

## **Official**

**BUDGET COMMITTEE MEETING**  
**Town Hall**  
**35 Main Street**  
**Thursday, DECEMBER 15, 2011**  
**6:30 PM**

### **CALL TO ORDER**

#### **Pledge of Allegiance**

### **ATTENDANCE**

M. Miville, T. Keach, F. Bizzarro, D. Pearl, K. Hughes, T. Lizotte, JR. Ouellette, G. Smith, D. Argo

J. Hyde – resigned

N. Haas: late

Absent: Central Water, Village Water

*K. Hughes motioned to accept the resignation of J. Hyde. Seconded by T. Lizotte.  
Vote unanimously in favor.*

### **APPROVAL OF MINUTES**

October 27, 2011

*T. Lizotte motioned to accept the minutes of October 27<sup>th</sup> as presented. Seconded by D. Pearl*

*Vote unanimously*

December 10, 2011 - Tabled

### **PUBLIC INPUT**

None

### **OLD BUSINESS**

#### **High School Study Committee Representative**

The School Board has requested a representative from the Budget Committee to serve on this committee.

T. Keach stated that he would be interested in serving.

Vote unanimously in favor of appointing T. Keach to the High School Study Committee.

#### **School District Budget**

T. Lizotte: I requested some statistical data regarding the Language Arts Director and received information which made it difficult to determine if the Coordinator cause the progression or the Imaginative Program itself.

Figures from the Town show a downward turn in revenues from 7.5 million to 6.2 million.

T. Lizotte asked how the impact fee (\$118,000) is spent.

JR Ouellette: I requested the last three (3) years of approved budgets vs. actual for the school be provided like the town does. Then we can see what was approved vs. what was expended for the last (3) years to see if anything is being under expended.

JR Ouellette: Para professional salaries: Memorial increased \$35,000. Why? Is there an extra person added. Underhill – \$138,000 and the increase was \$4,000. Memorial \$125,000 and the increase was \$35,000. What is the reason for the increase? Cawley was a little over \$9000 increase.

Do you have statistics on the number of H.S. students project vs. actual over the last three (3) years.

D. Pearl: I was surprised to see this budget come in a million dollars over last year. I was hoping we would be flat but adding three (3) positions over last year is excessive. We need to get this budget down to where it was last year. I need to decide if the taxpayers can afford this budget and can we get something that is reasonable. Those three (3) positions will be recurring costs.

JR Ouellette: Did the school district consider separating the different lines for Math and Language Arts Coordinator?

D. Argo: I don't know if there was a reason or not for doing it that way.

JR Ouellette: I have a concern with that added position. I have to second what D. Pearl is saying that in this economy we can't afford a million dollar increase. Unemployment is at 8% but realistically at 18%. If you look at the foreclosures, there's a foreclosure every 14 seconds.

K. Hughes: Of the million dollars, how much is from cost we have no control over?

D. Argo: The million dollars is not all discretionary.

K. Lessard – email: Increase 475,000 in H.S. Tuition  
2 additional teachers Cawley \$131,000  
Language \$111,000  
Health \$207,000  
Parking lot \$62,000  
Underhill phone \$54,000  
Technology \$28,000

D. Argo: Justification of the 2 additional teachers in Cawley is due to a format change at the school. It allows for, now our ALPS teachers are being moved into the standard curriculum due to numbers of students and the bubble classes. I encourage you to listen to the presentation from Saturday.

T. Keach: Beyond the Health Insurance and salaries of \$385,000, you have about \$400,000 that can be cut?

JR Ouellette: No, I'm just saying the one (1) million is too much.

D. Pearl: Our vote on fund balance, did you discuss that with the School Board? We are aware of the fund balance spending and it brought me to the point where this is a bottom line budget. So when we say there are things that are controllable or uncontrollable, they can spend what they like. So if we want to reduce the budget from a certain line, they can expend from another line. What is the total budget number we are asking to operate the school? When we talk about how much for a certain line, it can change after we give our opinion on it.

M. Miville: I concur with that thinking. Seeing patterns over the year, with spending has caused me to look at this differently and gives me pause.

