

**Approved
Candia Budget Committee
Meeting Minutes
May 8, 2013**

Members Present: Matt Broadhead, Lynn Chivers, Carla Penfield, Todd Allen, Paul LeBlond, Christine Watson, Emily Roster, School Board Representative, and Carleton Robie, Board of Selectmen Representative.

Matt called the meeting to order at 7:01.
Matt led the Pledge of Allegiance

Old Business

Approve Minutes

Lynn made a motion to approve the minutes of April 13, 2013 as written. Seconded by Carla. All voted in favor. Motion carried.

Answer Questions from last meeting

School

Matt asked about the school's year-end report having three columns, one being the 2012 revised budget, the actual expenses, and a variance column – either percentage or dollar amount. Emily said the School Board will discuss it at their leadership workshop on May 23. Emily feels that report can be ready for the June Budget Committee meeting.

Town

Carleton explained the question about the expenses on the Election line has been corrected. An amount had been entered on the wrong line.

Special details fund – Carleton said it is all set up now. As checks come in for details, they are being deposited into that account. They will pull funds out of that account when they need to pay the bills for the details. It is all set up. Carleton said that because of this new fund, the town will not be paid any money back for the use of the cruisers at a detail. Lynn commented that there had been lengthy discussions about this and the costs of running the cruisers at a detail would be reimbursed to the town. Lynne, Emily, and Christine all said that it was explained before to the Budget Committee that there would be costs associated with the use of the cruisers given back to the town from that fund. Carleton said that right now it is not set up to do that. He added that if it was made clear to be set up that way, he would have set it up that way. Perhaps they should be talking to Mr. Snow about that to address that issue. Lynn added that Cheryl had also said the same. Carleton said Cheryl is not here any longer. Carla asked who sets the rate for special details. Carleton said the Select Board does. Emily said the rate is supposed to cover the cost of the car and everything. Carleton said it did, when the Board was in charge of the money. Matt said it looks like an internal accounting problem. Christine said it is a pretty straight forward thing. We can go back and look at the minutes and we hold them accountable for how it was set up. She feels it is pretty cut and dry. Matt said that it was said at the public hearing that the cruiser costs would be covered. Carleton said there is not a whole lot of money left. The detail rate is \$55.00 per hour. The officer gets \$35.00. Then we pay his Social Security plus his retirement. So it is close to \$40-42. That leaves \$12-13 dollars that used to come back to the town in the general fund. It would offset the cost at the end of the year. You can't put a car on the road to sit there for \$10.00 per hour. Emily said it sounds like the rate is too low. Carleton added, or the pay is too high. Carleton said there is very little money left. He asked if we should charge \$15.00 an hour for the car. Lynn said yes. And we were told that it was all taken care of and set up that way. It would all be done. Todd said that at the end of the year if there is zero dollars in the fund, then so be it. As long as it is set up to cover everything that it should be covering. Carleton added that it just makes more paperwork. Christine said that may be true, but that is what the voters chose and all we can do is make sure it is set up the way they were told it would be set up. Carleton asked who agreed to that. Matt said the Police Chief said it himself. Carla said it went to the Deliberative

Session and everyone had their say. The town voted to do this. Carleton said he will work on it. Emily suggested raising the detail rates. Carleton said do away with the details and save our cruisers.

