

**Town of Litchfield, NH
Budget Committee Meeting
Litchfield Town Hall
September 28, 2023**

Date Approve ____/____/____

In Attendance:

Members: John David Son, Chairman; Kate Stevens, Vice-Chair; Brian Bourque; Keri Douglas; William Hayes; and Scott Taylor

School Board Rep.: Andrew Cutter

Selectmen's Rep.: Robert Leary

Town Administrator: Kim Kleiner

Finance Director: Karen White

Absent: Derek Barka

Also in Attendance: Michael French, Police Administrator; Doug Nicoll, Fire Chief; Deputy-Chief Ed Glancy; Jayson Brennen, Conservation Commission; Vicki Varick, Library Director; Jeff Blackwell, Building Inspector

1. Call to Order:

- a. 7:00 pm - Chair John David Son called the meeting to order, followed by the Pledge of Allegiance.

2. Public Input #1 @ 7:02 pm

- a. There was no one for Public Input

Public Input ended at 7:03 pm.

3. Review / Additions of Agenda:

- a. None

4. Correspondence - Chair John David Son reviewed the Correspondence Summary.

- a. August 25 – School Board Rep Andrew Cutter forwarded the original energy savings plan for the LMS renovation project presented to voters.
- b. August 26 – Recording Secretary Matthew Sullivan shared the August 24th meeting minutes.
- c. September 4 - Mr. Cutter sent information on LMS impact fee Funds. Vice Chair Kate Stevens responded with further questions on how impact fees may be used toward the LMS lease in the future.
- d. September 6 – Mr. Cutter shared the September 6, 2023, School District Business Administrator's report. He reported the School Board will be returning the state adequacy aid to taxpayers and that the Hold Harmless grant will begin to be reduced by 20% each year starting in FY26.
- e. September 20 – Town Administrator Kim Kleiner shared the Selectmen's proposed 2024 budget with summaries on some changes from previous years
- f. September 20 – Mr. Cutter forwarded the September 20, 2023 BA report. He also noted School Board Member Liz MacDonald had resigned from the Board, and Mr. Matt Shoemaker had been appointed to fill the vacancy until the March 2024 town meeting.
- g. September 25 – Mr. John David Son sent the September 28 meeting agenda with a tentative budget review schedule.
- h. September 26 – Mr. Son reminded the Committee of the GMS community forum and tours on September 27.

5. Review / Acceptance of Minutes:

- a. August 24, 2023, Meeting Minutes:

Chair John David Son requested a motion to approve the meeting minutes from August 24, 2023.

Motion: (Ms. Douglas / Ms. Stevens) Motion to accept the August 24, 2023 minutes.

Discussion: None

Vote: (8-0-0) The motion carried.

6. Town Business:

a. **Budget Review per Schedule:**

Mr. Son said he would set the stage for what they would do tonight and over the next couple of weeks. He noted that tonight, they were going to start with a group of presentations, and they were going to try to let the people and the Department Heads who were present go first.

Mr. Son stated that they had an opportunity to sit down with Ms. Kleiner and talk about the process leading up to how they can help be a little more efficient as they work through the meetings. One of the suggestions was that when Department Heads get into their presentations, instead of going line by line, they will have a few slides for each Department. The slides will hit the high points.

Mr. Son mentioned that the Board has had the opportunity to have these budgets for about a week now. He added that they have a meeting slated for October 12. If the Committee needs that meeting, they will use it. The Budget Committee will begin voting on October 19.

Ms. Kleiner stated that she wanted to provide the Committee with some information. She mentioned that throughout the electronic budget, the Committee would find tabs and information that they included through the process last year.

Ms. Kleiner pointed out the link to the CPI, and the August CPI just came out at 2.8%. She noted that the September CPI would come out soon. She mentioned that the Municipal Cost Index, which is lower than the Consumer Price Index, is at 1.23 nationally for August, down from 6.27% in January.

Ms. Kleiner said they need contracts slightly more relevant than the consumer price index. She noted that all the information is on the tax impact tab of the spreadsheet. She acknowledged that trends are still showing that inflation is outpacing revenues. The prices for goods and services have yet to level out. Ms. Kleiner mentioned that the Committee may have heard the Planning Boards discuss this. There is a very competitive wage market for municipal and state employees. She commented that the net valuation for the Town decreased by about \$60,000, which is important when the tax rate is determined.

