



Town of Winchester  
1 Richmond Road Winchester, NH 03470

**Minutes of the  
Selectmen Meeting**  
Wednesday  
December 11, 2019

**Board members present:** Roberta Heinonen, Ben Kilanski, Jack Marsh, Herbert Stephens and Gloria Leustek. Also, present Margaret Sharra, Amy Bond, Chief Tollett, Dale Gray, Rick Meleski and Captain Ford.

**First order of business: Minutes**

The board reviews the minutes for 12/04/19. Selectman Kilanski makes a motion to approve the minutes. Selectman Leustek seconds the motion. Motion carries 5-0

**Second order of business: New Business**

Winchester School Board and Business Manager came to speak to the board to clarify & to answer any questions. Lindseigh Picard-School Board Chair brought 2012-2018 Audits for the board to review. Selectman Heinonen said last week the board had a question on the additional funds that came from the State, where are those funds. Lindseigh gave the history and a timeline on how the school creates a budget and how the State funds comes in. In September the school starts to build their budget. November, they receive from the State an estimate on how much funding they anticipate the school will receive for revenues for the following budget season. An update revenue is not provided to the school until the following fall. Example-2018-2019 budget the States estimate was just over 4million dollars. The school built their budget from that figure. The revised amount from the State came October 2018. This after the town has voted to raise an appropriate the funding for the 2018-2019 budget. Then the State provides an estimated updated revised amount for the revenues. The tax rate is then set by the select board based on the updated estimate. In 2011 was the last time an audit was completed. So, there are estimates, estimates and actuals. When the audit is complete all of the estimates, estimates and actuals are reconciled. Each of the years that the audit was not completed or the books are not reconciled the school has never over spent their budget. In fact, we have under spent and we have given the money back to the town. In May 2018 the new Business Manager had inherited all the audits that were not reconciled or updated and has worked with the auditors to makes sure that all the prior audits were accurate, all the fund balance were recorded and confirmed the current revenues to make sure the figures were correct moving forward. The unexpected revenue that came in,



\$332,000 that came into the 2019-2020 budget is actually making up for the fact that the school has over returned all of those years. Because the audits and reconciliation were not done. That money is making up for money that was already returned in advance. Selectman Heinonen said when the town turns in our forms to set the tax rate our audits have to be done. Lindseigh said they have not gone down the rabbit whole as to why the audits were not done. Selectman Heinonen asked who was coming up with the figures of what to return and based on what? The Business Manager at the time. The figures were based on the financial information. Selectman Heinonen said if the school didn't receive the additional funding what was the school going to do? Lindseigh stated that we would have been in a deficit. Selectman Heinonen asked how it would have been made up. Mary Henry- Business Manager stated that it would have to come back to the tax payers. We have not over spent our budget and we also have overestimated revenues from last year to the tune of \$400,000. Based on estimated and actual our revenues are over by \$100,000. We are not spending those additional funds. The only funds we can spend are the appropriated amount that is voted on by the taxpayers. That is unrecognized funds that comes into the district and is figured on the MS-24R. So, we had deficits and those funds have been used for those deficits. The school overestimated for Medicaid. Again, now for the 19-20 budget Mary is revising the revenues. Changes were made to Medicaid and Catastrophic Aid, so those funds were spent last year for out of district students. Selectman Heinonen confirmed that the additional funds were to offset the revenue. Mary said as you know we have to budget 18 months ahead and we just don't know what the revenues will be. Selectman Marsh asked what the total number is that we are looking at for a deficit? Mary said she has not dug deep enough and needs to go back to all the MS-25's. Selectman Marsh said that we looked at the MS-24 it showed that \$25,000 was returned. With the help of Amy, DRA and Mary additional funds were given back that were not on the MS-24. Mary went back and revised it with the help of DRA. Selectman Marsh asked what was the additional money that was added. Mary said it was in grant funds and Homeland Security grant for the project done at the school. The DRA didn't include the funds on the MS-24 so, Mary revised it. Lindseigh added that we are revising an estimate. After the revision the tax rate went down to .59 cents. Selectman Marsh stated that we need to know the deficit dollar amount and look at the MS-24 so we can compare the \$332,000. Mary stated that the \$332,000 is on the MS-24. It would be listed under the estimated revenue as adequacy aid. The DRA adds that to the MS-24. Selectman Marsh asked how much time you need to get us the deficit number. Mary said it is budget season, it's not that I don't want to get the number but it's a tough time. Lindseigh said it will take some time to go through and revising all the DOE & MS-25 to follow the money trail. Selectman Kilanski said that about a year ago or so, the school board came in to tell the board that the audits were completed, but now it sounds like they are not. Lindseigh said the school didn't find out until our current Business Manager- Mary went through the history and found out that the reconciliation that need to happen when the audits were done during the 5 year laps of no audit didn't happen. The number is still not correct until the auditor brought it to Mary attention. Selectman Marsh said there are RSA that both the town & school have to follow. It is hard to believe that the State of NH didn't come down on the school for not having the audits done. We thought the school was caught up on the audit and now we are going into year 6 and we still need to change the numbers, even after we paid the auditors. Mary said that the audits were completed correctly. It is the journal entries that were not completed for those years. The computer system numbers were not matching the audit figures. The journal entries need to be done to bring them in line with audits. Once I did the one entry for the past 5 years it brought us in line. Going forward on the DOU-25 form everything will be



