

**Approved
Candia Budget Committee
Meeting Minutes
November 9, 2011**

Members Present: Lynn Chivers, Carla Penfield, Todd Allen, Kim Byrd, Carleton Robie, Selectmen's Representative, Ingrid Byrd, School Representative, Christine Watson arrived at 7:10.

Members Absent: Judith Szot

The meeting was called to order at 7:01. Lynn led the Pledge of Allegiance.

Posting of meeting

Lynn announced that the postings for the notice of this meeting had been taken down off the bulletin boards at the town office and the post office in error because the wrong date was on the agenda. RSA 91-A states that meetings need to be posted 24 hours in advance, with the exception of a meeting of an urgent nature. Lynn Chivers feels this meeting is urgent. The Committee decided to hold the meeting as scheduled, but no votes or decisions will be made. A consensus of the Committee would be taken and official decisions would be made at the next meeting on November 17, 2011. Carleton made a motion to proceed and make any necessary votes at the next meeting. Seconded by Carla Penfield. All voted in favor. Motion carried.

Approve minutes of October 12, 2011

Carla Penfield made a motion to accept the minutes of October 12, 2011 as written. Lynn Chivers asked to correct "wee" in the first line under "Answer questions from last meeting" to "were". Seconded by Todd Allen. All voted in favor. Motion carried.

Approval of minutes of October 20, 2011

Carla Penfield made a motion to accept the minutes of October 20, 2011 as written. Carleton Robie seconded. All voted in favor. Motion carried.

Answer questions from last month's meeting

The Committee had questioned the Conservation Commission line for "Administration", wanting to know what that consisted of. Carleton will get the answer for the next meeting. Ingrid Byrd reported that the expenditure report last month showed a potential deficit in the Regular Teachers Salary line because there has been a shuffling of staff and there were several teachers that completed training courses over the summer and had to be moved to the next higher pay grade, as per the Collective Bargaining agreement.

There was also a question if the Extended School Year Program was funded under Title 1. Ingrid Byrd reported that this program is for kids that are coded and have individual educational plans. It is partly funded by the school and partly through Title 1.

Review town budget

The Committee reviewed the proposed Selectmen's budget for 2012. Comments/questions were as follows:

Southern New Hampshire Planning Commission - The Selectmen reduced this line by 50%. Carleton Robie explained that the Board felt that the SNHPC was not spending the money to do much planning. However, SNHPC sets the fees and it may be a case of all or nothing. He is not sure at this point what the Board of Selectmen will do with this line. Lynn Chivers said that this issue will come up again in the future because several people have expressed concerns to her regarding the Planning Commission being funded.

Ambulance – Carleton Robie explained that the current ambulance contract is at no charge to the town. The Board put \$1 in that line just in case this company goes bankrupt (like Rockingham did) during the year and we need to contract with another company. There needed to be a way to fund that possibility.

Building Inspector – Lynn Chivers stated that the Board of Selectmen has hired a new Building Inspector. Carleton Robie explained that he is being paid the same rate as the old inspector, but working a few less hours. Kim Byrd asked about the revenues coming in from the Building Inspector's office through fees and how much they offset the Building Inspector's salary. Carleton Robie stated that fees are way down this year compared to prior years.

Conservation Commission – Christine Watson asked why the Administration line was increased. Carleton will get the answer to that.

Elections Administration – Christine Watson asked about the increase and was told that there are five elections in 2012, where there were only two in 2011.

Health Officer – Carleton Robie explained that the new Building Inspector is also the Health Officer.

Insurance – Lynn Chivers explained that we do not have figures yet for insurances. The Committee will revisit that when numbers are in.

Legal – Lynn Chivers asked if since the AT&T Zoning case has been settled, if the legal line might be able to be reduced. Carleton Robie explained that normally the Board likes to leave an amount in there just in case some legal issue comes up throughout the year. Carla Penfield said that there has been years when the entire legal budget was spent, plus some.

