

BOARD OF SELECTMEN
Minutes of July 26, 2010

**Joint Session w/ Windham School Board; Board of Selectman & State
Representatives**

Representatives: Kolodziej; DiFrusicia; Bates; Webber; Griffin; Crisler & Senator Letourneau

Ed Gallagher spoke of the purpose of the meeting being collaboration with the Board of Selectman to do what is in the best interest of the town.

Mr. McMahon noted on behalf of the Selectman they were appreciative for the opportunity to discuss the future of Windham. He noted the following: mutual goals to put Windham first; send messages to voters that they will work cohesively on behalf of the taxpayer and hold cooperative discussions, while showing responsibility in difficult economic times.

Bruce Anderson gave a brief synopsis of the needs of the school district: loss of the Middle School library for portions of the day due to space restraints; Golden Brook School's need for rehab; school board's plan to put together a long term plan for the district to support the educational needs/goals of the town. Mr. Anderson noted the voters approved the allocation of \$160,000 to start the process of such a plan – noting their goal is to take advantage of the state 75% reimbursement for a permanent kindergarten.

Mr. McMahon noted that one of the challenges is following the rules of CIP and CIP funding. Mr. McMahon noted that at the state level it has been said that the Town of Windham does not need funding. Mr. McMahon suggested the re-education of the voters as to what CIP does and does not do. He noted it is a placeholder so that projects can be paid for in cash – stressing they have an obligation to pay their bills.

Mr. Hohenberger noted he disagreed with Mr. McMahon. Noting the concern was if they included the high school bond in CIP, they would have had to raise the bar too high – stressing they could not put in a \$50million spike – which is why the high school project was left out of CIP.

Mr. Gallagher pointed out that bonding is an important tool in terms of leveling capital spending along with CIP. Mr. Gallagher noted he would like to discuss the large capital items the town will face first – looking out 10-20 years. He wished to start dialog of the priorities of the town and collaborate and plan how to fund said projects. He noted they will need help from the state delegation.

Mr. Hollinger stated it is hard to understand how CIP works – agreeing there is a need to clarify this for voters.

Mr. Sterns spoke of the problem being that the majority of the school projects are so much larger than town projects. He suggested splitting CIP between town and school projects – thus having voters clearly see what the two entities are looking for.

Mr. McMahon questioned what revenue streams they could utilize in town and where their revenue is coming from. He would like to talk about

revenue matching spending. Stressing that the town and school should not be competing with each other.

Mr. Hohenberger noted there is some collaboration being done between town and school.

Mr. Sterns spoke of trying to create a capital reserve fund last year for schools, but noted it did not pass with voters – they were trying to get back to using CIP for projects that they knew were coming down the road.

Dr. Bass spoke of the importance of educating the voters and communicating effectively.

Mr. McMahon spoke of operating costs on the school side and questioned if there were any ideas to save on health plans – suggesting coming together with the town on that issue.

Mr. Anderson noted the biggest expense being personnel – noting they are the largest employer in town. Mr. Anderson noted the teacher's contract saw a 3% increase – speaking of the importance of negotiating contracts.

Mr. Gallagher commented that the town has already made an investment in our facilities. He noted the district has already started collaborating on cost saving measures with the SAU/Pelham – noting every penny counts for taxpayers. He questioned if they could also collaborate on the town side.

Mr. McLeod noted that having one CIP would provide better vision and more coordinated efforts between the two.

Mr. Hollinger suggested projecting out over the next 20 years in terms of population numbers and stressed the need to not build out every lot for dwellings but to keep some lots for infrastructure or commercial uses.

Mr. McMahon stated that workforce housing would have an impact on population

Mr. McLeod would like to see a cost for services study and then look at how they want to shape themselves – looking to the planning board for information. Mr. Bretton noted they are doing that now with the planning board and felt the school district could also benefit from their information.

It was noted the Rockingham Planning Commission is currently analyzing population in the town – noting this is on the Economic Development Meeting Agenda to perform this in greater detail during 2011. The 2011 study will be done parcel by parcel. They will be looking at impact fees for new development in town. It was also noted that they are seeing residential growth in Windham. There is an impact fee meeting on 9/1/2010.

Mr. McMahon noted kindergarten aid expires in 2013 and that there will be towns across the state competing for the aid available. He stated the revenue at the state level does not sustain this – noting nothing is a guarantee.

Rex Norman noted that five years ago they were up 2% in valuation – the tax rate was level and they were collecting money at that time. He noted they are seeing considerable loss in valuation. Residential construction growth is happening.

Representative DiFruscia spoke of cost per pupil in Windham – noting Windham does very well in this area. He noted an adequate education can

finally be defined. Mr. DiFruscia stated if the Town of Windham wants to spend more than what is collected, the Board of Selectman will have to decide how that is done. Mr. DiFruscia spoke of there being \$9million in aid for Windham by the year 2012.

Mr. DiFruscia stated he would like to donate a flag to Windham High School.

Michelle Farrell questioned the projected \$9million for total state education aide - asking how Windham will get there when the rate remains the same and they have \$7million in aid the year before. Mr. DiFruscia responded by stating Windham is being paid per pupil – the greater the population the more aid they receive.

Mr. McLeod questioned if there were more ideas/initiatives to bring more education dollars to Windham.

Mr. DiFruscia stated they work very hard to make sure Windham is a receiver town and not a donor town.

Michelle Farrell questioned if shop and home economic classes were part of an adequate education as defined by the state. It was noted it is defined under Tech. Ed. RSA. Special Education and Guidance services are not included.

Mr. Bretton stressed that Windham provides a superior education to their students – noting they are way above what the RSA's state they have to provide. Mr. Bretton noted this has been a priority for the town.

Mr. Sterns stated they would have to find other revenue sources when they get to the build-out point. Stating they need to look to their state representatives to help with that to come up with creative ways to help with the tax burden on Windham in the next 10 years.

Senator Letourneau stated he feels strongly they should have gambling in the State of New Hampshire which will provide a great revenue source. He is predicting that there will be a sales or income tax in the next two years. There are no other ideas to avoid sales or income tax other than gambling.

Dave Poulson, Manager/Director of the transfer station, requested feedback regarding the threshold for his department in CIP. Mr. Hoenberger noted that last year the Board of Selectman brought it back down to the \$50,000 level for CIP reasons.

Margaret Crisler spoke of the pension law – noting the state reduced the amount they would be contributing to pensions. She noted the delegation is working to bring it back up again. It was also noted there was recently a positive change in the way the funds were administered.

Mr. Gallagher questioned if it was fair to state that funding for schools over the next few years would remain stable.

Representative Bates noted the change in pension was temporary – good news. He cautioned that some want to change the adequacy formula – noting some towns will be winners and some will not. Mr. Bates noted that depending on the path taken – a permanent kindergarten may be funded 100%. He also noted they are facing some very challenging times in the

next few years – stating federal stimulus monies were not there. He wanted both boards to be aware of this when preparing their budgets.

Going forward, both boards agreed to hold more meetings together – mini workshops. They will focus on two or three items with input from Dave Sullivan and Dr. Bass.

Motion to adjourn was made at 10:08pm by Bruce Anderson with a 2nd by Charlie McMahon.

Respectfully Submitted – Diane Figaro