

**TOWN OF DEERFIELD, NH  
MUNICIPAL BUDGET COMMITTEE  
George B. White Building  
8 Raymond Road, Deerfield, NH 03037  
January 9, 2018  
MINUTES**

**Call to Order:**

6:30 pm – Chair called the meeting to order

**Roll Call:** Alden Dill, Chair, Members Troi Hopkins, Andrea Hotaling, David Carbone, John Dubiansky, Phil Bilodeau, Zach Langlois, School Board Representative, Andrew Robertson, Select Board Representative.

Excused Absence: Kevin Verville, Ben Minerd

Unexcused Absence: James Spillane

**Pledge of Allegiance to the Flag:**

Chairman Dill asks all to rise and pledge allegiance to the Flag

Chairman Dill apologized for the last meeting mix-up.

**Approval of Outstanding Minutes:**

**Motion:** Chairman Dill moves to approve all draft minutes received from 11/21/2017 to present

**Second:** Mr. Dubiansky

**Discussion:**

**Vote: Yea 7, Nay 1, Abstained 0 – Motion Carries**

**Citizen's Comments:**

None noted

**Old Business:**

**School Budget:**

Chairman Dill stated that he thought that the Board was pretty much all set with the school budget except for the new teacher that is being requested.

Mr. Langlois stated that there were a couple of smaller items which he would like to update the board on.

Mr. Langlois presented updated enrollment numbers to the board. The end result was that it was 5 below last year's projected number but 2 above last year's beginning number.

Mr. Langlois also presented the Board with the numbers for the paraprofessionals. There are currently 33 paraprofessionals at the school. There are 107 currently identified special needs students not including what could be identified at kindergarten intake.

Clarification for the per diem rate for the summer temp coordinator and Line 274 should be adjusted \$2,084.00 which would make the line at \$10,897.00 which is on Page 9.

Information on the FICA lines was provided per request and any questions should be referred to Amber. The summary is that pre-tax deduction of medical insurance is offered and approximately ~~47%~~ 99.9% of the staff choose to elect to deduct medical insurance pre-tax.

**Motion:** Mr. Langlois moves to reduce Line 274 by \$2,084.00 making the line \$10,897.00

**Second:** Mr. Bilodeau

**Discussion:** Mr. Langlois stated that it is an adjustment in the per diem rate due to a new tech coordinator as opposed to the current one which will be retiring.

**Vote:** Yea ~~78~~, Nay 0, Abstained 0 – Motion Carries

**Motion:** Ms. Hotaling moves to reduce Line 354, the FICA line to \$360,000.00 from \$385,000.00

**Second:** Mr. Bilodeau

**Discussion:** Ms. Hotaling stated that after looking at all the positions and stipends for staff, she couldn't reconcile the higher number and feels that the \$385,000.00 number is too high to be budgeted in this budget.

It was asked from the SAU if they knew how the number was calculated and she stated that everything is done through the software that they use.

**Vote:** Yea 3, Nay 45, Abstained 0 – Motion Fails

**Motion:** Mr. Langlois moves the bottom line of the school budget which is \$13,392,614.00

**Second:** Mr. Robertson

**Discussion:** Chairman Dill stated that if the Board votes for this bottom line then the Board is voting for the extra teacher that is currently included in this budget. He is in favor of the new teacher and felt that it was adequately justified by the school board and the staff.

Ms. Hotaling stated that she supported the addition of the teacher for this year but that in the future to look at the possibility of shared grade levels.

**Vote:** Yea ~~67~~, Nay 1, Abstained 0 – Motion Carries

### **Warrant Articles – School:**

All members of the MBC were provided a copy of the draft engineering study that the school board requested last year which is going to help the school board prioritize repairs and maintenance to the school.

First warrant article is to seek \$75,000.00 to be added to the facilities repair and improvement expendable trust fund that was previously established. This amount would come from the June, 2018 fund balance if available for transfer on July 1, 2018. No amount to be raised from taxation.

Using the engineering study, anything with a priority 4 or priority 5 rating minus one item comes up to approximately \$100,000.00 and wish to start with these repairs using these funds. There is currently money in the trust but want to keep a nest egg in case of a critical failure on things such as the roof, heating system and such.

The second warrant article is to see if the school district will vote to raise and appropriate the sum of \$75,000.00 to be deposited into the Facilities Repair and Improvement Expendable Trust Fund for the purpose of continuing the work on the facilities improvement plan.

With these two warrant articles the school is hoping to have \$150,000.00 to be able to start addressing the repairs that are in the draft engineering study.

Mr. Dubiansky asked what the justification was for pulling the ventilators out of the repairs indicated.

