Town of Epping

Budget Committee

December 6, 2021

Call to Order:

The budget committee meeting was called to order at 6:30pm. 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-zoom, Jen Chapman, Robert Hodgman, Mark Vallone-zoom, John Cody-Town Selectman Rep, Mike Lecuyer, Steve Thomas, Cody Belanger, Lisa Fogg, Greg Dodge and Cynthia Hounam.

Other Attendees:

Jerry Langdon, Dave Reinhold, Chief De’Angelis, Dennis Koch, Tom Dwyer, Marc Nickerson, Tom Gauthier, Mike Yergeau, Nicole Bizzarro, Joe Trombley and Bob Jordan

Roll Call: Cody Belanger, Steve Ozols, Michael Charkowski, Jen Chapman, Mike Lecuyer, Robert Hodgeman, Steve Thomas, Ben Leavitt, Mark Vallone, Marty Dyer.

Motion to accept the minutes of November 17 made by Steve, seconded by Jen

Michael Charkowski said we will review items on the town budget that were not discussed on November 17, 2021.

Town Budget:

Cemetery: - Jerry Langdon will review this line item

* Robert Hodgeman would like to add to the budget due to amount of damage at the cemetery.
* Jerry said we took over Prospect about 5 years and the budget went from $6ooo-$28,000 due to the neglect of maintenance over the past 35 years. He has worked on the budget the last years to bring it down to where it is. He does not think they need anymore in the budget.
* He has money in the trust fund set aside for the West Epping cemetery which will hopefully be done next year.
* Robert Hodgeman said he would not be against having cameras in the bigger cemeteries and having them funded due to the damage. Jerry said they have done that in two of the cemeteries and it is not a priority.
* They have trust money for the repair of individual stones.
* Michael Charkowski said there are a significant number of trust funds with restriction, is there anything that the trust funds are getting low of coverage. Jerry said all the trust funds do not have a balance substant enough to pay for anything except the one he created when the town accepted Prospect Cemetery.
* Michael Charkowski asked if he feels comfortable with the funds he has. Jerry said yes, he is at $23,000 and they are set on projects they want to do.
* Robert if the plan was to fix West Epping cemetery this year, Jerry said not this year, they just received the estimated yesterday and they meet next week. The damage was around $2300 and they will repair it next summer from the money in the trust fund.

Michael Charkowski asked for any mor questions.

Recreation: Nicole Bizzarro will review this line.

* Biggest changes are the computer equipment, they were able to get the workstations in and switch over to the IT service, so that was taken out of the budget from last year taking in down $3650. Copier lease adjustment, park maintenance, computer equipment line taken out for a $2000 decrease. Coming in at -1% budget.
* Cody asked about $500 salary line, Nicole said it was the assistant director leaving and the new one coming on at lower rate and the 1.8% COLA.
* Steve Ozols asked if she has any concerns about the office supplies as you are budgeting a lot less. Nicole said it came in higher because a lot of it was covid related. She believes they will be fine.
* Cody asked what was included in the park maintenance line, Nicole said the basketball court were redone a couple years ago and have not need much maintenance and the same with the tennis court as they have not had to replace anything yet. She leaves the money in there for any upcoming damage.
* Jen asked if she was able to join with the town for the copier lease and supply line. Nicole said not yet, the copier lease is up this year, she recievedd the information from Lisa to contact the company to see if the lease is any better. Nicole does not feel the need with supplies.
* Michael Charkowski and Mike Lecuyer feel she is under budgeting the office supply line. Tom Gauthier said that it is a bottom line budget anyway so if she does over spend.
* Steve Ozols asked if the town has covid reliefs money to spend next year in case you need extra money for supplies you can use that. Bob Jordan said they have not received any guidance on what they can spend it on. Michael asked if any covid funds would be able to be used for any recreation, Lisa said no. Mike Yergeau said they have no clear direction on how to spend it, Tom Gauthier said they cannot use it for lost revenue or to buy down the taxes.