JR Ouellette: We have three (3) budgets for three (3) years with budget vs. actual, then we can evaluate. If there is 1.2 million surplus, we can see what items were underspent and consider why. I have to agree with Dave. It is a bottom line budget but we have to go into each line and if it is consistently being under spent, then there is some slush in these lines. If it is for example, the tuition didn't go up as high as predicted, and then we can consider that.

T. Lizotte: In the meeting, one thing that came up is that the budget reflects some of the CIP items. Some of the things in the CIP are also in the budget. I went back and looked at a lot of warrants that looked at maintenance of the building. In this case, our duty is to look at what needs to be done in this economic climate and if we put some of these items in a warrant, we can let the voters decide.

D. Argo: At the meeting, the SB will decide on the way they want to go. The parking lot was considered a risk, so we decided to put it in the budget.

M. Miville: It was already placed into the budget prior to putting it in the CIP. We talked with Dr. Littlefield a long time about it in the CIP when it was already in the school budget.

D. Argo: We had finalized our 6 year plan. When we started the CIP I was surprised it wasn't in there. The fact that it didn't come here until November, I was surprised. I thought it was included in the CIP in advance of that. It's irrelevant. It will be in one place or the other.

D. Pearl: The fund balance spending – what concerns me is that we heard the Superintendent say they plan for one (1) million fund balance. I don't know why you plan to give back and then he said he plans to spend things out of the fund balance. So we start to have another budget and expenditures that will come out of that which we have no say. The fact that they plan a fund balance of one (1) million and are willing to plan to spend

things out of that money makes it incumbent upon me to cut that fund balance as much as possible. I don't think we should plan on one (1) million fund balance and if it happens it happens. Dr. Littlefield then says he saved it though being efficient. I don't think you can have it both ways.

T. Lizotte: Dean Shankle said he got his portion of the budget not including police and sewer reduced 2% below last year's. The economic issues are obvious and people were asked to be creative and level fund. He broke it down by departments. He also stated that the reason for the decrease was lease payment and bond payments, which were down and the removal of the ambulance service. He was clear where the increases and decreases were.

T. Keach: Part of my concern is this is a committee where we need to draw a consensus of our goal for the committee. We look at the performance and efficiencies of the school and the departments keeping the standard of 8% return at the end of the year is good budgeting. So Mr. Pearl's position, I can see where he is concerned with then taking back funds at the end.

D. Argo: The Board and the Administration do not budget to save one (1) million dollars for a slush fund. We commit that if we can save and find efficiencies through the year, we won't spend up to a million dollars. I have the list somewhere, not with me. Historically, the savings is in the tuition. We have to project for H.S. tuition. We don't know who will go to other schools. The present Board and Administration have not touched up to a million dollars. We are charged with running the district. If we can pre-pay or do something to benefit the district, we will do it.

D. Pearl: The minutes reflect that it was said that you plan to have a million dollars. I don't understand that if you budget money for students to go to High School and then you re-purpose that money for other items. The Tech Committee minutes say, the tech director said "we need to think about what we spend because there is usually money at the end of the year". I think that if you save money and came back here and ask to redirect spending, that would be fine.

D. Argo: The fact that the million dollars is a target and if we can save more, we will, but if we see opportunities to move the district forward, we will. I am proud as a SB member that we continue to move the district forward and provide technology that helps our students. I am proud of that. That is not some evil plot. We have been open about it. We have talked about what we will do with fund balance. Our director is planning for an opportunity that may or may not arise is a good thing.

F. Bizarro: Is it possible to have the data which you use to arrive at the H.S. numbers and the overall cost for health insurance estimates would be helpful to us.

N. Haas: The 1.2M fund balance from last year. There was \$225,000 on technology and the balance was returned to the town.

JR Ouellette: I don't have any issues with using the fund balance for the curriculum because it was brought forward and discussed. It's those items that our purchased without the knowledge.

D. Pearl: Last year I questioned Dr. Littlefield about the I-pads and he told me not to worry about it because they were removed. Then they were purchased and I didn't have the opportunity to weigh in.

D. Pearl: The school has a technology plan and it doesn't include anything that was purchased with the fund balance. They have a 3-year plan filed with the State and there is no wireless plan included in that.

T. Lizotte: I agree that we need to strive to what we can do. With the Language Arts Director, she was working on this Imaginative Program since 2008. I was under the impression that this was a new position and I was looking at the position and found out she has been federally funded for a few years. How much was that position funded for and how much time. The gains I still question. She shifted from K- 2 and 3-5 and I would like to know what we paid in 08-09 vs. 10-11 and 2012.