Ms. Kleiner stated that in 2018, there was House Bill 700, where the state worked with the utilities to evaluate a new method of determining the assessments on utility properties. The legislature passed the Bill, a five-year plan that decreased utility assessments; 2023 is the last year of that plan. She noted that they are looking into what the legislature will do.

She mentioned that this has not impacted Litchfield until now because of all the work done to its utilities. The work added back some valuation, and the Town had increases in its residential valuations and less in the commercial valuations to offset the decreases this year. She said that the Town was lucky that it was only \$60,000.

Ms. Kleiner stated they started the budget process with the Department Heads in May. She and Karen proposed a budget to the Select Board of approximately \$331,000 over the tax cap. She noted that the most significant increases came from safety services. The police budget included some contractual increases, higher projected overtime due to limited staffing, and an addition of three vehicles for \$198,000.

Ms. Kleiner commented that the Animal Control position was eliminated and moved to Police staffing. There was an increase in the Town Meeting from one to four elections. There are contractual increases in Auditing, Ambulance, Fire Dispatch, and Fire Hydrants.

Ms. Kleiner said the Selectmen's proposed budget is \$7,965,211, \$283,383 over the 2023 approved budget, or a 3.69% increase. This budget is \$13,190 under the tax cap. The tax cap is 5% over the funds raised by taxes last year, which was \$251,652.

Ms. Douglas asked if the Town had any contracts coming up this year. Ms. Kleiner stated that the Police contract. Ms. Kleiner pointed out that the Select Board has made reductions of \$345,000. Ms. Kleiner admitted that some costs still have yet to come in. The health insurance numbers will come in on October 13, when the Health Trust Board votes to approve the numbers. She pointed out that they expect the health insurance to increase significantly.

Mr. Cutter asked about the fire station bond payment. He noted that \$35,000 was authorized to offset the cost for next year. He wanted to know what the Town was going to do in 2025. Ms. Kleiner stated that the same was done last year when it was moved from the debt budget to impact fees. She commented it was a wise move last year, considering they were over the tax cap for level services.

Ms. Douglas stated that the impact fees are associated with the Fire Department and where else they will be spent. She pointed out that the Town has had too many times where the impact fees have lapsed.

Ms. Douglas asked for a breakdown of the police automobiles. She wanted to know how much the two cruisers and the truck cost. Ms. Kleiner stressed that the Selectmen were clear about wanting to fund from the fund balance to the extent possible. She admitted they would know that at the end of November or December.

The Board discussed putting the cruisers and truck on a warrant article, and Mr. Son pointed out that, as of right now, the Budget Committee would not be able to support the warrant article.

The Committee discussed how impact fees can be used on the fire station.

Chairman Son asked Mr. French to come up to the table.

i. Police - 4210.10

Mr. French commented on the particulars of the budget. He mentioned that so far in 2023, there have been a number of personnel changes in the Department that have impacted the morale, scheduling, coverage, and their ability to be more proactive in the community. He noted that the members have been working a lot of overtime.

Mr. French stated that the 2024 budget proposal is designed to continue allocated staffing, be responsive to community needs, and stay updated with equipment and training to protect the employees and citizens. Mr. French mentioned that the Department is seeing increased cases involving citizens with mental health crises, domestic violence, and persons actively armed with deadly weapons. He noted that recently, there were incidents involving a person armed with a machete and another person actively firing a gun in a residential neighborhood.

Mr. French said that there is a total increase of \$382,173. He mentioned that personnel costs drive a lot of the rise. Wages have increased by \$32,920, and that is following contracts and other personnel actions. Part-time officers show an increase of \$14,917, based on their experience with coverage needs, and want to add one part-time officer. Overtime is a proposed increase of \$40,547. This is based on actual usage and projections from 2023. The overtime line covers vacations and sick leave but also responses to significant incidents. He mentioned that appearing in court for a Grand Jury is protected under Overtime.

Mr. French stated that the Community Detail line has a requested increase of \$5000. In 2024, they will have two additional elections, and community members are proposing additional parades. He added coverage for school events. Mr. French stressed that Community Detail does not involve road work.

