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**MINUTES OF THE  
BUDGET COMMITTEE**

**MEETING OF  
March 25, 2009**

7 **01) OPEN MEETING**

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9 The Municipal Budget Committee Meeting of Wednesday, March 25, 2009 was called to order at  
10 7:00 p.m. at Salem Town Hall, 33 Geremonty Drive, Salem, New Hampshire.  
11

12 **02) PLEDGE OF ALLEGIANCE**

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14 Chairman Carney opened the meeting with the pledge of allegiance and introduction of  
15 members.  
16

17 **03) INTRODUCTION OF MEMBERS**

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19 **MEMBERS PRESENT:**

20  
21 Michael Carney, Jr.  
22 Ann Marie David  
23 Peter Rayno  
24 Stephen Campbell  
25 James Randazzo  
26 Russell Frydryck  
27 Jim Ribaud  
28 Arthur Barnes, Board of Selectmen Representative  
29 Bernard Campbell, Salem School Board Representative  
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32 **04) RECEIPT OF CORRESPONDENCE & MINUTES/APPROVAL OF MINUTES:**

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35 **MOTION** by Mr. Rayno to receive the December 10, 2008, January 8, 2009, January 12, 2009,  
36 January 14, 2009, January 15, 2009, February 11, 2009, February 12, 2009 and February 16,  
37 2009 Budget Committee Minutes as revised.  
38

39 **SECOND: Selectman Barnes**

40 **VOTE: 9-0-0**

41  
42 **MOTION** by Mr. Rayno to receive the February 2009 Town Financial Reports sent by Melanie  
43 Murray via email dated March 10, 2009.  
44

45 **SECOND: Mr. Carney**

46 **VOTE: 9-0-0**

1 **MOTION** by Mr. Rayno to receive the Salem School Board Minutes dated February 5, 2009,  
2 February 10, 2009 and February 17, 2009.

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4 **SECOND: Mr. B. Campbell**

5 **VOTE: 9-0-0**

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7 **MOTION** by Mr. Rayno to receive information from Bernard Campbell regarding the Salem  
8 School Board Budget for 2009-2010 as voted and the 2009-2010 approved Warrant Articles.

9  
10 **SECOND: Ms. David**

11 **VOTE: 9-0-0**

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13  
14 **05) ELECTION OF OFFICERS:**

15  
16 Mr. Carney opened the floor for nominations for new officers and turned the gavel over to Mr.  
17 Rayno.

18  
19 **MOTION** by Mr. Carney to nominate Mr. Rayno as the Chairman of the Budget  
20 Committee

21 **SECOND: Ms. David**

22 **VOTE: 9-0-0**

23  
24 **MOTION** by Mr. Randazzo to nominate Mr. Carney as the Vice Chairman of the Budget  
25 Committee

26 **SECOND: Selectman Barnes**

27 **VOTE: 9-0-0**

28  
29 **MOTION** by Mr. Carney to nominate Mr. Frydryck as the Secretary of the Budget  
30 Committee

31 **SECOND: Selectman Barnes**

32 **VOTE: 9-0-0**

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35 **06) REMARKS FROM SCHOOL BOARD REPRESENTATIVE:**

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37 Mr. B. Campbell highlighted the following:

- 38     • that the budget was received as voted, and he gave a brief analysis of the status of the  
39 approved budget, and the potential tax impact as it is now.

40  
41 He also informed the board on the status of:

- 42     • the implementation of kindergarten  
43     • the most recent information regarding the Hudson ruling, ( withdrawal of the lawsuit )  
44     • the negotiations have been re-opened with three of the four bargaining units  
45     • the newly appointed positions of the Salem school Board were announced  
46     • newly appointed negotiation committees had been formed for all bargaining units

- 1 • goal setting dates to be set
- 2 • noted that there were positive signs that the tax impact may be lower than anticipated
- 3 • he noted that they were interviewing fro Kindergarten positions

#### 4

#### 5 **Questions:**

6

7 Ms. David asked if anything had been done with regards to renting the modules. Mr. B.  
8 Campbell commented that the issue was whether they would all be needed, and stated that this  
9 was being discussed with the Superintendent, and added that the contract for delivery was not  
10 done yet.

11

12 Ms. David relayed a question from a resident, “could the 8<sup>th</sup> grade be moved to the high school  
13 to create more room for classrooms”. Mr. B. Campbell responded that the short answer was no as  
14 the enrollment for next year was at 1,800 and added that the facilities would not be available, and  
15 it was not a practical solution for the current year.

16

17 Ms. David asked how many children had registered for kindergarten. Mr. B. Campbell replied  
18 that approximately 220-230 children had registered.

19

20 Mr. S. Campbell requested copies of the Salem School District financials for December 2008  
21 through February 2009. Mr. Rayno asked that Ms. MacDonald send these reports regularly.

22

23 Mr. S. Campbell commented that the School Budget resulted in a 5.86% increase to the tax rate.  
24 Mr. B. Campbell stated that 3.1% on that was due to the implementation of kindergarten and the  
25 rest was a result of income reduction.