New Business

2012 Winter Road Maintenance Budget and Excess Fund

Matt reminded Carleton that the question was that it did not snow last year, so why did we tap into the Excess Winter Road Maintenance Fund? Carleton said it is a long story. Five years ago when Carleton became Selectman, he thought that he could make a difference here, so he went to work. The first year he was here, the budget was over-expended by a considerable amount and the Budget Committee came in and gave the Selectmen heck. At that point Carleton said he really needs to pay attention to what is going on. So that's what he did for four years. Also, during that first time, a gentleman in town told him he shouldn't get too excited about being a Selectmen because you are just a good old boy and one person can't do any harm because there are so many layers of departments, Budget Committee, Selectmen, Department Heads, and Secretaries, so no one person can do any harm. He remembered that for the last five years. He is not sure that we had any harm done here. The money was certainly used in our community. There is no doubt about that. It all went to road projects. He went back and looked at all the monthly reports for the year 2012 and he noticed in April, the Highway lines had \$152,000 expended at the end of April. That was the first financial report for the year. That was winter payroll, salt and sand lines. Carleton said there were no financial reports handed to the Budget Committee until April because we are technically operating without a budget until the election. Then, at the end of August, we had expended \$13,000 out of the plowing line for payroll. He felt that looked a little bit odd. He looked at the end of October and we had spent \$29,000 out of the plowing line and the salt and sand line. Carleton called Dennis and he was very helpful and explained a few things to him. Without Dennis's help, Carleton probably wouldn't have been able to get all the information he now has, because nobody else was willing to give up anything. Carleton passed out a sheet of paper that listed the Selectmen's Representative to the Budget Committee, the financial director to the office, and the financial liaison to the Highway Department. He feels that the people that feel that not one person can cause any harm should have picked up on some of this because he had figured it out on his own. Dennis had told Carleton that we did a special project. Carleton was not privy to that information at the time because he wasn't a Selectman, he wasn't the liaison to the Department, and he wasn't looking at the budget sheets every month because he didn't have access to them. He would have liked to. Then in October, there was another special project done. Possibly the projects are worthy. He likes to think that we are all in this together. He likes to think that the Selectmen's Rep would bring that to the Board and make everyone aware of what was going on. Then we had Hurricane Sandy. That was \$10,000. Then it snowed a little bit in December and that cost us a little bit of money. We are budgeted for \$226,000 for plowing snow, salt, and sand and we spent \$250,000 on those three items. And probably \$10,000 of that was salt that was purchased late in December for the year coming up – 2013. So we did a \$13,000 project, a \$14,000 project, and Hurricane Sandy. That totals \$37,000. So that is why our winter warrant article was expended by \$48,000. Christine asked what the special projects were. Carleton said they did Old Deerfield Road reconstruction. There was a lady down there that was very bothered by the exhaust and the smoke fumes from the asphalt, so they put down a base coat, and thought that since they were there, they would also do the top coat so that they would not have to deal with that person again. Matt asked when that was. Carleton said June or July. The other project was on Patten Hill Road. We were doing road reconstruction and we got to the end and the Lane Road and Green Road intersection was in disrepair. The warrant article had ended on Patten Hill Road. Carleton would have liked to have been part of the conversation, but we expended \$14,000 to reconstruct that intersection. That was in August. In years past, we had learned about the Moore Highway Fund and our little \$14,000 project like that would have fit into that category. It could have been brought to the Board and they could have OK's it or not. We did that for three years, prior to last year. That is the explanation. The money all got spent in our community. There had been a little discussion about a bottom line budget. Carleton personally feels that snow issues, when we have a warrant article to back that up, when you are going to spend money other than for snow removal, it needs to be brought to the Board. The office help, when there is going to be red flags, needs to be communicated to the Board. Carleton said that communication was lacking. Matt said that it appears that it is also oversight lacking. One person on the Budget Committee is the Highway Rep, and the Administrative and Finance Rep. On the face, it looks like these projects were authorized during a period when the Budget Committee takes a break. He noted that the Budget Committee did not meet in July last year. Matt added that the Excess Winter Fund should not have been tapping into, if this