recorded properly. Selectman Heinonen said it comes down to the school returned \$25,000 and the \$307,000 was put towards offsetting taxation. Mary said yes. Selectman Marsh said he would like to see the hard number of the deficit. Mary said she could do a spreadsheet. Lindseigh stated that it's was frustrating as a board member to look at the bottom line and not know if it was accurate. Mary follows the dollar and has been through the books and really trying to understand the figures and budget. Ultimately the school boards goal is to assess the needs of the school currently and into the future. Selectman Marsh said if it comes down to asking questions to the DRA then that what we will do. It's hard to believe that the State never said anything. Lindseigh said she agrees. There certainly could be changes on the DRA end. Mary stated that she has had extensive conversations to DRA & DOE. Selectman Kilanski asked when did the school find out that the pervious audits have been reconciled properly and there would be a deficit in the budget. Lindseigh said the reconciliation for the original back audits happened in May 2018 but wasn't showing deficit. Mary added that she realized the extent of the changed until she went to the auditor and asked to get a starting number. So, then I was digging into the numbers and they were not correct. It has only been the last couple of weeks that I have been looking into the numbers. But the original entry was in May 2018. Lindseigh stated that Mary had only been the business manager since February. Selectman Kilanski said in the school board minutes from October 3<sup>rd</sup> the board thought that \$100,000-\$120,000 would be returned. Lindseigh stated that at that point it was still an estimate and prior to the final DOE-25 and the DRA advised the school the amount of money being returned. Mary said that the final revenues came in for 2018-2019 on the DOE-25 and there was a deficit that ate up the money that would have come back. Lindseigh said doesn't the town have something similar with the anticipated revenue that would have an impacted on the budget. Ultimately the town tax rate went as well due to a shortage to the revenue. Selectman Kilanski said not due to a shortage in revenue. Lindseigh asked why did it go up then. Selectman Kilanski said we returned back funds plus the \$109,000 from the State municipal aid. Selectman Marsh said that it is recommend by the State we carry over 5%-15%. For the last couple of years but budgets have been inflated so to keep the tax rate down we have been taking out of the fund. We are down to 2%. We could not take any this year from the unassigned balance fund. Selectman Heinonen said that budgets are based on the town voting in a budget and the warrant articles. We do have to estimate what the revenues will be 18months also. I think the big question is where did the money go from the State. The answer was that the audit journal entries were not done to reconcile. The next question is when does the school expect the rest of the funds. Mary said not until 20-21. It will be listed in the anticipated revenues. Selectman Marsh thanked the school for coming in to answer some questions but, I think there are some bigger question now. Selectman Heinonen said another question that came up was the other amount you will be receiving in the amount of \$800,000 for infrastructure. Lindseigh said she would not confuse that number because that is in the 20-21 budget for infrastructure. Budget Committee will be discussing it next 12/17 @6pm at the school and at the regular school board meeting on 12/19 @6:30. Lindseigh said the information that Ben posted on Facebook was not correct and encourage you to go on and correct it. Also apologize to the employee that you pointed out in the post. If the are question that come up, please contact the School Supernatant or School Chairman and encourage people to reach out and ask questions or attend meetings. Theresa Sepe-Budget Committee said that she would direct questions to the whole board to hear the different opinions, so everyone hears the same information. Brandon Ovitt said if that \$307,000 that had taken up the extra \$332,000 because the school board has been turning back more money that they should have in the last 5years, I do know that in the last



