



- Paving projects list.

Mr. Spencer asked if the Budget Committee agreed on the process for the flow of information with Committee members.

Mrs. Couture commented that is something that the School Board is trying to determine. She indicated that Dr. Cochrane stated he would ask for direction from the School Board regarding the Budget Committee's request to send questions directly to the Superintendent and the Business Administrator.

Mr. Spencer requested a copy of the audit trail regarding the breakdown of district transportation by provider. He indicated he would send an email to Mr. Bourque for Mr. Markiewicz and copy Mrs. Couture.

## 6. SCHOOL BUSINESS

- **General Updates**

Mr. Bourque reported that the FY15 Budget is not yet finalized. He also indicated that he expressed the Budget Committee's request to exclude self-funded programs from the budget to the School Board. Mr. Bourque reported that Mr. Markiewicz explained that including self-funded programs in the budget is a way to control the funds and follow the flow of money.

Mrs. Couture asked if the School Board will continue the practice of including self-funded programs in the budget. Mr. Bourque affirmed that the School Board will continue that practice.

Mr. Spencer asked when the Budget Committee would receive the April actual budget expenditures for FY14. Mr. Bourque indicated that the April financials will be reviewed at the May 29 School Board meeting.

Mr. Spencer commented that is late in the month.

Mrs. Flynn informed the Budget Committee that the policy of the School Board is that information is not distributed to other entities prior to School Board review.

Mr. Spencer commented there is nothing controversial in that information to warrant that policy.

Mrs. Couture indicated that the Budget Committee request to receive that information sooner. She suggested that it can be emailed to the School Board and the Budget Committee at the same time.

Mr. Peeples was concerned that the report may not be completed earlier in the month. Mrs. Couture felt that was not the case.

Mr. Brunelle commented that the Budget Committee has no statutory control over the budget.

1 Mr. Spencer commented that the Budget Committee has a responsibility to review the  
2 expenditures and revenues.

3  
4 Mrs. Couture asked Mr. Bourque to convey to the School Board that the Budget Committee  
5 would like the information earlier. She noted that the Budget Committee is requesting the actual  
6 expenditures, a decision on the flow of information for the budget process and transportation  
7 information.

8  
9 • **Revised 2015 Budget**

10  
11 **7. TOWN BUSINESS**

12 Mrs. Couture referred to the information received by the Town regarding the Ambulance account  
13 inquiry by the Budget Committee. She clarified that Mr. Spencer asked for the actual  
14 expenditures from the Ambulance account bad debt costs. She indicated that she received the  
15 following information from the Board of Selectmen:

16  
17 The account report reflects accounting moves rather than actual charges. The town uses a  
18 revolving fund to pay for the bad debt incurred. There will be no individual expenses shown that  
19 the bad debt line for ambulance, but only a single transfer of the appropriated funds out and into  
20 the revolving fund. Bad debt will be posted against the revolving fund. The actual bad debt that  
21 is being carried from 2013 is \$10,379. In comparison, 2012 had just under \$21,000 open at the  
22 end of that year.

23  
24 • **General Updates**

25 Mr. Brunelle reported that the following road projects have been completed: Stark Lane,  
26 McElwain Drive, Musquash Drive, Woodburn Drive, Albuquerque, and Page Road. He noted  
27 that Mike Lane has been started. He indicated that with the increase of the gas tax, the highway  
28 block grant is expected to increase in 2016. Mr. Brunelle reported that pre-tax season notes will  
29 be sent out. Referring to the budget process, Mr. Brunelle indicated that Mr. Hoch is responsible  
30 to deliver the core aspects of the budget and the department heads will attend to support and  
31 justify projects. He asked Committee members when they actually want department heads to  
32 attend.

33  
34 Mr. Bourque indicated that the School Board's plan is for department heads to attend the week  
35 after the budget presentations.

36  
37 Mrs. Couture clarified that the issue was that during presentations the department heads are  
38 present and the Committee members ask questions. She noted that the following week when  
39 voting occurs, the department heads are not present and there is no one to answer additional  
40 questions. She commented that the School Board's solution is to have department heads attend  
41 the week after the presentations.

