chalbeck

Also Present:

Stephen Barry~ Board of Selectmen Representative, Mary Ann Clark ~ School Board Representative and Nese Farrell~ Recording Secretary

Citizen's Comments:

None

Approval of Minutes:

None

Old Business

None

New Business

1. Election of Officers

MOTION: Vice Chairman Daley made a Motion to nominate Jim Spillane for Chairman.

SECONDED: Tom Dillon seconded the Motion.

VOTE: Chairman Spillane took a Vote.

It was a Unanimous Vote in Favor.

MOTION: Richard Pittman made a Motion to nominate Don Daley for Vice Chairman.

SECONDED: Peter Menard seconded the Motion.

VOTE: Chairman Spillane took a Vote.

It was a Unanimous Vote in Favor.

Chairman Spillane called for a volunteer to be the Archivist for storing and printing the Committee's emails. Don Daley volunteered.

MOTION: Vice Chairman Daley moved to have the Email Policy implemented as written; dated as of April 20, 2010.

SECONDED: Richard Pittman seconded the Motion.

VOTE: Chairman Spillane took a Vote.

It was a Unanimous Vote in Favor.

Harriet Cady suggested for a printer cartridge to be provided to the Archivist. Chairman Spillane said there is a budget for these types of supplies and he thinks an ink cartridge could be covered there.

Liz Murphy suggested that during the Municipal Budget Committee (MBC) meetings that they run in the order of the Agenda, rather than in a conversational type process, as she feels the meetings would run smoother this way.

Chairman Spillane referred to MBC members attending the Board of Selectmen (BOS) and Deerfield Community School Board (DCS) meetings and feels that the Committee gets more information when it was brought back by a member that was attending.

Mrs. Cady suggested the Committee furnish a monthly expenditure (as the School Board and the Selectmen did in Northwood, NH); showing what had been expended out of the Budget and what was left. Selectman Barry believes the Board can make it available, but it is the distribution of it that may be an issue.

Mr. Menard referred to the attending of those meetings and said that he went to the SAU to meet Peter Aubrey, asking if he would consider the alternate budget format for better clarity. Vice Chairman Daley stated that since Mr. Menard did such a great job attending those meetings and returning with pertinent information, he would recommend he be the one to represent the MBC at the SAU meetings going forward.

MOTION: Harriet Cady made a Motion to nominate Peter Menard as the MBC Representative for the DCS Board Meetings.

SECONDED: Richard Pittman seconded the Motion.

VOTE: Chairman Spillane took a Vote.

It was a Unanimous Vote in Favor.

2. 2010 / 2011 Meeting Schedule

Mrs. Cady said having an all day session is useless if they cannot have sufficient time prior to it to review the information given.

Chairman Spillane said, speaking historically, when the MBC was having sessions every Tuesday night (starting from September), they did not have anyone from those departments show up to defend their budget. The MBC would send their questions to the BOS representative, who would return the next week with an answer. He expressed that the Saturday meetings are the days when everyone actually shows up.

Mrs. Murphy suggested that if people have questions for the department heads to just go to them directly. Tom Dillon suggested clearing that with the other Boards, as some have not liked having five or so people ask the department heads the same questions.

Selectman Barry said any citizen or Committee member has the right to go ask questions to any Town Employee. He added that in the event there are several coming in, one right after the other, it would take away from the Town Employee's ability to do their job.

Mrs. Cady said the questions should be public so that everyone hears the input and can respond with their own questions. Kevin Chalbeck said he'd like to have enough time in between (presented & opportunity to ask questions) to get the answers from them and even double check the answers that were given. He stressed that he'd like for the Committee to have enough time to get the budget and time to vote on it.

Selectman Barry said the way it's been done the last two years (where the Budget has been handed out two weeks prior to the meeting) and the information is here, has worked fine. He believes this one day situation that has been setup works better. Chairman Spillane agreed. Selectman Barry stated that the budget changes from week to week and this allows the BOS to put together one complete Budget (that is finalized, for the most part) to hand to the MBC.

