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**MINUTES OF THE
BUDGET COMMITTEE**

**Meeting of
August 26, 2009**

8 The Municipal Budget Committee held a meeting on Wednesday, August 26, 2009 at Salem
9 Town Hall, 33 Geremonty Drive, Salem, NH.

10
11 **PRESENT:** Chairman Peter Rayno, Vice-Chairman Michael J. Carney, Secretary Russell
12 Frydryk, Stephen Campbell, Ann Marie David, James Randazzo, James Ribaldo, Arthur E.
13 Barnes III (Selectmen Representative), Attorney Bernard Campbell (School Board
14 Representative
15

16 **CALL TO ORDER**

17 Chairman Rayno called the meeting to order at 7:00 p.m. and began by joining the members in
18 the Pledge of Allegiance. He then introduced the members of the Board and town staff.
19

20 **1. Receipt of Correspondence & Minutes/Approval of Minutes**

21 **MOTION:** by Mr. Frydryk *to receive the following items:*

- 22 o *Salem School Board Minutes dated July 16 and July 23, 2009*
23 o *Salem Board of Selectmen Minutes dated July 13 and July 21, 2009*
24 o *Budget Committee Minutes dated July 22, 2009*
25 o *Memo from Mr. J. Sistare in response to questions raised at the Budget Committee*
26 *meeting on July 22, 2009*
27 o *Material associated with Salem Administrators' Association dated August 18, 2009*
28 *(submitted by Selectman Barnes)*

29 **SECOND:** Mr. Carney

30 **VOTE:** 9-0-0

31 **The motion carried unanimously.**
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34 **MOTION:** by Mr. Frydryk *to approve the June 24, 2009 Budget Committee Minutes*

35 **SECOND:** Mr. Carney

36 **VOTE:** 7-0-2 (Chairman Rayno and Mr. Ribaldo abstained)

37 **The motion carried.**
38

39 **MOTION:** by Attorney Campbell *to receive the Salem School Board financial report and*
40 *detail of fiscal year ending June 30, 2009 (as submitted by Attorney Campbell)*

41 **SECOND:** Mr. Carney

42 **VOTE:** 9-0-0

43 **The motion carried unanimously.**
44

45 **MOTION:** by Mr. Frydryk *to receive the July revenue reports*

1 **SECOND:** Mr. Carney

2 **VOTE:** 9-0-0

3 **The motion carried unanimously.**

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5 **2. Town Budgetary Matters**

6 Chairman Rayno handed over to Selectman Barnes for an update on issues pertaining to the
7 town. Selectman Barnes began by providing the Committee with a history pertaining to six
8 employees who had left SPAA and their current relationship with SPAA, as well as the status
9 regarding their contracts. He provided details of the discussions Town Manager Sistare has
10 had with these employees to date pertaining to the options which are available to them with
11 respect to employment contracts. Referring to the packet he had submitted to the Committee
12 on the fact finder's report relative to the SPAA contract, Selectman Barnes provided brief
13 details on the process of negotiations, stressing that he would not be going into the contract
14 in detail as negotiations are still underway. He stated that the Board of Selectmen is on
15 record as opposing the current contract under discussion.

16
17 In response to a query from Mr. Stephen Campbell, Selectman Barnes agreed to clarify
18 which town employees currently have contracts of employment.

19
20 Mr. Stephen Campbell requested that Selectman Barnes obtain clarification regarding the
21 benefits of non-union employees, in particular as they relate to use of town vehicles for
22 personal use.

23
24 Mr. Stephen Campbell requested Selectman Barnes look into the DARE funds in more detail
25 and provide further clarification with regard to where the balance of the funds are to be
26 allocated.

27
28 Selectman Barnes provided clarification to Mr. Stephen Campbell regarding the reason for
29 the delay in completion of the audit.

30
31 Selectman Barnes provided clarification to Mr. Randazzo that he would expect the Town
32 Manager to negotiate the total package of benefits for non-union staff.

33
34 Mr. Carney asked whether the use of police motorcycles would reduce the use and
35 maintenance of the patrol cruisers and Selectman Barnes stated he would follow this up
36 during the budget review and report back to the Committee.

37
38 In response to a query from Mr. Carney regarding the COPS grant, Selectman Barnes
39 outlined the process for the program, pointing out that he could not say whether the town will
40 be successful in the next round of the grant process.

41
42 Selectman Barnes clarified for Mr. Stephen Campbell that the town is moving forward in
43 using the state police detail funds to purchase cruisers. Mr. Campbell suggested the town
44 obtain confirmation from DRA that this is acceptable use of these funds and Selectman
45 Barnes explained that an opinion had already been sought from legal counsel.

1 Selectman Barnes confirmed for Mr. Carney that the Board of Selectmen voted to support the
2 LGC in their lawsuit against the state relating to the NHRS.