42  
43 Mr. Brunelle indicated that the Board of Selectmen do not have issue with asking department  
44 heads to attend on both nights. He noted that the town budget representative and Town  
45 Administrator are qualified to answer the questions. He indicated that when we provide the

1 presentation Committee members have that paperwork and should be able to ask questions on  
2 that information.

3  
4 Mr. Spencer agreed. He commented that the process works well with department heads  
5 attending the first meeting and indicated that he felt the same way about the School Board  
6 presentations.

7  
8 Mr. Bourque commented that is contrary to previous discussion by the Budget Committee. He  
9 pointed out that when previously discussed, the Budget Committee directed that questions be  
10 answered on voting night.

11  
12 Mrs. Couture commented that she remembers when department heads attended both meetings.  
13 She acknowledged that people work long hours and indicated it is the District's and Town's  
14 choice.

15  
16 Mr. Pascucci commented the decision to bring department heads to the first meeting is fine;  
17 however, if they are not present at the second meeting those questions may not be answered. He  
18 indicated that those answers may be critical.

19  
20 Mrs. Douglas commented that there are many times you sit in a meeting and think of a question  
21 triggered by other conversation.

22  
23 Mr. Pascucci asked if there is a downside for the department heads coming to both meetings.

24  
25 Mr. Brunelle commented that the timing and decision of the Board of Selectmen is impacted. He  
26 indicated that the current process works well and addresses most questions. He noted that  
27 questions should be prepared and asked at the first meeting.

28  
29 Mrs. Couture commented that we discussed the budget and asked questions, but in the meantime,  
30 people make their decisions and there is no one here to rebut or answer questions.

31  
32 Mr. Peeples commented that he prefers to have the department heads attend on the night of the  
33 presentation. He indicated that more dialogue will make the budget process twice as long.

34  
35 Mr. Spencer commented that many times follow up is required as the budget is not always clear  
36 cut.

37  
38 Mr. Pascucci commented that he reads the budgets, spends much time on the budgets, comes  
39 prepared with questions, but has more questions at the next meeting. He indicated that during the  
40 first and second meetings, he digests the information received.

41  
42 • **Leases in Default Budget**  
43 Mr. Brunelle addressed the Board of Selectmen's response to Mr. Guerrette. He explained that  
44 the Board of Selectmen responded to Mr. Guerrette's questions, but that response is not the  
45 purview of the Budget Committee as Mr. Guerrette stated he would take legal action. Mr.

1 Brunelle indicated that the action of taking leases is an action of the governing body and not an  
2 action of the Budget Committee.

3  
4 Mr. Spencer indicated that under RSA 32, if the Budget Committee sees something that appears  
5 wrong, the Committee can take action.

6  
7 Mr. Brunelle commented that the Board of Selectmen is comfortable that the action is not illegal.  
8 He noted the Budget Committee asked for legal opinion, but the Board of Selectmen did not seek  
9 initial opinion based on past experience.

10  
11 Mr. Pascucci commented that if this Committee believes something is not legal we have an  
12 obligation to raise that concern. He indicated that multi-year leases need to be approved by the  
13 legislative body. He commented that the Board of Selectmen cannot take money from a previous  
14 paid lease carried over and include it in the default budget to apply toward payment of a new  
15 lease. He indicated that once a lease is paid, it should be subtracted from the default budget. Mr.  
16 Pascucci commented that he is concerned that the Board of Selectmen did not state it is legal, but  
17 that they are comfortable with their decision.

18  
19 Mr. Peebles agreed that there is an issue, but the Board of Selectmen have taken a position and it  
20 is unclear if the Budget Committee can force them to reconsider.

21  
22 Mr. Brunelle indicated that the RSA is clear regarding lease purchases.

