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MINUTES OF THE BUDGET COMMITTEE

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MEETING OF
September 23, 2009

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01) OPEN MEETING

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The Municipal Budget Committee Meeting of Wednesday, September 23, 2009 was called to order at 7:00 p.m. at Salem Town Hall, 33 Geremonty Drive, Salem, New Hampshire.

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02) PLEDGE OF ALLEGIANCE

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Vice-Chairman Carney opened the meeting with the pledge of allegiance and introduction of members.

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03) INTRODUCTION OF MEMBERS

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MEMBERS PRESENT:

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Peter Rayno, Chairman, arrived at 7:03 PM
Michael Carney, Jr., Vice-Chairman
Russell Frydryck, Secretary
James Randazzo
Jim Ribaud
Stephen Campbell

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MEMBERS ABSENT:

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Ann Marie David

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OTHER MEMBERS PRESENT:

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Attorney Bernard Campbell, Salem School Board Representative
Patrick Hargreaves, Board of Selectmen Representative
Jonathan Sistare, Town Manager
Jane Savastano, Director of Finance
Melanie Murray, Budget and Accounting Manager

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04) RECEIPT OF CORRESPONDENCE & MINUTES/APPROVAL OF MINUTES:

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MOTION by Mr. Frydryck to receive the following items:

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- Receive the Town of Salem August 2009 Revenue and Expense Report
 - Receive the Salem School Board minutes of August 11, 2009 and August 25, 2009

- Receive the Board of Selectman 2010 Budget, Budget Overview and Warrant Articles

SECOND: Chairman Rayno

VOTE: 8-0-0

MOTION by Mr. Frydryck to approve the following items:

- Approve the Budget Committee Meeting Minutes of the August 26, 2009

SECOND: Chairman Rayno

VOTE: 7-0-1, abstaining Selectman Hargreaves

05) TOWN BUDGETARY MATTERS:

Chairman Rayno introduced Selectman Hargreaves who presented an Overview of the 2010 Town of Salem Budget.

Questions:

Mr. S. Campbell noted that the tax rate was up 6.45%, and asked what percentage of that was related to the water rate increase. Ms. Savastano replied that there could possibly be two scenarios: if bonded it would be .31 cents or .69 without as the consumption level were down slightly. She added that if this was split between water and sewer it would be a .21 cents increase in water. Chairman Rayno asked if we had a solid percentage yet. Ms. Savastano stated that there was nothing definite yet.

Mr. S. Campbell asked how much would need to be cut for a zero percent increase in the water/sewer/tax rate. Ms. Savastano stated that \$1,467,875.00 and stated water approximately \$800,000.00.

Mr. Frydryck asked how the expenses compared to last year. Ms. Savastano commented that expenses were up \$542,000.00.

Mr. Ribauda referenced utilities (propane/natural gas) and asked how the savings represented in the Budget Overview was arrived at. Ms. Murray responded that there were lists of assumptions in the binder and that this was an estimate, adding that the number of gallons was not fixed.

Chairman Rayno asked if there were any staff reduction recommendations. Selectman Hargreaves responded that there was a freeze, not reducing any levels. Jonathan Sistare added that the budget included budgeting for all currently vacant positions, adding that the only change was in the Fire Department. Chairman Rayno re-iterated that all FTE would be the same and the Town Manager concurred.

Chairman Rayno referenced the vehicle leases and asked for a financial analysis. Ms. Savastano stated that this was included in the Budget package.

1 Mr. Carney briefly explained the budgetary process to the new members.
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4 **06) SCHOOL BUDGETARY MATTERS:**
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6 Mr. B. Campbell in response to budget committee inquiry stated that the School Board had not
7 met so there was no answer to the enrollment figure question and also advised the board that
8 there were ten staff members in kindergarten, adding that one teaching position was not filled.
9

10 He stated that Homecoming was this weekend and urged the public to attend.
11

12 Mr. B. Campbell also stated that the long term capital needs presentation given to the School
13 Board would be distributed to the Budget Committee. He noted that they had also discussed the
14 neighborhood concept of schooling, with Haigh in particular, but noted that there were restraints
15 due to sewer. He stated that a summary of this would be provided to the Budget Committee.
16

17 **Questions:**

18 Mr. Carney requested the slides from this presentation and asked if there would be any public
19 hearings. Mr. B. Campbell stated that there would be at least two public forums, it would be up
20 to the board to follow public opinion and added that there were no alternate plans that he knew
21 of. Mr. Carney asked if the potential reduction in state aide for the schools would be factored in.
22 Mr. B. Campbell stated that they would be assuming that the state would continue to fund at the
23 current levels, so this was not factored in.
24

25 Mr. S. Campbell referenced the kindergarten staff and asked if this included the assessment
26 portion. Mr. B. Campbell stated that he would get further clarification. Mr. S. Campbell further
27 commented on his theory of what the actual enrollment percentage was and how it affected the
28 other numbers.
29

30 Mr. S. Campbell asked if there was any new information on school the contracts. Mr. B.
31 Campbell stated that they were not back to the board yet, adding that these contracts were for the
32 current fiscal year.
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34 **MOTION by Mr. Carney to officially congratulate Mr. B. Campbell for his nomination**
35 **into the Salem/Woodbury Hall of Fame.**

36
37 **SECOND: Mr. Randazzo**

38 **VOTE: 7-0-1, abstaining Mr. B. Campbell**
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41 **07) UNSCHEDULED MATTERS:**
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43 Selectman Hargreaves stated that funds for the Holiday Parade, themed a Looney Toon
44 Christmas were being solicited and could be sent to PO Box 2360, Salem, NH 03079.
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1 **08) ADJOURN 07:35 PM**

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3 **Mr. Rayno asked the Board to entertain a motion to recess until Tuesday October 6, 2009**
4 **at 7:00 PM.**

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6 **FIRST: Mr. Frydryck**
7 **SECOND: Selectman Hargreaves**
8 **VOTE: 8-0-0**
9 **MOTION PASSED**

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11 Minutes recorded by: Catherine Kupa, Recording Secretary

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13 Approved: _____

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15 Date: _____