was budgeted properly. That is what it appears to him. Christine added that it was a warrant article, so it should only be used for that purpose. Matt said it was used for winter road maintenance, but the problem was that the winter lines for sand and gravel was zeroed out to access the Winter Road Maintenance Fund. You can't do that. It is not a piggy bank. Carleton said that is what he was going to address next. He said you cannot expend a line and then the Budget Committee looks at the sheet and says "we need more money for salt and sand" when in reality we probably didn't. It was skewed. He said he will do his part moving forward and participate for the community. Emily said that it seems that there isn't as much transparency with the town as there is with the school in the budget transfers. She feels it would be helpful if the Budget Committee forced the town to actually start voting in budget transfers, so that the entire Board of Selectmen votes when transfers are going to happen. Carleton said that transfers do happen. Carleton said it shows up on the expenditure report every month. Matt said that is true, but from the school the Budget Committee gets a report of transfers when they happen. It shows what lines were decreased and correspondingly what lines were increased. It is helpful to see those transfers. For the Committee to go over every single line in the report and remember what was in it the month before is impossible. Emily said that maybe transfers weren't done, which means that money was spent in a different way than the line item said. Todd commented that is what happens every day. Todd said that we have a reporting problem because work was done that was not winter sand and salt but was reported under those lines. Secondly, it is within the rights of the town to use the money as they see fit. It may not be politically savvy to go to the warrant article because we have used all the money up, but it is well within their rights to do it. Carla said no, it is not. Emily said that it is. It is a bottom line budget. Todd said they can spend it any way they want – it is a bottom line budget. The Budget Committee's decision is when that warrant article comes back up, if this process continues, we say no to it. And we make sure that everyone is educated on what is happening. That is the only choices the Committee has. Carla said that the warrant article is specific. It is for winter road maintenance. When you have a bad winter and it snows a lot and you expend all your winter road money, you can use it, which we have done this year. Carla said she went back to the sheets from last year, and we should have, if we had been paying attention, should have seen something. The April and June numbers were the same. September's numbers went from \$96,000 for winter payroll to \$109,000. If we had been scrolling through the lines, we should have seen that. You follow it down, and November, the salt line and sand line increases. That was all right there for us to see and we didn't see it. Christine said that is true, but once it is spent, it is too late. Carla said that if we had seen it in November, one of us would have said, wait a minute. We could have asked the Selectmen's Rep and asked what was done with that money. If he knew, he would have said we did a project. Wouldn't we then have asked what will you do when we get to December and it snows. Todd said the answer would have been, expend the Excess Winter Road Maintenance Fund. Christine said that to fix the root cause, we would have had to have earlier intervention. Carla said there were two choices. The Winter Road Maintenance fund did not have to be spent. They had money left over at the end of the year. They could have covered those projects with left over money in the regular budget. They didn't have to tap into that. We were told that they had extra money so they were giving raises. That was in September. We could have seen this and said, take any left over money at the end of the year and cover your special projects with it because it is not kosher to dip into that winter fund when it didn't snow. The people tell us they want us to watch their money and that is what we are talking about tonight. Carla said the person mentioned on this sheet is probably where the buck stops. Somebody had to tell the ladies in the office to take money out of that fund. Somebody told them to do that. Emily asked if one Selectman can do that? Carleton said that something similar had happened several years ago when a project was completed and all paid for before the Select Board knew about it. And when the question came up, we figured it out. Then we went two years after that and we didn't have any problem. It was brought to the Select Board, we discussed it at a meeting and both were approved. Everybody went about their business. For some reason, it got through the cracks last year. He wasn't here. We are all in this together. No one person can cause any harm. Lynn read the actual wording of the warrant article as follows: "To see if the town will vote to raise and appropriate the sum of \$75,000 for excess winter road maintenance. These funds will not be used unless the operating winter maintenance funds are exhausted. This is a non-transferable appropriation." In Matt's opinion, under some scenarios this is misappropriation. The scenario is this...after the budget is passed by the town, the Select Board zeroes out the winter road maintenance lines and transfer those funds to other purposes and solely rely on the warrant article for winter road maintenance. In his opinion, that would be misappropriation. He doesn't think that this rises to that level, but it comes close. That is because the article has the condition that the winter road maintenance line is expended. Todd asked if that measure was crossed. Matt said he is not sure. Todd asked if there was any money left over in those line items in