23  
24 Mr. Pascucci contended that the police cruisers were purchased after the town meeting last year,  
25 but were not approved by the Legislative body. He commented that the non-appropriation clause  
26 is included for one year and then the lease/purchase is included in the budget. Mr. Pascucci  
27 indicated that the lease/purchase was included in the proposed budget, but should not have been  
28 included in the default budget. He commented that the Board of Selectmen could have opted to  
29 purchase the cruisers without a lease.

30  
31 Mr. Spencer asked if the Budget Committee has the right to ask for legal opinion.

32  
33 Mr. Brunelle indicated that the Committee can ask, but it is under the purview of the Board of  
34 Selectmen.

35  
36 Mrs. Douglas commented if we are breaking the law there is concern.

37  
38 Mr. Pascucci stated that he spoke to legal staff at the NH Municipal Association about the issue  
39 and their response was that the lease was not approved.

40  
41 Mrs. Couture cautioned that individual members of the Committee cannot act on official  
42 business. She indicated that the Committee must vote on a representative to call and inquire for  
43 information.

44  
45 Mr. Pascucci disagreed and commented that any elected official can call and get information  
46 from the Municipal Association.

1 Mrs. Couture was concerned that a member of the Committee may be using the position as a  
2 representative to acquire information.

3  
4 Mr. Peeples commented that inquiring outside the Committee does not have to be focused  
5 through the Chair.

6  
7 Mrs. Couture clarified that the Committee as a whole has to authorize that member in that  
8 instance.

9  
10 Mr. Spencer suggested that the Committee talk through what has occurred. He commented that  
11 cruisers were purchased on a lease last year. He asked if that was included in the default budget.

12  
13 Mr. Brunelle commented that the default budget was funded by the same level of appropriation  
14 from the prior year.

15  
16 Mr. Spencer commented that last year the default budget included a lease payment. Mr. Brunelle  
17 indicated that when the 2014 Default Budget was prepared, the same amount was entered in the  
18 leases line, but was not increased.

19  
20 Mrs. Douglas asked if the lease was paid, why it was included in the default budget. Mr.  
21 Brunelle indicated that it was allowed and that leases have been carrying leases in that line since  
22 2010.

23  
24 Mrs. Douglas stated that if the leases are paid they cannot be carried forward.

25  
26 Mr. Spencer asked Mr. Bourque if the School Board had a similar situation with computer leases.  
27 Mrs. Couture indicated that issue was prior to Mr. Bourque's service on the School Board.

28  
29 Mr. Brunelle indicated that the lease was carried forward, but a new lease was not added. He  
30 noted that the Board of Selectmen are comfortable with their decision.

31  
32 Mrs. Douglas commented there is no harm in asking for a legal opinion. Mr. Peeples  
33 commented that legal counsel would have said not to discuss the issue because Mr. Guerrette's  
34 comment regarding legal action is willful intent and was made in public.

35  
36 Mrs. Couture asked if the Budget Committee can ask for legal opinion because we are  
37 uncomfortable with the issue. Mr. Pascucci indicated that the Budget Committee can ask for a  
38 legal opinion through the NH Municipal Association.

39  
40 Mr. Peeples commented that throughout his service on town boards and committees, this is the  
41 first time he has been informed that the Board of Selectmen are not asking town counsel for a  
42 legal opinion.

43  
44 Mr. Brunelle questioned if it is the role of the Budget Committee to question the position of the  
45 Board of Selectmen. He offered to ask for a legal opinion since the Budget Committee has  
46 concluded that the Board of Selectmen's actions are illegal.

1  
2 Mr. Spencer commented that the Board of Selectmen may have erred when entering into a new  
3 lease last year.

4  
5 Mr. Brunelle indicated that the default budget was reviewed. He commented that the town takes  
6 a unique view of the default budget. He noted that the Board of Selectmen sought guidance on  
7 the creation of that budget. Mr. Brunelle commented that this debate is about whether we were  
8 legally right to carry that line through the default budgets.

9  
10 Mr. Pascucci commented that the Board of Selectmen have every right to purchase a vehicle;  
11 however, multi-year leases have to be approved by the Legislative body and the law states the  
12 lease must contain a non-appropriation clause.

