

TOWN OF DEERFIELD, NH  
MUNICIPAL BUDGET COMMITTEE MEETING  
George B. White Building  
8 Raymond Road, Deerfield, NH 03037  
6:30pm Tuesday, 5 January 2016  
MINUTES

Call to Order 6:31pm

1. Pledge of Allegiance to the Flag

2. Moment of Silence/Prayer

3. Roll Call

Present: Kevin Verville, Chairman; David Carbone, Carol Levesque, Karen Cote, Steve Giovinelli, Troi Hopkins, Members, Andrew Robertson, Select Board Rep Member; Peter Menard, School Board Rep Member

Excused Absence: Brendan O'Donnell, Member

Unexcused Absence: James Spillane, Vice Chairman; Fred McGarry, Member

Also Present: Amber Wheeler, SAU #53 Business Administrator; Patricia Sherman, SAU #53 Co-Superintendent, Paul Yergeau, Deerfield Community School Principal; Jan Foisy, Town Administrator.

4. Approval of the Minutes- Thursday 17 December, 2015

**Motion:** A. Robertson moves the approval of the minutes from the Thursday December 17, 2015 meeting.

**Second:** P. Menard

**Discussion:** C. Levesque notes the misspelling of "reiterate" on page 3 ("reiderate") and the typo ("hasas") should be "has".

5. Citizen's Comments

None seen.

6. Discussion and Review of 2016-2017 School District Budget

P. Menard states that Amber Wheeler, Business Administrator for SAU#53 has put together information pertaining to questions on revenue sources, definitions, funding revenue sources from the state and more information about the National School Lunch Program (NSLP). He asks if there are any further questions for A. Wheeler.

Chairman Verville notes that there are no further questions for A. Wheeler.

**Motion:** T. Hopkins makes a motion to rescind the \$25,000 added to the General Supply fund of the School Budget at the meeting December 17, 2015.

**Second:** S. Giovinelli

**Discussion:** T. Hopkins notes that it is difficult to manage consumibles. Per pupil expenditures are generalized and not specifically targeted. She states that parents/students donate items as a way to contribute to the community. The supply list is not required. The school did not request this money. She asks how would each child be supplied with \$50 of consumibles.

Chairman Verville responds that the monetary amount was determined based on expenditures from his

household per child as well as speaking to other parents in the community. He states that according to Principal Yergeau these items used to be part of the budget and were removed in the past due to budget constraints. The motion does not determine that \$50 of supplies will be passed out to each student but rather supplies will be purchased and the administration and teachers will work together to determine their needs for the years and supply the classrooms accordingly.

T. Hopkins reiterates that she disagrees with the addition of the \$25,000 to the General Supply line.

S. Giovinelli asks who requested the motion.

Chairman Verville responds that he did. The school did request the motion.

P. Menard points out that the bottom line in the updated School Budget packet does not include the \$25,000 added to the General Supply line.

S. Giovinelli states that as a student he remembers always bringing his own school supplies.

Chairman Verville notes that the motion adds .2% to the School Budget. He points out that currently items such as paper and construction paper are being purchased just underpurchased. In many recent years the School Budget has been at or below the Rate of Inflation.

S. Giovinelli states that once something is bought for someone, they come to expect it. He asks if there are other line items where the increase is a greater need. He also asks why the committee is adding money that the school is not requesting.

Chairman Verville states that currently items are purchased by individual families at retail prices. If they were purchased by the school they would be able to buy in bulk wholesale.

C. Levesque asks if the School Board gave any feedback about this motion.

P. Menard responds that the School Board hasn't met since the motion.

T. Hopkins states that she does not believe that this line item is underfunded. The more supplies that are available, the more people will take. It is better to be creative and work within your means. The school doesn't need paper. It needs better band-width and nursing supplies.

C. Levesque asks for a response from Principal Yergeau.

P. Yergeau responds that it is tight at the end of the year. Parents' generosity helps when supplies are short. If there were more supplies available, they would be used. At one point in the past, these supplies were provided by the school.

K. Cote asks what other towns do. She comments that it makes sense for it to be part of the budget.

S. Giovinelli notes that there was a surplus last year.

P. Menard responds that there was a surplus due to the adjustment in high school tuition.

S. Giovinelli asks how there is a shortage of supplies at the end of the year if there is a surplus.

C. Levesque asks if a portion of that surplus goes in to a trust.

P. Menard responds that it does and that the legislature has a set formula and it is only available to be spent on emergency situations with approval from the Commissioner of Education. There was approximately \$400,000 in surplus. \$300,000 was returned to the town and \$100,000 was retained in the trust.