3 years the tax rate has gone up just for the school \$4.62, Does that mean that number should be higher. Selectman Marsh said that's the question I have for DRA. The town should not pay or make for a mistake the DRA made. This is why I am looking for a hard number. Selectman Heinonen said to remember that these funds that the school and town received is not guaranteed every year. If that is the case, then the taxpayers will have to cover it. Brandon said there needs to end or at least be a plateau. The school goes up and the town suffers. That's why everyone is here tonight. Selectman Heinonen said that the School Board and the Select Board have the same concerns about the tax rate. It is very important to go to the school board meetings, go to all the public hearings and become involved. Give the boards recommendations. Next year the school will be looking at an increase in the Keene Tuition because of the number of students. Kevin Bazan said that the Thursday after the tax rate setting meeting 80% of what we talked about tonight was expressed at that school board meeting. School board meetings are open to the public and public comment. Yes, the school budget has gone up the last 5 years, the difference is the revenue that this town has received has been decreasing. Each year we go to the taxpayers to make up the difference so we can keep the same level of service that we are providing at the school. That is why the tax rate has risen. This year and next year the State has given us a little more back, but they have been taking back from Winchester for 6 years. The money we have been fighting over tonight, the \$332,000 is a little amount of money compared to the money the state has been taking from us. The School board keeps going back to the taxpayers saying this is what we need to maintain the same services that we have been maintaining. It is the State of NH that has been messing with the funding that the town deserves. Selectman Kilanski said he talked to Senator Jay Kahn about the advocacy aid keeps dropping each year. Fortunately for us and many other towns Jay was able to get passed, the state adequacy aid was 88% the last couple of years is now is at 100% for at least 2 years. Kevin said the problem is that it is small fraction of what we were getting 5-6 years ago. I am glad we are going in the right direction and Senator Kahn has worked hard. It's the taxpayer that are paying the price. Chester Lapointe said some of the concerns that has arisen, one might be looking at this uncharitably and it's too convenient we get a windfall and then it's gone. I am not saying there was a reason but maybe that's why there is interest and why people are here. It does have the appearance on the surface of a shell game. Perception is reality. Chester stated that he was unconformable with paying a stipend to the school board. We are talking about how wonderful we are getting taxpayer money back, but we are paying it one way or another. It's not State money it's your money. There is a proposal to pay \$1000 year to the school board. It's not big money but it is money. The argument is always it's pennies or think of the children. There are laws against extravagance spending and I warn people they do exist. Tyson Frazier said that the perception that \$300,000 is a small amount of money to the school board is probably one of the unminding fundamental problems that we have here of why we keep spending money like it is going out of style. To say that \$300,000 is small amount of money, I argue that the average household income is \$42,000 that is a large amount of money. Kevin stated that it is 2% of the entire budget. Selectman Heinonen said go to the school board meeting, look at the budget and have a conversation with the board. Selectman Heinonen doesn't believe that he means that \$300,000 is a small amount of money, it's a small amount of money that came back to the town. Kevin added that he was saying that \$300,000 is a small amount of money compared to the amount of money that has taken away from Winchester over the past 5 years. Fran & Mark Mikoski stated that the tax rate keeps going up & up. We need to stop spending and look at the other towns around us with lower rates. The minutes from Nov 25<sup>th</sup>, Selectman Marsh made a comment on \$110,000 should go back to taxation. School Board



minutes reference \$400,000 in revenue in 2020. Why was there no public hearing called? Selectman Marsh stated that the town had to hold a hearing to accept the additional funds but, the school didn't have to because it comes in as unanticipated education aid. Selectman Kilanski stated that is money they were already going to receive. Mary stated that the school has a different RSA than the town. Fran said she would like to see the rates go down and the board step up and fight for the taxpayer. Mark added that its sad we can get double the house for less taxes in Swanze. Todd Kilanski asked the school if they were looking into giving the Para's full benefits? Lindseigh said they had open negotiations with the support staff association. There was an agreement for wages and the support staff is seeking benefits. The school board and administration believe that every person deserves health insurance. There will a separate warrant article and the town can decide whether or not they are going to support the health insurance. Todd asked how many hours do the Para's work? Mary stated they work 6.9 hours a day. Lindseigh said it will not be full benefits. They will be responsible for paying their portion and the current offer is for a single plan. Todd stated that they are hired as part-time help. 99% of the time part-time has no benefits. Selectman Heinonen said again go to the budget hearing and to the deliberative session. Then you vote. It is important you come to the meetings. Chester Lapointe stated that budget committee will be going over the warrant articles and would encourage everyone to come. Also, they don't give benefits to people at the convenience store and place like that. I find it ridiculous that most people in this room that are part-time there are no benefits. We are finding ways to rotate the money, which is causing the people who live here to continuously receive hardship. Selectman Heinonen stated that the budget meeting is Tuesday @6pm at the school. Selectman Kilanski asked Mary Henry if she could give him what the stipulations are for the Infrastructure Grant they will be receiving. Mary will call him tomorrow afternoon.