2012. Matt said no, there was not. Carleton said there was nothing left in those lines, but when you take \$13,000 out for asphalt, that is not winter maintenance. Todd said it is not zeroing out that lines like in Matt's scenario. Carleton said it is what it is at this point. It happened. That is the way it is. Paul asked to check the math. There were two projects, one for \$13,000 and one for \$14,000, hurricane Sandy was \$10,000, so that is \$37,000. \$48,000 was taken out. Carleton reminded Paul that \$10,000 was used to purchased sand and salt in late December. Emily wanted to make sure that the Board of Selectmen had not discussed this at any board meeting, or if in fact it was a unilateral decision by one board member. Dennis Lewis confirmed that the Board of Selectmen did not discuss it. Dennis said when he took over the Highway Department, he asked the Board of Selectmen how this operates. They told him how it operates. It is a bottom line budget, if you have a bad winter, you take your money from other places. If you have a good winter you use that money somewhere. You make it all work and the bottom line is what you need to worry about. He has always been very careful of that, even last year in 2012. In the three years prior, they had done special projects for \$12,000 to \$14,000. So when we were coming into the intersection of Patten Hill and Depot and Lane, he knew he couldn't spend the warrant article money on another road unless it was named in the article. So the intersection would be the special project for the year. Then, when budget season rolled around, there was a big discussion about where this money comes from, where it goes, and how we aren't seeing a true number in the highway department. So, Dennis chose not to use that. That way he could give real numbers from the Highway Department. The money never went to the town either. The money stayed in the trust fund. So, in his eyes, the town was going to get the money one way or another from the Trustees, either to go into the general fund, or to fund a project. In the winter, it was a snowless winter, but we did a fair amount of winter maintenance. For the whole year we did 46 spreader runs and plowed 16 storms because our year goes from January to December. We did have a bit of snow in December. If it hadn't snowed real hard at the end of December, we never would have gotten into that money. He tried to keep about \$30,000 in the operating budget for December, and a certain amount for sand and salt. Probably about \$10,000 of what you see in the salt line was actually spent this year. He can't go to January 1 without sand and salt on hand in case we get a storm January 1. He purchased salt in December, 2012 for 2013, but that shows up as a 2012 expense. It has to. The project on Old Deerfield road was planned for quite a while. The resident with chemical sensitivity syndrome moved out of her house while they were paving. They chose not to go that route again. He spoke to Dick about it. He was his liaison. It was a few more thousand, but they thought if they paved it and got done with it, they would take it out of the budget. They had enough to work with it. It is the way we have done business for decades. It people don't like it, let Dennis know and he will change it. He said he will do the job any way they want him to do it. The over-expenditures for mud season came out of winter payroll. When those lines reach their limit, we take it somewhere else that still has money left. It usually is listed on the side in parenthesis, showing that it is over spent. He had asked Cheryl to take those out so that his line looks true when he looks at it each month. That is why you see that increase. We didn't spend the money plowing in August, but she took the money out of there (the gravel overage, the sand overage). We did the same thing when tropical storm Sandy came through. The dollars come out of that line, but if you go look at the weekly pay sheets that Dennis turns in, we list the account it is charged to. Whether that shows up on the print-out, he has no control over. If you go back and look at every one of the weekly worksheets, it shows the accounts charged to. Carleton said he had said earlier that there was \$226,000 on those three lines. And we spent \$255,000, plowing snow and salting and sanding. Dennis added that last year the town appropriated \$589,643 for highway. The total expenditures, including the encumbered money, were \$582,802. Subtract the \$20,000 encumbered, the \$101,000 on the Block Grant, and the \$7,000 that I don't think we have received yet for Hurricane Sandy. We raised by taxes \$454,000 to fund a \$587,000 budget. We try to do the best we can with what we've got and if you don't want lines moved, let me know now. It is a new plan for him. Carla said that they all realize that the money got spent on the roads. Maybe it comes down to the fact that there was excess money in the regular budget. The funds did not have to come from the warrant article. They could have covered all the money they spent out of the regular budget and they shouldn't have taken it out of that fund. She wants to make sure it doesn't happen again. She wonders if the Committee had been watching the lines and asked some questions, would they have prevented the money from being taken out of that fund? No one noticed. The Budget Committee didn't know about any special projects. Dennis said he could give a monthly update on where he stands to the Budget Committee it that's what they want. The consensus of the Committee was that was not necessary. They feel it is more a communication and transparency issue to show where the money gets moved around. Carleton said that obviously Dick did not relay any information. When Carleton was on the Board, the Committee was communicating with him. Matt says it is about good budgeting. When there are