3
4 Selectman Barnes confirmed for Mr. Stephen Campbell that the budget figure being
5 presented by the Town Manager includes the warrant articles. He also confirmed for Mr.
6 Campbell that the town has not yet heard back from the state regarding Canobie Phase 2.

7 8 **3. School Budgetary Matters**

9 Attorney Campbell provided an update on some of the issues regarding installation of the
10 portable classrooms for kindergarten. He also confirmed he had submitted a summary of the
11 2009 budget electronically to the Committee and pointed out that there is \$1.5million from
12 last year which can be applied to the current year's budget which should help offset the tax
13 rate due to be set in October. He stated for the record he had not received any questions from
14 members of the Committee in response to his offer to answer queries in lieu of his absence at
15 the last meeting.

16
17 Attorney Campbell confirmed for Mr. Stephen Campbell that he was unaware of any issues
18 arising from the state budget which has negatively impacted the 2009/10 school budget aside
19 from the NHRS. He agreed to obtain the additional amount the School District will have to
20 pay towards the NHRS.

21
22 In response to a query from Mr. Stephen Campbell regarding whether there will be a
23 reduction in staff for kindergarten classes as a result of a reduction in enrolment figures,
24 Attorney Campbell stated he would obtain an answer and send it to the Committee
25 electronically. He stated the Committee would have first week enrolment numbers in time
26 for their next meeting.

27
28 There was a discussion between Mr. Stephen Campbell and Attorney Campbell regarding
29 building costs within the upcoming budget, in which Attorney Campbell pointed out the
30 District would be focusing on obtaining state reimbursement for the portable units for
31 kindergarten due to the small window of opportunity for obtaining this funding. Mr.
32 Campbell pointed out the benefits of obtaining as much advance notice of large ticket items
33 as possible.

34
35 In response to a question from Mr. Ribaud, Attorney Campbell stated he thought site
36 preparation costs had been rolled into the cost of the portable units. He explained there were
37 some code requirements with the units. Mr. Ribaud asked whether the District had factored
38 in the cost of site restoration for when the units are removed and Attorney Campbell stated he
39 thought this would be included in the figure for extending the school buildings to
40 accommodate kindergarten. There followed a discussion between Attorney Campbell and
41 Mr. Carney regarding possible future changes to the School District as a result of changes in
42 the school population which might result in the need to reallocate students or alter the
43 District, and Mr. Carney suggested designating a single building for one class, such as
44 kindergarten. Attorney Campbell stated there has been no discussion at Board or District
45 level to date regarding major changes in facilities, but that the consultant hired by the District
46 will look at all issues, not just those relating to physical facilities. Chairman Rayno stressed

1 the Committee would like to see the School Board and District looking at the larger picture
2 and making changes while there is still an opportunity to obtain assistance or reimbursement
3 from the state for the costs, and Attorney Campbell stated he would convey the Committee's
4 suggestions to the School Board.

5
6 In response to a query from Mr. Randazzo, Attorney Campbell stated he thought the total
7 student population of the Haigh School was around 240 and Mr. Randazzo stated Mr.
8 Carney's idea had merit. Attorney Campbell pointed out that the Board had studied and
9 ruled out a kindergarten only school. There followed a discussion regarding possible
10 changes to the schools to keep up with changes in the school population and how the School
11 Board may approach any necessary changes, as well as the scope of any changes.

12
13 Attorney Campbell clarified for Ms. David that under current law the state will provide 75%
14 of the building facilities which are constructed to accommodate kindergarten and the District
15 will apply for the maximum state funding available.

16
17 Attorney Campbell clarified for Mr. Frydryk what expectations are for enrolment projections,
18 stating that the Committee's budget books will reflect the most up-to-date numbers available.
19 There followed further discussion on the enrolment trends and future capacity within the
20 District.

21
22 **4. Unscheduled Matters for Discussion**

23 Chairman Rayno announced that as a result of a request from Selectman Barnes as Chairman
24 of the Board of Selectmen he has asked Mr. Frydryk to represent the Budget Committee on a
25 new Solid Waste Committee established by the Board of Selectmen to look at recycling.

26
27 Mr. Stephen Campbell announced that the Charter Commission would be discussing matters
28 relating to the Budget Committee at their meeting on August 27th.

29
30 **ADJOURN**

31
32 **MOTION:** by Mr. Carney
33 *Move to adjourn until September 9, 2009 at 7:00 p.m.*

34 **SECOND:** Attorney Campbell

35 **VOTE:** 9-0-0

36 **The motion carried unanimously.**

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38 There being no further business the meeting adjourned at 8:20 p.m.

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41 Notes/minutes taken by: Sandra Maxwell

42
43 Approved: Budget Committee

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45 Date: _____