

Budget Committee

Regular Meeting Minutes

August 19 2014

The Chairman of the Budget Committee opened the meeting at 6:30pm

Roll Call: The Chair called the roll of the seating members Bruce Woodruff, Larry Brown,

Eric Ohlenbusch, Bob Carrier, Devon Pageau, Stan Nadeau (Water District) Ann Walsh (School Board) Mike Beaulieu (Selectmen), Excused Jennifer Crone

Public: Andrew Rawson

A quorum was present.

Approval of Minutes: The Chair ask if there were any changes need to be made in the draft

minutes of June 17th 2014 if not need a motion to approve. L.Brown made the motion to approve the minutes as written second by M.Beaulieu motion passed 6-0-2 abstained.

Citizens Comments: None

Review School Report: MRI is taking over temporally the Business Administrator position as Mr.

Andrew D'Agostino Sr, is no longer with the SAU# 64.

Ann provided handouts for the Committee ending the School year and the SAU expenses 6/30/13. Ann said there would not be a July report due to very little activity during the month.

The Fund Balance is \$397,000 that will be used toward the School budget. The Fund Balance from the School Budget that ended 6/30 of this year is \$160,000. The additional \$232,000 came from the Middle school building bond that they do not intend to use.

Larry ask if this is after the Sped kick out. Ann replied that's after all the warrant article are taken out. We started the year with \$343,000 that's with expenses and revenues and the reason we have \$397,000 is because of the \$232,000 from the School project.

Bruce ask for clarification on the bond why they couldn't turn that back in until the bonds were paid? Ann replied this was money they had that they were planning on using on the project but they didn't use it and decided to put toward the budget.

Bruce ask what is the progress on where the high School students will be educated?

Ann said the Harriman Co. that was hired to do an appraisal on the facility was e- mailed to the SAU Monday. Ann has not seen it yet but will discussed it next week and that was the facility analysis just on Nute the older building. Once we look at the facility analysis we'll come up with some figures to give to the town. This is just a piece of the problem along with the towns.

Stan read an article next few years the town will have to absorb a high percentage of retirement they won't be contributing at all. Ann said were not coming in with a building project in March.

We need to decide if we're going to go if the opportunity is there. In the next few years will probably come out with a building project.

This year we have the teacher's contract. The teachers have been working without a contract.

Somersworth came up to Milton July 9th and gave their presentation and the School Board looked at the dollar figures and it would not be cost effective and we also have to look at the educational aspect as well. The students will be educated in Milton.

Ann said Milton is like Wakefield they have about the same amount of kids and their budgets are just as big as Milton. Ann and another School Board member will be meeting with the Rollinsford School Board tomorrow night to ask why they pulled out of Somersworth.

Stan ask about what's the status of Milton leaving the SAU? Ann when we looked at it would be an excessive cost to Milton residents so the committee decided not to withdraw. At the same time Wakefield where making plans to leave the SAU they also decided not to withdraw.

So they both sent recommendation to the State saying they don't recommend it. It has to go on the ballot in March asking for the Town to approve the recommendation.

Wakefield has decided that they do want to withdraw from the SAU. If Wakefield votes not to go along with the recommendation then they would have to put together a withdrawal plan.

Mike ask Ann is there any rumors of moving out of Commerce Way? If Wakefield leaves us than well have a big building that we don't need. We are up for renewal of that building and Wakefield refuses to sign a 3 or 4 year lease so we are asking them for a 1 ½ year lease until the issue is resolved.

Bruce ask if Wakefield does leave what would be their plan? Ann replied they could hire a Part time Superintendent and Part time SAU staff they would save themselves a little bit of money because they pick up 56% of the SAU office budget because of the valuation of the Town.

Mr.Tursi seems to think that we can keep the cost of the SAU for what we're paying now.

Review the Town Budget: Bruce e-mailed three reports expense and revenue and the 2nd quarter revolving fund.

Bob C. said at the last joint CIP meeting July 11th there were changes made to the spreadsheet. The Library tech line for a \$1,000 will be added to the library budget. The Building Maint. Line for \$20,000 was removed and the Assessing line \$3,500 will be added to the Assessing budget for the first year in case the CIP doesn't pass.

Bob attended the BOS CIP workshop Aug 12th and wrote a report on the changes that were made to the CIP and forwarded the report to the Chairman and was distributed to the committee.

