Town of Epping

Budget Committee

November 30, 2022

Call to Order:

The budget committee meeting was called to order at 6pm. 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., Jen Chapman, Mark Vallone-, Joe Trombley-Town Selectman Rep., Jordenne Sargent-zoom, Cody Belanger, Greg Dodge and Cynthia Hounam. Marty Dyer, Brian Reed and Sean Morrison are not present

Chief Wallace, Chief D’Angelis. Tom Gauthier, Dennis Koch, John Cody, Bob Jordan and Dave Reinhold

Roll call: Sean not present, Joe, Ben, Marty not present, Cody, Steve, Michael, Jen, Mark, Brian not present and Jordenne via zoom.

Opening Comments:

Steve motioned to accept the minutes of the November 9 meeting, seconded by Mark. All in favor.

Will wait until next week to approve the minutes of the November 16 meeting.

Mike asked Ben for any update on the school budget.

* Continuing with negotiations
* Warrant articles will be presented to the school board at the next meeting

Mike said he will forward any questions they may have to Ben.

Town Budget Review:

* Joe read the memo provided by Lisa (attached)
* Until we have the water/sewer budget we will not have a full town budget

Budget was based/calculated off of 6 categories:

* Construction/Maintenance, Consumables, Energy/Transportation, Labor, Miscellaneous and State/Federal Benefits
* Forecasted 2023 Budget: $8,503,812
* Proposed 2023 Budget: $8,509,185
* Target was at 6.8% Monday night, the trash compactor was taken out of the budget which brought it down to 6.1%
* Have not gone over any warrant articles yet
* Steve asked if the trash compactor was going to be a warrant article, Joe said they are going to get it funded somehow.

Pg. 14: Watson Academy: No change from the last meeting

Planning Board: Went from $12,025 to $11.625

Pg. 15 – Safety Facility: Total increase of $550 – 1%

* Telephone, cleaning services and water/sewer: Increased
* Electric, heating, utilities and trash hauling: Stay flat
	+ Mike asked how the electric and heating is staying flat
		- Tom said the heating oil is propane and is less volatile price wise, Joe said the electric is due to the new lighting. Bob said that we are under contract for electric so when the rates go up the rates stay the same.
* Repairs and maintenance: Decreased by $8000
	+ Chief D’Angelis said it was for the garage doors. They repaired most of them so it will not be in the budget next year. There are still some that need fixing that will be fixed out of this years budget.
	+ Mark asked if fixing the doors was a one time expense, Chief D’Angelis said yes
* Maintenance FD2 - $3500. There are still some things that need to be done
* Internet Service/Telephone: Mike asked if we bid those out, Joe said they are out for bid right now

Pg. 16 – Highway: Total increase $12,225 – 6%

* Telephone, internet, cleaning services and electricity: Increased
	+ Biggest increase is electricity for updating the heaters at the Keef building, same for supplies and building maintenance for the Keef building

Pg. 22 – Highway Department: Total increase $62,490 – 4%

* 6 Full time salaries: Increased 5%
* Part time salaries, overtime, engineering (which includes intersection and culvets): Stayed the same
	+ Jen asked why Engineering was so high this year. Dennis said they engineered all the drainage for Railroad Ave.
	+ Steve asked if that was going to happen in 2023. Dennis said yes, they are about award the contract and it is supposed to start in the spring
	+ Mike mentioned we did not budget for the engineering cost this year, are the upcoming cost covered under the bond.
		- Dennis said the Highway Department portion for the drainage at Railroad Ave will be taken out of the road reconstruction line, around $300,000.
		- Joe thought the bond was fully covered by the state, Dennis said the town is paying for the drainage, sewer department is paying for the sewer rehabilitation and the state is paying for the water line.
* Plowing Contractors:
	+ Mark asked if they are going to be hiring contractors, J0hn said they were able to hire some this year.
	+ Dennis said they hired (2) 6-wheel dump trucks this year from John Pandalena Co and Dave would like to see this line increase by $30,000, making it $60,000
	+ Ben asked if they will be taking over any new roads, Dennis said that they are looking at the Orchards and just took over Overlook. Ben asked if the increase includes these roads, Dennis said yes.
	+ Mike said it would be good to have a summary of what roads we have. Steve asked how many miles of road the town has, Dennis said around 90.
* Hauling Services:
	+ Jen said it has been under budget every year but it has stayed the same, Joe said it was the gravel purchases, we have not had to buy as much lately. Dennis said it fluctuates depending on if we have to buy gravel or if we grind our own asphalt.
	+ Jen asked why it is under hauling, Dennis said when they purchase it, they have to have it hauled
* Aggregate/Stone:
	+ Jen asked what this line is, Dennis said that is for the purchase of the gravel
	+ Mike asked if they will need to purchase gravel this year, Dennis said yes
	+ Equipment Maintenance: Increase of $5000 - all the maintenance except for trucks
* Road Stripping: Increase of $100 – cost of paint going up
* Road Grading: Increase of $1000 – Based off $120/hr for 3 days
* Equipment Rental: Decrease of $2500
	+ Dennis would like to increase that line by $22,250. They just signed a 4-month lease @ $6500/month for a sidewalk plow
	+ Joe said the machine to buy new is $195,000. This is a lease to buy option and it may be in the best interest to lease if for a while.

