

**Approved**  
**Candia Budget Committee Meeting Minutes**  
**January 5, 2009**

**Attendees:** Chairman Carla Penfield, Kristine Pouliot, Kim Byrd, Allyn Chivers, Judith Szot, School Rep. Karen Smith and Selectmen's Rep. Tom Giffen.

**Absent:** Ann Tierno and Steve Higgins (Resigned).

Note: This meeting was requested by the Selectmen to meet with the Budget Committee Members to review documents and discuss the need due to RSA 32:8 for an Emergency Over expenditure Request to the NH Department of Revenue in accordance with RSA 32:11.

The meeting was called to order at 6:00pm

- Selectmen's Administrative Assistant, Dawn Chabot and Finance Director Beth St. Pierre, spoke regarding the purpose of the meeting and the process they have been following.
- Highway Department is over-expended. The ice storm being a contributing factor.
- Board of Selectmen spoke with DRA in March to ask what to do. In an e-mail from DRA dated March 20, 2008, Jeannie stated, "The matter cannot be addressed at this time and the Board will be responsible for transferring from other lines to cover the over- expenditures. "
- Warrant Articles that were not considered "special" would be used against the bottom line of the budget.
- Capital Reserve funds cannot be used to cover over-expenditures. For example: funds from the warrant article for household hazardous waste day can be.
- DRA asked why they were not applying for emergency over-expenditure funding.
- Explanation on the RSA's. What needs to be done to apply and the consequences for over-expenditures within the budget.
- At this time the Selectmen are requesting a \$80,000.00. This is a one-time request only.

- Beth spoke regarding the departments that were over budgeted.
- Selectmen Tom Giffen pointed out for the record that the Selectmen were aware back in March of the problem due to the Highway expenditures and advised all department heads to minimize spending as best as they possibly could.
- All invoices for 2008 are not submitted to date and the exact amount is unknown at this time.
- The Town is operating under an accrual system not a cash system so any invoices dated prior to January 1<sup>st</sup> must be part of the 2008 budget.
- Budget Committee Chairman, Carla Penfield questioned the Selectmen as to why they did not move money around when they knew there was a problem back in March.
- RSA 32:11 (I) Requires the signatures from the Budget Committee in order to make application. (II) Does not require their signatures. Chairman Penfield asked why the Selectmen chose (I). Selectmen Tom Giffen said the explanation under the RSA was unclear. However, based on the discussions with the DRA, and the fact that we are applying after the expenditure, and it is a sudden or unexpected emergency as well. DRA states the Budget Committee needs to be involved.
- Chairman Penfield reminded the Selectmen that the expenditure from the ice storm was \$32,000.00 so the fact that they are requesting \$80,000.00 shows it is more than just the ice storm. The frustration on the Budget Committee is that the Selectmen knew back in March there was a problem and they had from March thru September to stop the departments from spending money and accumulate funds for November and December and they did not.
- If the Budget Committee does not sign the letter, DRA will not even consider the request. If this happens, the Selectmen will be forced to pay 2008 expenses with 2009 money. This is against the law due to the fact that it is unapproved expenditure. The penalty could be the Selectmen being removed from office with a petition submitted to the Superior Court. The community would be in an uproar and the taxpayers would have to come up with the money to pay the legal expenses. Chairman Penfield went on to say this is unfortunate and could have been avoided.
- The Selectmen agree that more could have been done to avoid this unfortunate situation.
- Budget Committee Member Kristine Pouliot felt the Selectmen should have come to the Budget Committee in March to inform them of the situation and the fact that they didn't is disrespectful towards the Budget Committee. She did not feel the ice storm should be the main reason

being used to request the funds. She complimented Road Agent Dennis Lewis on the outstanding job that he does with his budget.

- School Board Chairman, Ed Caito said there is no question where we are is unfortunate. However, if the majority of the BC does not sign we will spend a lot more in legal fees. He addressed the Selectmen to say this should be a situation that the Selectmen, respectfully, should be managing the budget as a board and not as individual departments. In March they should have come up with a specific plan, instead of telling the departments not to spend. We spend a lot of money on the town side for financial help. That information should be used to come up with specific plans, not broad, loose, un-enumerated ideas, so that in the future both the Selectmen and the Budget Committee members do not have to go through this again. This should be a learning experience.
- There was a question whether a warrant article could be used for other resources. Road Agent Dennis Lewis spoke regarding the fact that he operates on a shoestring. Winter storms are plowed efficiently. Each route takes no more than 4-6 hours to complete. They do not go back and spend days pushing snow back. They do the best they can. He was never aware of being able to use funds from a warrant article for other resources.
- Budget Committee member Judith Szot spoke of how long she has lived in this town and how much she loves it and feels that if we all work together to run this town efficiently we could save the town money. She spoke of the restrictions given to the Budget Committee in regards to limited access to the town office and how difficult it is to work together under these conditions. It only hurts the town.
- The Budget Committee wants to know why \$80,000.00 is necessary to request. The response was due to Highway expenses, \$32,000.00 for the ice storm, the overage in the Health & Welfare Department and at this time the invoices that have not been submitted and not knowing what that amount will be and the fact that once the request is submitted, there is no changing that.
- Budget Committee Chairman, Carla Penfield said to the Selectmen that she does not approve of what has been done but the only reason she is signing the letter is because it is in the best interest for the community under these circumstances.
- The money that is requested, provided it is approved, can **only** be used for the 2008 expenses.

- Resident, Boyd Chivers spoke in regards to the discussion of the possibility of whether a warrant article, specifically the \$150,000.00 for Patten Hill Road could be used for other expenses. He disagrees that the use of that money should be used for any thing else. If the town votes to expend money for a road repair that is what it should be expended for.
- Carla Penfield mentioned that she spoke with the Tax Collector and she said the real estate tax revenue is on target. However, other revenues, such as cars, boats, etc. are declining. The Budget Committee considered this when they did their work this year.
- Selectmen made a motion to sign the request for \$80,000.00. It was seconded and all were in favor. BC Chairman, Carla Penfield entertained a motion. Kristine Pouliot made a motion to sign and School Board Rep. Karen Smith seconded the motion. Carla asked for a show of hands of those who not want to sign it but will sign it. The vote was 5 to 2 in favor to sign the request.
- Selectmen Carleton Robie wanted to mention that he was not on the board in March and that if he is elected he will do his best to be sure this would never happen again.
- Dennis Lewis asked when he applies for the FEMA grant, if the money goes back into the general fund, Which by the way will 75% of whatever the total number is and the state usually puts in 12.5%. The answer was the money does go back into the general fund.

**Motion to adjourn at 7:10 pm. All were in favor.**

Recorded by Mary Phillips