Mr. Langlois stated that yes, they should be replaced but they are hoping to get another year out of them so that the school board can investigate getting some other type of climate control within the building.

Chairman Dill pointed out that the school board didn't just want to fix the items that were in yellow in the engineering study but that all of them will be addressed, just the list has been prioritized.

Chairman Dill asked if the total amount of the warrant articles which is \$150,000.00 was going to be spent this year to which Mr. Langlois stated that it would be closer to \$125,000.00. Also hoping if some money is available to take care of some of the "low hanging fruit".

Mr. Langlois stated that some of the repairs may be able to be made in-house less expensively but for budgeting purposes, they are using the engineering study numbers.

Ms. Hotaling stated she was looking at page 54 of the budget which gives the trust fund balances as of now and it is currently \$185,000.00. It was asked if any spending was done out of that line to which Mr. Langlois stated that there hasn't been. The last time that fund was used was to replace the stairs to the ballfield and verified by Amber.

Mr. Langlois stated that the Board wants to keep approximately \$200,000.00 in this fund because at some point, the school is going to need a roof which is a high expense and they hope to get every year out of it as they can but once it is needed, it will be needed at that time.

Chairman Dill asked if an estimate had been gotten for the roof replacement to which Mr. Langlois stated that they had and it had come in at approximately \$165,000.00 but the engineering study had the replacement at \$256,000.00.

Mr. Langlois stated that they are going to do a lot more investigating as the engineers stated that they may be able to get a touch more life out of the roof than the roofing company stated that they could.

There is also a demographic study that is currently being done and will be provided to all the boards once it is available to see if the town is going to continue to see growth.

Ms. Hotaling stated that she remembers last year, the reason that money was being kept in this fund was because of the roof.

Mr. Langlois stated that the engineering firm put the roof at a priority 1 which he didn't believe it was quite there but it's not a priority 5 and when it fails, it is going to be catastrophic as it is a stone covered membrane roof.

It was stated also by Mr. Dubiansky that he thought that the boiler estimate was extremely low.

Ms. Hotaling also asked about the Paving Expendable Trust. She remembered that it was a three-part project.

Mr. Langlois stated that the first two parts have been completed. The third part, which is the paving of the upper dirt parking lot, will require the school to work with the Conservation Commission to install paving that won't impact the Freese's Pond watershed.

At this time, there is not enough money to do that third part of the project, and the school board still wants to complete it but also need to review the demographic study when it comes in to make sure that if there is a need to expand, that the area that may house another building isn't where the new pavement has just been laid.

**Motion:** Chairman Dill moves to include the following warrant article – "To raise and appropriate up to \$75,000.0000 to be added to the Facilities Repair and Improvement Expendable Trust Fund, previous

established. This amount would come from the June 30th, 2018 fund balance if available for transfer on July 1, 2018. No amount to be raised from taxation.”

**Second:** Mr. Dubiansky

**Discussion:** Ms. Hotaling stated she was opposing the part about no amount raised from taxation as she thinks that the school budget was over-budgeted and belonged back to the taxpayers.

**Vote:** ~~Yea 56, Nay 2, Abstained 0~~ – Motion Carries

**Motion:** Chairman Dill moves to include the following warrant article – “To see if the Deerfield School District will vote to raise and appropriate the sum of \$75,000.00 to be deposited into the Facilities Repair and Improvement Expendable Trust Fund for the purpose of continuing the work on the facilities improvement plan.

**Second:** Mr. Dubiansky

**Discussion:** None

**Vote:** ~~Yea 78, Nay 0, Abstained 0~~ – Motion Carries

Ms. Hotaling stated that just one other item to remember, that the default budget needs to have all the one-time costs removed from it to which she stated that there were approximately \$83,000.00 of this type of cost within the default budget that she brought up. She went on to say that it is the responsibility of the school board to make sure that this is followed in order to be compliant with the law.

Mr. Langlois stated that he would raise the question with the school board at their next meeting.

Mr. Robertson stated that he couldn't speak to the school but he could for the town. The town uses the default budget portal from the Department of Revenue Administration. It basically walks through the process and helps to guide the town through doing automatic calculations and such. It's a fairly formalized process.

#### **Town Budget:**

The chairman made sure that everyone had in their possession the most current town budget run which was done on 1/5/2018.

Mr. Robertson recapped the changes that he thought had not been discussed before at the MBC meeting such as the health insurance and dental insurance. Depending on which copy of the budget you have, the part-time fire fighters were hired before the end of 2017 and the budget lines for those have been updated.