Mr. French mentioned that Software Support is an increase of \$2,531 for adding a maintenance agreement for the live scan automated fingerprint system. Vehicle Repairs and Maintenance have an increase of \$2,500. He pointed out that this addresses an aging fleet based on current repairs, service, and purchase of tires.

Uniforms and Accessories has an increase of \$5,892. This addresses new hires and the equipment needed to outfit and continue their replacement protective vests schedule. PD Equipment Purchase is being reduced by \$4,431 since the replacement radars that were previously identified were purchased this year. PD Cruiser Purchase has an increase of \$198,000. The amount has been proposed to replace three vehicles. It includes an outfit of the vehicles and an amount necessary to decommission any vehicles they sell or trade-in. All three of these are replacements.

The pickup Command Vehicle would be assigned to supervisors, and they would have specialized equipment inside of it. They would also have some equipment necessary for Animal Control functions, making them more effective in major incidents. Mr. French said they could have used the Command Vehicle to better prepare for that response. He commented that Seminars and Conventions have a proposed reduction of \$4000.

Mr. Son commented that Mr. French said the total increase was \$380,173 but noted that was before the Select Board took action. The new increase is \$141,339.

Mr. Taylor asked how many cruisers were in the fleet and how many active officers per shift utilized those cruisers. Mr. French said they have 13 cruisers, which would be at least two for patrol. They work 24 hours, eight hours a day, and then they have three support vehicles. One each for the Chief, Captain, and Detective. The three cruisers are part of the 13 cruisers in total.

Mr. French mentioned that two "Detail" cruisers are old and used for road work. He noted that when they are deployed in the road work, the vendor must pay a fee set by the Select Board for the vehicles. The fee is \$15 an hour currently. Mr. French stated the plan would be to take the two old "Detail" Cruisers and send them to auction or trade them in. They would then bump two older cruisers into "Detail" cruisers, take the best brand-new cars we purchased, and put them on the frontline.

Mr. Taylor asked if there is a law that says the maximum price a municipality can set for detail work. Mr. Leary said no law restricts what they can charge.

Mr. Bourque asked if Mr. French said they would add a part-time officer. Ms. Douglas asked what the current staffing level is. Mr. French said that they currently have four and added that the part-time position is an on-call. It is not a position that has a regular schedule. The position is used in case there is a vacancy.

Mr. Bourque mentioned that the Town is giving the Police Chief an increase without having a Police Chief. Ms. Kleiner said that the that was budgeted for the Police Chief is the amount that the former Police Chief would have received. The Town is currently working with MRI. They are expecting that something will come forward shortly. She mentioned that the Town would be very lucky to get a Police Chief for the salary that is being offered. Ms. Kleiner commented that the Select Board would negotiate with the candidate when they are being hired.

Ms. Douglas stated that her understanding is that the truck is a different vehicle. Ms. Douglas mentioned that the Police Department does not currently have a Command Vehicle, and she wanted to know if they would remove one from its existing fleet. Mr. French confirmed that three vehicles would be coming in and three would be going out. The size of the fleet would not change.

Ms. Stevens asked what the traditional life for a patrol car would be like if the Town replaced them on the schedule, Mr. French would be comfortable with. Mr. French said he would like to see a patrol car have 80,000 to 100,000 miles before being replaced.

Mr. Cutter commented that the Select Board had increased the sign-on bonus, and he asked why. The Committee discussed how there were three bonuses for \$5,000 each. Mr. Leary mentioned that the Department had recently hired two Police Officers, and are looking for a third.

Mr. Cutter asked if the \$5,000 sign-on bonus included the new part-time position. Mr. Leary said that they would have to look into the part-time position. Mr. French said the bonus is for full-time employees; they would have to have New Hampshire certification or attain it. It is not for part-time positions.

Ms. Kleiner mentioned that officer that was deployed. She commented that the funds that were reduced from last year's budget had to be added back. She noted that the Town received official orders to keep the position on the budget. Ms. Kleiner stated that the officer will be returning in September, so the Town has him budgeted in from September to December on the advice of counsel.

