



1 Mr. Spencer indicated that object and function reports are already provided. He commented that  
2 he was comfortable with the budget status report that the Committee received, but requested for  
3 it to be provided earlier.

4  
5 Mrs. Couture noted that the Superintendent indicated that default budget and revenue numbers  
6 should be able to be provided earlier in the process.

7  
8 Mr. Spencer commented that he requested that the revenue projection is provided with the  
9 budget in order to have an idea of the tax impact. Mrs. Couture indicated that the district will  
10 work harder to provide that information.

11  
12 Mrs. Couture reported that she discussed the flow of information with the Superintendent and  
13 Business Administrator. She noted that she explained to them that the Committee would like to  
14 ask questions directly to them during the budget process. She indicated they have concerns  
15 about that process and believe they should ask the School Board for direction on handling those  
16 requests. Mrs. Couture reported she discussed inquiries regarding handicapped tuition and  
17 transportation with the Superintendent and Business Administrator, as well as preparation of the  
18 MS-27.

19  
20 Mrs. Couture reported that Mr. Hoch was comfortable with answering Committee members'  
21 questions during the budget review. She noted he believes he can adequately answer questions  
22 regarding the budget and does not believe it is necessary for the department heads to attend the  
23 meeting. Mrs. Couture indicated that she and Mr. Hoch discussed the default budget concerns as  
24 well.

## 25 26 **7. TOWN BUSINESS**

### 27 28 • **General Updates**

29 Mr. Byron reported that the Board of Selectmen have rearranged the default budget, which is  
30 populated in the spreadsheet that was sent to the Budget Committee.

31  
32 Mr. Pascucci inquired about another document [used by Mr. Hoch] that explained what was  
33 being changed. Mr. Byron indicated that is a summary document that reflects what is pulled  
34 from the lines.

35  
36 Mrs. Couture indicated that document would be helpful for the Budget Committee.

### 37 38 • **Revised 2014 Budget**

39 Referring to the default budget, Mr. Spencer commented that the police fuel line was moved out  
40 of the police budget and into the government account. He asked for an explanation.

41  
42 Mr. Byron offered to research that information.

43  
44 Mr. Cutter asked if the Board of Selectmen has made a decision on the road paving plan for this  
45 year.

46

1 Mr. Byron indicated that there was an announcement on social media regarding the roads that  
2 would be completed. He noted that Mike Lane, a section of Albuquerque, Stark Lane and Robyn  
3 Court are planned for this year. Mr. Byron noted that the Board of Selectmen also discussed last  
4 year's budget review.

5  
6 Mr. Spencer asked about the ambulance account.

7  
8 Mrs. Couture reported that the full value of \$11,500 was transferred into the revolving budget as  
9 planned. She commented that the detailed statement shows the budget being reduced by the  
10 auditors. She indicated that after the fund was approved last year, all charges, expenses and  
11 revenue go through the revolving fund.

12  
13 Mr. Spencer asked for clarification on the total spent last year. Mr. Peeples commented that the  
14 statement reflects \$5,253 was spent.

15  
16 Mr. Spencer commented that he would like to understand what is being spent on an annual basis.  
17 He noted the answer provided to him was approximately \$5,000 is spent.

18  
19 Mrs. Couture indicated that Mr. Spencer is asking how much was actually spent for bad debt.  
20 Mr. Byron offered to provide the information.

21  
22 Mr. Cutter inquired about an amount expensed under the cruiser purchase line. He asked if the  
23 expense is for new or existing vehicles. Mr. Byron indicated the amount expensed is for existing  
24 vehicles.

25  
26 • **Review of Expenditures**

27  
28 **8. SCHOOL BUSINESS**

29  
30 • **General Updates**

31 • **Revised 2015 Budget**

32 Mr. Bourque reported that the School Board met last night, but has not finalized how the budgets  
33 will be presented. He noted the budget is still in the process of being adjusted. Mr. Bourque  
34 indicated that transportation numbers have not yet been received, but it is hoped we will have  
35 them soon.

36  
37 Mrs. Couture asked if the Budget Committee would be provided copies of the revised budget.  
38 Mr. Bourque affirmed that it will be provided to the Committee.