Mr. Robertson stated that there are COLA raises in the updated budget. It does not include neither the police department or members of the highway department as well as some other positions because they had wage adjustments and didn't want them to double dip.

Mr. Harrington stated that the health insurance had not been covered as well as the FICA and the Medicare. The list on the first page that have page numbers are items that had previously been voted upon but since changed. Mr. Harrington also wanted to give Ms. Hotaling credit as he looked back on the police department and they had been included and have since been removed.

Ms. Hotaling asked what the COLA raise was going to be and it was answered 1.5%. She also asked about employees that seemed to have 4 or 5% increases and asked if they were merit raises.

Mr. Robertson stated that they weren't merit raises but wage scale adjustments across the board for the police department. He also started that there were hourly adjustments to the highway department employees at the request of the highway agent.

Mr. Robertson remarked that the difference between the Select Board budget of \$4,276,507.00 and the MBC budget of \$4,376,059.00 is the \$100,000.00 that the MBC put in the budget for road reconstruction that the Select Board decided not to include.

Chairman Dill asked about the road striping and it was explained by Mr. Robertson that this is a project for the center of town that has been recommended by Southern New Hampshire Planning in conjunction with the Planning Board.

The idea had been bounced around for about ten years and was brought forward to mark out some parking spaces as well as an area to walk.

The area involved would be from the senior housing project to up past the library to try to make that area a little safer.

Ms. Hopkins stated that speaking of the corner, why wasn't the blinking yellow light replaced and Mr. Robertson stated that it isn't in the budget for this year and having looked into this with the state engineer, even though it is the state highway the problem comes from the fact that the state wants about half the cost to fix the issue with that intersection and it is very expensive.

Mr. Dubiansky explained that the only time that the yellow light flashed was when the fire department activated it at the station during a fire call. It was removed for the transformer move and when it was time to put it back up, it didn't meet the state requirements for a traffic signal.

Ms. Hotaling asked if the cemetery line had been updated per their votes to which after some discussion was found that it had already been included as the selectmen and the MBC lines agreed.

Mr. Langlois asked if next year a column could be added to show the changes for clarity.

Mr. Harrington stated that he would look into it. It is run from the municipal software and the more columns you add, the smaller the print on the report.

**Motion:** Chairman Dill moves to approve the addition of the COLA and salary increase line from the select board budget.

**Second:** Mr. Langlois

**Discussion:** Mr. Robertson stated that for the record, the COLA raise is 1.5%.

Ms. Hotaling stated that she felt that the salary lines couldn't be included in the COLA raises as some of the salary increases were in the range of 4% like the highway department and town administration.

Mr. Harrington stated that the only changes to the town administration line were the COLA raises.

**Vote: Yea 67, Nay 0, Abstained 1 – Motion Carries**

**Motion:** Chairman Dill moves to approve the FICA and Medicare line amount and the highway road striping number as well as the Planning Board Capital Improvement

**Second:** Mr. Dubiansky

**Discussion:** Mr. Robertson explained that the CIP monies is going to a specific consultant to update and revise the town's capital improvement plan.

Mr. Langlois stated that the school board is also getting their information together to update their portion of the CIP.

**Vote: Yea 78, Nay 0, Abstained 0 – Motion Carries**

**Motion:** Chairman Dill moves to approve \$455,941.48 for the insurance line

**Second:** Mr. Langlois

**Discussion:** Mr. Harrington stated that the line now reflects the current number for the new health insurance that was obtained by the town which was Tufts. The dental insurance is the same plan which is Delta Dental. The dental insurance went up but the health insurance did go down from last year due multiple issues such as staffing.

Mr. Robertson added that the primary driver for the number being lower is that the police department has not been fully staffed for a number of years but the town still needs to budget for the most expensive option and now that the department is pretty much fully staffed.

**Vote: Yea ~~28~~, Nay 0, Abstained 0 – Motion Carries**

Chairman Dill asked the Board if there was anything else that they wanted to bring up since it has been a while since the town budget has been brought up.

Mr. Robertson stated also that the MBC will still have a meeting after the public hearing on the budget and if there is anything that any board member wanted to visit or change that it could be brought up at that meeting.

**Motion:** Mr. Langlois moves to approve the bottom line of the MBC budget which is \$4,376,059.29

**Second:** Mr. Dubiansky

**Discussion:**

**Vote: Yea ~~18~~ 8, Nay 0, Abstained 0 – Motion Carries**

It was determined that a five-minute recess was needed to come up with a complete and accurate bottom line. When the Board came back, Mr. Langlois amended his motion to:

**Motion:** Mr. Langlois moves to approve the bottom line of the MBC budget which is \$4,372,607.07

**Second:** Mr. Robertson

**Discussion:** Mr. Robertson pointed out that the selectmen's budget will be a good indication as to what the select board will be requesting.

