

BUDGET COMMITTEE MINUTES

November 3, 2022

DRAFT

1 Chairman Keith McGuigan called the meeting to order at 7:00 PM

2 **PRESENT:** Chair Keith McGuigan, Vice-Chair Tom Chase, Selectmen's Rep. Pam
3 Sanderson, School Board Rep. Brian Winslow, Water District Rep. Robert Young, Cove
4 Village Rep.; Members Mike Jobin, Ginger Dole, Tim Jandebour, Michael Moore, Ted
5 Wilkinson, Betty Smith, Paul Tudor, and Betsy Colburn (participated electronically
6 due to medical reasons).

7 **ABSENT:** Gulf Village District Rep. Matt Frye, Members Eric Buckland, Brad Hall, and
8 Dan McNally (all excused).

9 **TOWN STAFF:** Land Use Specialist Linda Smith, Land Use Administrative Assistant
10 Lisa Fellows-Weaver, Town Administrator Walter Johnson, and Finance Administrator
11 Cheryl Eastman.

12 **SCHOOL STAFF:** no one was present from the school district.

13 **PUBLIC COMMENT SECTION:**

14 Chair McGuigan opened the public comment session. There being no comments, Chair
15 McGuigan closed the comment session.

16 **MINUTES:**

17 **On a motion made by Mr. Chase, and seconded by Mr. Moore, the board voted to**
18 **approve the minutes of August 10, 2022, with amendments that do not alter the**
19 **content of the meeting. The motion passed; 10/0/3.** Mr. Young, Mr. Jandebour,
20 and Ms. Sanderson abstained.

21 **TOWN THIRD QUARTER REVIEW:**

22 Selectman Representative Pam Sanderson gave an overview of the Town Expenditure
23 Report through September 30, 2022. She explained that with a default budget there
24 are always some problems with numbers lining up with the current expenditure
25 report.

26 Ms. Sanderson stated that the Town continues to be short staffed, specifically in both
27 the Fire and Police Departments. This can be seen in the salary and insurance lines
28 for both departments. She explained that these lines will continue to be over expended
29 due to the ongoing need for coverage.

30 Ms. Sanderson noted the 2% COLA, which was previously approved.

31 Regarding fuel and electricity, Ms. Sanderson stated that the overages will continue.

32 Mr. Tudor referred to page 7, Police Department, line 42101-4607-Vehicle Purchase,
33 and asked what the expenditure is for. Ms. Eastman replied that the expense was to
34 outfit the cruiser; the cruiser was received last year and the funds to outfit it were in
35 this year's budget.

36 Ms. Dole referred to the increases noted for Insurance, page 6, line 41960. Ms.
37 Eastman explained that there were premiums returned to members; it is a net out of
38 the premium.

39 Ms. Dole asked about the expenditure of \$50,000 for the Fire Department, page 8, line
40 42200-4910. Ms. Eastman stated that this was the grant to purchase a defibrillator
41 and a ventilator.

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42 Ms. Dole referred to the increases noted on page 9 for the Highway Department, line
43 43110-4602, Equipment Purchase, in the amount of \$7,924. Mr. Johnson explained
44 that the increase was to outfit the Highway Department's new truck.

45 Ms. Dole referenced the Highway Paving/Reconstruction budget, line 43120, and
46 asked if the paving has been completed and what the total cost ended up being. Mr.
47 Johnson stated that all of the paving has been completed and was funded out of three
48 different sources; the warrant article, the expendable trust fund, and the remaining
49 balance from the block grant budget line. He noted that the Town was fortunate as
50 there was additional block grant funding received; therefore, the Highway Department
51 was able to complete an additional road that was originally a part of the
52 2023 schedule. Roads completed were Old Canterbury, Old Turnpike, Allen Farm
53 Road, and Bow Street; some crack sealing was also completed.

54 Ms. Dole asked about the increases noted in Tipping Fees, page 10, line 43240-4410,
55 as well as decreases in the Transportation/Travel, line 43122-4820. Ms. Eastman
56 stated that there is a new vendor for hauling this year, and the prices are less;
57 however, the invoices have not been provided in a timely manner.

58 Mr. McGuigan asked about the effects of the closure of the glass and burn pit and if
59 these changes will be reflected. Mr. Johnson stated that there will be enough storage
60 to get through the fiscal year; however, effects will be seen in 2023. He added that they
61 are looking into other resources. There may be larger tipping fees, which will be
62 planned for in the 2023 budget.

63 Mr. Chase asked if the closure resulted in any remediation. Mr. Johnson stated that
64 NHDES did visit the site and he is waiting for the final report.

65 Ms. Dole asked about Donations, page 13, line 45899-4904 for the Food Pantry, in the
66 amount of \$500. She stated that the payment has not been issued. Mr. Johnson
67 stated that typically the process is to pay once an invoice or request is received.

68 Ms. Sanderson noted that the Town is looking into participating in the State's fuel
69 contract. The Selectmen are also anticipating that electricity will be higher and are
70 looking into revamping lighting with changing fixtures.

71 Mr. Johnson stated that the last quarter will be monitored closely; all departments
72 have been very cooperative with their budgets and spending.

