

**Approved
Candia Budget Committee
Meeting Minutes
February 8, 2012**

Members Present: Lynn Chivers, Carla Penfield, Todd Allen, Kim Byrd, Judith Szot, Matt Broadhead, Carleton Robie, Selectmen's Representative, and Kim Royer, School Representative. Christine Watson arrived at 7:15.

The meeting was called to order at 7:00. Lynn Chivers led the Pledge of Allegiance.

Letter Received by the Committee

Lynn Chivers announced that a letter had been received through the town website to Cheryl Eastman for the Budget Committee. Lynn read the letter as follows:

"December 8, 2011

Dear Candia Budget Committee:

This letter is in response to the joint Candia Budget Committee/School Board meeting held on Monday November 21, 2011. The School Board provided an excellent budget that offers a top-notch education that will benefit the entire community of Candia. I request that the Budget Committee accept the Budget proposed by the School Board because it is the right direction for our community.

Sincerely,

Anastasia Johnson"

Lynn Chivers explained that the letter is dated December 8, 2011 and was sent to the town website and was forwarded to Cheryl Eastman on January 30, 2012, which is why we are just getting it now.

New School Board Representative to the Budget Committee

Lynn Chivers introduced Kim Royer. She is the new Representative from the School Board. Everyone was supplied with a new contact list with her information added to it.

Approve Minutes

Carla Penfield made a motion to approve the minutes of January 11, 2012 as written. Carleton Robie seconded. All voted in favor with the exception of Kim Royer as she was not a Committee member on that date. Motion carried.

Carla Penfield made a motion to approve the minutes of the January 12, 2012 meeting as written. Carleton Robie seconded. All voted in favor with the exception of Kim Royer as she was not a Committee member on that date. Motion carried.

Carleton Robie made a motion to approve the minutes of the January 17, 2012 meeting as written. Seconded by Todd Allen. All voted in favor with the exception of Kim Royer as she was not a Committee member on that date. Motion carried.

Matt Broadhead made a suggestion to change the wording on the January 25, 2012 minutes, under "Legal Concerns" from "supplemental public hearing" to "supplemental budget hearing." Carleton Robie made a motion to accept the minutes as amended. Seconded by Todd Allen. All voted in favor with the exception of Kim Royer as she was not a Committee member on that date. Motion carried.

Carla Penfield raised a question about the recommendation of the Budget Committee on the amended operating budget amount for the school. She feels that the ballot should not say that the Budget Committee recommends the new number. Lynn Chivers said that this issue will be discussed later this evening. Carla Penfield made a motion to approve the minutes of the February 4, 2012 meeting as written. Seconded by Judith Szot. All voted in favor with the exception of Kim Royer as she was not a Committee member on that date and Carleton Robie as he was not present at the Budget Committee's meeting after the Deliberative Session. Motion carried.

Answer questions from last meeting

There were no questions remaining from prior meetings.

Kim Royer announced that at the March School Board meeting, they will be discussing the relocation of the server and the uranium issues.

Review Town Budget Expenses and Revenues

Carleton Robie reported that there are no town reports to review until we have an approved budget to work from. Reports will be ready for the April meeting.

Review School Budget Expenses and Revenues

There was a lengthy discussion regarding the school deliberative session and comments that were made regarding non-discretionary funds, contractual obligations, and projected surplus. There was also discussion about the reports from the school and that some of them seem to contradict themselves in the area of encumbrances. It may be that the terminology and definitions may be different from what the SAU and School Board understands and what the Budget Committee understands. Terms like encumbrances, encumbered, discretionary and non-discretionary need to be clearly defined and explained in relation to the reports so that everyone understands the information and is on the same page. For example, at the deliberative session, a comment was made that teacher salaries are non-discretionary. Lynn Chivers pointed out that the school is obligated to have third grade teachers, but is not obligated to have three of them (strictly as an example). By law, a classroom can have up to 30 students. The general consensus was that there should be some discussion with the Budget Committee, SAU, and School Board prior to next year's budget process to avoid some of this confusion. There was further discussion about the high school tuition capital expenses. The Committee asked how many times a year the capital expense payment is made to Manchester, are the capital expenses a fixed cost per student, or a percentage. Kim Royer will get those questions answered prior to the next meeting and e-mail them to all Committee members. The Committee also questioned the reports that show an expense has been made in a line item that had zero dollars allocated to it. If no funds were allocated, then no funds can be spent in that line. Kim Royer asked if the Committee is saying they do not trust the reports they get from the SAU. The entire committee stressed that they have complete faith in Karen Lessard and her work. It is really more of an issue of the Budget Committee needing to fully understand the numbers in the reports and that all the bodies are on the same page.

Other Business

School Budget Recommendation - Judith Szot made a motion to not recommend the amended school operating budget as adopted at the Deliberative Session. Carla Penfield seconded. Matt Broadhead felt that the wording should be changed to "the operating budget as amended at the Deliberative Session is not recommended by the Budget Committee." Carla Penfield made a motion to amend Judith's motion to add that wording. Seconded by Judith Szot. All voted in favor, except Kim Royer and Todd Allen, with the assumption that adding that wording is legal.

Town Deliberative Session

Carleton Robie urged everyone to make sure their friends and neighbors come to the Deliberative Session on Saturday, Feb 11, 2012. Carleton added that he would like to see work sessions for the public to attend that will educate the citizens to learn how the budget process works. Kim Royer agreed and said that the town and school boards should also attend them since there is no training for the people that sit on the boards, either. Lynn Chivers said maybe the Banner could do an informational series on SB2.

March Budget Committee Meeting

Todd Allen made a motion to cancel the March meeting. Christine Watson seconded. All voted in favor.

At 8:35, Judith Szot made a motion to adjourn. Seconded by Todd Allen. All voted in favor.

Minutes respectfully submitted by,
Cheryl Eastman