additional funds in the warrant articles that are scrupulously maintained, those items are spent for that purpose, otherwise the warrant article wouldn't be tapped into. If it needs to be tapped into, then it does and that is fine. The communication issues that we had last year ran deep. He added that we are glad to have Carleton here. They need straight answers and we need forthcoming people. Matt said that Dennis has attended every meeting, but it is not mandatory for him to report to them. They expect that from the Select Board. Todd said that short of an RSA 32 violation, what is the remedy? If the Board took a \$70,000 line and reduced it to \$40,000, spent it, and then dipped into the fund, what is the remedy? Matt said this is not a retro-active fix. This is supposed to be an example of what bad budgeting is. Going forward, if the Committee does their job to shed light on it, that is it. We can move on. Dennis said he doesn't look at it as bad budgeting, when you are told it is a bottom line budget. Dennis is the person who wrote that warrant article, and he worded it that way so that the money could not be used for anything else. We always try to leave enough to cover December or November. Last year, the last week of December, we spent \$25,000 plowing snow. How do you know? Who can predict that? This article is for when you try to guess what you are going to spend. There are a lot of variables in there. The only solution would be to make a line item budget and we have to stick to the line items. This year we are on the flipside of this. We are out of winter money now. This year Dennis has to take \$20,000 out of gravel, or grading, or paving, or whatever. He wants to let the Committee know now that he is doing the exact opposite of what happened last year. Matt said if Dennis is looking at it as a bottom line budget, the warrant article should be written as "if the highway budget runs out, then this could be tapped into". Lynn said it teaches the Budget Committee that it is encumbant on us that when we get the expense sheets, to put it in lines of last month's expense sheets and see if anything has changed that is significant. We have to start doing that. Dennis said that the sheet that Carla passed out would normally never happen until December, when that line would get adjusted, if necessary. This past year Dennis asked Cheryl to do that so that he would know where everything stood. He asked for the change so that everyone would know where those overages were coming from. Carla said that when the money gets moved around, and you see the winter sand line go from \$9,000 in April to \$13,000 in November, that falls in line with what Todd was talking about, the over-expenditure of the salt and sand lines. But in fact, we don't even know if salt and sand was ever really over-expended. The movement of this money, salt and sand could have been used for something else. Christine said that is the nature of the problem. Lynn said that at the last meeting, the Committee wanted to look at the Moore Highway Fund and see how it was set up and for what purpose. She wanted to know if anyone looked at that? Carleton said he has been working on getting that information from the Trustees for a month. There is \$374,000 in the fund. There is \$15,000 worth of interest. Carleton said the town should get that and put it in the general fund. He is asking DRA if they can do that for 2012. The office has asked the Trustees for a check and they are looking into it. He is a little bit frustrated with that because Mr. Snow had no problem getting that check for the last three years in a row. Why Carleton can't get it is beyond him. He will figure it out and will get that check. Lynn asked again how the fund should be used, either a transfer to general fund, or for special projects? Carleton said that his interpretation had always been that the Selectmen would lobby the Trustees for a check for the interest in the fund. It would get put into the general fund to offset taxes. It is like revenue. Then the prior three years, we were doing a special project with that fund and Mr. Snow was able to get the check. Dennis said that since Carla brought this up last December, Dennis has tried to research this and got back to 1924 and came to a dead end. But someone has to have the verbiage of this fund. Todd said it should be the Trustees, not the Select Board. Dennis said somewhere in the 60's it stopped being used for special projects and went into the general fund. It has been a general fund check for a long time. Carleton said that Mr. Snow was able to access that and get the check from the same Trustees. Carleton doesn't know why he can't get the check from them. Matt will ask the Trustees.