K. Cote states that it makes more sense to have this amount in the budget instead of relying on volunteerism.

T. Hopkins comments that there is already money in the budget for consumibles. They are just not continued to be supplied over time.

S. Giovinelli notes that an increase like this from \$34,000 to \$59,000 is significant.

C. Levesque asks what is purchased with the \$34,000.

P. Yergeau states that the General Supplies line item is spent on copy and printer paper, notebook paper for some students, math paper, markers, crayons, erasers, batteries, computer mice, lightbulbs for projectors, anything that is a consumible item.

A. Robertson moves the question.

**Vote to remove \$25,000 that was previously added to the General Supplies line item: Yay: 2, Nay: 6, Abstained: 0 - Motion Fails**

**Motion:** Chairman Verville moves to reduce line item 142 Curriculum Stipends (001.2213.1100.108.00) by \$10,000 to \$3,000.

**Second:** S. Giovinelli

**Discussion:** Chairman Verville states that a significant portion of the stipend line seems to be going towards rewriting of curriculum to bring it inline with Common Core State Standards. He notes that last year a warrant article passed indicating that a majority of voters did not support Common Core or the Smarter Balance state test. He comments that money should not be spent to update to Common Core Standards because the majority of voters did not support it.

C. Levesque asks why there was such an increase in this line between 2015/2016 (\$7,000) and 2016/2017 (\$13,000). This an 85% increase.

P. Menard explains that there is a team of teachers that review curriculum and an analyze data 2-3 hours each week. The increase is for an additional 2 hours per week. This is part of on-going curriculum development and would occur regardless of Common Core.

Chairman Verville notes that in 2013/2014 this line was \$3000.

P. Yergeau states that curriculum review is not solely due to Common Core. Curriculum is developed every year. Every few years it is rewritten in each subject area and reviewed at the halfway point. Three people do a lot of work to keep process moving smoothly. It has increased with the state's move to require grading on a competency based system. The remaining portion of Curriculum Stipend money goes to teachers who work on curriculum over the summer, after school, and on weekends. The three people also meet with teams of teachers.

Chairman Verville states that he has worked to try to find out how much money has been spent to realign curriculum to Common Core and has not received an answer. He notes that over a short period of time the Curriculum Stipend budget has increased from \$3,000 to the proposed \$13,000. If a dollar amount could be given to align Mathematics and Language Arts to Common Core then an ammendment could be made to the motion to reflect this amount.

S. Giovinelli gives an explanation of Common Core. He asks what would occur if this line item was reduced.

P. Yergeau responds that teachers have historically been very giving of their time. However, curriculum development takes hundreds of hours and this money is to compensate for that. He states that he would not be surprised if without compensation, the work would not be done.

Chairman Verville asks what percentage of the 2015/2016 Curriculum Development is related directly or indirectly to Language Arts and Mathematics.

P. Yergeau states that Common Core Standards were reviewed by the teachers when they first came out. It was determined that they were rigorous enough and appropriate. A local Deerfield curriculum was developed based on these standards.

Chairman Verville repeats his previous question.

P. Yergeau states that the Language Arts Coordinator and Math Specialist do test analysis, curriculum development, and training that would be paid for from this line item.

Chairman Verville wants to know the financial implication for the work done to align with Common Core since the majority of voters have said that they dont want it.

C. Levesque asks how many people are paid for out of this stipend.

P. Yergeau states that every teacher in the school is on a curriculum committee. The increase of \$6,000 is

the stipend for the Language Arts Coordinator and Math Specialist.

Chairman Verville asks what percentage of the \$7,000 currently budgeted is for Language Arts and Mathematics.

P. Yergeau states that he would need to review the Curriculum Development timeline.

K. Cote states that Common Core costs a lot of money collecting and analyzing data.

Chairman Verville states that the National Assessment of Educational Progress test report the first decline in Language Arts scores in ten years. For the first time after fifteen years of steady progress in Mathematics scores, scores have flat lined.

T. Hopkins moves the question.

Vote to approve the proposed reduction of the Curriculum Stipend line item by \$10,000: Yay: 3, Nay: 5 - Motion Fails

Chairman Verville ask is there is any further discussion about the School Budget.