Ms. Stevens asked if people who are holding the events are charged for having a Police Detail. Mr. French said that it depends on the event. If the community sponsors the event, it comes from the Police Department's budget. If it is an event by a private company, the company pays for it privately.

ii. Police Support - 4210.50

Mr. French stated that Police Support covers the Dispatchers, Communications, and an additional function. The total increase is \$15,307; the salary line has increased by \$1,373 based on adjustments from contractual obligations. Mr. French said the Overtime line has increased by \$1,020 based on usage and adjustments to the salary line. Mr. French mentioned that the Department added a new item, and it is called the PPD Veterinary Expense. He explained the Animal Control Officer (ACO) retired, and the Police Department has assumed all of those functions.

Mr. French commented that previously, any veterinary bills that were incurred because they could not find an owner or something of that nature had not previously been budgeted. The Department chose to add it to their budget for 2024. They also increased general supplies by \$500 in anticipated animal control equipment and supplies (gloves and snag poles).

Ms. Stevens asked if an owner is found are they charged for any of the bills. Mr. French said that if they could find the owner, the owner would ultimately be responsible for the vet bills.

Mr. Taylor asked if there was a time difference between line 345, the Dispatch Service, and line 110, On-Premise Dispatcher. Ms. Kleiner said they would have to get back to the Committee with an answer.

iii. Fire - 4220.10

Deputy Chief Ed Glancy went through the first part of the budget. Starting at line 110. - Salary for Fire Chief has a reduction of \$8,689, and line 111 - Wages for Firefighter/EMT has a reduction of \$23,734, line 120 - Wages for Call Firefighter increased by \$15,540, and line 127 - Training Wages increased by \$10,497. He said that line 128 - SAT/SUN Coverage increased by \$34,944, line 129 - Fire Inspector, increased by \$598, and 140 - Overtime Firefighter, increased by \$1,961. Deputy Chief Glancy noted that line 149 - Overtime Training Firefighter increased by \$1,487.

Chief Nicoll stated that line 210 - Health Insurance has a reduction of \$4,047, and line 213 - Long-Term Disability Insurance increased by \$65.

Chief Nicoll commented that line 342 - Computer Software Contracts has a reduction of \$502, line 345 - Dispatch Service Contract has an increase of \$2,850, and line 355 - Pre-Employment Screening increased by \$1,650. He mentioned that line 410 - Electricity was reduced by 144. Chief Nicoll said that line 411 - Heat increased by \$21. He stated that line 430 - Station Repairs and Maintenance has an increase of \$3,050 and line 560 - Dues and Subscriptions has a reduction of \$8,544.

Chief Nicoll mentioned that line 625 - Postage was increased by \$150 and line 630 - Equipment Repair and Maintenance was increased by \$2,000. Chief Nicoll stated that line 635 - Vehicle Fuel decreased by \$2,654 and line 640 - Custodial Maintenance Supplies increased by \$500. He noted that line 670 - Books and Periodicals increased by \$190, line 683 - Medical Supplies increased by \$750, and line 692 - Provisions increased by \$150. Chief Nicoll commented that line 740 - Equipment Purchase increased by \$15,000 and line 811 - Seminars and Conventions increased by \$6,160.

Mr. Bourque asked what the bottom line increase was. Deputy Chief Glancy stated that the overall increase of the Fire Department was \$40,320.

Mr. Taylor asked about the propane. He mentioned that the old contract showed they paid \$2.25 a gallon with Eastern Propane. Ms. Kleiner stated that she has an updated letter with Eastern Propane, and the cost per gallon is the same.

Mr. Son asked about thermal imaging cameras. He noted that when he clicked on the more info link, it provided the anticipated cost of \$10,000. Chief Nicoll stated that there are different manufacturers and different grades of cameras. He explained that the price is as much as \$15,000.

Ms. Stevens asked if the thermal imaging cameras could be purchased with end-of-year funds. Chief Nicoll said it was possible.

Mr. Taylor asked if they had looked into grants. Chief Nicoll stated that firefighter grants are currently for helping Fire Departments hire firefighters, and nothing is being offered for equipment.

Ms. Douglas asked about the increased cost for on-call firefighters. She wanted to know if the number of calls had increased or if more on-call firefighters were responding to calls. Chief Nicoll said the senior staff is doing the majority of their calls. The Department has nine new members, and half came with training. The Lieutenants, Captains, and Deputies are handling most of the calls.

iv. Emergency Management - 4290.10

Chief Nicoll commented that line 560 - Hazmat District has an increase of \$9,200. Ms. Douglas asked if line 740 - Equipment Purchases has an increase of \$2,999.

