

TOWN OF HAMPS TEAD

BUDGET COMMITTEE

MONTHLY MEETING MINUTES

December 18, 2014

(Approved January 15, 2015)

PRESENT: Steve Londrigan, Proc Wentworth, John Skidmore, Jorge Mesa-Tejada

ABSENT: Ann Howe

VISITORS: Penny Williams, Priscilla Lindquist, Jon Worthen, Rick Hartung

1. CALL TO ORDER; PLEDGE OF ALLEGIANCE

The meeting was called to order by Chairman Jorge Mesa-Tejada at 7:00 PM in the Selectmen's Office, Hampstead Town Hall. John Skidmore led the Pledge of Allegiance.

2. VISITORS COMMENTS

None

3. APPROVAL OF MINUTES: NOVEMBER 13, 2014

Motion: Steve Londrigan moved to accept the minutes of November 13, 2014 as written, seconded by Proc Wentworth.

VOTE: UNANIMOUS

4. CONDUCT AT MEETINGS

Chairman Mesa-Tejada distributed a Roberts Rules of Order Cheat Sheet and stated that if the members followed these basic rules and observed common courtesy, the event at last meeting would not occur again.

5. DISCUSSION: SAU 55 BUDGET

Chairman Mesa-Tejada stated that the SAU #55 Budget was presented for information only. He pointed out the administrators salaries on the last page and stated that the raise for these salaries, supposedly based on merit, are granted automatically.

For example, the superintendent's contract grants up to a 3½% merit raise, an optional 4% performance bonus plus a \$10,000 annuity contribution. In practice, the SAU Board automatically

grants the full amounts. Thus, the Superintendent, in his second year in NH and in the SAU, is now the fourth or third highest paid superintendent in the state.

With regard to the operating expenses, Mr. Mesa-Tejada stated that these were reasonable except that the health benefit account had been increased supposedly to offset any increased due to Obamacare signups.

The bottom line is that this year, as well as last year, SAU budgets increased by 10% per year.

This budget is allocated to the districts based on Average Daily Membership (ADM) and the district share appears in the school budget as account 2320.310 – SAU #55 Budget.

6. DISCUSSION: Preliminary 2015 Town Budget and 2015-2016 School District Budget

TOWN BUDGET: Mr. Mesa-Tejada stated that the Town's preliminary budget, dated December 8th, is \$5,703,405.38, an increase of 4.2%.

Notable items are

- Police Department will lease two cruisers for the same money as purchasing one cruiser.
- Fire Dept. proposes a 5-year lease/buy agreement to get a multi-purpose truck for \$475,000, using a combination of new money to pay for the yearly lease and \$150,000 from the Fire Equipment Capital Reserve Fund for the down payment.
- Highway Department proposes to change from elected part-time to appointed full –time Road Agent. This requires that a new truck be purchased for the highway department to replace the one being currently furnished by the part-time employee. This change will affect the benefit and equipment account as well but, in the aggregate, will result in a lower cost to the taxpayers. The new proposal is anticipated to cost \$166,168.78 down from the current \$187,813.66, a savings of \$21,646.88.

Proc Wentworth cautioned the committee to make sure that all the additional expenses are considered, such as insurances, retirement, fuel, etc. when evaluating the final proposal.

Steve Londrigan inquired whether any roads were deleted from the list that need to be done but were deleted to keep the figure down. Jon Worthen stated that he budgeted those roads that needed to be done which would not exceed the budgeted amount.

SCHOOL BUDGET: Mr. Mesa-Tejada stated that proposed School District budget was \$24,393,891.33, a 1.15% increase. He pointed out that the page listing the expense codes sorted by difference was a new feature that was most welcome and greatly simplified the budget analysis.

The committee wanted more specific information on the sources for the anticipated surplus totaling \$1,250,000 this year and a detailed list of all employees and their salaries included in the summary of Expense Code 1xx totaling 9,197,947.44.

MOTION: Mr. Mesa-Tejada moved, seconded by Proc Wentworth, to authorize the chairman to request from the School Board a Excel Spreadsheet listing all the names and salaries of employees included in the line Account 1xx – Total Salaries- proposed at \$9,197,947.44.

VOTE: Unanimous

Mr. Mesa-Tejada will write a letter to the School Board requesting this information.

Mr. Mesa-Tejada pointed out that the removal of \$45,000 from the Facilities account was detrimental to the school infrastructure and further hamstrung Facilities Director Mike Hall in his effort to stay ahead of all the scheduled repairs and maintenance. John Skidmore pointed out that this is the line that keeps getting cut every year. Mr. Mesa-Tejada agreed and stated that the reason this year was to keep the budget's bottom line as low as possible so that the HCS Renovations warrant article would pass.

The discussion on the \$4,189,717 HCS Renovations warrant article centered on the fact that, based on NESDEC projections, the additional classrooms were not needed. In fact, several classrooms that are currently being used as offices could house the students currently in the trailers.

The cost of relocating the trailers during construction and disposal afterwards was raised. Mr. Mesa-Tejada stated that those costs are included in the \$4 million cost except for the removal/disposal after construction.

The committee reviewed the other warrant articles.

Article 4 – Emergency Access Road—was set aside for lack of specific information ,i.e., layout, easement terms, cost.

Article 5 – Capital Reserve Fund— adding \$75,000 to the existing fund, was questioned but, in the end, the committee was in agreement that there were several outstanding projects that could be covered by this account.

7. LIAISON REPORTS

Proc: None

Steve: None

John: no liaison assignments

Jorge: attended/watched all school and town meetings since last BudCom meeting/received or downloaded all handouts from school meetings.

8. NEXT MEETING ITEMS AND DATE

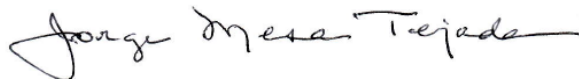
Vote on warrant article recommendation. Change meeting date from January 8th to January 15th.

9. VISITORS COMMENTS None

10. ADJOURMENT

On a motion by John Skidmore, seconded by Steve, the meeting adjourned at 7:55 PM

For the Committee,



Jorge Mesa-Tejada, chairman