13  
14 Mrs. Couture asked for clarification regarding the role of the Budget Committee to question  
15 those actions by the Board of Selectmen.

16  
17 Mr. Brunelle indicated that RSA 32:16 II states:

18 *II) To confer with the governing body or bodies and with other officers, department heads and*  
19 *other officials, relative to estimated costs, revenues anticipated, and services performed to the*  
20 *extent deemed necessary by the budget committee. It shall be the duty of all such officers and*  
21 *other persons to furnish such pertinent information to the budget committee.*

22  
23 He noted that RSA 32:22, Review of Expenditures states:

24 *Upon request by the budget committee, the governing body of the town or district, or the town*  
25 *manager or other administrative official, shall forthwith submit to the budget committee a*  
26 *comparative statement of all appropriations and all expenditures by them made in such detail as*  
27 *the budget committee may require. The budget committee shall meet periodically to review such*  
28 *statements. The provisions of this section shall not be construed to mean that the budget*  
29 *committee, or any member of the committee, shall have any authority to dispute or challenge the*  
30 *discretion of other officials over current town or district expenditures, except as provided in RSA*  
31 *32:23.*

32  
33 He noted that this law states that the Budget Committee can request a comparative statement of  
34 all appropriations and expenditures. He noted that it further states that the Budget Committee  
35 shall not have any authority to challenge the discretion of other town officers over current town  
36 business.

37  
38 Mrs. Couture commented based on what Mr. Brunelle read he is correct.

39  
40 Mr. Pascucci asked what RSA 32:23 states. Mr. Brunelle indicated that RSA 32:23 states that  
41 the town cannot over spend the bottom line and the Budget Committee's actions over the town's  
42 non-compliance.

43  
44 Mr. Pascucci commented if a handful of Committee members believe they are doing the right  
45 thing and the Board of Selectmen informs us otherwise, it will have to be addressed outside the  
46 scope of the meeting.

1  
2 Mrs. Couture commented that many words are spoken in the heat of emotion. She agreed that  
3 the Budget Committee has a right to express concern, but that is where it should stop.  
4

5 Mr. Spencer agreed that the cruisers are needed. He commented if they did not have the right to  
6 enter into a lease agreement last year that caused the town to spend money, then the Budget  
7 Committee is the only body that has the authority to question.  
8

9 Mr. Brunelle indicated that the Board of Selectmen has the right to enact any lease under the law  
10 with a non-appropriation clause. He noted that the Board of Selectmen can move money around  
11 for that appropriation. He commented that the argument is that the Board of Selectmen carried  
12 the lease line over with no money there.  
13

14 Mr. Spencer commented if the leases were paid then the Board of Selectmen entered into a new  
15 lease and a new lease requires approval by the Legislative body.  
16

17 Mrs. Couture asked if the Budget Committee can get clarification on the issue without being  
18 specific to that issue. She asked for clarification regarding the meaning of the RSA.  
19

20 Mr. Brunelle indicated that he will bring the Budget Committee's request to the Board of  
21 Selectmen. He commented that it is up to the Board of Selectmen if they decide to share the  
22 legal opinion with the Budget Committee.  
23

24 Mr. Pascucci commented he would like to see legal opinion specific to this issue.  
25

26 Mr. Spencer asked if the lease entered into last year was properly approved by the voters.  
27

28 Mrs. Couture suggested that the Budget Committee would like to know [without being specific  
29 to the police lease] what is the proper way for a lease to be approved; if the lease is approved as a  
30 multi-year lease can it be included in the default budget, or, if the lease is not approved can it  
31 still be included in the default budget.  
32

33 Mr. Brunelle indicated that is outside the scope of the Budget Committee to ask.  
34

35 Mr. Peoples commented that in itself is an answer. He indicated that a citizen of the town has  
36 asked a question and the Budget Committee has also asked and received an answer.  
37

38 Mrs. Couture asked if the answer is not the purview of this Committee, where should the  
39 Committee's concern be directed.  
40

41 Mr. Brunelle suggested this may be an opportune time for the Budget Committee and Board of  
42 Selectmen to meet with the town attorney and discuss their roles and responsibilities. He  
43 indicated that it is the responsibility of this committee to review the budget and make  
44 recommendations and to ask why a line has been over or under spent.  
45

1 Mr. Peeples was not comfortable with using town counsel for that purpose as they represent the  
2 town. He suggested it should be done through the NH Municipal Association.