Lindseigh asked the board if they gave any raises. Being on the budget committee the salaries are up from the prior year. Selectman Heinonen said nothing for 19-20. We did given some of the newer employees raises after the 6month probation period is up. There were not raises across the board. Lindseigh asked the only employees that received a raise in the 19-20 budget were employees that were on probation. Selectman Heinonen said she wouldn't say that, I can't remember without looking. Lindseigh would be curious about that because she has seen the budget. Selectman Marsh the raise that we gave was a cost of living that the government sets. Selectman Heinonen said for 20-21 1% COLA and up to 3% merit.

Mary stated that she could have the spreadsheet for the board by February 2020.

Lindseigh asked the board if they get a stipend. Selectman Heinonen said yes, \$2,000 year. Selectman Marsh said he has never been in favor of the stipend. Selectman Heinonen said that you don't have to take it.

The Winchester Band is having their annual Christmas Concert Saturday, Dec 14<sup>th</sup> @6:30 at the Town Hall.

Margaret is asking the board to support a warrant article for the Rail Trails. Last week was there was a discussion on placing \$20,000 in a capital reserve account for matching funds for a grant, bridge repair, drainage, brush hogging and ditching on the trails. The question was asked who the



money would be going to and who would be the overseers of the capital reserve account. Margaret stated that she spoke to our Attorney and the Selectmen would be the agents of the fund. The board would create a committee to manage the work that needs to be done to the trails and would need to ask the Select Board to spend the funds. Steve Bracket has volunteered to head-up the committee. Dean Beaman-Snowmobile Club stated that they will be applying for a grant in the spring. The grant will fund 100% of the materials but nothing for the labor. Any work that is done on the trails will need to be approved by the State of NH-DOT Bureau of trails. Selectman Kilanski said that last week he had asked if the town will be liable for the bridges if we fix them. Dean said that the State owns the bridges and there is no liability to the town. Selectman Marsh likes the idea but not for the full \$20,000. Do we have a number for how much it will cost to repair the bridges? Dean stated not at this time.

There was discussion on paying part-time employees time & half if working on a holiday. Ambulance-\$2,244, which would be paid from the Ambulance billing fund, Town Beach-\$420, Police-\$5,544 which is budgeted and only if the Chief has PT officers to work and Highway-\$576 only if called out for storm. Selectman Heinonen makes a motion to pay time & half to all PT and Fire Dept. employees and amend the Personnel Policy. Selectman Stephens seconds the motion. Motion carries 2-2. Selectman Kilanski recused himself. Motion failed. Both Selectman Heinonen & Selectman Kilanski stated that they will not be accepting the holiday pay. Selectman Heinonen stated that Selectman Kilanski could vote. Selectman Heinonen makes a motion to pay time & half to all PT and Fire Dept. employees. Selectman Kilanski seconds the motion. Motion carries 3-2. Selectman Heinonen makes a motion to amend the Personnel Policy. Selectman Kilanski seconds the motion. Motion carries 3-2.

Chief Tollett asked the board to support a warrant article for new 2020 Police Cruiser and add \$13,300 to the capital reserve account. Chief asked the board to put both articles on the ballot for the people to vote on in March. YTD repairs approximate total \$8,389.00 out of a budget that is \$12,500. The Chief stated that it is his responsibility to have vehicles that are in working condition and safe for his officers to drive. He would ask that the board place these articles on the ballot and let the residents vote. Selectman Heinonen makes a motion to place the new cruiser warrant article for \$40,461 on the ballot. Selectman Kilanski seconds the motion. Motion carries 4-1. Selectman Heinonen makes a motion to place \$13,300 into the Police capital reserve fund on the ballot. Selectman Kilanski seconds the motion. Motion carries 5-0.

Selectman Marsh made a motion to approve tax abatement for G. Brotherton/FLCG in the amount of \$218.00. Camper was destroyed in the wind storm in Oct. Selectman Kilanski seconds the motion. Motion carries 5-0.