39  
40 Mrs. Couture asked if the School Board has discussed the flow of information regarding Budget  
41 Committee members' inquiries. Mr. Bourque indicated the School Board has not yet had that  
42 conversation.

43  
44 • **Special Education**

45 Mrs. Couture indicated that there were some questions regarding an under spend in special  
46 education tuition and transportation.

1 Mr. Bourque reported that there is a significant under spend due to two students who have  
2 moved out of the district. He indicated that Mr. Markiewicz did not have the information  
3 regarding the special education transportation.

4  
5 Mrs. Couture indicated that during her conversation with the Superintendent, he asked about past  
6 practices with special education end of the year funds. She commented that the Superintendent  
7 explained that it is challenging when it is unknown if a student or students may move into or out  
8 of the district at any time during the year. She noted that she explained past practice has been  
9 that any special education funds that are under spent go toward offsetting the tax rate for the  
10 following year. Mrs. Couture asked for Committee members' feedback regarding the  
11 continuance (or non-continuance) of that practice.

12  
13 Mr. Spencer indicated that the understanding has been that any under spend in special education  
14 would not be spent at the end of the year. He noted that when discussed, he expressed that was  
15 the practice.

16  
17 Mr. Bourque contended that the special education under spend does not get spent.

18  
19 Mr. Spencer indicated his purpose in inquiring about a potential under spend is to know what is  
20 happening. He acknowledged it is a challenge when it is unknown if people will move in or out  
21 of the district.

22  
23 • **Self-Funded Programs**

24 Mrs. Couture reported that the Superintendent expressed concern about some confusion  
25 regarding budgeting self-funded programs. She commented that the administration would like  
26 Committee members' feedback regarding self-funded programs being listed in the budget.

27  
28 Mr. Spencer commented that it would make sense if self-funded programs were not listed in the  
29 budget. He indicated that the programs have been under spent.

30  
31 Mrs. Couture indicated if the programs are truly self-funded, funds cannot be expended for those  
32 particular programs if they do not have funds.

33  
34 Mrs. Douglas commented that there have been programs in the past that were not self-funded.

35  
36 Mr. Pascucci wanted to know how an administrator's time is accounted for if s/he performs tasks  
37 for a self-funded program that is not included in the budget.

38  
39 Mrs. Couture indicated it would be the School Board's responsibility to ensure that employee's  
40 time/salary is not impacted.

41  
42 Mr. Byron indicated that the law states expenses, offset by revenue, have to be shown under the  
43 law. He read RSA 32:5 III, relative to gross appropriations under the law.

44  
45 Mr. Spencer indicated it is the School Board's responsibility and they should only fund what is  
46 spent.

1 Mrs. Couture commented that she recalls that is what the former Business Administrator  
2 explained about the law and appropriations. She indicated that this Committee does not have a  
3 preference, but it is her impression they do not want to include self-funded programs in the  
4 budget.

5  
6 Mr. Byron indicated if a school district is spending money, they have to appropriate.

7  
8 Mr. Spencer asked if there is a lacrosse team at the high school and asked if it is self-funded.

9 Mr. Bourque confirmed there is lacrosse at the high school and it is self-funded. He noted that  
10 the school is paying the coaches, but it is coming out of the self-funded account.

## 11 12 **9. MEMBER INPUT/NEW BUSINESS**

### 13 14 • **Budgeting Philosophy**

15 Mrs. Couture indicated that Mr. Pascucci asked some questions regarding budgeting. She  
16 recapped that she had a conversation with the Superintendent and Business Administrator, as  
17 well as the Town Administrator. She noted that both the town and district budgets were not  
18 approved. She acknowledged that the Budget Committee spent much time and effort on the  
19 budgets. Mrs. Couture commented that the Budget Committee does not have authority over the  
20 default budget. She indicated that the Town Administrator suggested that the Budget Committee  
21 provide their expectation of impact to the tax rate and the town will build around their bottom  
22 line number. She noted that the school mentality is to consider needs and goals and then  
23 determine what is affordable. She asked Committee members for input regarding budgeting  
24 philosophy.

25  
26 Mr. Peeples commented that if he had to pick the right tax rate it would be zero. He noted that  
27 the Budget Committee works to get the budget as close to zero as possible and still meet the  
28 needs of the town and schools. He indicated that the needs have expanded over the years.

