Town of Epping

Budget Committee Meeting

September 15, 2021

Call to Order:

The budget committee meeting was called to order at 7:00pm via zoom. Pledge of Allegiance was recited by the members 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., Mike Lecuyer, Jen Chapman, Robert Hodgman, Mark Vallone-via zoom, John Cody-Town Selectmen Rep., Steve Thomas, Marty Dyer. Cynthia Hounam and Cody Belanger were not present.

Other attendees: Christine Vayda, School Business Administrator

Opening Comments:

Tonight we will get an update on the school from Christine Vayda, new business administrator, via zoom and then onto the town.

Michael Charkowski said Cody has missed 3 consecutive meetings so he will let Cody know that a 4th consecutive absent per RSA he will be booted from the board and there will be a vacancy.

There are no minutes at this time to approve as May has a few typos and June has been delayed.

School Update:

* Ben introduced Christine Vayda via zoom, she has replaced Bonnie Sandstrom. She did send over a copy of the MS25 to the board.

Ben reviewed a few items:

* The school year just kicked off a few weeks, things are going pretty smoothly.
* The budgeting has begun, Christine has been working with the department heads and they are due to get their budgets to her today.
* Their last meeting on the 2nd they discussed where they finished last year, they came out with $1.26 million return to the town.
* Total revenue was $2 million, they are hanging onto $293,000 to cover incumbents from last year, also $200,000 for roll over in case of any emergencies for our general fund.
* Approved the resolution of the warrant article for the capital improvement fund and the special education fund for $200,000 & $50,000

Christine introduces herself and reviewed a few items:

* She went through all the numbers so they could wrap up the year and ended up with a $1.26 million surplus
* A lot of the surplus came from the money they were able to save by utilizing the grants that they were able to receive due to covid, at the same time budgeting for future budgets they should not rely on these grants.
* They do have another round of grants that they submitted plans for. The first allotment of grants has been completely expended. The next allotment of grants is for $542,000.
* Most of that grant will be special ed, there are a few out of district placements that were not planned for, they will be in that out of district placement for 3 years, so they need to continuously plan for that in the budget and not rely on grant money.

Mark Vallone asked where that other $600,000 came from

* Ben said a lot of it came from them only running busses for 4 days a week for most of the year.
* Christine said the savings were in transportation, tuition for vocational school, $134,000 came back from health insurance reimbursement.
* Christine will go through and give a detail of the lines that were over and show all the lines which were savings.
* Big savings in pre-school incentives and kindergarten. Due to covid the enrollment was down, $40,000 savings in athletics, $75,000 savings in special education transportation.

Michael Charkowski asked for any other questions.

* Mike Lecuyer asked about the $80,000 they put back into the budget last December for the special ed teacher that they may or may not be need. It was the understanding that if it was not needed or filled that the money would be given back. Ben did talk to Bill but did not get the answer, but he can get the answer pretty quickly.
* Ben said that Christine should have financials ready after their meeting tomorrow, so in a few weeks she should be able to get some reports over once they are reviewed and approved.
* Christine will provide the committee year end numbers, break down of all the lines to show where the over expenditures came from and start looking at the year to date numbers as the year goes on.
* Christine said if there’s anything the committee would like to see different just send an mail and let her know.
* Steve Ozols does not have anything specific on the budget or how it is presented but every year when they go through it, it is very difficult to get through because there is so much so information, if there is any way to simplify it that would be a great help.
* Christine started working with all the department heads to try and consolidate lines as there are a lot of duplicates, for an example, there does not need to be a line for supplies for each grade, it can be consolidated to supplies for the elementary school.
* Michael Charkowski mentioned that there was new software last year for tracking/accounting which made the reports extremely lengthy compared to the previous year, if there is anything to can do in that regard that would be appreciated.
* Christine said she will provide the report in the way that she is used to presenting them and if there’s anything you would like differently, she could take the data out of the reports, create an excel spreadsheet and highlight the different items.

Michael Charkowski thanked Christine for her time and she was excused.

* Steve Ozols asked what the status was of the elementary school roof and the HVAC projects. Ben said they are both complete.
* Mike Lecuyer is concerned about giving out free lunches this year, most of the families are not going to complete the reduced/free lunch application which is going to hurt us in the long run as we will not be eligible for grant money from the state by meeting a certain percentage. Is there something the school can do to put that out to the families that we need that information to qualify for the grant. Ben the food service director, Mr. Crutchfield, has been sending out paperwork to have the forms filled out. He will follow up to see where they stand and when the last communication went out.
* Jen asked if it was a paper application or is there a link that can be filled out online. Ben believes there is a link but there is also a paper application, but he will check.
* Michael Charkowski read about the education freedoms account passed by the legislation and read that 70 times the applications where expected, they have 18 million applications so far. Does the school have any statics on changes in the enrollments or whether or not it is related to that and if we lost any revenue due to that. Ben said he was not sure he would have to go back and check.

Michael Charkowski asked for any other questions and thanked Ben.

Town Update:

John reviewed a few items:

* The quarterlies look pretty good, there were some unplanned expenses, but they are negotiating through those.
* They had a budget workshop on August 30, basically they were to come in and give us their forecast of their present budget but mostly of the future budget.
* Also, they would like more explanations with certain line items, asked them to add a footnote references a certain page for a better explanation.
* Some expenses coming up, the 2.1% is going to be used up on the items that are not controllable, but we will have to see.
* Michael asked if current year status of the budget is pretty much on track, John said yes.

Michael Charkowski asked for any questions.

* Jen had a comment, which was when they come to the town hall budget to add in $1500 for portable air conditioners for this room. John said that was in the discussion.
* Michael asked if there was anything identified or concerns from the previous years at the budget workshop. John said not at this point.
* They had a discussion regarding the rooms and meals taxes and how much we thought we may lose.
* Pressed public safety on different aspects of their budget.
* Fire Dept: Repairs to the fire truck, was not accepting to replace an ambulance and the defibrillators. We need to be cautious about leaning on the reserve fund we have for replacing trucks, etc.
* Michael Charkowski was concerned with the inflation at 1.5% for the past 12 years that it was going to add to a lot of the lines in the budget that thy have gotten used to only going up a couple, now everything has significantly gone up. How will that affect the lines, he is concerned about the “assumption” of what it will cost, has there been any effort to reprice everything in the budget and consumables. John said there has been discussion regarding that and consolidating things like fuel, etc.
* Michael Charkowski would rather have realistic numbers, not an attempt to make it look good and then deal with a budget next year that does not have enough money to pay the bills.
* John said they discussed last meeting about open positions and how we would like them lined out in the budget. Steve Ozols asked if there was going to be one line for open positions and another for filled, ,John said there was no definite decision but they will be broken out.

Michael Charkowski asked for any other questions, any old business or any new business to discuss.

* Steve Ozols asked if we have a schedule of when we will receive the budgets from the school and the town. Ben said November 15 they will be delivered to the budget committee electronically and John said maybe early November but he is not going to speak for Mike Yergeau, he will leave it up to him for the projected date.
* John asked if we got the schools audit for this year, Ben said it is not complete yet. John does not believe they got the audit for previous years, Ben said if you have not he will have Christine get them for you.

Motion to adjourn made by Mike Lecuyer, seconded by Steve Ozols. Meeting adjourned at 7:53pm.

Respectfully submitted:

Cynthia Hounam