C. Levesque asks if the increase in the Paraprofessional line item 11 is due to an additional employee.

P. Menard states that this is the case.

#### 7. Discussion of 2016-2017 School District Bottom Line

**Motion:** P. Menard moves \$12,321,520.67 as the 2016/2017 School Budget bottom line.

**Second:** Chairman Verville

**Discussion:** None seen

**Vote to approve \$12,321,520.67 as the 2016/2017 School Budget bottom line: Yay: 6, Nay: 2 - Motion Carries**

Chairman Verville states that there is a public hearing next Tuesday. There is a meeting immediately following the hearing at which point, based on public input, any item can be reopened. Then final recommendations of both the budget bottom lines as well as each warrant article.

A. Wheeler notes that the incorrect original bottom line was used when recalculating the new bottom line after adding the \$25,000.

Motion: P. Menard moves to reconsider the last motion.

Second: Chairman Verville

**Vote to reconsider the last motion: Yay: 8, Nay: 0 - Motion Carries**

**Motion;** P. Menard moves \$12,051,913.40 as the 2016/2017 Schol Budget bottom line.

**Second:** Chairman Verville

**Vote to approve \$12,051,913.40 as the 2016/2017 School Budget Bottom line: Yay: 7, Nay: 1 - Motion Carries**

#### 8. Discussion and Review of 2016 School District Warrant Articles

P. Sherman, Co-Superintendent of SAU#53, points out that there is a typographical error on the draft of Warrant Articles; the School Board did vote to recommend the Teacher's Contract with a vote of 5, 0, 0.

K. Verville confirms that the School Board has not voted on the School Budget because they have not seen the final bottom line.

**Motion:** P. Menard moves that the MBC recommends Warrant Article #1, the School Budget.

**Second:** A. Robertson

Vote to recommend Warrant Article #1, the School Budget: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries

**Motion:** P. Menard moves that the MBC recommends Warrant Article #2, the Collective

Bargaining Agreement.

**Second:** A. Robertson

**Discussion:** P. Menard reviews highlights of the Collective Bargaining Agreement that we talked

about at the previous meeting involving increases in the lower steps of the salary schedule and savings from changes made in health care. These changes save \$33,000. The agreement also allows for renegotiations if the district were to be subjected to the "cadillac tax" due to the level of health care coverage.

Chairman Verville distributes a handout for information purposes that shows the current salary scale with the number of teachers at each step and the proposed salary scale and the percentage increase at each step. S. Giovinelli states that based on what he has seen as other salary scales in other towns, this salary schedule seems to be a value and it supports the purpose of better recruitment and retainment. He asks what percentage of the staff is at or nearing retirement.

P. Sherman responds that traditionally there are three or four people retiring each year.

P. Menard that as of now there are four teachers planning to retire at the end of this year and each of following two years.

S. Giovinelli asks if the contract continues the increase to the salary scale in the other two years off the agreement.

Chairman Verville responds that the 2016/2017 salary scale becomes the new grid with the addition of Step 12. Step 12 receives 3% increase in 2016/2017 and 2.5% each year following.

**Vote to recommend Warrant Article #2, the Collective Bargaining Agreement: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

P. Menard notes that the School Board has not voted yet to recommend Warrant Article #3. This warrant article states that if Warrant Article #2 is defeated, the School Board can call a special meeting to address the cost items in the contract rather than wait until the following year or having to petition for a special meeting.

Chairman Verville states that the special meeting wouldn't come back through the budgeting process and therefore does not have a direct financial impact and is not germane to the MBC.

**Motion:** P. Menard moves that the MBC supports Warrant Article #4, \$35,000 from the 2016/2017 surplus to the Paving Expenditure Trust Fund.

**Second:** Chairman Verville

**Discussion:** P. Menard notes that this money will pay for a portion of the final cost for paving the parking lot.

S. Giovinelli asks what would happen if there was not a surplus.

P. Menard responds that in that case, no money would be added to the trust.

**Vote to support Warrant Article #4: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

**Motion:** P. Menard moves that the MBC supports Warrant Article #5, \$10,000 from 2016/2017 surplus to the Repair/Replace Technology Expendable Trust.

**Second:** Chairman Verville

**Discussion:** S. Giovinelli asks what is the spending process for this money.

P. Menard responds that a public hearing is held to draw out the money.

**Vote to support Warrant Article #5, \$10,000 from 2016/2017 surplus to the Repair/Replace Technology Trust Fund: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

#### 9. Discussion and Review of the 2016 Town Budget

A. Robertson states that with one exception, all of the modifications are fuel line reductions as previously discussed. The final modification is with the Transfer Station budget. The MBC had expressed a desire to have the paving portion of the budget pulled out and instead be written as a warrant article. The Select Board has done that. New estimates show that the cost of this paving will be \$35,000 rather than the previous \$25,000 estimate. A contract has not been awarded.