Selectman Marsh made a motion to approve tax abatement for map 36 lot 5 in the amount of \$527.00. Incorrect acreage. Selectman Kilanski seconds the motion. Motion carries 5-0. Selectman Marsh made a motion to approve tax supplement for map 36 lot 5-a in the amount of \$767.00. Selectman Kilanski seconds the motion. Motion carries 5-0.

Avitar sent letter to the board per RSA 75:1-a in which their tax burden is determined by the greater of 10% of the actual rental income and other income using the income approach. Selectman Kilanski made a motion to approve tax supplement for map 20 lot 10 in the amount

of \$26,831, map 20 lot 27 in the amount of \$12,127, map 20 lot 26 in the amount of \$2,885 and an abatement for map 31 lot 20 in the amount of \$1,660. Selectman Stephens seconds the motion. Motion carries 5-0. Selectman Marsh would ask that you reach out to your local representatives Senator Jay Kahn & Henry Parkhurst to have them lobby against and reverse this RSA 75:1-a.

Tata & Howard has applied for an Asset Management Grant for the Winchester Wastewater Treatment Plant.

Selectman Kilanski made a motion to approve sewer abatement for Keith Kellom in the amount of \$76.33. Selectman Leustek seconds the motion. Motion carries 5-0.

Selectman Kilanski made a motion to approve Current Use tax for Jennie Gutoski in the amount of \$3,200. Selectman Leustek seconds the motion. Motion carries 5-0.

Chief Tollett was awarded a public safety grant from Walmart in the amount of \$1,000.

Intent to cut for map 9 lot 36 & 9/39-1.

**The board reviews and approves the following financial documents:**

Selectman Kilanski made a motion to approve payment to Brian Tanguay for repairs to the clock in the amount of \$550.00. Selectman Leustek seconds the motion. Motion carries 5-0.

**Third order of business Board comment:**

Selectman Marsh stated that he would like to have warrant article to add an additional \$5 fee to the car registration and to create a new infrastructure capital reserve account. The fees will be for the Highway to use for road work. Adding the fee to the registration will also be charged to the renters in town that don't pay taxes but use the roads. Selectman Marsh makes a motion to place a warrant article to collect an additional \$5.00 fee to registration and establish a capital reserve account for the funds. Selectman Kilanski seconds the motion. Motion carries 5-0. Chester Lapointe is not in favor of another tax.

The Town was awarded the LCHIP Grant for \$75,000 to repair the church steeple. The engineers stated that it would be between \$150,000 and \$180,000 to repair. We currently have \$72,000 in the capital reserve account. Selectman Heinonen makes a motion to add \$25,000 to the account. Selectman Kilanski seconds the motion. Motion carries 5-0.

Selectman Kilanski let the board and Mike Coope know that the clock has not been working because the clock custodian went to wind the clock and the pull down ladder broke. Selectman Kilanski will look at what can be done to fix it.

**Fourth order of business Public comment:**

Gus Ruth informed the board that the WEDC had to have a study done for the Black Racer Snake before Fish and Game will sign off on any permits. The fall study was completed, and CC paid for the study. There will be a spring study done as well. There is a concern that when the lot are divided and sold, the new owners will also have to have the snake study again.

Todd Kilanski asked Dean Beaman- Snowmobile Club if there were trails to get gas or to a store. Dean stated that there is a trail that comes out by Kulick's and another one that comes out in Hinsdale-RT 63. Also, made a comment about the Ambulance is not the only dept. that sits and waits for a call. The Fire Dept also make sure there are people available to go to a call.

Mike Coope wanted the board to know that the recipient (the Town) of the grant per RSA 227m is specific, given the amount of money we received. Anything over \$50,001 will require a 10 year stewardship by the recipient. Also, Salt & Light will need to have the town listed on their deed.

**Fifth order of business: Nonpublic under RSA 91-A:3II (a)(b)(c)(d)(e)**

N/A

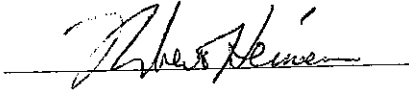
**Sixth order of business: Adjournment**

Selectman Kilanski makes a motion to adjourn at 10:05pm. Selectman Stephens seconds the motion. The motion carries 5-0.

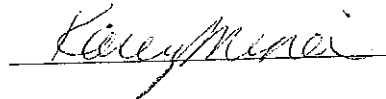
Minutes respectfully submitted:

Karey Miner, Administrator

Minutes signed by:



Roberta Heinonen, Chairman



Karey Miner, Administrator