Town and School Policies Re: RFP's

Carleton said that the town does not have any formal purchasing or RFP policy. Emily asked if the Budget Committee has any power to recommend to the Board of Selectmen to make a policy. Matt said we can't force them, we can recommend. It would be good to have one. Maybe look into what other town's have. Christine said it is good practice to have one. Matt said it is one of those things that you would expect of governmental entities that they have a policy to ensure that whatever they purchase is the best value. Carleton said that in a community such as ours, you build good relationships with vendors, and for a few dollars, you are not going to sell that vendor down the road. He is not going to. Emily said that may not be the best practice for the town and the taxpayers. Carleton said then maybe they should put somebody in charge and pay them \$80,000 salary and they can knit-pick

for \$.10. Todd's concern is that when we are procuring services, is there a time frame when that vendor needs to re-compete for business so that we know we are always getting the best price for the service we are getting. How often is the bus contract reviewed? Emily said they just did it. It is reviewed every three years. Todd asked if other bids were sought also. Emily said that other bids were received and they were competitive. Todd said that makes him feel better because when he looks at budgets, he wonders if the budget line item is really the best value for the citizens of the town, based on some type of principal process, or something else, that it was actually looked into. He had asked at the last School Board meeting about the total cost of ownership of the math program. He went on to say that we see the purchase price, but over the next five or ten years there are always costs associated with it. A good purchasing policy would be looking at those when comparing different things before the purchase. He understands we are not talking about a large percentage of an \$8,000,000 budget, but it is a lot of money from the taxpayers. Even on the town side, like the whole incinerator thing. Is there a well documented RFP that was put out? Are we truly getting our best value and protecting the taxpayer's money? Paul asked if the town needs a new roof, how do they go about getting one. There is no protocol. Carleton said that there is a warrant article for catastrophic failure for our building. We have generated a fund for that. A couple years ago when the storm put a tree through the roof, we needed to put a front roof on. We solicited three bids and picked the lowest one at an open Selectmen's meeting. We posted it in the paper. The bids come in by a certain date. We open the bids at the meeting, not in the back room. Emily said it sounds like there is a procedure, even if it isn't a documented procedure. Carleton said you make it sound like we do it with a hand shake and a kiss. He said if he was going to repair a window sill, he might call a local builder and ask them to go down and get it done. Dennis said that in the Highway Department they pay the State rate for plowing. That is set by the State for every piece of equipment that they hire. Everyone gets the same rate depending on their pieces of equipment. There is no overtime. You don't have to try to bid out a plowing contract for a particular road. As far as salt, we use the same vendor for probably 30 years and they always match the State's lowest bid. Sand they get from a local contractor if it is good sand and a good price. If not, they go to Hooksett and buy it at one of the places in Hooksett. They always try to get the best price. Paving is the same. They have used the same vendor for about 18 years because they just match the lowest prices, but usually they are the lowest prices to begin with. But you also build a relationship with vendors. The salt vendor, if there is a storm coming, they will go out of their way to bring material to us because we have been loyal to them and they work with us. If we have an issue with paving, they come fix it. They have done paving work at the school and they do it at the cheapest rate that we usually get our roads done for, when parking lot paving is usually a lot more expensive. We have good working relationships with them and we keep the costs as low as we can. Sometimes if there is a \$.50 difference in a vendor that we have always used and we know why, we may spend the extra \$.50. Todd said that we had just heard about a \$13,000 project and a \$14,000 project that just happened, with no real oversight. If there is a process, it needs to be documented. Carleton said the process is the layers of people in this conglomeration that we have called the town. Everybody is to blame. He was told that no one person can cause harm. So, let that be a lesson to all of us. Lynn made a motion to send a formal request to the Town for a written, transparent bidding and purchasing requirement policy. Carleton asked what if the liaison doesn't bring the information back to the Board. Christine seconded Lynn's motion. Carleton said there is a written policy, but nobody uses it. The Budget Committee requested to see the written policy at the next meeting. Carleton wasn't sure if it could be found in the office. Christine asked if it can't be found, could they please write a new one. Lynn withdrew her motion if there is already a written policy. She would like to see it. If that is not possible, the Budget Committee would like the Selectmen to write the policy so that everyone can see it.