10. Discussion of Town Budget Bottom Line

J. Foisy notes that the George B. White building has not been voted on yet.

**Motion:** A. Robertson moves the GBW building budget in the amount of \$114,455.00.

**Second:** Chairman Verville

**Discussion:** A. Robertson notes that the Heating Oil line has been adjusted.

**Vote to approve the budget for the GBW building in the amount of \$114,455.00: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

Chairman Verville notes that the Town Budget bottom line needs to be increased by \$114,455.00.

**Motion:** A. Robertson moves the Town Operating Budget in the amount of \$3,881,225.00

**Second:** Chairman Verville

**Vote to approve the Town Operating Budget in the amount of \$3,881,225.00: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

11. Discussion and Review of 2016 Town Warrant Articles

A. Robertson states that the Select Board has voted on the Warrant Articles. The Municipal Association attorney is reviewing language for the proposed warrant articles and the petitioned warrant articles that have been received.

A. Robertson also notes that the Select Board's estimates of revenue also need to be reviewed and voted up or down or be adjusted by the MBC.

**Motion:** A. Robertson moves Warrant Article #1 pertaining to the fire tanker.

**Second:** Chairman Verville

**Vote to support Warrant Article #1: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

**Motion:** A. Robertson moves Warrant Article #2 pertaining to road reconstruction on South Road.

**Second:** Chairman Verville

**Discussion:** Chairman Verville reiterates his concern that when a specific portion of road is named, it makes it more difficult to pass. Road work is necessary and therefore he will support this motion.

S. Giovinelli comments that he prefers that road maintenance be part of the Highway Budget and it being part of a road work plan.

A. Robertson states that the Highway Agent did include some road maintenance in the Highway Operating Budget. There is five year plan based on traffic patterns.

**Vote to support Warrant Article #2 pertaining to road construction on South Road: Yay: 7, Nay: 1, Abstained: 0 - Motion Carries**

**Motion:** A. Robertson moves Warrant Article #3 pertaining to building and energy improvements.

**Second:** P. Menard

**Discussion:** A. Robertson notes that this is for continued improvements to the GBW building.

**Vote to support Warrant Article #3 pertaining to building and energy improvements: Yay: 8, Nay: 0, Abstained: 0 Motion Carries**

**Motion:** A. Robertson moves Warrant Article #4 pertaining to the establishment of a Winter Road Maintenance Expendable Trust Fund.

**Second:** Chairman Verville

**Discussion:** A. Robertson states that this fund is in response to multiple difficult winters with snow storms, ice, etc.

S. Giovinelli asks how would this fund be replenished.

A. Robertson responds that future warrant articles would come from taxation or surplus.

**Vote to support Warrant Article #4 pertaining to the establishment a Winter Road Maintenance Expendable Trust Fund: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

**Motion:** A. Robertson moves that Warrant Article #5 pertaining to re-roofing a portion of the GBW building

**Second:** Chairman Verville

**Discussion:** A. Robertson states that this is the last section of the roof that needs to be done. It has been patched. It leaks. It needs to be replaced.

C. Levesque asks what type of roof will be put on.

A. Robertson responds that it is a flat roof that will have a rubber membrane.

S. Giovinelli asks what the life expectancy will be for the new roof.

A. Robertson responds that it has a thirty year life expectancy.

T. Hopkins asks if the pizzeria that is currently in this section of the building shares in this expense.

A. Robertson responds that it does not and that adjustments are made periodically to rent.

**Vote to support Warrant Article #5 pertaining to re-roofing a portion of GBW: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

**Motion:** A. Robertson moves Warrant Article #6 pertaining to the Fire Apparatus and Equipment Capital Reserve Fund.

**Second:** Chairman Verville

**Discussion:** A. Robertson this fund is used to replace equipment on a timeline- breathing apparatus, turnout gear, etc.

**Vote to support Warrant Article #6 pertaining to the Fire Apparatus an Equipment Capital Reserve Fund: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

**Motion:** A. Robertson moves Warrant Article #7 pertaining to paving at the Transfer Station

**Second:** P. Menard

**Discussion:** A. Robertson states that this project will create a top layer to protect the pavement that is already there. If this is not done the existing pavement will be lost and need to be ground and completely repaved.