Cody said the highway department has been under funded for a long time, but this is not the time to be adding to the budget.

* Small tools: Increased
* Vehicle Fuel: Increased – The costs of fuel with the state increased
* Vehicle maintenance/repairs: Increased – This is for all the trucks and the fact we don’t have a mechanic
* Aggregate/Stone: Increase – edging and grading of the roads
* Uniform: Decrease – New contract
* Salt: Increased – Cost has gone up 26% to $72.81 per ton
	+ Steve said the YTD is $41,366.30 but it is budgeted for $100,000, Dennis said there is a purchase that is not reflected in that number

Pg. 24 – Street Lighting: Total Increase $62,490 – 4%

* Budgeted to replace (2) lights, Dennis said they are about $250 a piece
* They are charged by Eversource every month for all the street lights in town

Pg. 15 – Transfer Station: Total increase $5850 – 1%

* Full time salaries: Increased 4%
* Part time salaries: Increased 5%
* Telephone: Rate increase
* Security: Decreased. Dennis said the new system is paid for, this represents repairs
* Internet Service: Increased. For security camera
* Training/Workshop: Decreased
* Ground Water: Decreased.
	+ Dennis waiting for one invoice so the $9000 will be spent this year. They test in October, they report to the state every other year.
	+ Steve asked if he got the results back from October, Dennis said no
* Recycling Contractors: Increased. Rate increase from Erco/Dumpster Depot
* Landfill Assessment: Increased
* Electricity: Increased. Rate increase, electric heat in the shed and the roll off truck is plugged in here.
* Building Fuel: Flat. No relying on waste oil and there is no one in that building anymore
* Building Maintenance: Decreased.
* Vehicle Maintenance/Repairs: Decreased for roll truck and tires
* Uniforms: Decreased. New contract

Pg. 20 – Fire and Rescue: Total increase $185,520 – 14%, 12% was labor

* Looking to hire 3 full time employees (@ $300,000ish), applied for a grant, may put it on a warrant article. Do not want to rely on permanent part timers
* Largest increase was the pay raises. Compared current wages vs current competitive wages and looked at the gap, it was quite substantial and explains why we are losing people. Came up with 3 scenarios:
	+ 1st: Spread it out over 3 years
	+ 2nd: ½ now and ½ later
	+ 3rd: Pull off the band aid and do it all at once
* The decision was to do it all now, raises were given as of December 15. The budget has been updated to reflect the new pay increase
* Going forward fire employees will be treated the same as other employee receiving the 4% COLA increase.
* Ben asked what the time frame is for the grant, Chief D’Angelis said we are in it, they have not heard back yet.
* Steve asked if it was a 3-year grant for 3 full timers, John said yes.
* Ben asked if the liability rate will change if we are a full-time fire department, Joe will follow up and get that information.
* Steve asked if the permanent part timers get benefits, John said no.
* Mike asked if we go to other towns will we see the same budget, John said they are comparable. Other towns are having the same problems just dealing with it in different ways.
* Physicals: Increased. Annual physicals per NFPA base line.
	+ Jen asked if it was covered under regular insurance, John said no because it is specific to NFPA for cancer screening. Chief D’Angelis said it was new legislation.
* IT Services: Stayed flat
* SCBA Maintenance: New line. If someone has to be sent for training.
* Membership dues: Increased. Chief D’Angelis said the haz mat team has increased their fees.
* Office Supplies: Decreased
* Grant Expenses: Program has expired
* Postage: No change
* Vehicle Fuel: Increased. New state contracts, still waiting for the new numbers
* Fire Truck Maintenance: Increased.
* Department Supplies: New line

