

**TOWN OF DEERFIELD
MUNICIPAL BUDGET COMMITTEE MEETING
January 7, 2014
MINUTES**

Call to Order:

6:00pm Chairman Kevin Verville called the meeting to order.

Pledge of Allegiance to the Flag

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

Moment of Silent Reflection

Roll Call:

Present: Kevin Verville, Chairman; Jim Spillane, Vice Chair; Harriet Cady, David Carbone, Don Daley, Fred McGarry, Jeff Shute and Bill von Hassel Members; Maryann Clark, School Board Rep; Steve Barry, Select Board Rep

Excused: Carol Levesque, Member

Also Present: Deerfield Community School & SAU Representatives: Peter Aubrey, Brian Grieve, Peter Menard, Patty Sherman and Paul Yergeau,

Approval of Minutes – December 17, 2013

Motion: M. Clark moves the minutes as written

Second: Selectman Barry

Discussion: M. Clark asked that page 1, paragraph 2, line 1 “Lerner” should be corrected to “Learner”, also page 1, paragraph 3, line five “iexcel” should be corrected to read “IXL”.

Vote to approve the minutes as amended: Yea 5, Nay 0, Abstained 5 – Motion Carries

Discussion and Review 2014 School Budget

Motion: M. Clark moves to approve the 2014-2015 School Operating Budget in the amount of \$12,089,899

Second: Selectman Barry

Discussion: M. Clark updated the committee that the School Board has had several discussions regarding the buses servicing DCS. The school is currently under a contract with DAHL and there have been concerns with the low level of ridership on some of the buses. They have been working to do an analysis on the impact going from 8 to 7 busses would have on riders and whether or not that would be allowed under the DAHL contract. Reducing the fleet by one bus would result in a savings of roughly \$40,000, the School Board will be voting on the issue at its next meeting and, if approved, she will bring it up at the next MBC meeting.

D. Daley spoke that he is more than willing to support the Budget as proposed, he thinks that it looks great and was thankful for the work the School Board did in putting it together. Vice Chairman Spillane echoed those sentiments, stating that he feels it is one of the best budgets the MBC has seen to date.

H. Cady asked for clarification on the funds retained, will the \$145,988 be able to roll forward into the 2014-2015 budget on top of what can be retained from this year? P. Aubrey answered that the current year’s estimated surplus is approximately \$58,000, the amount allowed to be retained is recalculated each year and it does not build year over year.

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

Discussion and Review 2014 School Warrant Articles

*#2 - To see if the Deerfield School District will vote to establish an Expendable Trust Fund under the provisions of RSA198-20-c for the purpose of funding a **Facility Paving Plan** at Deerfield Community School, and to appoint the School Board as agents to expend from this fund, and further, to raise and appropriate the sum of thirty-five thousand dollars (\$35,000), to be placed in this fund, this sum to come from the June 30, 2014 fund balance available for transfer on July 1, 2014. No amount to be raised from taxation.*

Motion: M. Clark moves to recommend School Warrant Article #2

Second: Selectman Barry

Discussion: H. Cady asked whether M. Clark had looked into the Grant information she provided. M. Clark confirmed that she had, but struggled with how paving might fit into the parameters of the grant, the two will discuss off line with H. Cady's contact.

M. Clark explained that the paving is planned to be done in three phases. Phase 1 will include paving from the stop sign to the back of the school along with some sidewalk repair work. Phase 2 will include paving from the stop sign out to North Road, and Phase 3 will be the paving of the parking lot. Vice Chairman Spillane asked whether there were plans in phase 1 to lengthen the sidewalk to allow for easier drop off, M. Clark answered that it had been mentioned, but was not officially part of the plan at this time. Chairman Verville asked whether the quotes the School Board has received are strictly for grading and paving of the area in question, or do they address potential drainage work to be done. M. Clark answered that they have received three quotes for the work to be done and none seem to indicate drainage work, the quote solicitation and collection is being managed by Mike Davis. Chairman Verville cautioned that they may want interested contractors to do a physical site visit and review drainage needs.

B. von Hassel asked when the School expected the projects to be fully funded. M. Clark responded that they do not plan to wait for full funding to begin work. The quotes for phase 1 work range from \$24,000 to \$34,000 at this time. B. von Hassel asked whether \$35,000 would be a maximum amount allowed to be contributed to the fund this year, and what happens to the Trust Fund once the work is complete? P. Aubrey responded that it would depend on the actions of the School Board, he suggested the Fund may want to be left in place to address future repair/paving needs. He confirmed that yes, \$35,000 would be the maximum allowed to be contributed this year, if they wished to set aside additional money, that would need to be done through another Warrant Article.

Vice Chairman Spillane felt that the language reads as an "all or none" amount of money and suggested that the School include the wording "up to" in front of \$35,000. F. McGarry asked, between the three proposed Warrant Articles, how the School will prioritize their funding. P. Aubrey answered that funding must go in the sequence they are presented, so if \$35,000 is retained from surplus that amount will go to the Paving Trust Fund. Vice Chairman Spillane requested legal clarification/confirmation that this is how money must be allocated. Following that questions, F. McGarry asked what would happen if \$40,000 were available from surplus, and the first \$35,000 was retained for paving, would the remaining \$5,000 be able to be placed in the Technology Fund, or is it an all or none deal as Vice Chairman Spillane described where if not the full \$10,000 no money may be contributed? M. Clark will look into the language and funding guidelines for the next meeting.

H. Cady suggested that the School Board speak with a Ms. Jackie Coburn, she believes the DES will be very concerned with how run off from new school paving will impact the Lamprey River. D. Daley asked if including this project in the budget had been discussed and M. Clark confirmed that yes, considerable discussion around presenting as part of the budget versus through a Warrant article was had. D. Daley asked if approved, when work could be expected to begin. P. Aubrey answered that the School Board would need to discuss, but July 2, 2014 would be the earliest.