Parks & Recreation – Kim Byrd commented on the electricity for the Pond Park. Carleton Robie reported that the power is always shut off except for when someone is scheduled to use the property. But there are still monthly fees in order to keep the account active.

Planning Board – Carla Penfield asked what the Special Projects line included. Carleton Robie will find out. The telephone line shows a large increase. It was explained by Carleton Robie that the phone line includes all the Land Use Office capacities. In the past, this line had been underfunded as well. Carleton Robie told the Committee that the Board is currently shopping other phone carriers.

Police – Lynn Chivers passed out copies of notes from a discussion that Todd Allen had with the Police Chief. Carla Penfield stated that we have no control over the retirement line. Carleton Robie explained the decrease in the full time wages is a result of the difference between losing a long time employee and replacing him with a new employee at a lower pay rate. He also said that the department has hired a couple more part time officers, so that will take some of the hours off the full time salary line. Carla Penfield stated that the gasoline line has been increased. This is just a result of the increased costs of fuel. The cruiser is the only other line that is a concern. Carleton Robie feels that if the Chief wanted to talk about his department or a cruiser, he should have come to the meeting. He doesn't understand why there was an outside meeting. Carleton Robie explained that the Board of Selectmen had accepted the Police budget with the cruiser in it with the intent that at the end of the year there would be enough funds left over to encumber \$12,500 to add to the \$12,500 they encumbered last year for a cruiser and buy a new cruiser. If this happens, the cruiser would be removed from the 2012 budget, thus leaving a total proposed budget that is .3% decreased from 2011. Carleton Robie felt that before the Budget Committee takes a vote on the proposed budget, they should wait until they see a revised budget after the end of the year. He stated that there may be a couple other items that may be removed from the 2012 budget if there are surplus funds at the end of the year to be encumbered. Todd Allen clarified that

there are two separate issues here; one was to fund a new cruiser or not, and the other was to have a plan on when to replace our vehicles. That is the topic that he had a discussion with the Chief about – that is what his notes are about. Lynn Chivers pointed out that there are no maintenance records for each vehicle. The consensus of the Committee was that there should be. Carla Penfield feels that the Chief should be asked for better record keeping on the maintenance of the vehicles. Carleton Robie will bring this up to the Representative to the Police Department at the next Selectmen's meeting. Lynn Chivers said the Committee will revisit the cruiser issue after the year end.

Solid Waste – Carla Penfield does not feel that we need two part time employees at the transfer station. Ingrid Byrd agreed. Christine Watson stated that it is hard for us to tell if we only go there once a week – it could be very busy on a different day. Carleton Robie said that usually both the part timers work on Sundays. Most other times, there is only one part time person on duty. Carla Penfield feels that we have operated for 3 years down there with the same number of people. And now, during a recession, we hired another. It doesn't make sense. Todd Allen and Christine Watson had no particular position on the part time employee issue, especially given that the overall Solid Waste budget is reduced.

Tax Collector – Christine Watson asked why the membership fees line was increased. Ingrid Byrd also asked about Tax Collector fees and why it is an increase. It is tied in with the number of liens and foreclosures. As they increase, the fees will increase. Carleton will find out the details on those lines.

Town Buildings – Carla Penfield asked about the status of the Old Smyth Library. Carleton said it is being worked on right now by the Heritage Commission. They have received two grants and hired an architect to do a feasibility study on the building. But that study has nothing to do with the operating budget. He reported that the heat, electricity, and yard maintenance is mostly what the expenses in the budget are for. Kim Byrd asked if there was a possibility to get some revenue from the building – maybe renting it to an organization. Carleton Robie feels that the Town is not or shouldn't be in the rental business, but should maintain a building that is a National Historic building.