73 Ms. Sanderson reviewed the Revenue Report, through September 30, and stated that
74 the Town is at 86.08%.

75 Ms. Dole asked what the Payment in Lieu of Taxes (PILOT) was, line 31860-3006. Mr.
76 Johnson explained that PILOT is an agreement with a property owner to pay a
77 negotiated formula in lieu of taxes. Currently, the senior housing facility on Bow Street
78 has a PILOT program. In this case the facility could be exempt; however, they pay the
79 Town's portion of taxes. The amount is billed once the new tax rate is set. He noted
80 that all the information has been submitted to DRA.

81 Regarding the Audit, Ms. Sanderson stated that the Town is in good shape. She
82 commented on the great job that Ms. Eastman has been doing and added that she is
83 glad to have her on board. She added that all of the Town's staff are really great and
84 with the ongoing status of employment in the world today, it is important that the
85 Town be attractive to acquire quality personnel and keep them.

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86 Chair McGuigan asked if there have been comparison studies of employment. Ms.
87 Sanderson replied yes, both for Fire and Police. She stated that with default budgets it
88 is very difficult to be competitive and the ongoing amount that is needed to cover
89 overtime does affect the salary lines; if the departments were adequately staffed then it
90 would not affect the department's budget so much. She stated that it will continue to
91 be costly to not have enough staff.

92 Mr. Jandebaur stated that the revenue report shows several instances where the
93 revenue collected is the same amount as revenue uncollected, specifically under the
94 License, Permits, and Fees, 32900-3012 and 3013. Ms. Eastman explained that the
95 revenues are an estimate; some lines will be over and other lines will be under.

96 With no further comment, Chairman McGuigan closed the Town portion.

97 **SCHOOL FIRST QUARTER FINANCIAL STATEMENT**

98 Mr. Winslow presented the school district report. He stated that the staffing situation
99 is doing very well.

100 Mr. Winslow stated that with the volatile rates in electricity, the school locked into a
101 fixed rate of \$0.17 per kilowatt of service for 13 months. This is an increase of \$0.07
102 over what was previously budgeted.

103 Mr. Winslow stated that the School Board did look at the facility for the CIP. He
104 explained that there have been issues with the boiler; it is currently operating,
105 although the anticipated life span remaining is about three years. He noted that there
106 was a day and a half where they were not able to get any heat.

107 Mr. Tudor asked if there were any federal grant funds available for a new furnace. Mr.
108 Winslow replied that they have been exploring other options for renewable energy and
109 HVAC systems.

110 Mr. Winslow reviewed the 2022-2023 Expenditure Summary Report as of September
111 30. He stated that there have been changes with personnel. The business office has
112 been re-coding some accounts and there are some lines that indicate overages because
113 of the re-coding. He stated that the school hired an agency to address staffing issues;
114 this is shown as contracted services.

115 Mr. Young asked about the general feeling of the School Board relative to the budget
116 lines and unencumbered funds. Mr. Winslow stated that he asked the business
117 department and overall, at the end of the first quarter, the feeling is that they are in
118 good standing and confident, although there have been some unexpected costs.

119 Mr. Jandebaur asked about the amount in the Capital Reserve Funds and if there are
120 any funds from March. Mr. Winslow stated that there has been nothing expended
121 since March.

122 Mr. Winslow reviewed the Revenue Report as well as the latest enrollment figures. He
123 added that there is not a wish list at this time.

124 Mr. Chase asked if there have been any performance deficits seen in any of the
125 schools. Chair McGuigan stated that this meeting is to address items relative to the
126 School's budget and these items should be addressed at a School Board meeting.

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127 Mr. Young asked about real figures for the end of 2022, and stated that looking at the
128 bottom line, the grand total \$42,880. Mr. Winslow replied that FY 2021-2022 the
129 amount was \$192,743.56 that will be returned to the taxpayers.

130 Mr. Jandebour commented that nothing is returned to the taxpayers. He explained
131 that the funds are taken out of the following year's School approved budget. The Town
132 can use the funds to buy down the tax rate. DRA takes the balance from the next
133 year's budget.

134 Ms. Sanderson stated that the Town keeps a percentage and cannot assume the
135 amount of funds every year.

136 It was requested that an explanation of the fund balance be provided.

137 With no further discussion, Chair McGuigan closed the School portion.

138 **INTERNAL BUSINESS**

139 • Oath of Office – verbiage provided to members for review.

140 • Code of Conduct – verbiage provided to members for review.

141 Ms. Smith explained that the Code of Conduct is a Town regulation; it was
142 approved at a Town meeting as a warrant article. She stated that the Code of
143 Conduct replaced the Conflict of Interest Ordinance. She added that this ordinance
144 is provided to anyone when signing their Oath of Office.

145 • December Budget Meeting Calendar – previously provided, no changes were made.

146 • January 2023 Calendar – Public hearing dates were set as follows:

147 Town: January 11, 2023 – 7:00 PM

148 School: January 12, 2023 – 7:00 PM

149 • CIP was distributed – Excel CIP format to be emailed to members

150 • Next Meeting – December 3, 2022 - no additional items were requested or added.

151 **ADJOURNMENT**

152 **On a motion made by Mr. Wilkinson, and seconded by Ms. Colburn, the Board**
153 **voted unanimously, via roll call vote, to adjourn at 8:14 p.m.**

154 *Respectfully submitted,*

155 

156 *Lisa Fellows-Weaver,*

157 *Land use Administrative Assistant*