Richard Pittman said it's been good for a couple of years, but he would like to be able to take it home to read it, so that the members can hammer on it prior to the due date. There was discussion.

Selectman Barry believes the BOS can have the Town Budget ready by December 30th.

MOTION: Richard Pittman made a Motion to have two meetings on the Budget, prior to January 11th.

SECONDED: Liz Murphy seconded the Motion.

VOTE: Chairman Spillane took a Vote.

It was a Vote in Favor with 9-Yes, 1-Opposed, 1-Abstention.

MOTION: Vice Chairman Daley moved to discuss the School Budget on December 14th and January 4th; with an all day work session on January 8th.

SECONDED: Liz Murphy seconded the Motion.

VOTE: Chairman Spillane took a Vote.

It was a Unanimous Vote in Favor.

Selectman Barry complimented Don Daley for his efforts putting together the schedule.

Mr. Chalbeck recalled reading in one of the Minutes last year that Liz Murphy made a Motion for the Board to provide backup documentation when there was an increase to the Budget. Selectman Barry said the form they currently use, which was designed by the MBC, does explain raises and decreases for the Town's. Chairman Spillane said it was required to have backup if it was a major increase or decrease to any given line item.

Mrs. Cady said that some citizens are upset that the Default Budget seems to have things in it that they do not feel are appropriate. She asked if the Default Budget could be available at the Public Hearing, so that people will see it and be able to ask questions on the Default. She feels it can be made up ahead of time for review. Four MBC members would like to have the Default Budget (in some form) prior to the Public Hearing. Selectman Barry said the BOS will try to provide the Default Budget as early as possible. Mr. Dillon recalls that the Town did provide one last year and it was the School's Budget that didn't have one.

Selectman Barry commented that the School Board needs to make sure that the SAU is more "quick to jump" to answer the questions of the Deerfield School Board or the Deerfield Citizens.

3. Discussion of MBC Email Guidelines and Policy

MOTION: Vice Chairman Don Daley made a Motion to approve the Email Guidelines and Policy to be implemented as written.

SECONDED: Richard Pittman seconded the Motion.

VOTE: Chairman Spillane took a Vote to approve the Email Policy as of April 20, 2010.
It was a Unanimous Vote in Favor.

4. MBC members attending Board of Selectmen (BOS) and/or Deerfield Community School Board meetings
Chairman Spillane encouraged any member to attend the BOS or School Board Meetings.

Citizen's Comments

Don Gorman referred to Mary Ann Clark as the School Board's representative for the MBC this year and complimented her intelligence, diligence and contributions as a volunteer to join this group. He feels the Board will find her as a great asset and "go to" person when looking for an answer.

Walt Hooker referred to the posting of the Minutes and asked if the Email Policy and schedule would be attached to the Minutes. Chairman Spillane confirmed that the Email Policy has already been posted on the website and will be for public record.

Mr. Hooker said in the past the MBC would vote on requests to the School Board or the BOS, rather than having several persons going to a department head or employee with the same question. He recalls that last year the questions were funneled by the Chairman to consolidate the list (eliminating the duplicates); managing the questions and responses to all the Board members. He feels it worked well when they all could see the question and responses. Chairman Spillane confirmed that has been the practice, but said they were just clarifying that anyone can go to a Town Employee with a question.

Mr. Hooker believes the Town had a Default Budget at the Work Session (the DRA Default Budget), but he believes they also had the details on the changes. He said the BOS got the DRA form, but they didn't have the backup of how those numbers were derived.

Mr. Hooker referred to the Default Budget and said the DRA looks at the accounting codes on the standard DRA forms and really don't care what makes up that number or how it was created. He said that BOS went to them about the Default, and they will not give a black or white answer, as they don't want to be on the hook for saying "yes" or "no". They will say to read the RSA and then Counsel gives their interpretation that may be different from other town's counsel.