Town Clerk – Carla Penfield asked about the Municipal Agent/Vitals/Titles line. Todd Allen explained it is a wash item and is offset by fees that get paid. The Municipal Agent Fee will be increased to \$3.00, which is why the Social Security and Medicare line is increased as well, since it is a wage expense. Ingrid Byrd asked why the election materials line had been reduced. Carleton Robie explained that in 2011, the budgeted amount had been \$3,700, but only \$1,600 was spent, so in 2012, the line was reduced.

Lynn Chivers reminded everyone that the public hearing on the town budget is scheduled for January 17, 2012. The Committee will be making their final vote on the budget at their meeting on January 11, 2012 when they will be discussing the warrant articles.

Review town budget expenses and revenues

Revenues – Kim Byrd commented that the revenues are down \$181,000 from 2010. There were no comments on expenditures.

Carleton Robie reported to the Committee that the tax rate has been set. It is a reduction of \$.52, from 19.90 down to 19.38 per thousand. The fund balance has increased to a healthy level of 1.1 million. He reported that we are right where we need to be. Carla Penfield asked how much the Department of Revenue Administration recommends we keep in fund balance. Carleton Robie replied between 5% and 17% of the annual budget, which is what we have now. Four years ago we had only \$480,000 which was almost not enough to pay the bills, but now we have a healthy \$1,100,000 – and a reduced tax rate.

Review school budget expenses and revenues

Lynn Chivers reported that the school provided the Committee with a report that shows the high school enrollment figures of regular education students comparing the budgeted and actual numbers. This

addressed the questions the Committee had. This report does not include the eighth graders that will be going to high school the next year. Lynn Chivers feels that since we have been over-budgeting this line for years, maybe the school should ask the parents of eighth graders their plans for the high school years. Ingrid Byrd will pass that along to the School Board. There was continued discussion about the budgeting for high school tuition. Todd Allen feels that it wouldn't be as much of an issue if any surplus was always returned to the town at the end of the year.

The Committee looked at the report that shows the vendors for the \$60,065 that was encumbered by the school at the end of the fiscal year. Carla Penfield feels that all the items on the list should have been budget items, because when they are purchased like this, it skews the budget figures. This is about juggling the figures around and gradually it increases the budget and they think that people don't see it. There was discussion about what some of the items could be that were expended. Ingrid Byrd did not know, but would find out what School House Reps and Pidela Corporation is. She said they could be general school supplies, textbooks, materials for various programs the school has bought into. The expense for magazines was questioned. Carleton Robie reminded the Committee that several years ago, the school encumbered almost everything at the end of the year. This year they turned back about 460,000 +/- and that is part of why we could lower the tax rate. Carleton Robie feels that the school budget should be about \$500,000 less because they had that much that they didn't spend last year. Carleton Robie asked that the message be sent back to the school by Ingrid that the Committee is aware of the budget and encumbrances.

Other

Lynn reminded everyone to pick up their copy of the school budget from the library on Monday.

Todd asked Ingrid what topics had been discussed at the recent budget workshop for the school that the Committee should be aware of. Ingrid reported that salaries will be increased, full time kindergarten will be instituted, which will require hiring another teacher, there was discussion of adding a couple school buses to enable a uniform start time for school – no staggered start times, and there will be additional computers and rewiring being done.

Lynn announced that Matt Broadhead has volunteered to serve on the Committee for the remainder of Craig Sandler's term. This was the urgent matter that Lynn felt the Committee needed to have this meeting today to address – filling the vacant position since we are in the middle of the budget season. It was the consensus of all to appoint Matt Broadhead to the Budget Committee until March. Lynn Chivers asked him to see the Town Clerk to be sworn in and Cheryl Eastman would get all his paperwork together for him to pick up.

Todd Allen asked about the recent power outages and asked if the school had been opened as an emergency shelter. Carleton Robie said that it had not, but they had not been informed that anyone was looking for shelter. If there had been a need, it would have been opened.

Christine Watson made a motion to adjourn at 8:45. Carleton Robie seconded. All voted in favor. Motion carried.

Minutes respectfully submitted by,
Cheryl Eastman