**Vote: Yea 8, Nay 0, Abstained 0 – Motion Carries**

**Motion:** Mr. Langlois moves to amend the bottom line of the MBC budget by removing \$100,000.00

**Second:** Chairman Dill

**Discussion:** Mr. Langlois stated that he was in favor of putting down some new pavement but with the highway agent not in favor and with no plans on how to use it, it seems it shouldn't be included.

Chairman Dill stated that he knew that the motion was made in good faith but there is no reason to inflate the budget if the road agent is telling the Board that he can't use it.

**Vote: Yea ~~28~~, Nay 0, Abstained 0 – Motion Carries**

The new motion is:

**Motion:** Mr. Langlois moves to approve the bottom line of the MBC budget which is \$4,272,607.07

**Second:** Mr. Robertson

**Discussion:** Ms. Hotaling stated that she is going to vote against the bottom line. She stated that she feels that with the addition of the part and full-time fire fighters being added into the budget as they were as well as not being able to question anything regarding the revolving fund.

Mr. Dubiansky stated that he would note that the revolving fund is separate from the budget.

Ms. Hotaling stated that she felt that the budget shouldn't have all the expenses for the G.B. White Building without anything being taken out of the revolving fund as well as the full director and a half of a

director so she feels that there are a lot of expenses that are coming out of the town budget that shouldn't be.

Mr. Robertson stated that some of the reasons that it was structured that way was after much discussion over the years, that this was the balanced way to fund the two positions.

**Vote: Yea 56, Nay 2, Abstained 0 – Motion Carries**

#### **Warrant Articles:**

Mr. Robertson stated that he would run through the warrant articles but a quick generalization, the estimated tax impact that is beside each warrant article is very estimated. Unlike the school side which they know the revenue that they are getting, the town relies on tax payers, revenue sources coming in and is not so predictable.

**Article 1** – the number that is being put in is the final MBC number.

**Article 2** – brought to the selectmen by the Heritage Commission as an ongoing project to get an elevator at the town hall. It would be a non-lapsing article.

Mr. Harrington stated that the cost of the elevator is \$300,000.00. The Heritage Commission is putting \$10,000.00 towards the costs.

Mr. Robertson explained that they have to have approval of the total amount even though they think that it isn't going to cost that much after grants and such so that is why the warrant is written this way.

He also said that he could bring it back to legal to tweak the wording on the warrant.

Mr. Robertson explained that the Heritage Commission has \$10,000.00 to put towards it as well as some fairly firm grant money that they should be receiving.

Mr. Harrington stated that he would go back and look at the language and change it.

Chairman Dill asked if the MBC wanted to hold off voting on this warrant article until the language has been modified. All seemed in agreement.

**Article 3** – brought to the board by the fire chief regarding an ongoing cistern project. Mr. Dubiansky explained that cisterns are a great investment in obtaining water in an emergency.

Mr. Bilodeau and Ms. Hotaling asked that the term, "cistern" be defined.

Mr. Harrington stated that the reason that it isn't so specific so that it can also be used to maintain water holes currently being used.

**Motion:** Chairman Dill moves to modify the warrant to state – "To see if the town will raise and appropriate \$65,000.00 to place in the Fire Emergency Water Capital Reserve Fund."

**Second:** Mr. Langlois

**Discussion:**

**Vote: Yea 78, Nay 0, Abstained 0 – Motion Carried**

Ms. Hotaling asked that regarding the default budget, that the town would please go through and remove any one-time expenditures to make it as clean as possible.

#### **Article 4**

**Motion:** Chairman Dill moves to “To see if the town will raise and appropriate the sum of \$50,000.00 to be placed in the previously established Fire Apparatus and Equipment Reserve Fund.”

**Second:** Mr. Langlois

**Discussion:** Mr. Robertson stated that this is an ongoing effort to keep the town in good shape and putting away monies to be able to replace apparatus and equipment when it gets to its end of life.

**Vote: Yea 8, Nay 0, Abstained 0 – Motion Carried**

#### Article 5

**Motion:** Chairman Dill moves to approve the warrant – “To raise and appropriate the sum of \$25,000.00 in principle and placed in the previously established Municipal Government Buildings Infrastructure Expendable Trust Fund. Said funds to come from unassigned fund balances. No amount to be raised by taxation.”