Ms. Stevens asked if the CERT Team would help offset future costs. Ms. Kleiner stated that in the long-term, it would, but there are additional expenses at the beginning for training.

v. Library - 4550

Library Chair Vicki Varick mentioned that the budget presented to the Board of Trustees was \$332,838 this year. The Trustees approved \$327,561, and that is a reduction of \$5,277.

Ms. Varick commented that they are looking at an overall increase of \$7,357. That starts with the Salary and Related Items having an increase of \$4,980. This is based on merit increases that were given in 2023 and their plan for 2024. She mentioned that there are no new hours or positions. Mr. Son stated that the link to the budget the Board of Trustees provided shows an increase of \$12,118, not \$7,357. Ms. Varick said that she would look into it.

Ms. Varick stated that the Software has increased by \$451 from adding a Quicken account for the Trustee Treasurer and their newsletter platform. Heating oil has an increase of \$170, based on their five-year average gallons usage. The Equipment Maintenance contracts have an increase of \$444. Republic Trash Services has an increase of \$362.

Ms. Varick mentioned that the Community programs have an increase of \$375, which would be for their summer reading challenge. Custodial Supplies has an increase of \$478, and this is based on current usage. Septic has a reduction of \$325 because it gets pumped on an odd number of years. Books and Media has an increase of \$474, attributed to New Hampshire downloadables, Mango languages, and heritage quests. Mr. Son pointed out that the Committee sees an increase of \$2,474 under Books and Media. Ms. Varick commented that computer replacement has a budget of \$2,000 and Custodial Equipment is \$394. She noted that merit increases started at 4%, and they lowered it to 3%.

Ms. Stevens asked if the library had talked to the Rec Commission to see if there was a way to combine trash service contracts. Ms. Varick said the library has one small dumpster and a paper recycle bin. Ms. Kleiner stated that the Town put out an RFP for grass cutting and trimming, and she will wait to see what the results of the RFP are.

vi. Conservation - 4611

Jayson Brennen mentioned that the Conservation Commission has a total proposed budget of \$5,620, an increase of \$2,799. He noted that the increase comes from line 430 – Property Management, which has an increase of \$699. Line 570 – Publications and Reports has an increase of \$2,050, and line 836 – Youth Fishing Derby has an increase of \$50.

Ms. Douglas asked about the milfoil treatment. Mr. Brennen stated that the Conservation Commission has met with the Recreation Commission and has discussed this at length regarding milfoil treatment. They have decided to restore the pond to what it was once long ago. He noted that the first step is a \$2000 assessment to figure out what's going on. The second step is to implement a treatment plan. That treatment plan will consist of at least three treatments. One treatment a year for three years to treat.

Mr. Taylor asked if they had a ballpark idea as to how much, in total, the treatment would cost. He asked if they were talking about \$50,000 or \$100,000. Mr. Brennen commented that the cost in 2019 was approximately \$9,000 the first year, \$5,000 the second year, and \$5,000 the third year.

Mr. Brennen commented that he thought it could be a warrant article in March 2024.

vii. Code- 4241.20

Jeff Blackwell, Building Inspector, said line 110 – Salary Code Enforcement has an increase of \$1,256, line 129 – Wages Temporary Inspector has an increase of \$500, line 550 – Printing has an increase of 150, line 560 – Dues, Licenses and Subscriptions has an increase of \$419. He mentioned that there was a reduction of \$1,330 on line 811 – Seminars and Conventions.

Mr. Blackwell commented that the Town has four different locations, and they will be looking at housing in addition to some of the commercial work that should be happening. He mentioned that the bulk of subscriptions is the increase in the permitting software. He noted that the International Code Council is also under subscriptions.

Mr. Taylor asked about the revenue offset regarding the four larger projects. He asked if there was some way that they could recoup some of the additional costs of the Temporary Inspector. Ms. Kleiner said there is an increase in revenues for what they expect to be the rise in permits, and the Committee will see that in the Revenues.

Ms. Douglas said she heard that the Town's numbers were down regarding the number of permits. Mr. Blackwell explained that since COVID, the Town has seen an increase in permits.

