Town of Epping

Budget Committee Meeting

October 20, 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., Jen Chapman, Robert Hodgman, Mark Vallone-via zoom, John Cody-Town Selectmen Rep., Steve Thomas, Marty Dyer, Cody Belanger-via zoom, Greg Dodge via zoom and Cynthia Hounam. Mike Lecuyer was not present.

Opening Comments:

Tonight will be a light agenda. The first /second week in November is still on track for the Town budget. If you have any interest on where they are at go to ETV.

Approval of minutes:

Michael asked for any questions for the June and September minutes. Motion to approve the June/September minutes by Michael, seconded by Steve Ozols. All in favor. Cody and Mark are in favor via zoom.

Roll Call: Marty Dyer, John Cody, Steve Ozols, Michael Charkowski, Jen Chapman, Ben Leavitt, Steve Thomas and Robert Hodgman.

Town Budget Update:

John Cody reviewed the update:

* Just got the numbers for the heath and liability insurance. This is one of the reasons why we do not want to put the budget out piece meal but rather wait for the whole package.
* This year it should be easier to understand, we asked everyone to break down the lines so that we have a more clarity on things.
* Would not be a bad idea to discuss things on different nights as it worked out well last year.
* Two major budgets were already sent back and are to come back with changes.
* We are still aiming for November 10, 2021

Michael Charkowski asked for any questions or comments.

* Steve Ozols is looking forward to seeing the budget on November 10, that gives us a full week to review it before we meet.
* Michael Charkowski said there was some confusion on what the budget committee asked for and what the board is going to produce for us. He strongly believes they asked at the last meeting for a 2.1% budget and Mr. Twombley asked if they could produce a budget that was more realistic, Michael said sure. Mr. Twombley did not believe they could meet that.
* John said when they met with the budget committee they said that just the uncontrollable cost were above 2.1%, that being said they are not done yet and that is why they don’t want to send it piece meal but wait for the whole package and see what the end product is.

School Budget Update:

Ben reviewed the update:

* Tuesday was the first work session, they met with the middle/high school principal, athletics director, special ed and Christine and gone through a significant portion. Will be meeting again next Tuesday but things are going pretty well.
* They are anticipating November 15, 2021 for the budget.
* John asked if it was televised, Ben said it was recorded and will be broadcasted ETV and the same for next meeting.
* Michael Charkowski watched the school board meeting regarding the current budget and saw there were some significant revenues coming in, other things moving around in the budget and some additional spending.
  + Ben talked with Cristine to get more up to date picture of where they are at year to date, which they will talk about tomorrow night at the meeting and then pass it on to the budget committee.
* Free/reduced lunch numbers by year:
  + 2018: 169 free/39 reduced
  + 2019: 125 free/48 reduced
  + 2020: 118 free/21 reduced
  + First month of 2021: 104 free/24 reduced
  + This is a program now for people to get free lunch but part of our state adequacy is based on people who qualify for free/reduced lunch
  + The free form is available on the website as a pdf file, no link.
* Education Freedom Accounts:
  + Not sure what the impact will be, it is being managed by the state and a 3rd party.
  + The cost will be taken as a reduction in our state adequacy rather than getting a bill.
  + Cannot address how that is going to impact us year to year because we don’t know the format we are going to get from the state.
  + Not aware of anyone that has transfer out because of the freedom account
  + This year because of the timing it was rolled we are only going to be assessed 50%, next year will be 100%.
  + The average cost is $4600 per student, could be higher could be less.
* $80,000 for the special ed teacher was not returned, they had enough enrollment in the pre-k that required having that position filled.
* Recent financials:
  + $37,5000 credit from Eversource as a rebate for installing a more efficient boiler systems
  + $$154,682.09 for adequacy grant money from the state for changes made in the state law for average daily membership
  + $15,783 for food services which was from the Dept. of Education & the office of nutritional programs and services. This was a reimbursement for losses calculated from March-June 2020. This goes back into the food services account.
  + Jen asked if this amount covers the deficient the food service account had last year, Ben no.
  + Steve Ozols asked if all the numbers that were give were going to be reflected in the 2021-2022 budget somehow, Ben said yes. Steve Ozols asked when they present the budget will it show the breakdown. Ben will talk with Christine to have them highlighted.
  + John asked if the money for food services should be used to offset the costs. Ben said he does not know how that money will be spent.
  + John said the tax payers paid last year because of there was more expended, Ben said because the way the fund is set up they had to cover the loss with excess funds they had in the general fund, it is supposed to be a zero balance fund. John asked if they were over $114,272 in 2019-2020 school year and the government is giving money back it should be used to offset the costs.
  + Robert said they should either use it to offset the costs or give it back to the town.
  + John said you have already budgeted for what is present and the $15,783 should be more and returned to the town.
  + Steve said this money being returned from last year that should be returned to that budget, we should not be allocating back expending in 20-21 & should be allocated back.
  + Michael said the general idea is if it was not in the budget we should not be coming up with new spending.
  + John said the audit states: Food service expenditures exceed revenues by an amount of $114,272, which resulted in a fund balance of zero after the general fund transfer. So, it should go back into the general fund.
* Cody met with the superintendent regarding the education savings account and asked him what he feels will be a budget impact based on the number of student so decided to go in and out of Epping school district, it is roughly $4500 max per student may receive and income cap of 73 and some change. The Superintendents’ expectations are less than 1% damage to his budget. John asked if it will be a separate line in the budget, Ben said no, it is being taken out of the state adequacy budget.
* Robert asked if the budgets were going to be broken down per grade level. Ben said he is working with Christine to consolidate the budget, it is still lengthy but we are working on it.
* John asked when the number of students is taken, Ben thinks the enrollment data is taken at the end of October but he will double check at tomorrows meeting. Robert would like to know the number of students per class for each teacher, Ben said he will see what he can do.

Michael asked for any other questions for Ben.

* Steve Ozols asked if they were still on track for November 15, Ben said yes

Meeting Schedule:

November 17, 2021 – Town budget

December 1, 2021 – School budget

December 8, 2021 – Town budget – 2nd review

December 15, 2021 – School budget – 2nd review

* Steve Ozols asked if when the town budget is delivered will include the water/sewer, John said yes.
* John asked if the teachers contract was this year, Ben said yes.

Michael asked for any old business, any new business.

Motion to adjourn by Michael, seconded by Jen. Meeting adjourned 7:55pm.

Respectfully submitted:

Cynthia Hounam