3  
4 Mr. Pascucci commented that would be open to us since the town is a member.

5  
6 ***Mr. Pascucci made a motion to call the NH Municipal Association for a meeting with the***  
7 ***Budget Committee.***

8  
9 Mrs. Couture asked if the Committee would like her to call the NH Municipal Association to  
10 determine what services are available and what it will cost for those services.

11  
12 Mr. Spencer commented he would like to get an answer about the lease as he disagreed with the  
13 decision of the Board of Selectmen. He indicated that Mr. Brunelle offered to ask the Board of  
14 Selectmen the question from the Budget Committee.

15  
16 • **Review of Expenditures**

17 Mr. Pascucci indicated that he had some questions regarding the changes from the default  
18 budget. He asked about changes to the town clerk's software line, ballot boxes, equipment  
19 purchase, solid waste, accounting overtime, library and health insurance refund. He asked why  
20 police training was deferred to 2015.

21  
22 Mr. Brunelle indicated that this is special training. He noted that basic training will commence,  
23 but the town will ask for the special training in the 2015 budget.

24  
25 Mr. Pascucci asked about the \$26,500 for the cruisers. Mr. Brunelle indicated that is gone.

26  
27 Mr. Pascucci commented about assessing services and that next year is the fifth year. He noted  
28 that budgets will be higher next year.

29  
30 Mr. Brunelle indicated that there is \$70,000 or \$80,000 that will go into the deferred line. He  
31 commented that we do not know if that money will go into the operating budget or on the  
32 warrant. He noted the items we deferred to 2015 are still required.

33  
34 Mrs. Couture acknowledged that Mr. Bourque distributed the April Enrollment Report for the  
35 District. She asked if there are any questions. Hearing none, Mrs. Couture moved onto Member  
36 Input.

37  
38 **8. MEMBER INPUT/NEW BUSINESS**

39 Mrs. Couture indicated that in June the Budget Committee will discuss budget guidelines for the  
40 school and town. She suggested that Committee members bring to the meeting any information  
41 they would like to use to determine the guidelines and be prepared for discussion. She  
42 commented that a final decision will be anticipated in July.

43  
44 Mr. Peeples encouraged Committee members to ask anyone they speak with how they see  
45 themselves in this economy. He commented as we go into the next budget year, we have to  
46 consider what people can afford and what we need for services.

1  
2 Mr. Brunelle suggested asking people what services they can live without as well.

3  
4 Mr. Spencer requested the District's May actual expenditures prior to the next meeting, including  
5 object and function codes.

6  
7 Mr. Pascucci agreed that Committee members should talk to people in town and ask if they are  
8 happy with the services, hours of offices or if they would like to see cutbacks. He commented  
9 that sometimes when there are cutbacks people get frustrated. He indicated it is what the Budget  
10 Committee and Board of Selectmen believe the people want when we create a budget.

11  
12 Mr. Pascucci commented that he is not an emotional person, but makes statements based upon  
13 research, his perception and due diligence.

#### 14 15 **9. PUBLIC INPUT**

16 There was no public input.

#### 17 18 • **Upcoming meetings**

19  
20 The next meeting of the Budget Committee is scheduled on June 26, 2014.

21  
22 **MOTION:** by Mr. Pascucci

23 ***Move to adjourn.***

24 **SECOND:** Mrs. Douglas

25 **VOTE: 8-0-0**

26 **The motion carried unanimously.**

27  
28 There being no further business, the meeting adjourned at 8:50 p.m.

29  
30 **Minutes by:** *Michele E. Flynn (Recording Secretary)*

31  
32 **Date approved:**