Ms. Douglas asked if the software allowed the Town to track when permits were pulled and where they stood. Mr. Blackwell said, "Yes."

viii. Health - 4411.10

Jeff Blackwell, Health Officer, said he had a reduction on line 811 – Seminars and Conventions of \$300. He noted that the initial requirement by the state is to have the Health Officer and Deputy Health Officers trained. Mr. Blackwell commented that he and the Deputies have done theirs.

ix. Ambulance – 4215.10

Town Administrator Kim Kleiner said that similar to the Dispatch contract, this contract is also with the town of Hudson and has not been negotiated for nearly ten years. The cost to the town of Hudson for their personnel has risen as a union function, and for years, the cost did not impact Litchfield's budget. Ms. Kleiner, Ms. White, and Chief Nicoll negotiated with the Chief of Hudson and his Deputies.

The town of Hudson realized that Litchfield was under the tax cut, and they scrapped that formula based on the old way of doing things and developed a new formula. The contract, which the Board approved on Monday evening, works around the cost of the two Hudson individuals to man that ambulance. Based on the average of an ambulance call, which is two hours, it would cost \$175 per call. The contract includes an out clause.

Effective January 1, 2024 - 3 year contract

The billing method will include the following Hudson Fire Department Expenses:

- a. January 1, 2024, through December 31, 2024 - Quarterly Ambulance Responses to Litchfield multiplied by \$175.00 per call
- b. January 1, 2025, through December 31, 2025 - Quarterly Ambulance Responses to Litchfield multiplied by \$195.00 per call
- c. January 1, 2026, through December 31, 2026 - Quarterly Ambulance Responses to Litchfield multiplied by \$215.00 per call

Mr. Son asked if the budgeted dollar amount is based on the 478 calls that Litchfield has in 2022. Ms. Kleiner confirmed that the number was based on 2022 and that the number has been increasing. She pointed out that this contract will use Litchfield's fiscal year (January through December).

The \$175 cost is in addition to the insurance claim. This would be a cost that the Town would have to absorb if the insurance company does not pay it. Ms. Kleiner noted that the Town asked for an out clause because they have been discussing with other towns that run ambulance services.

x. Hydrants - 4220.90

Town Administrator Kim Kleiner said two things are happening with the hydrants. The first is an increase in the number of hydrants. The other is an increase in the rates. She pointed out that this is out of their control because the PUC sets the price. Pennichuck will file with the PUC on November 15. The rates could go up or down.

Mr. Son asked if there was an opportunity to reduce the number of hydrants based on the distances.

Ms. Kleiner said that several different factors play into the key here. If the Town reduces the number of hydrants, then the Town's Hazardous Mitigation Plan, the insurance rates set for homeowners, and the Town are affected. Mr. Cutter asked if the Town expects new hydrants due to the new developments. Ms. Kleiner said, "Yes." The Town is expecting approximately 258 new hydrants. She added that there are still discussions regarding 255 Derry Road.

xi. Mosquito - 4411.2

Town Administrator Kim Kleiner said it is an increase to the contract, which they are increasing the cost to all of their customers. The increase is 3% across the board. She noted that this contract covers everything that the Town provides.

She noted that there are some additional things that the Highway Department has been doing lately but that is out of this scope. The company tests wherever species are of concern or high limit.

xii. Animal Control - 4414.10

Town Administrator Kim Kleiner said the Animal Control Officer retired, so the Police Department and the Town Clerk's Office agreed to take on the duties of the ACO. She noted that the charges in the Animal Control for the shelter were moved to the General Government budget.

xiii. Health Agencies - 4415:

Town Administrator Kim Kleiner said that this is a warrant article. She informed the Committee that the Town has received the requests, and the amounts have increased to \$23,250. Ms. Kleiner said that the Committee is reviewing those requests, and the Select Board will review the Committee's recommendation.

Ms. Kleiner stated that the county does make contributions, as do many municipalities. The requests that Litchfield is receiving are actual hard numbers of Litchfield residents that have been served. And that is one of the items the Committee looks for when they review the requests. She noted that the need for services is increasing significantly.

