

Town of Milton
BUDGET COMMITTEE MEETING
December 28, 2021

ATTENDANCE:

Members: Humphrey Williams (Chair), Peg Hurd, Bob Carrier, Claudine Burnham, Lisa Gautreau, Laura Turgeon, Larry Brown **Absent:** Mike Beaulieu

Public: Doug Shute, Abigail Rooney

Humphrey Williams, Chair, opened the session at 6:00PM.

1.) Pledge of Allegiance: Humphrey Williams, Chair, led the meeting in the Pledge of Allegiance.

2.) Roll Call:

a. Mr. Williams, Chair, led the roll call of members to determine if a quorum was present.

Humphrey Williams (Chair), Laura Turgeon, Lisa Gautreau, Peg Hurd, Larry Brown, Bob Carrier, Claudine Burnham. A quorum was present.

b. Public participation: Doug Shute and Abigail Rooney, School Board Representatives, were in attendance.

3.) Review / Approve Minutes:

Minutes of November 18, 2021:

Ms. Hurd made a motion to approve the November 18, 2021, minutes with corrections. Ms. Gautreau seconded the motion.

Roll call vote: **Ms. Turgeon, Ms. Gautreau, Ms. Hurd, Mr. Brown, Mr. Carrier, Ms. Burnham, Mr. Williams all voted Yes. Motion Carried – 7 / 0 / 0**

Minutes of November 23, 2021:

Ms. Hurd made a motion to approve the November 23, 2021, minutes with corrections. Ms. Turgeon seconded the motion.

Roll call vote: **Ms. Turgeon, Ms. Gautreau, Ms. Hurd, Mr. Brown, Mr. Carrier, Ms. Burnham, Mr. Williams all voted Yes. Motion Carried – 7 / 0 / 0**

Minutes of December 14, 2021:

Ms. Hurd made a motion to approve the December 14, 2021, minutes with corrections. Ms. Gautreau seconded the motion.

Roll call vote: **Ms. Turgeon, Ms. Gautreau, Ms. Hurd, Mr. Brown, Mr. Carrier, Ms. Burnham, Mr. Williams all voted Yes. Motion Carried – 7 / 0 / 0**

Minutes of December 21, 2021:

Ms. Hurd made a motion to approve the December 21, 2021, minutes with corrections. Ms. Turgeon seconded the motion.

Roll call vote: **Ms. Turgeon, Ms. Gautreau, Ms. Hurd, Mr. Brown, Mr. Carrier, Ms. Burnham, Mr. Williams all voted Yes. Motion Carried – 7 / 0 / 0**

4.) Finalize and Vote on 2022 Town Operating Budget:

Mr. Williams explained they are still waiting to receive the Warrant Articles; the Budget Committee will get them and vote in early January, as the BOS will be reviewing encumbrances on December 29th and the Warrant Articles on January 3rd.

At a previous meeting, the Budget Committee had voted to reduce the Fire Department's Heating line-item. After discussion about the additional fuel oil costs for the Milton Mills Station, to ensure the needs are met, they proposed to adjust the line-item to \$12,000. to cover both propane and fuel oil costs.

Ms. Hurd made a motion to adjust the Heating line-item for the Fire Department to \$12,000. Mr. Brown seconded the motion.

Roll call vote: **Ms. Turgeon, Ms. Gautreau, Ms. Hurd, Mr. Brown, Mr. Carrier, Ms. Burnham, Mr. Williams all voted Yes. Motion Carried – 7 / 0 / 0**

Cemetery: A review and discussion of last year's expenditures for the Cemetery: The previous year's budget was increased to \$14,000; to date only \$6,431 has been spent (average yearly expenses amount to ~\$4,700). This is nowhere near the \$14,000 requested. Mr. Williams suggested lowering the Administration costs to \$1,000 and Other Expenditures to \$8,000 for a total proposed on those line items of \$9,000. This is less than the proposed \$14,000 while still above the average expenditures. Ms. Turgeon – fine with decreasing the amount to \$9,000. Mr. Williams is aware there are discussions occurring about what to do with the Cemetery going forward. Mr. Brown – having additional monies to handle any uncertainties is OK.