29  
30 Mr. Pascucci asked for clarification regarding what is recommended by the Budget Committee.  
31 He wanted to know when the Budget Committee recommends a budget to the voters, are we  
32 offering them a choice (operating vs default) or are we offering one budget for them to accept or  
33 reject.

34  
35 Mrs. Couture indicated that the Budget Committee is offering one recommended budget to the  
36 voters. She noted that the Budget Committee has no authority over the default budget.

37  
38 Budget Committee members agreed.

39  
40 Mr. Pascucci asked if the voters do not approve the operating budget, does that action mean that  
41 it is now an affirmative vote for the default budget. Mr. Byron indicated that the law is clear – if  
42 the voters do not approve the operating budget for the town or the district, the town or the district  
43 gets the default budget.

44  
45 Mr. Pascucci asked if something is in the proposed budget (i.e. police cruisers lease), is the lease  
46 approved by voters now approved with the default budget.

1 Mr. Spencer indicated it is a three year lease. He noted that the voters left the town with the  
2 bottom line number and it became part of the commitment to the town. He commented it was  
3 right to be included in the default budget.

4  
5 Mr. Peeples commented that in the past the town purchased the cruisers, which were considered  
6 a one time purchase. He noted that now they are leased and are automatically rolled across the  
7 next two budgets.

8  
9 Mr. Pascucci indicated that the RSA's state all long-term purchases have to be approved by the  
10 legislative body and a non-appropriation clause has to be included in the event the budget is not  
11 approved by the voters in that year. He commented that the cruisers were purchased after the  
12 budget was approved and were not approved by the voters. He contended they should not have  
13 been included in the default budget.

14  
15 Mr. Spencer commented that voters vote for the bottom line number and not for individual items.  
16 Mr. Pascucci commented that a multi-year lease has to be approved by the voters. Mrs. Couture  
17 indicated that the bottom line is approved. She commented that in order to determine exactly  
18 what voters approve or do not approve [within the budget], each person would need to be polled  
19 individually.

20  
21 Mr. Spencer referred to Mr. Hoch's suggestion regarding preparation of the budget with bottom  
22 line direction from the Budget Committee. He indicated that the Budget Committee discussed in  
23 the past providing the town and school with the Committee's target for tax impact. He suggested  
24 providing direction to the town and school district for what the Budget Committee would like for  
25 a result.

26  
27 Mr. Peeples agreed and commented that the Committee should provide the target number to the  
28 town and district. Mr. Bourque indicated that the Budget Committee directed a target number  
29 last year.

30  
31 Mr. Pascucci commented that he would like to have the opinions of the School Board and Town  
32 Administrator. He explained that when reviewing individual budgets the numbers seem  
33 reasonable, but when all the budgets are combined it appears different. He indicated that he  
34 needs to reconsider the whole budget at that point because the number seems high.

35  
36 Mr. Pascucci commented that the Board of Selectmen wants to see reductions to each line. He  
37 indicated that his suggestion of reducing that budget account by a bottom line reduction and  
38 allocating that reduction throughout that account equally was not acceptable. He noted that Mr.  
39 Byron has stated that the Budget Committee makes the hard decisions and defends the voters,  
40 and the Board of Selectmen must live with the result.

41  
42 Mrs. Couture noted when she spoke with Mr. Hoch, he indicated that the budgets be presented to  
43 the Budget Committee and the Budget Committee would vote the following meeting, but he  
44 suggested that the Committee delay the final determination until the Board of Selectmen revise  
45 those budgets and when completed, the Budget Committee can make their changes and finalize  
46 the budget.

1  
2 Mr. Pascucci agreed that method would be more expedient.

3  
4 Mr. Cutter asked what setting a target would do for due process for the accounts. Mr. Spencer  
5 explained if we provide a target number, the town and school will try to determine what they can  
6 do within that number and any remaining items can be included in the warrant.

7  
8 Mr. Byron suggested using the MS-7 as a guide. Mr. Peeples indicated that following that  
9 method and setting expectations, there is less tension if something does not result in as expected.