Chairman Verville asks if this includes paving to the road.

A. Robertson responds that it does not.

**Vote to support Warrant Article #7 pertaining to paving at the Transfer Station: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

**Motion:** A. Robertson moves Warrant Article #8 pertaining to the Municipal Government Buildings Infrastructure Expendable Trust Fund.

**Second:** P. Menard

**Discussion:** A. Robertson states that this is for unexpected maintenance of the buildings.

**Vote to support Warrant Article #8 pertaining to the Municipal Government Buildings Infrastructure Expendable Trust Fund: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

**Motion:** A. Robertson moves Warrant Article #9 pertaining to the establishment of the Fire Department Vehicle and Equipment Expendable Fund.

**Second:** Chairman Verville

**Discussion:** A. Robertson states that fire trucks and apparatus are kept as long as possible this will help with repairs that come up.

**Vote to support Warrant Article #9 pertaining to the establishment of the Fire Department Vehicle and Equipment Expendable Trust Fund: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

**Motion:** A. Robertson moves Warrant Article #10 pertaining to the Rescue Vehicle and Equipment Capital Reserve Fund.

**Second:** Chairman Verville

**Discussion:** A. Robertson states that these funds are for repairing and replacing vehicle and supplies.

**Vote to support Warrant Article #10 pertaining to the Rescue Vehicle and Equipment Capital Reserve Fund.: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

**Motion:** A. Robertson moves Warrant Article #11 pertaining to milfoil control in Northwood Lake.

**Second:** Chairman Verville

**Discussion:** A. Robertson states that the Northwood Lake Association has an ongoing milfoil reduction program that is done by lowering the level of the lake this tim year. There is a significant number of Deerfield properties on the lake and this helps preserve property value.

D. Carbone asks if this is something that has to be one every year.

A. Robertson responds that it does need to be done every year. Last year there was a warrant article for \$6,000.

D. Carbone asks if Pleasant Lake has milfoil.

A. Robertson responds that it does not.

S. Giovinelli notes that this warrant article benefits a very small number of residents and he does not approve of this warrant article.

**Vote to support Warrant Article pertaining to milfoil control in Northwood Lake: Yay: 7, Nay: 1, Abstained: 0 - Motion Carries**

**Motion:** A. Robertson moves to accept the Select Board's estimated revenue of \$1,431,705.00.

**Second:** P. Menard

**Discussion:** S. Giovinelli asks what would happen if thi estimate is higher than the actual revenue.

A. Robertson responds that at tax rate setting time there would be an adjustment made as necessary.

**Vote to accept the Select Board's estimated revenue in the amount of \$1,431,705.00: Yay: 7, Nay: 0, Abstained: 0 - Motion Carries**

## 12. Old Business

None seen

## 13. New Business

The Public Hearing will be at the George B White Building at 7pm on Tuesday January 12. There will be a regular committee meeting immediately following.

**Motion:** C. Levesque moves to cancel the scheduled meeting on Saturday January 9, 2016.

**Second:** S. Giovinelli

**Vote to cancel the scheduled meeting on Saturday January 9, 2016: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

Chairman Verville points out that the MBC is a nine member committee. Mr. O'Donnell is resigning at the end of this term. He has taken a job that precludes him from participating in Municipal Government. There will be four open spots- 3 three-year and 1 one-year term. Filing begins Wednesday January 20 until 5pm Friday January 29.

J. Foisy states that the projected 2015 Municipal Budget surplus is \$286,226.00.

C. Levesque requests that in addition to the default budget and proposed budget bottom lines being in the Voter's Guide, there also show the tax impact with the default budget as well as the proposed budget.

J. Foisy responds that those numbers will be in the Voter's Guide.

A. Robertson note that the impact on the tax rate is approximately .02 for each \$10,000 of the budget.

J. Foisy states that has a legal obligation to sign legal documents pertaining to the budget. This document



will be ready for signitures on Wednesday or Thursday. It needs to be posted by January 26.

14. Citizen's Comments

None seen

15. Adjourn

**Motion:** S. Giovinelli moves to adjourn.

**Second:** C. Levesque

**Vote to adjourn: Yay: 8, Nay: 0, Abstained: 0 - Motion Carries**

*Next meeting is immediately following the Public Hearing which will be held on Tuesday 12 January, 2016 at 7pm at the George B. White Building*