Ms. Turgeon made a motion to move forward with changes to the Cemetery: \$1,000 for Administration and \$8,000 for Other Expenditures for a total of \$9,000. Ms. Hurd seconded the motion.

Roll call vote: **Ms. Turgeon, Ms. Gautreau, Ms. Hurd, Mr. Brown, Mr. Carrier, Ms. Burnham, Mr. Williams all voted Yes. Motion Carried – 7 / 0 / 0**

The final **Default Budget** (including Sewer): **\$4,774,952**

The final **Proposed Operating Budget** (including Sewer): **\$4,723,991**. The Proposed budget is \$50,961 below the Default with a 2.68% increase over the Approved 2021 Budget.

The Budget committee believes this to be fair, especially in light of overall increased costs due to inflation.

Ms. Hurd made a motion to approve the FY2022 Proposed budget of **\$4,723,991**. Mr. Brown seconded the motion.

Roll call vote: **Ms. Turgeon, Ms. Gautreau, Ms. Hurd, Mr. Brown, Mr. Carrier, Ms. Burnham, Mr. Williams all voted Yes. Motion Carried – 7 / 0 / 0**

5.) Finalize and Vote on FY23 School Operating Budget:

Mr. Williams explained Ms. Hurd had sent information over to him just prior to this meeting with proposed SAU salary changes which the School Board had voted on and approved on December 27th. Ms. Hurd reported the School Board's decision to include \$110,000 for the Superintendent salary and \$80,000 for Business Administrator salary. The numbers for Health Insurance will fluctuate depending on which plan is selected for each of the positions. The bottom-line new amount proposed by the School Board for the SAU budget is \$446,033 vs. \$458,230 for the originally proposed budget. The School Board is emphasizing they really would like to remain at the \$458,230 amount. The School Board also voted on Teacher's Contract, which will be included as a separate Warrant Article.

Mr. Williams suggested, that since the School Board still was not sure about who or when they would be hiring and what benefit choices would be chosen, that he believes setting the SAU Superintendent and Business Administrator "Salaries, FICA, NHRS, and associated benefits at the Default is what should be done. Ms. Gautreau questioned if the Business Administrator will be a Full-time position? Ms. Hurd said "yes". Ms. Turgeon said since this is really down to the wire, to keep it at the default for the Business Administrator and Superintendent salaries, and associated benefits and insurances.

Mr. Brown said if you round the default numbers: Superintendent \$107,100 and Business Administrator \$81,600 this adds up to \$188,700. The School Board had proposed \$190,000 for the two positions. The original proposal was for a PT Business Administrator while the new proposal is for a Full-time position. Mr. Carrier suggested going with the Default and questioned if they were really serious about hiring a Full-time Business Administrator. Ms. Hurd explained the School Board had voted on proceeding with a Full-time Business Administrator. She also explained the School Board needed to make their decision before any discussion with the Budget committee could occur. Mr. Williams – the information wasn't put forward in a timely manner and suggested again to fall back onto the Default. Mr. Williams stated the "Projected expenditures" for FY22 (2021-2022) are ~\$10.5M and for FY23 (2022-2023), with a 5.9% COLA for both years, the projected expenditures are just over \$11.18M. Ms. Turgeon expressed a concern within the \$10M spent in FY21 (2020-2021), because they also received additional COVID funds. Ms. Hurd stated much of the grant money has yet to be spent so they did underspend last year specifically due to COVID grants. Mr. Williams stated the School Board encumbered over \$611K, so that should result in savings for the proposed operating budget.

Mr. Carrier questioned if the School Board was currently receiving expense reports. According to Ms. Hurd, they are not. Mr. Williams – there have been no accurate reports received since June 2021. Based on this, it's difficult to recommend a salary for the Superintendent which is higher than the default. Ms. Turgeon questioned if a full-time Superintendent was really needed, especially based on all that has happened. Mr. Brown said it is important to also acknowledge the competencies the current Superintendent does possess and that it was known (by the School Board) about the weaknesses associated with operating the school's financial computer program. Going forward will be very important to practice due diligence in checking competencies. He also said he would go along with approving the Default and also would approve adding the \$9,000 specifically for the Library. Mr. Shute said as soon as the budget is approved by the Budget

Committee, the School Board plans to announce they will be hiring a Full-time Business Administrator and Superintendent.

