Town of Epping

Budget Committee

October 12, 2022

Call to Order:

The budget committee meeting was called to order at 6:00pm. Pledge of allegiance followed by a moment of silence for the troops.

Attendance:

Budget Committee members: Michael Charkowski-Chairman, Steve Ozols-Vice Chairman, Ben Leavitt-School Board Rep, Marty Dyer, Mark Vallone-z0om, Joe Trombley-Town Selectman Rep, Brian Reed, Jordenne Sargent, Sean Morrison-zoom and Cynthia Hounam. Jen Chapman and Cody Belanger were not present.

Christine Vayda-zoom

Roll call: Marty Dyer, Jordenne Sargent, Michael Charkowski, Steve Ozols, Brian Reed, Joe Trombley, Ben Leavitt, Mark Vallone and Sean Morrison both via zoom. No Cody Belanger

Opening Comments:

Michael recapped a little of the last meeting where the schedule was discussed and that will be done at the end of this meeting.

Steve motioned to accept the minutes from June 29, 2022, seconded by Brian. All in favor.

Town 3rd quarter reports:

* Per Lisa, everything is on track. Michael does have some questions on the Highway Building and will speak to Lisa for clarification.

Brian asked if there is anything for the school budget, Ben said he sent the year end summary to Michael.

Michael asked when they will see the quarterly reports for the school, Ben said after they come to the board, they should have them by the next school board meeting. Michael asked if there was anything to report or any surprises, Ben said no, nothing that he is aware of.

Town Budget Process Update: Joe will review.

* Highway department has to come them, they asked for a zero based budget and they have no detail on that.
* Police: Almost ready to close. Up 6.2% but there are a couple things to go back and look at which is mostly labor.
* Health and dental are up, retirement went down
* Fire:
	+ All non-discretion is done.
	+ Looking to hire 3 full time rather than one. Applied for a grant which would allow us to get 3. This will allow them 24hrs response and to get equipment out of the building
	+ A lot of discussion onto putting that in the budget or wait until we receive the entire packet and when we hear back from the grant
* October 24 they will be going over all the budgets they would like to re-look at
* Watson, Recreation and smaller town budget were reviewed yesterday
* Ask Greg to apply the cost of living rather than stipends to all the selectman, secretaries and moderator
* The only other one is highway/transfer station, there numbers are much large than the target as the bulk of their budget falls into construction which is trending higher.
* Mark asked if they have a contract for sand, salt and fuel. Joe said the salt is locked in, the sand sifting is being done this year and the fuel is locked in for 2 years. He sees no concerns this year
* Christine said the school fuel contract has expired; she is looking on getting rates from different companies.
* Sean asked if the grant for the fire department is a federal grant, Joe said yes.
* Michael asked if the fire was changing around the ft/pt people does it have to be part of the budget or a warrant article. Joe said it does not make sense to do a warrant article because if it gets voted done we don’t get the 3 full timers and we need them. Joe said it makes more sense to put it into the budget if they are going after the grant.

School Budget Process Update: Ben to review

* The first work session was last week, they met with the administration for the elementary and middle/high where there was not much change
* Meeting with Technology, Special Ed and Food Services at the next meeting
* Second work session will be before the next board meeting followed by 2 work sessions at the first board meeting in November.
* Right now they are at 4.2% increase
	+ Using the metric that Joe used for the town for their fiscal year it was going to put them at 6.8% but they are waiting for the audit to come in. With the anticipation of the audit, we are looking at 10.5% inflation rate.
* Health and Dental have increased, NH retirement has decreased
* Negotiations for the CBA are going well. Hitting the timeline but not at a point of verification yet
	+ Michael asked when they expect to be complete. Ben said negotiations should be done the end of November-beginning of December
* Christine sent out an email with high level wrap for the end of the year before the audit
* Marty asked if the state reduced rates for retirement is for this budget cycle only or ongoing. Sean said it was for just this cycle.
* Mark asked if they were on target to present the budget on November 8, Ben said yes
* Mark asked for the student population numbers, Christine said she will email them to Michael and Ben tonight.
* Sean asked when the budget committee will get an itemized budget and when do we vote on it, Ben said is anticipating presenting on November and he is not sure of a final voting date.
* Sean asked if the COLA increases are negotiated via contract, Joe said some are but anyone that does not have a contract under the town agreement they use, as a guide, the police contract and adopt that for those employees.
* Sean asked if the COLA goes above any negotiated contracts, Ben said no the education, paraprofessionals have their own contracts, for those who do not have a contract they allocate the 3% COLA for that line, but that is not always used.
* Sean asked if there is a legally set date for voting and review the budget, Ben said you can vote as soon as you are satisfied with the budget. Steve said they are bound by the state to vote by the public hearing in early to mid January.
* Steve asked where the fund year balance of $1,376,120.00 comes from on the year end summary sheet sent by Christine. Christine explained:
	+ Looking at the start of the year balance, they ended this year with $563,000 after the trust fund 7 retained balance, that is what they start the year with. The way it works with DRA is you take your ending fund balance and, even though it is not physical cash, they are returning it as a sense of appropriation. So, when the DRA sets that tax rate in October, they are taking what they ended the school year with and what the current year budget and that determines what the town is going to pay in appropriations. It is not physical cash; it is helping offset the tax rate so the town does not have to pay what they would if there was no beginning balance.
* Steve mentioned that he did not see those numbers is previous years, Christine said because she changed the audit to July so that you see the actual numbers. In previous years they did the audit in arears.
* Steve asked what the numbers would be next year, Christine said the bottom line number after the trust funds.

Michael asked for any questions.

Tentative Schedule:

 November 2, 2022: Partial town review

 November 9, 2022: Partial town review

 November 16, 2022: School budget

 November 30, 2022: Town budget

 December 7, 2022: Second review of the school budget

 December 14, 2022: TBD

 December 21, 2022: TBD

 December 29, 2022: TBD

\*Depending on how the meetings/discussion go the second week in December may be split into two meeting.

Steve motioned to adjourn, seconded by Brian. Meeting adjourned at 8:00pm.

Respectfully submitted:

Cynthia Hounam