10  
11 Mr. Cutter commented he would still like to analyze the budget. Mr. Peeples noted we would  
12 only be setting a target number, but we would still review the lines.

13  
14 Mr. Byron commented the limits you set on the budget are self-imposed limits you set on  
15 yourselves. He indicated that the Board of Selectmen will come as close to it as we can and  
16 present a budget that is fiscally responsible, but if there are reasons we cannot do that, we will  
17 present a reasonable budget. He noted that ultimately it is up to the Budget Committee to make  
18 recommendations if they are not in agreement.

19  
20 Mr. Pascucci commented that if we tried to impose a target there would be a difference of  
21 opinion. Mr. Spencer commented if this Committee agreed on the target, it would be easier for  
22 someone to suggest an additional reduction.

23  
24 Mr. Pascucci commented that the Committee made suggestions on reductions and the proposed  
25 budget failed as the voters wanted an even lower budget. Mrs. Couture indicated that having a  
26 target puts everyone on notice with the understanding that is the agreed upon expectation of the  
27 Budget Committee.

28  
29 Mr. Cutter indicated that Mr. Bourque stated the default budget is separately calculated. He  
30 asked why it takes so long to determine the allocations of that number.

31  
32 Mr. Spencer commented that they know the bottom line, but not where the allocations will be.  
33 Mr. Byron indicated that after the vote, money now has to be moved around. Mr. Pascucci  
34 commented that basically they are rebuilding the entire budget to meet that bottom line.

35  
36 Mr. Byron commented that the default budget is derived from last year's budget and not applied.  
37 Mrs. Douglas commented that she would prefer to see actual costs and not padded numbers.

38  
39 Mrs. Couture indicated that she believes Committee members like the idea of providing a target,  
40 which does not preclude us from reviewing the budget line by line ensuring we do not leave  
41 anything without consideration. She indicated that the Committee will do its due diligence and  
42 present the best number for the town in July.

43  
44 Mr. Cutter suggested preparing in June and finalizing a number in July.

- 45  
46
- **Process for Budget Season 2014/2015**

1 Mrs. Couture asked Committee members if someone would like to keep track of the budgets by  
2 spread sheet this year. Mr. Cutter offered to keep the spread sheets.

### 4 **10. PUBLIC INPUT**

5 Jason Guerrette, 11 Perry Court, commented that it was interesting that during the election the  
6 warrant articles were approved and district and town budgets were not approved. He believes the  
7 voters liked having a choice on what was in front of them instead of big numbers. He noted that  
8 they see these big numbers and do not understand what is included.

9  
10 Mr. Guerrette indicated that he had a conversation with Mr. Hoch about the police cruiser lease.  
11 He was concerned about the legality of the lease included in the default budget. He commented  
12 there has to be a vote by the legislative body (the voters) to continue that payment, which is why  
13 there must be a non-appropriation clause. He indicated that unfortunately the cruisers are not  
14 appropriated because the monies in that line are for a lease that is in the past. Mr. Guerrette  
15 contended that a multi-year lease or bond must be approved by the voters. He commented that is  
16 why the district cannot lease computers. He suggested the Committee research the topic. He  
17 noted that in this state, the default budget can be challenged in court, if necessary.

18  
19 Mr. Guerrette commented that when Mr. Lemire was on the Budget Committee he would state  
20 that this Committee does not make policy. He indicated that Mr. Lemire takes the opposite  
21 position now that he is a Selectman. He noted that whatever you do as a committee may impact  
22 some policy that is in place.

23  
24 Mr. Guerrette encourage Committee members to watch other board meetings. He noted that  
25 there are comments made here, but become disconnected when watching other boards' meetings.  
26 He indicated that one does not see the departments working together.

#### 27 28 • **Upcoming meetings**

29  
30 The next meeting of the Budget Committee is scheduled on May 22, 2014.

31  
32 **MOTION:** by Mr. Cutter

33 ***Move to adjourn.***

34 **SECOND:** Mr. Peeples

35 **VOTE: 8-0-0**

36 **The motion carried unanimously.**

37  
38 There being no further business, the meeting adjourned at 8:26 p.m.

39  
40 **Minutes by:** *Michele E. Flynn (Recording Secretary)*

41  
42 **Date approved:**