26

27 Mr. Rayno asked what the kindergarten budgeted enrollment numbers were based on. Mr. B.  
28 Campbell stated that this was based on an enrollment of 300 children. Mr. Rayno asked what  
29 would happen if the enrollment stayed at 220. Mr. B. Campbell replied that the unexpended  
30 monies would go into the unreserved fund balance for 2010-2011. Mr. Rayno asked if expenses  
31 had been looked at. Mr. B. Campbell commented that the Superintendent had not looked at his  
32 yet, and added that registration was continuing this week.

#### 33

#### 34

#### 35 **07) TOWN BUDGETARY MATTERS: BOARD OF SELECTMEN REPRESENTATIVE:**

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37 Selectman Barnes commented that the Board of Selectmen would be watching revenues and  
38 commented that there were four vacant positions that would result in an annual savings of  
39 \$315,000.00 that would help cover the expected \$400,000.00 shortfall from the state.  
40 He noted that the Town Manager had suspended discretionary funding/spending within the  
41 budget. Selectman Barnes added that they had requested a report from staff as of March 30,  
42 2009, which would compare the current revenue against the historical revenue, and adjustments  
43 would be made as necessary. He also stated that a goal setting session was scheduled for March  
44 30, 2009 adding that he wanted the board to be well ahead in the goal setting and budget process.  
45 Selectman Barnes also commented that joint sessions with the Budget Committee would be  
46 scheduled in the future to discuss issues.

**Questions:**

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3 Mr. S. Campbell asked which positions were vacant. Selectman Barnes commented he would get  
4 the information.

5  
6 Mr. S. Campbell commented that the cost of the Windham Ambulance was \$57,000.00 less than  
7 Salem's and asked if they were the same or similar vehicles. Selectman Barnes replied he would  
8 get back to him with answer.

9  
10 Mr. S. Campbell referenced outside police detail and asked since it was off the budget had a  
11 surplus been built up. Selectman Barnes replied that he would look into this.

12  
13 Mr. S. Campbell stated that at Town Meeting Mr. Russell had talked about how we were behind  
14 in the DPW replacement schedule and asked Selectman Barnes what if anything he knew about  
15 this. Selectman Barnes responded that next year would be tough, adding that no purchases were  
16 being made in order to hold the budget in line. He also commented that he could not answer from  
17 Mr. Russell's comments. Mr. S. Campbell commented on how he would address budget issues  
18 and added that he believed in replacing necessary equipment, and suggested that the dynamic be  
19 changed.

20  
21 Mr. S. Campbell asked if the tax rate was going to be lower for the town and if so by how much.  
22 Selectman Barnes replied that he would find out.

23  
24 Mr. Randazzo commented that the roads that had been fixed were depreciating quickly over time  
25 and asked if the contractors were being held responsible. He specifically noted that manhole  
26 covers were sinking, and added that this needed to be looked at. Selectman Barnes commented  
27 that steps have been taken to address these issues.

28  
29 Mr. Carney commented that he would like to have a joint meeting with the Selectmen and asked  
30 that these items be addressed:

- 31 • Staffing levels
- 32 • Tax exemptions

33  
34 Selectman Barnes commented that if staffing levels in any department had to be addressed that  
35 would be done.

36  
37 Mr. Rayno commented that the previous exemption for the disabled was handled well and  
38 encouraged the same type of handling and noted that the public/everyone should be aware that  
39 there is a cost to these exemptions.

40  
41 Ms. David asked how the road stabilization vendors were chosen and asked if they were put out  
42 to bid. Selectman Barnes commented that there were only two bids for this, as Salem is known as  
43 a difficult town to work in. After some discussion, this item was closed.

44 Mr. S. Campbell commented that he felt bids should be put out earlier. He further commented  
45 that personnel costs and pension payouts should be addressed.

1 Mr. Rayno commented that the slow economy should bring in more bids.

2  
3 Mr. Randazzo asked if Continental Paving did any work for the Town of Salem. Selectman  
4 Barnes replied that they had in the past.

5  
6 Ms. David also suggested that the bidding process start earlier. Selectman Barnes commented  
7 that he would look into this.

8  
9 **08) UNSCHEDULED MATTERS FOR DISCUSSION:**

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11 There was a good deal of discussion about changing the current calendar, and the chair noted that  
12 this would be taken under advisement, and would be addressed at the April 22, 2009 meeting.

13  
14 Chairman Rayno also commented that he would like to receive the School and Town financials  
15 once a month, as this would be a focal point this year.

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17  
18 **09) ADJOURN 07:52 PM**

19  
20 **Mr. Rayno asked the Board to entertain a motion to recess until Wednesday April 22, 2009**  
21 **at 7:00 PM.**

22  
23 **FIRST: Mr. Carney**

24 **SECOND: Mr. B. Campbell**

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26 **VOTE: 8-1-0, in the minority Mr. S. Campbell**

27 **MOTION PASSED**

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29 Minutes recorded by: Catherine Kupa, Recording Secretary

30  
31 Approved: Budget Committee

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33 Date: June 24, 2009