

The Hudson Budget Committee met on Wednesday, November 3, 2021, in the Town Hall Buxton Room.

A) Call to Order

. Chairman Richard Weissgarber called the meeting to order at 7:00 PM.

B) Pledge of Allegiance

. Led by Chairman Richard Weissgarber

C) Attendance

. Chairman Richard Weissgarber, Vice Chairman William Cole, Kathy Leary, Normand Martin, Ted Trost, Grace Hopkins, Robert Clegg, School Board Liason Diana LaMothe, and Alejandro Urrutia Clerk of the Budget Committee.

. Members, not Present Shawn Murray (excused) and Board of Selectman Liaison Brett Gagnon (excused)

D) Public Input

. None

E) Acceptance of Minutes from October 6, 2021

Mr. Martin made the motion to accept the minutes, second by Ms. Leary. The motion passed (7-0-2)

F) Reports from Liaisons

a.-Select Board

Liason was not present

b.- School Board

Ms. LaMothe announced that the School Board 23 budget was reviewed, and the revisions are being made and will be available for the Budget Committee by Friday Morning at town Hall.

G) SAU 81 Unassigned fund Balance/Tax Rte Calculation/Budget Binder 101

Ms. LaMothe began her presentation by reminding the committee that there was a discussion about the school district's use of the retained fund balance to offsets taxes for the ensuing year. During that meeting, a question came up about how the tax rate is calculated. Because Ms. LaMothe didn't have the details, she wanted to go back to the question and clarify and show how the Department of Revenue's unassigned fund balance is used to offset taxes. The fund balance is 20.4 million; the largest has ever seen, resulting from the pandemic. Ms. LaMothe shared the information as an individual interested in the tax calculation and technically not representing the School, hoping that the information she presented be helpful to the Budget Committee and the taxpayers. Ms. Lamothe used data from 2020 because 2021 was not yet finalized. In addition, she used a flowchart showing the financial and tax rate cycles to explain the unassigned fund balance. By law, all School District Appropriations approved at the annual meeting unexpended

at the end of the fiscal year must be returned to the Town to offset taxes for the ensuing year or reduce the amount the School asks from Town in the subsequent year; the tax rate is set in the fall. In the town part of the School portion, the total tax rate for 2020 was \$21.37. A slide showing the tax breakdown from the Department of Revenue Administration shows the municipal tax effort of \$17,667,734; this amount includes a \$600,000 of the town unassigned fund balance that is offsetting the appropriations a hundred percent along with other sources of revenue.

The Department of Revenue representative showed to Ms. LaMothe that it could be seen on MS 24 how the unassigned fund balance reduces the amount raised by taxes for 2020 is \$961,640. The amount allowed by Hudson voters approved to retain 2.5% of the current fiscal year's net assets; any amount over 2.5% would have to be returned to the Town and currently is at 1.1 million, which is almost at its maximum.

Chairman Weissgarber asked Ms. LaMothe about Budget Binder 101 she indicated that the Budget binder 101 was not at hand at the time of the meeting. Still, she explained that the upcoming sections of the budget the committee will be looking for is district-wide, so facilities and technology to understand where the expenditures are being budgeted and what building there is in the account. A shortcode digit will indicate what the location is. There is a section of the budget where if you don't have the binder in front of you, Section 3 of the budget will tell you what numbers mean what location.

#### H FY 23 Deliberative Schedule

Regarding the budget, the deliberative schedule meant Chairman Weissgarber announced that there were a couple of changes. First, he moves the library to December 8, assessing up on the 15th; everything Remains the Same.

#### I Other Business/Comments

Mr. Trost made a motion that the School provides enrollment information by grade from the current and previous four years and any future projection no later than the issue of the 2023 budget books on Friday. Mr. Urrutia second. The motion passed unanimously.

Ms. LaMothe announced that the School has a public forum on Monday, November 8 at 6:30 PM in the Alvirne High School Music room.

Vice-Chairman William Cole read a communication he wrote indicating that he found it highly inappropriate for the Board of Selectmen and School Board to have their representatives voting together with the Budget Committee members in budget-related matters because it is an institutional conflict of interest.

Vice-Chairman Cole made a motion to respectfully request the Board of Selectman and the School Boards to ask their Liaisons to abstain from voting during 2023 on the budget-related matter.

That it strikes me, said vice-chairman Cole, as highly inappropriate for the board of Selectmen and School Board to have their representatives voting on any fiscal year 23 budget-related matters coming to and before this committee it is not unreasonable in my opinion to suggest that both the Hudson Board of Selectmen and the Hudson School Board have what might best be described as an Institutional conflict of interest my extension representatives from casting votes

town and school budgets therefore and with the chairs Indulgence I moved at the Hudson Municipal budget committee and respectfully request Board of Selectmen and The school Board to direct their respective ex-officio members of the budget committee to abstain from any and all fiscal year 23 budget-related votes.

Mr. Trost seconds the motion. During the discussion, Ms.Hopkins indicated that bringing up this issue during the budget season was not the time. Instead, she proposed to discuss this in a more orderly fashion next year. Also, she believes that should be part of the agenda so a member can get informed better of this matter during the discussion.

Mr. Clegg indicated that it was never the intention to have the liaisons be voting members; the purpose of the participation was to bring to the Budget committee information from their respective boards and bring information back to their respective boards.

The motion passed (5-4-0)

J Adjourn. Mr. Martin made the motion to adjourn second by Mr. Clegg. The motion passed the meeting adjourned unanimously at 8:07 PM.