Review of Town Reports

Carleton said the budget is very, very tight. Emily asked if there are any specific concerns at this point. Carleton said the Highway Department. Carla asked if the cruiser had been purchased yet. Carleton said it has been on hold. As of last week, the cruiser was on hold. Carleton can't comment on it until after next Monday's Selectmen's meeting. There was some confusion because the cruiser ended up being an SUV. Carla asked how it ended up being an SUV. Todd said this type of thing is what happens when Board's change because of membership changes. Carla asked if the Select Board wants an SUV. Todd said maybe that was what the previous Select Board wanted before it changed. Carla said she thought when they talked about a cruiser that it would be a car. Todd said that was not his understanding. Christine said there had been talk about needing an SUV and that other towns were using them. Emily asked if it really mattered. Matt said we would know more after the next Selectmen's meeting.

Review of School Reports

Carla asked if the events between Hooksett and Manchester are costing us anything as far as legal expenses. Emily said that the issue is only between Hooksett and Manchester. Candia is just watching the situation. Candia does not want to get involved in a legal battle. Carla asked about the change in the policy to not allow students to choose a different school than Manchester. Emily explained that the policy did change last year. Going forward in '13-14, the Board may allow students to attend other schools on a case-by-case basis. Students that are currently attending Coe Brown and Pinkerton are being paid by the parents, not the town. School Board Member Kim Royer clarified that some students were assigned to other schools because of other special circumstances that are in the clear interest of the child and the town still pays for that. Todd asked about the legal fees that will be incurred – whether they are being charged to the SAU or to Hooksett only. Emily said they are allocated to the specific school if they are school specific and not SAU wide. It will not increase our costs to the SAU. Todd asked if there is any impact to the capital costs or tuition costs to Manchester as a result of the reduced population. Emily said that Hooksett will still be paying the same tuition and capital costs no matter how many students they pull out. That is part of the contract. Matt asked about the textbooks. Has the line for the '13-14 budgets been adjusted? Emily said she hasn't seen it yet, but she would assume so. Carla asked about the 5 year improvement plan. There are facility items of \$105,000. Is there still a five year plan? Emily said there will still be some items that don't get done. Carla said year 1 of the 5 year plan, they are spending all the 5 year money. Is the plan going to end? Emily said there are many more things that need to be added to the plan. There will always be things added to the plan. It is a fluid plan. They will look at it every year to ensure that things don't get put behind and we won't have this problem again. Emily feels there are other items that should be added to the plan. There is a very active facilities committee. Carla asked who is on the committee. Emily said Peter Barbuda, Nicole Aflame, Kim Royer, Phil Littlefield, Bob St. Cyr, and Karen Lesser. There was general discussion of how the school reports will look for the '13-14 year. Emily said the budget will change from what was proposed because they have the default budget anyway. Todd asked if the \$313,000 included anything out of the funds that the school is expending from. Emily said no, just from the budget. Carla said tuition looks like there will be money left over (\$34,000), but private school tuition, which is special education, looks to be overspent. Emily confirmed. Lynn said the projected financial position shows a balance remaining of \$219,000. Is that in addition to the \$313,000? Emily said that would be after the adjustments would be made. She said it is hard to tell because there are some things that can't be encumbered until you have a P.O. for it. She will have to ask Karen. She said when all is done they are not expecting to have that much of a surplus left over.

Upcoming Summer Scheduling

The Committee decided to cancel the July meeting.

At 8:33, Todd made a motion to adjourn. Seconded by Christine. All in favor. Motion carried.

Minutes respectfully submitted from recording by
Cheryl Eastman