Watson Academy: -10%

* Biggest adjust was $190 in each line of water/sewer, trash hauling, repair and maintenance because they have the expendable trust fund. $3000 difference.
* Cody asked if he think the increase with electricity/heating cost is sufficient since in 2020 the $2700 was spent and today $2300 was spent with another bill to come. Tom Gauthier said they have a contract where the rates are locked in for a year, Joe said that rates only change twice a year, we are at the peak rate right now. Nicole said that electricity is the only bill she does not see as it goes to the town.
* Cody asked if the water/sewer rates are going to increase. Tom Gauthier said only the unit charge for each meter in the home. $48.00 per year.
* Mark asked what the value of recreation is, how many people do you service. Nicole said they run around $300,000-$400,000 worth of programming a year, take care most of the kids & senior programming. Mark said it is a lean operation and they deliver a lot of value to the town.
* Mark was looking at the maintenance line that if things go south can you use some of that line to fund. Mike Yergeau said he disagrees as they are the steward of that building because they took the grant program, they have to have the money in that line to maintain the building, if they don’t they lose the funding. Nicole said they are of that stewardship agreement grant as of December this year so the town has more leeway.
* Nicole said we need to have the funding in there, without Watson we do not have the space to run all the programs.
* Michael Charkowski asked if she was locked in a contract for the heating fuel, Nicole said no she said there is some padding in the line.
* Mike Lecuyer asked if they were eliminating the covid expense line. Nicole said that was a line that was added in. Mike asked about the budget in 2020, Nicole said that was not a budget that is what was actually spent. Lisa said it 2020 we did receive covid funds but that was only for 2020. Mike asked if you had to get more covid equipment would it be under supplies, Nicole said yes.
* Jen asked if you were confident dropping the repair and maintenance line, Nicole said yes.

Highway: Dennis Koch and Dave Reinhold will review this line

* Dennis said there are 2 vacancies on the highway department so that line has not changed that much. They about 15 other lines down.
* Equipment Maintenance & Repair: Increase by $1000 bring it from $19,000 to $20,000
* Supplies: Increased to $500
* Tree Removal: Increased by $5000 to bring it to $15,000 to try and catch up with the hazardous trees around town.
* Plow Contract: Decreased by $10,000 to bring it from $40,000 to $30,000. They have not been able to find and contractors or 6 wheelers to hire.
* Vehicle Fuel: Decrease by $5,000 to bring it to $22,000. Cody has a concern about that, thinks they should leave it as is due to rising prices. Greg said they do not pay a gas tax. Mike Yergeau said they look at the NHDOT site for monthly gas projected rates.
	+ Michael Charkowski asked how much we spent in previous years, Tom Gauthier said $16,663 as of December 31, 2020 and $16,308 as of October 2021
* Dennis said we have 6 trucks in the fleet and 5 drivers for plowing.
* Steve Ozols asked if the Knot Weeding control was adequate and are they seeing more of it. Dennis said they have completed 2 years in this program with $10,000 per year and have had good results. It can take 2-3 applications to treat it. Mike Yergeau said they just do the areas that are in the town right away.
* Steve Thomas asked if the crack sealing was spent elsewhere or banked, Dennis said they put it toward tree removal. Cody asked about North River Road, Dennis said it was just a patch.
	+ North River Road #1 is on the list for next year, North River Road #2 just got done
	+ List for next year: Old Nottingham Road, North River Road #1, Mill Pond, Acre Street, Jannell Court, Ham Road, Hamilton Drive, Kimball and Camp Lee Road which is just under $500,000.
* Steve Ozols asked where it stands with Railroad Ave and tying into the water line project, Dennis said they are waiting for the water line, sewer line, drainage and then they pave. Maybe done year, supposed to start in the spring. The bid is in January.
* Michael Charkowski are there any lines that you reduced that you feel was not smart to reduce, Dennis said he feels pretty comfortable with it the way it is right now.
* Steve Thomas asked if the reduced amount spent on road striping is to difficulty finding someone for the road striping, Dennis said they got their own striping machine, they did not paint the yellow strips down Prescott as the paint got too expensive. Steve Ozols asked about the crosswalk and the turn lanes, Dennis said that they do that themselves on an annual basis.
* Jen asked about the Materials processing line as they have not spent any of that money as of October, is that what you are doing at the dump now to spend that money. Dennis said yes that project is all done, this year is grinding the big asphalt pile which came in under budget at $8500.

