

Budget Committee Meeting Minutes Thursday, May 9, 2013

Present: Ann Howe, Steve Londrigan, Matt Murphy, Jorge Mesa-Tejada

Absent: Proctor Wentworth

Call to order: The meeting was called to order by Matt Murphy at 7:00pm. Ann Howe led the pledge of allegiance to the flag.

Mr. Mesa-Tejada led the committee on a review of the laws governing the role of the budget committee for the town of Hampstead. Mr. Mesa-Tejada began by reviewing the code of conduct and proceeding on to RSA91A, the right to know law. Mr. Murphy asked what is required to remain compliant to RSA91 given that since 3 members of the committee serve as liaisons to the school, which amounts to a quorum of the budget committee. Mr. Mesa-Tejada indicated the 3 members of the committee can attend and ask questions as long as they do not discuss issues amongst themselves related to the work of the budget committee unless they publicly post the meeting before hand, in which case they can discuss budgetary issues. Mr. Londrigan suggested the school liaisons post their meetings with the school so they can freely speak amongst themselves during their sessions.

Mr. Mesa-Tejada then covered RSA32 which defines the role and operational charter of the budgetary committee. For the town of Hampstead the budget committee serves in an advisory role.

Mr. Mesa-Tejada went on to mention RSA33 which covers long term obligations (i.e. bonds) and how they are obtained and administered. Currently the town has no outstanding bonds.

Discussion proceeded into the town's annual report. Mr. Mesa-Tejada went over the list of different trust funds and which state law covered their governance. From here different line items were reviewed and Ann and Matt indicated that some of these line items were difficult to follow. Matt was attempting to locate the effects of the change in revenue related to a tax change for the conservation commission.

Mr. Mesa-Tejada then went on to review the school budget. He noted that going forward the SAU budget will be broken out separately from the school budget due to an article that passed in March 2013. Unlike the school and town budget there is no default budget for the SAU. Mr. Mesa-Tejada went on to explain account 0770, Unassigned Balance, in the school budget. This amount is set aside to be available to address increasing costs of tuition, salaries and benefits that might occur within the schools fiscal period which is 18 months compared to the town fiscal period which is 12 months. Mr. Murphy asked if this could be brought to zero and Mr. Mesa-Tejada expressed doubts about eliminating it entirely given that the budget cannot be exceeded. Mr. Londrigan asked if account 1500, Earned Income, is generated from the schools cash flow and Mr. Mesa-Tejada confirmed it was. Mr. Mesa-Tejada then presented two graphs; the first depicting how Hampstead's costs are higher than the state average and the second graph showing how the school budget was rising while enrollment was declining. The committee at large felt the second graph was of greater interest.

The meeting minutes from the April 11, 2013 meeting were reviewed and Mr. Mesa-Tejada motioned to accept them with Ms. Howe seconding. The motion passed 4-0.

Mr. Murphy scheduled the next meeting for June 13, 2013.

Mr. Mesa-Tejada motioned to adjourn the meeting with Mr. Londrigan seconding the motion. The motion passed 4-0 and the meeting adjourned at 8:20pm.