**Second:** Mr. Langlois

**Discussion:** Ms. Hotaling asked if there were any restrictions as to the amount of fund balances that can be kept. Mr. Robertson answered that the Department of Revenue advises the town in that regard.

Ms. Hotaling stated that any warrant article that states that no amount will be raised from taxation, she will vote against as she feels that any monies that are left over should be returned to the tax payers.

**Vote: Yea 5, Nay 2, Abstained 0 – Motion Carried**

#### Article 6

**Motion:** Chairman Dill moves to approve the warrant - “To see if the town will raise and appropriate \$20,000.00 to place in the previously established Fire Department Vehicle Expendable Trust Fund. Monies for said fund to come from unassigned fund balances. No amount to be raised from taxation.”

**Second:** Mr. Langlois

**Discussion:** Mr. Harrington stated that this fund is used for catastrophic or unexpected vehicle repair costs.

**Vote: Yea 5, Nay 2, Abstained 0 – Motion Carried**

#### Article 7

**Motion:** Chairman Dill moves to approve the warrant - “To see if the town will raise and appropriate \$10,000.00 to place in the previously established Rescue Vehicle and Equipment Capital Reserve Fund. Monies for said fund to come from unassigned fund balances. No amount to be raised from taxation.”

**Second:** Mr. Langlois

**Discussion:** Mr. Robertson stated that this is the same as the fire department explanation except on the rescue side.

Chairman Dill stated that since the fire and rescue have been merged, is there anything that is in place to also merge these two capital reserve funds

Mr. Robertson stated that not at this time as they are presently separate funds that have already been established but it is something that can be looked at in the future.

**Vote: Yea 8, Nay 0, Abstained 0 – Motion Carried**

#### Article 8

**Motion:** Chairman Dill moves to approve the warrant - “To see if the town will raise and appropriate the sum of \$8,000.00 to be used by the Northwood Lake Watershed Association to control milfoil in Northwood Lake.”

**Second:** Mr. Langlois

**Discussion:** Mr. Robertson stated that this request has come from the association as the town of Deerfield has a significant number of Deerfield residents that have homes on Northwood Lake. Tax revenues from those residents is over \$300,000.00. In addition, the Select Board thinks it’s a sound thing to do given the proximity of Northwood Lake to Pleasant Lake.

**Vote: Yea 8, Nay 0, Abstained 0 – Motion Carried**

**Article 9**

**Motion:** Chairman Dill moves to approve the warrant - “To see if the town will raise and appropriate \$2,500.00 to use by the Pleasant Lake Association to increase the number of hours to train attendants to provide courtesy boat inspections at the access ramp on Gulf Road to prevent the introduction and spread of aquatic plants like variable milfoil, aquatic nuisance animals like zebra mussels from entering Pleasant Lake.”

**Second:** Mr. Langlois

**Discussion:** Mr. Robertson stated that this warrant article has been brought forth in previous years. Pleasant Lake is in very good condition in regard to invasive species.

Ms. Hotaling stated that she is going to abstain as she is the treasurer of the Pleasant Lake Association but that she wanted to report that they did spend the total \$2,500.00 that was obtained from the town of Deerfield as well as \$2,500.00 from the town of Northwood. The \$5,000.00 allowed the association to staff above and beyond the volunteer hours that they have.

**Vote: Yea 6, Nay 0, Abstained 1 – Motion Carried**

Chairman Dill stated that the last three warrant articles aren’t for the MBC to vote on as there is no money associated with them.

Mr. Robertson stated that there was some concern about associated costs for accepting taxes and fees with electronic payment options. The service charge or any associated fees with that are passed onto the user of the card. The town is in no danger of losing revenue.

**Old Business:**

None

Ms. Hotaling stated that she didn’t know if everyone had seen the email that Mr. Verville had sent stating that he would like to have some input into what was being discussed because of the missed two meetings, she thought there should be a response to that.

Mr. Robertson stated that he wants everyone to have the ability to speak but as long as Mr. Verville attends the public hearing, he will have the ability to make amendments to the budget.

Chairman Dill stated that the public hearing is going to be held on January 16<sup>th</sup>, 2018 at 6:30 p.m.

**Citizen’s Comments:**

None

**Adjourn:**

**Motion:** Chairman Dill moves to adjourn

**Second:** Mr. Dubiansky

**Discussion:**

**Vote: Yea 8, Nay 0, Abstained 0 – Motion Carries**

**Next Meeting is the Public Hearing followed by the MBC Meeting: Tuesday January 16, 2018 at 6:30 pm**

*The Minutes were transcribed and respectfully submitted by Dianne L. Kimball, Recording Secretary  
Pending approval by the Municipal Budget Committee*