Selectman Barry referred to the School Board members present and said they have an opportunity at their 1st meeting in May, to join the Town in their fuel oil bid. He urged them to consider going with the Town for a lower bid.

He also mentioned that he'd heard the School Board was considering spending part of its surplus on an HVAC system, and urged them not to spend money on anything that isn't budgeted or an emergency. He asked for them to bring projects like that to the Town, in their budget process for next year, and to detail why it is needed and how they are going to spend the money. He acknowledged that they have the legal right to spend their surplus, but he doesn't think they should spend it on unbudgeted items.

Mr. Hooker said he was surprised that the MBC members present tonight that have been to the BOS and School Board meetings didn't mentioned what they heard to the rest of the members. He gave an example of what Selectman Barry mentioned at the last School Board meeting and how he was surprised that the other members that were at that School Board meeting didn't mention it.

Chairman Spillane said he felt that if they completely ignored the opportunity to save the money on the Town, that the Board may be likely to budget their line items at the same price the Town paid, and they may find themselves short again next year. He confirmed that he was speaking for himself and apologized if it came across the wrong way.

He mentioned that he is concerned how the budget is coming from the School Board, but it seems more like the SAU is the one that presents the budget to the MBC. He said there has been some question on whether it is really the SAU's budget or is it the School Board's budget. He said that he made a point to say that he feels the SAU should be considered more as a paid resource that they tap into, and the School Board

should be more aware of the fact that they need to be the ones answering the questions and presenting the budget.

Mary Ann Clark confirmed that the SAU is an expensive resource that they can draw from and she feels it came out in discussion. She assured that the School Board will have something else to say on that after their next meeting.

Selectman Barry asked Mrs. Clark if she knew that the School Board is not locked in to an agreement with the SAU on the fuel bid. Chairman Spillane suggested they consider the Town's fuel price bid, should it be lower.

Mrs. Cady thinks the School Board needs to recognize that they are the directors of the SAU. She does not recall the School Board voting to not continue to join the Town for fuel bids (as they did in the past); it was just said that they were going to bid with all five school districts and that was that.

Chairman Spillane acknowledged that the School Board does put a lot of work into their budget, but the representation they have had in the past has not always been explanatory or forceful, compared to the SAU's voice that was much more forceful. He said there is an incorrect perception that the School Board is not really in control of their budget.

Don Gorman said this perception is correct, in the fact that the School Board should be the ones answering the questions. He referred to Selectman Barry's suggestion to the School Board spending their surplus. He confirmed that the School Board has not made any decision on that, other than that they will read the contract and review the information to contract form. He feels that it is a wise decision that the Board asks for this to be brought to contract form.

Selectman Barry asked if the School Board will be putting this out to bid. Mr. Gorman replied that they haven't come to that point yet, but he said that Honeywell has spent around \$15,000.00 of evaluation and engineering studies for the School and have not charged them at all.

Mrs. Murphy asked if large expenditures like that generally have to go out to bid. Mr. Gorman replied that if they are taking it out of surplus they ultimately have control of it. He said they are only at the information stage right now and he cannot see them going forward; once they have the first quote then they can have an estimate of what it is going to cost when considering others.

Mr. Dillon said he's attended School Board meetings and his perception has been that as a Board they don't seem to care about their Budget as a whole and he hopes that this year he will not get that impression. He said that during the budget process the MBC cares a lot about how far ahead the School is trying to set their budget, but when they question how much they are budgeting, often it comes back to it being too far ahead to answer. He feels that if they start to spend the surplus without the permission of the Town that it is not really trustworthy.

Harriet Cady provided three copies of the State Booklet on Minimum Education Requirements for the MBC members to share.

Adjourned:

7:35 pm

MOTION: Stephen Barry made a Motion to adjourn.

SECONDED: Richard Pittman seconded the Motion.

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

The April 20, 2010 meeting is adjourned.