Vote: Yea 9, Nay 0, Abstained 1 – Warrant Article #2 is recommended

*#3 – To see if the Deerfield School District will vote to establish and Expendable Trust Fund under the provisions of RSA 198-20-c for the purpose of **Purchasing, Replacing or Repairing Technology** and all related costs, and to appoint the School Board as agents to expend from this fund, and further, to raise and appropriate the sum of ten thousand dollars (\$10,000) to be placed in this fund, this sum to come from June 30, 2014 fund balance available for transfer on July 1, 2014. No amount to be raised from taxation.*

Motion: M. Clark moves to recommend School Warrant Article #3

Second: Selectman Barry

Discussion: M. Clark referenced the potential IT items that Deb Boisvert had described to the MBC at its last meeting; the School wants to have these funds in place to protect the technology investments that it has made. Vice Chairman Spillane asked whether this would be a one-time thing, and if the Fund would be structured to be capped at \$10,000. M. Clark responded that they have not yet discussed the plan for subsequent years. B. von Hassel asked why the \$10,000 would not be included as part of the actual School's budget, M. Clark answered that this Fund would be for items that are more unexpected an emergency fund of sorts, for example the loss of a server mid-year. P. Sherman noted that there was some concern recently with the phone system at the school, replacing that system would cost approximately \$40,000, establishing and funding this Capital Reserve Fund would be a way to spread out a significant cost like that over several budgeting cycles.

H. Cady noted that there is money in the budget for replacing Technology Equipment and asked what other items might be funded with these monies. P. Menard spoke that increasing the storage capacity with Metrocast, expanding access, the phone system, and storage are all things that have been discussed as coming up in the next five years.

Vice Chairman Spillane expressed his concern with the word "Purchasing" in the language of the Warrant Article. The term seems to add a level of flexibility that gives him pause. Chairman Verville agreed that the open ended language is concerning to him also. D. Daley also agreed, he expressed concern that the wording makes it seem that the funds could be used for a wide range of possibilities, some of which may be more appropriate to include in the budget. Generally he has found that the less specific a Funds use is, the less support it gets, he would like to see the request refer more to the emergency type situation.

P. Menard referred to the minutes from the last meeting where D. Boisvert talked about the potential of purchasing a new server at DCS to bring a lot of the record keeping in house, as opposed to relying solely on the server at the SAU. He felt this would be an example of a new piece of equipment, or a "purchase", as opposed to a replacement or repair cost. B. von Hassel pointed out that the example is a planned event, versus an emergency. Selectman Barry noted that he has seen situations, for example the purchase of a Fire Truck, where working through a Trust Fund with yearly contributions has allowed the length of a least to be shortened by two years, and resulted in considerable savings to the tax payers.

Vote: Yea 5, Nay 5, Abstained 0 – Warrant Article #3 is not recommended

*#4 – To see if the Deerfield School District will vote to raise and appropriate the sum of up to twenty five thousand dollars (\$25,000) to be added to the **Facilities Repair and Improvement Expendable Trust Fund** previously established. This sum to come from the June 30, 2014 fund balance available for transfer on July 1, 2014. No amount to be raised from taxation.*

Motion: M. Clark moves to recommend School Warrant Article #4

Second: Selectman Barry

Discussion: H. Cady suggested that the School detail with the Warrant Articles what is in the Trust Funds presently and what they have used to pay for in the past. She thinks it is important to get the information out, including details about the facility and its age. D. Daley asked whether there was a specific project the School had in mind for this fund. M. Clark answered that nothing specific had been discussed, she noted that the money has been used in the past for repairs to the septic, heating system and roof of the school. Security System upgrades was funded with pre surplus dollars last June. P. Menard noted that the gym floor has been discussed as part of the Capital Improvement Plan, the School Board is watching this, but have not made any decisions.

Vote: Yea 10, Nay 0, Abstained 0 – Warrant Article #4 is recommended

Discussion and Review 2014 Town Warrant Articles

Selectman Barry informed the Committee that the Select Board has not yet voted on the final 2014 Warrant Articles, he expects them to do so at their January 13th meeting. He gave an update that the Town was notified today that the County Attorney Prosecutor contract will cost an additional \$6,000; this will impact the Police Department's contract line. Additionally, a Highway Truck went down today at an expected repair cost of \$3,200. Warrant Articles to be voted on by the Select Board will include:

- A Capital Reserve fund for Fire Equipment and contribution to that fund \$50,000
- \$35,000 for the continued repair to the GBW building
- \$25,000 to the fund for Municipal Government Building Repairs
- A Capital Reserve Fund for the Rescue Squad and contribution of \$10,000 to that fund
- \$67,000 for the purchase of anew/used Highway Work Plow
- \$90,400 for the purchase of anew/used Highway Excavator
- \$42,000 for the purchase of a vehicle for the Fire Chief

D. Daley requested a list of what was encumbered from the 2013 budget and Selectman Barry confirmed that he will provide that to the Committee.

Old Business None

New Business

D. Daley confirmed that next Tuesday's Public Hearing was scheduled to be held at the GBW building and Chairman Verville answered yes.

Motion: Chairman Verville moves to cancel the meeting scheduled for Saturday, January 11, 2014

Second: M. Clark

All in Favor – Motion Carries

Citizens Comments None

Adjourn:

Motion: Vice Chair Spillane moves to adjourn the meeting of January 7, 2014

Second: Selectman Barry

All in Favor – Motion Carries – Meeting Adjourned @ 6:54pm

Next Meeting Tuesday, January 14th @ 6:00pm

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

Pending Approval by the Municipal Budget Committee