Larry said there was an article in Fosters newspaper on Newmarket CIP. He read the article to the committee. The main points identifies the capital needs of the town and indicates how the needs would be funded. Larry said it would be a great idea to put this on the town's website.

Bruce that the process of putting together a CIP program starts with the town administrator and Dept heads moving on to the Planning Board. The Planning Board does have the goal responsibility of putting together and then recommending the CIP program to the Board of Selectmen. The Planning Boards primary responsibility is to determine that the capital projects to the 6 year program are tied in with the master plan or not. If there not they should not be in the CIP and that's in the statute.

Bruce: commented the CIP process is moving along really well. The consensus is that most of the committee members feels that this is a great way to package large projects costs and to smooth those costs over a 6 year period.

Mike: the general fund balance is \$477,000 and the % expenses are where they should be.

Bruce: said as of Aug 6th the % used in the total budget was about 46%.

Stan: question the transfers from solid waste, Fire dept and recreation lines in their budgets that were made at the Selectmen's meeting last night. (Aug 18th) A dollar was transferred from each depts budget to fund the zero lines that were added in the default budget. These lines had no appropriations in the line items but money was being spent in those lines. There was a discussion on the legality of this practice. Ann said the School has gone through this before and the answer they get is you can move money around in the budget so long as it doesn't change the bottom line.

Stan said he would like to get an answer from DRA on the legality on the transfer of funds to lines with no appropriations.

Stan: made a motion to have this board request the DRA their opinion on the transfer of funds to legally take a line that has a zero in the budget that was voted in midstream and put a dollar or better in there. Second by Bob

Stan: amended his motion to let the Selectmen provide the request to DRA and at the next regular BC meeting provide the report.

Bruce called for a vote 7-0-1 Mike Abstained. Motion passed.

Members Comments: Stan said at the BOS meeting last night a resident question the timely minutes being on the town website not just us but other committees as well.

Bob who was also at the Selectmen meeting told the audience that the Budget Committee does not meet in July the June minutes would be approved in Aug.

Bruce: rebutted that all the minutes on the town website that were approved with the exception of June minutes we are up to date. The criticism of the Budget Committee is not well-founded.

Stan: said he promised to bring it up and the residents got their question answered.

Larry: When Robert S. Mc Namara was Secretary of Defense his staff thought he wanted the Material brought to him on his terms as oppose to the terms of information. I have the same problem with people you expect the town's information to be brought to them.

We have good minutes from the CIP workshop which are not the minutes of any official meetings.

I thank Bob for writing the minutes. If this could go on to Milton front page for information about the Town's needs. It might give a little bit of good news about the work the Town is doing with the CIP.

Stan: ask if this was an official meeting. It was an official meeting between multiple depts this is Official minutes. Bob responded these are their minutes I added more information that was discussed at that meeting. These minutes will not be posted because this was not our meeting.

Bruce: response these are informational notes sent to each BC member so you would know what happen at the meeting. Bruce held up a copy of the BOS minutes and said this is all they need.

Stan: so this was a Board of Selectmen meeting. Bruce responded yes.

Bruce: unlike the two previous meetings where it was advertise as a joint meeting we were only advisory and we did not post an agenda or notes.

Bruce: The communication with the Town Administration has improved greatly their responsive to request for information and documents and even to the point that are meetings are posted on the board in front of the Town Hall.

Stan: when are we going to ask for someone to take the minutes for the budget season?

Bruce: responded the Town Administrator ask for our budget amount for a recording secretary while noting that the \$50.00 per meeting doesn't quite make it across the board and suggested \$67.00. I looked at the schedule this year and I'm estimating that we'll have 18 meetings 18*\$67.00 \$1,170.00 and so that's what I have submitted to the Town Administrator which will go before the Selectmen.

Stan: said that's for next year's budget. Bruce: yes it is. Stan: the deal was we agreed to have Bob Who volunteered to do the minutes until we get to the budget season and they would provide us with a secretary. Bruce: responded that is exactly what we agreed to that they would try to find us some money so we can have a separate employee secretary during the budget season. The next meeting will be Tuesday September 16th at 6:30 pm.

Adjournment: The Chair ask if there was any further comments if not would like a motion to adjourn. Eric made the motion to adjourn second by Stan motion carried at 7:35pm

Submitted by the Vice Chair Bob Carrier

Chairman_____

8.19.14 Budget