

Town of Hampton
Board of Finance
Special Meeting
Thursday, May 22, 2014
8:15pm
Hampton Town Hall

Meeting Minutes

Call to Order: The meeting was called to order at 8:33pm by Chair Jeff Clermont.

Members present: Jeff Clermont, Nick Brown, Ed Adelman, Dan Meade, Rick Matejka.

Alternates present: Rheo Brouillard.

Members/alternates absent: Penny Newbury, Luciann Norton, Mike Higgins.

Also present: 1st Selectman Al Cahill, Selectman Bob Grindle, HES Board of Education (BoE) Chair John Burnham, Recording Clerk Kathi Newcombe, and a few audience members.

Seating of alternates: Rheo was seated for Penny.

Citizen Comments: None

2014-15 budget:

There was a discussion among the Board of Finance (BoF) members concerning the just completed referendum where the General Government budget and the two questions on payoff of the loans all passed but the Hampton Elementary School budget was defeated.

Rheo asked what the mil rate would have been if the education budget had passed; Jeff responded that Ellen had calculated a mil rate of 30.31, removing from taxation the amount in the government budget allocated to debt service on the loans.

HES BoE Chair John Burnham suggested that the Board of Finance could either supply a target number for the BoE, or wait until the Board of Ed's meeting on the 29th to see what the BoE could suggest. Jeff responded that because of last year's budget experience and also the Minimum Budget Requirement (MBR), he would be reluctant to have the BoF take no action at this point; he suggested that the HES budget should be reduced enough so that the total education budget (RD11 plus HES) would be a zero increase, satisfying the MBR.

HES BoE Burnham then said as much as he hated to say so, he believed that the town could meet the MBR this year by holding HES to a zero-percent increase.

Recording Clerk Kathi Newcombe recounted what HES Business Coordinator Sally Lehoux had said during the Public Hearing concerning the MBR, and Jeff agreed that was his recollection as well.

Rheo agreed, and said that his conversations with the State Department of Education (SDoE) last year indicated that the MBR could be satisfied either on a town-wide basis (total education spending not less than the previous year) or a school district by school district basis (spending for each school district not less than the previous year).

Mark Becker commented that this was another loophole in the law which can work against the school. Jeff recommended having another conversation with Brian Mahoney at the SDoE concerning the present situation, different from last year's scenario.

Kathy Donahue asked to speak but was told that the period for citizen comments was over; she asked that any ruling from the SDoE be supplied in writing.

Rheo calculated that the drop in the HES budget would be \$69,531 in order to have a zero increase in the total town education spending.

Jeff again recommended that the HES budget be dropped enough to effect a zero increase in the town's total education spending, and hoped to have a definitive answer from the SDoE on whether or not the HES budget could be reduced to a zero increase by the time the HES BoE meets on May 29th.

Nick moved and Dan seconded to reduce the 2014-15 Hampton Elementary School budget by \$69,531; motion passed unanimously.

Set the 2014-15 mil rate:

Action was tabled on this, since the HES budget was still up in the air.

Nick asked to have the mil rate calculated assuming the next HES budget does pass at the reduced level, and have that figure published.

Rick asked what would happen if this next budget also fails; Jeff responded that it would depend upon what information was received from the SDoE.

Rick then asked for a definition of the MBR; HES BoE Chair Burnham supplied that information.

Jeff will contact the SDoE and communicate the findings to the rest of the BoF and to the BoE.

Dan commented that the ruling is probably on a document that can be faxed to the town; Rheo noted that the table published by the SDoE on the MBR has omitted RD11.

Adjournment: The meeting was adjourned at 8:49pm.

Respectfully submitted,
Kathi Newcombe,
BoF Recording Clerk