Michael Charkowski asked for any other questions.

Highway Building:

* Looks like a large increase of 20% but it was only $2400 because the town took over the Keef site on 27 and it has a 2400sqft building they are going to use for highway storage. So the electricity, heating fuel and building maintenance line was increased.
* Steve Ozols asked if it was adequate to store all the equipment, Dennis said it will hold a lot of the equipment it is a 40x60 structure. They need to install over head doors and remove some walls. Steve mentioned the warrant article last year that got shot down, is this building going to be adequate for future use, Dennis said no, not suited fordump trucks it will be used for summer equipment storage.
* Mark asked what happened to those monitoring wells and what is the town responsibility, Dennis said they are not allowed to have any water to the building, the bathrooms are shut off, the state is monitoring the monitoring wells on site. The building has been deemed to turn over to the town, just don’t mess with the ground water.
* Michael Charkowski asked if the line for building maintenance will be used for the over head doors, Dennis said yes and some lighting issues,
* Steve Thomas thinks the telephone, internet and cleaning lines seem over budget. Dennis basically took the year to date number by 9 and multiplied it out. Dennis said the internet is tied in with the cameras and security.

Michael asked for any other questions.

Transfer Station:

* Part time salary: Increases from 3 to 4 employees. Michael Charkowsi asked if it was another person or increase the salary, Dennis said to add another person.
* Recycling Contractor Line: Can change at any time during the year. Dennis said next year is $70 per ton to get rid of household trash, $125 ton to recycle plastic
* Steve Thomas asked if there are plans in place so that the transfer station does not lose money, Dennis said no really it is a tough one. The discussed single stream recycling but the last time it was analyzed it was going to cost $450,000 more than what they are doing now.
* Ben asked if he could tell us the difference between an employee and what they are paying the temp service. Dennis said they are paying $15-$16 for an employee and paying the temp agency $30.00. Ben asked if it was being paid out of the salary line or a different line, Dennis said they have a line for salary and temp agency and they funded the salary line.
* Ben asked what the $9000 for ground water monitoring and what is that going toward. Dennis said a permit is issued to the town by DES and they are required to sample ground watering wells and surface water, it is required to be done by October and they have not gotten the invoice yet.

Michael asked for any other questions.

Water/Sewer: Tom Dwyer and Marc Nickerson will review this line.

* 1.8% COLA increase
* One new water/sewer employee for 6 months at $20.00/hr
* Property & Liability insurance both went up
* Water Ops for Railroad Ave project, they will be paying for the water at the street
* Increase for engineering for the Route 125 project
* SUI insurance increase
* Septic disposal down based on the actuals
* Chemicals for the sewer treatment plant down
* Steve Ozols asked about the Railroad Ave project, Tom said the MBT project was going to highly impact the Railroad Ave project so they took over cost of engineering and replacing the water line from Main Street to a booster house.
	+ The Booster house will be on Fremont Road, which is a 24x32 building that the water main will go out of and down Depot Road servicing an estimated 110 houses.
	+ Won’t go out to bid until January 2022, 11% complete for drawing, will be recasting the line rather than replacing. Ask the selectman for the ARPA funds for this project. It is a 3 year construction.
	+ Tom Gauthier if Colt Road is included, Tom said yes.
* Rehired a super intendent for the waste water. Marc said they are working on that and their meeting is tomorrow. Tom said that one latrine failed when they working on the other. Replace train 2 and working on train 1, we have 3 trains.
* In the middle of the lagoon closer. Steve Ozols asked what is the time line, Tom said 3 years, they can close lagoon 1 until they get EQ tank.
* Budget is based on the fees, in and out account. Land purchase and MBT only line helped by the town, everything else is paid by the rate payers.
* Major increases:
	+ Liability insurance
	+ Machinery & Equipment added $28,000 for vehicle purchase
	+ Distribution system increased $15,000 for hydrants
	+ Reduce the depreciation. Tom said it was at $0 last year. Tom said they need to depreciate $230,000 year for the lagoon project