Mr. Hayes asked for the amount that has been contributed based on Litchfield's behalf over the past three years and to which the county has funded agencies.

xiv. Vendor Payments – 4445:

Town Administrator Kim Kleiner said in 2023, the Governor signed a new law. Suppose a resident lives in your municipality for any length of time and becomes homeless. That municipality must provide shelter to that individual.

Ms. Kleiner stated that the current balance in that trust fund had \$10,000, and \$10,000 was added by the warrant article, so there's about \$20,000 in the fund.

xiv. Patriotic – 4583.10:

Town Administrator Kim Kleiner stated after speaking to Mr. Calawa, they agreed that this should be level-funded. Ms. Kleiner commented that they believe that the costs are going to increase. The Committee discussed the increased budget in 2021. It was determined that the increased amount was because of the Purple Heart signs.

Ms. Kleiner requested that Mr. Mellen and Mr. Brown be at the top of the presentation list next week.

7. Town Business:

a. General Updates

Selectman Robert Leary said the budget is all the Select Board had been doing lately. He noted that the Town did hire two new police officers, and the search for a new Police Chief is getting close to an end.

b. RSA 32:22; Review of Expenditures:

None

8. School Business:

a. General Updates

Mr. Cutter mentioned that the School District provided the financial reports from the Business Administrator. He commented that there is a deficit, as reported by Mr. Totten at the School Board's meeting on September 20. The Board has planned for the current fiscal year to have a deficit for LMS of about \$428,000.

Mr. Cutter acknowledged that the Board predicted another \$32,000 additional spending for change orders to close up the LMS project. He noted the links that were attached to the financial report emails. Mr. Cutter commented that the Board received an updated enrollment report. There are 1,177 students in the District as of September 8. The final projections they use for state recording will be taken on October 2.

Mr. Totten shared with the Board that the DOE-25 and MS-25 forms were submitted and are now approved by the state. Mr. Cutter noted that forms were shared with the Budget Committee, and the forms go through things regarding the cost per pupil and expenses at each school.

The state adequacy aid for Litchfield is projected at \$214,000. That is in addition to the unanticipated revenue that the Board voted to return to the taxpayers. The state has announced they're reducing the Hold Harmless grant by 20% annually. So, beginning in fiscal year 2026, they will first see that revenue decrease. The Board is predicting it to be approximately \$410,000.

Mr. Cutter said that Superintendent Michael Jette informed the Board that he will not renew his contract after the 2023-2024 school year. His last day will be June 28, 2024. The Board is beginning to search for a new Superintendent. Mr.

Son added that Matt Shoemaker is the new Board member. He thanked Ms. MacDonald for her service on the School Board and Dr. Jette for his service to the Town.

Ms. Douglas asked if she heard Mr. Cutter correctly during the September 6 School Board meeting. She wanted to know if he floated the idea of outsourcing Litchfield's high school students to other Districts. The Board discussed the topic. Mr. Cutter commented on the followup Budget Committee question regarding the LMS solar array and that aluminum racks will be installed.

b. **RSA 32:22; Review of Expenditures**

None.

9. **Old Business:**

- a. None

10. **Member Input / New Business:**

- a. School Facilities – Mr. Bourque said he could not attend the last meeting. Mr. Cutter said there were approximately 30 individuals on the tour of GMS. He noted it was nice to see a few new faces, some parents with new students that may be coming to the Griffin age, and they were interested in seeing the school. One of the terms provided for GMS was an abomination and that the general consensus was the unacceptable conditions within the building..
- b. Capital Improvement Planning – Ms. Douglas stated that their next meeting is on October 2, where they will work on the CIP Plan.
- c. Energy Committee – Mr. Son commented that he could not attend the last meeting because he was delayed traveling.

10. **Next Budget Committee Meeting**

Chair John David Son said that the next two Budget Committee meetings would be:

- a. October 5 - Thursday
- b. October 12 - Thursday

11. **Public Input #1 @ 9:34 pm**

- a. There was no one present for Public Input

Public Input ended at 9:35 pm.

12. **Adjournment:**

Motion: (Mr. Hayes / Ms. Douglas) motioned to adjourn the public meeting at 9:36 pm.

Discussion: None

Vote: (8-0-0) The motion carried.

Respectfully Submitted,
Matthew Sullivan
Budget Committee Recording Secretary