M. Miville: Cawley is looking for a 6<sup>th</sup> and 7<sup>th</sup> grade teacher for \$65,560 including benefits. The ALPS program will be included into the core curriculum. If approved, the ALPS teachers will be included in the core. The ALPS teachers can co-teach.

T. Lizotte: I would like to know more about the ALPS. It started out as something to drive imagination and more advanced course work.

M. Benson gave a presentation on the additional teachers and we should possibly review the tape for clarification.

T. Lizotte: I don't think we should be adding more positions at this time.

G. Smith: I would be willing to do one (1) additional employee and it would be a teacher and I don't think we need the Language Arts position.  
I reviewed some of the maintenance items at the building today.  
There were some items like utilities where \$125,000 in electricity budgeted and spent \$96,000.

T. Lizotte: Repairs and grounds for Underhill:  
Underhill that went to \$65,000. Was that part of the CIP.  
\$62,000 for stripping and parking  
\$6400 for parking at Cawley  
Maintenance replace fixture at Underhill – 59,000 (revised to 53,000 for communications)

D. Pearl: I say put it in the budget rather than say, "I will pay that with the fund balance"  
The cost is the same to the taxpayers. I know that nobody has a crystal ball but if we

knew all the dollars will go back to the taxpayers except for emergencies then I wouldn't worry about the electric bill being a little higher because it will just come back. But if it will be redirected, then I have an issue with that item being high. That is the problem with fund balance spending on discretionary items.

T. Keach: We have a few options, we can accept the budget or we can send it back to the school with a target cut.

D. Pearl: We are the expert citizens to look at the tax base and what the citizens can afford and we are not experts on the School and we should not get into the minutia of the budget. We should let them sort it out the details.

When I came on this committee, I was a line by line person and now I feel I am a bottom line person. I think we should come to a consensus on a number.

JR Ouellette: I am in agreement with the cuts but I need to feel comfortable with a bottom line cut without looking at the detail. I think if you have the three (3) year history, you will see where an item was underspent for three (3) consecutive years.

D. Pearl: With the economy still stagnant, it is not the time to add positions and increase the budget. We should try and keep the number closer to last year's number. With those three (3) positions, we are incurring those salaries for future years.

M. Miville: The actual budget in June of 2010 was 26 million and this operating budget is 27 million and the proposed 2012-13 budget is 28 million.

So, 5 months ago, the budget closed as 26 million and you are proposing 28 million.

T. Lizotte: Taking into consideration the \$400,000 increase in tuition and the \$200,000 in insurance and the salary increase which is not in the budget.

D. Pearl: To come up with a number for the budget without an agreement for fund balance spending is useless. I'm interested in the people because those positions are a constant cost and unless they agree to take them out and not fund balance spend them, I don't know what I can agree to.

***T. Keach motioned to reduce the \$386,761.16 which is the amount of the 2 teachers at Cawley, the parking, Underhill phones, and the language arts director. Seconded by T. Lizotte.***

***T. Lizotte removed his second. T. Keach withdrew his motion***

G. Smith stated that the phones should be left in at Underhill.

A question arose regarding zeroing out a line item and what that means.

The direction was leaning towards giving the SB the opportunity to cut the budget based on the Budget Committee's request.

D. Pearl stated that he would like to cut all new positions.

The consensus was to send the budget back to the School Board to reduce the budget.

***D. Pearl motioned to cut the budget \$242,642, salary for the two proposed teachers (\$131,532) and the Language Arts Director (\$111,110). Seconded by T. Lizotte.  
Vote 8:2 motion passes.***

***G. Smith motioned to request the School Board reduce the school district budget an additional \$500,000. Seconded by T. Keach.  
Vote 8:2***

T. Lizotte: The insight that JR asked for will help us come to an understanding. The \$242,000 cut is a start. The \$500,000 is a goal. With this information, we will have more insight to make further decisions.

\$62,000 parking is in the budget and the CIP. This can be part of the reduction.

**ADJOURN**

The meeting was adjourned at 10:00 pm by the Chair.

Respectfully submitted,

Lee Ann Moynihan