Water Operation:

* Salary: Increase $20,000 for an added employee half way through the year (half water/half sewer salary)
* Cody asked about the fund you asked the selectman for to use for the project. Mike Yergeau said it was ARPA funds and the selectman have not decided yet. Marc said they were going to use it for commissioning F1 and the Railroad Ave sewer project. Cody asked how much, Joe said $380,000 for the first disbursement and $380,000 for the second.
* Marc said the town is working off one well
* Ben asked if the town has responsibility for the fuel truck roll over on 101, Tom Gauthier said that is all the state.
* Tom Dwyer does not plan on coming forth with a warrant article this year.

Water Non-Operating Budget:

* Water line extension for the Stage Coach condos
* Replace up to 50 meters per year
* Total Water Fund: 13% increase, difference of $81,750, there will no be no rate increase for residential or commercial

Sewer Fund Administration:

* Property and Liability Insurance up $5000

Sewer Operations:

* Health Insurance: Decreased as the new hire had his own health insurance
* NH Retirement: Increase
* Engineering: Decrease due to the Railroad Ave project
* Engineering: Increased for Route 125 expansion project
* Chemicals: $30,000 increase due to actuals and septage revenue
* Vehicle: Increase $20,000 for the other half of the vehicle
* M&E CHIP projects: Down 1%

Sewer Non-Operating:

* Connection fee loan for the Stage Coach condos. Town got the loan for them and they pay reimburse us.
* Membrane Project: $100,000
* Railroad Ave project: $200,000 proposed
* Michael asked on the membrane and railroad avenue project was budgeted for last year for the full amount but carried over as it is not finished, Tom said yes
* Depression: Increased $84,400 totaling $133,690 due closing the USDA loan
* -12% change in the budget
* Increase for unit charge for sewer from $28.00 to $40.00 per quarter per residential, Cody asked what the commercial rate is, Marc said $75.31
* Mark said the budget has gone down but you still have to raise rate, Tom said yes but only the sewer rates. Mark asked to explain, Marc said in the sewer that was brought to us was less than what we anticipated. Tom said they anticipated $900,000 for septage receiving and this year they will be at $600,000.
* Ben asked if the sledge disposal being brought down $50,ooo is because of the water treatment plant being on line, Tom said yes
* Steve Ozols asked if the loss of revenue was due to less commercial coming in, Tom this budget of $900,000 was for last year and since than Exeter has come on line.
* Steve Thomas asked what the Sewer Administration licensing was for, Tom said it was for continuing ed and licensing.

Michael Charkowski asked for any other questions.

Fire Department: Chief De’Anglis is present to answer some specific questions

* Robert asked about the over time, if going over budget is a trend.
	+ 2020 budgeted 25,000 year to date was $43,566 then 30,000 and as of October 31 you are at $56,000. Robert asked if they know what the previous years were.
	+ Bob Jordan said the last couple years have a lot to do with covid, extra person at the town hall checking people, etc.
	+ John said it not just covid it is a nation problem.
* Mike Lecuyer asked if he expects to go over the over time next year. Chief De’Angelis said it is hard to say, what is driving his overtime is part times do not want to work the night shift. He moved one part time up with the full timer to work along side of him at night.

Michael Charkowski asked for any more questions.

January 11, 2022: Last date for the warrant articles

January 12, 2022: Public session – 6:00 start

February 8, 2o22: Town Deliberative session

February 10, 2022: School Deliberative session

January 31, 2022: Last day to post the warrant articles

January 27, 2022: Last day for the budget committee to give the final budget to the selectmen.

Ben asked if you they could forward any questions prior to the next meeting.

Motion to adjourn by Cody, seconded by John. Meeting adjourned 10:40

Respectfully submitted

Cynthia Hounam