Pg. 17 – Police: Total increase $165,475 – 6%

* Full time salaries: Increased 8%. Part of the ongoing contract. Last year everyone was eligible for their promotion.
* Part time salaries: Increased 4%
* Overtime: Increased $10,000
	+ Ben asked if the OT includes details, Chief Wallace said no. It includes scene hold over, turn over for 3 lost officers, court time.
* IT Services: Reduced, Chief Wallace said what this included:
	+ $16, 970 annually. Main platform software system
	+ $11,080 – Cross Agency, tied into hub out of Portsmouth PD
	+ $3000 - All traffic Solution: Speed radar, new radar signs, spot server
	+ Dot Star: Back up software system
	+ $180 annually – Adobe
	+ $7900 for upgrades that are required to be done every year
* LEACT IT Software: Stayed the same, ongoing expense
* IT Software Support: This was a shift from IT Services
* Cell phone: Decreased
* Wireless software: New line. Cost of software in the cruisers
* Training: Flat
* Equipment Maintenance: New line, break down of PD equipment
* Copier Leases: Stayed the same
* Membership Dues: Stayed the same.
	+ Ben asked what the $3300 was, Chief Wallace said it was added into the wrong line
* Office Supplies: Decreased
* Grant Expense: No longer there
* Postage: Flat
* Vehicle Fuel: Increased. Due to fuel prices
* Vehicles Maintenance/Repairs: Flat
* Firearms & Supplies: Decreased. Shifted to equipment maintenance
* Animal Control: Zeroed out, moved to its own budget
* Uniforms: Chief Wallace budgeted for $10,000 for 3 new officers
* PD Equipment: Decreased
* PD Cruisers: Increased. Already placed an order for 2 new cruisers, they were higher than what was budgeted for. The price went up $8,000-$10,000
* Motorcycle Lease: Flat

Pg. 19 – Animal Control:

* Moved from Police back to its own budget

Pg. 21 – Building Inspection: Total Increase $1635 – 3%

* Part time salaries: Increased 4%
	+ Tom asked how many hours the part time employee works, Joe said 25 hours
* Office Supplies: Zeroed out, all goes through the town hall
* Postage: Stayed the same
* Mileage: Increased. Try to use the town vehicle

Budget recap:

* Before tonight: Proposed budget - $8,509,185, increase of $491,250
* After tonight with the $52,000 increase request: Proposed budget $8,561,186, increase of $542,250 bring it back to 6.8% increase.

Default Budget Review:

* Joe read the memo supplied by Lisa (attached)
* All labor increases, fire labor increases are in the default. $321,980 less is what the default would be if it is not approved.
* Mike asked what would happen if it was not approved, Tom said we would have to watch the spending and see
* Steve asked what makes up the $321,980, Joe said the big ones are police, fire & rescue and highway

Revenue Budget Review:

* Joe read the memo supplied by Lisa (attached)
* Revenue from taxes: $361,270
* Interest on taxes: $84,000
* Business Licenses & Fees: $2500
* Motor Vehicles Taxes & Fees: $1,633,000
* Building Permits: $103,200
* Other Town Clerk: $21,000
* Other Fed/State: $520,000. Money received from the state, only approved for upcoming year, room and meals tax
* Departments: $21,500
* Solid Waste: $192,000
* Misc. Sources: $44,500

Mike asked about the current use on page 37, Joe suggested to get a list for Lisa as she is better to answer these questions.

Joe asked the committee to go through the budget and come up with a list of questions.

Steve asked when they would have the water/sewer budget, Joe said he was not sure, but he anticipates a substantial increase.

Meeting Schedule:

* December 7, 2022: School budget and maybe some warrant articles
* December 14, 2022: Town warrant articles and any updates
* December 20, 2022: Tentative, will discuss more at the next meeting

Motioned to adjourn by Jen, seconded by Mike. Meeting adjourned at 10:15.

Respectfully submitted:

Cynthia Hounam