Mr. Williams made a motion to put the Superintendent and Business Administrator salaries (and associated FICA, retirement, etc.) back to the Default. Ms. Gautreau seconded the motion.

Roll call vote: **Ms. Turgeon, Ms. Gautreau, Mr. Brown, Mr. Carrier, Ms. Burnham, Mr. Williams all voted Yes; Ms. Hurd voted No. Motion Carried – 6 / 1 / 0**

The changes to the SAU operating budget resulted in a Proposed Operating Budget by the Budget Committee of \$11,292,374.56.

Mr. Carrier expressed a concern that the Special Ed was cut \$126,000. He understands this is a volatile subject; however, all need to realize it would take just one student coming in that would have a major impact on this line-item.

Ms. Gautreau, regarding the Library Furniture, wanted to amend her original opinion and believes this would be better served as an encumbrance (rather than a Warrant Article). If this was put forward as a Warrant Article and voted down, this would stop this moving forward and it is very much needed. Mr. Williams stated that since the School Board had not identified all the expenditures related to the \$611,825.80 in encumbrances, that since the Elementary Principal expressed an urgent need for the library furniture to make their classroom space viable, perhaps the School Board had sufficient funds to obtain the furniture now.

Mr. Shute stated that had some information related to funds. Ms. Hurd explained they always have a Warrant Article for the purchase of a plow truck. Currently, the school has no usable plow trucks as they need repair. She stated that the large plow truck, though only 3-years old, was rusting out and the pick-up truck had brake problems. For snow removal, they are currently depending on outside sources for help. The School Board will be getting estimates for outsourcing the snow removal, along with getting the trucks fixed. Mr. Williams questioned if this will be a Warrant Article? Ms. Burnham also questioned if COVID monies could be used towards the purchase of a truck? The response to Covid funding was it could not be used for that purpose Ms. Gautreau questioned if the town could also help with plowing? It was noted, the town's first responsibility is to ensure all roads are plowed. Perhaps after that, they could help with school's plowing.

Ms. Turgeon made a motion to approve the Budget Committee's School Operating Budget proposal of **\$11,292,374.56**. Ms. Gautreau seconded the motion.

Discussion: Mr. Brown questioned the amount of the Default which is \$11,382,672.43. The proposed School budget is ~\$90,000 below the default.

Roll call vote: **Ms. Turgeon, Ms. Gautreau, Mr. Carrier, Ms. Burnham, Mr. Williams all voted Yes. Ms. Hurd and Mr. Brown voted No. Motion Carried – 5 / 2 / 0**

6.) Warrant Article Reviews and Discussions:

Ms. Hurd explained they are now adding in the Warrant Articles for Teachers' Contracts and the Employee Retention Plan. Mr. Williams read the Warrant Articles as currently provided by the School Board.

Warrant Articles: School

Article 1: Election of Officers

Article 2: Proposed Operating Budget: \$11,292,374.56; Default Budget: \$11,382,672.43

Article 3: Teacher Contracts (through Collective Bargaining Agreement)

Year 22-23: \$138,797.20

Year 23-24: \$144,265.72

Article 4: Special Meeting

Article 5: Raise \$5,000 toward Library Media

Article 6: Unreserved Fund Balance for Building Maintenance, Repair, Renovation

Article 7: Unreserved Fund Balance for School Bus Trust Fund

Article 8: Unreserved Fund Balance Special Education

Article 9: Unreserved Fund Balance for Maintenance Vehicles Trust Fund

Article 10: Unreserved Fund Balance for District Technology Expendable Trust Fund

Article 11: Employee Retention Plan

7.) Other business that may come before the board:

Mr. Williams explained the town will be finalizing their Warrant Articles and looking at encumbrances. Mr. Williams and Mr. Carrier continue to review the expenditure reports. Mr. Carrier questioned having the Town Planner and Wastewater Operator salaries as encumbrances and including their salaries in the budget at the same time. Mr. Williams stated - If they are to be encumbered, it should be taken out of the budget. Mr. Williams asked Ms. Burnham to take that into account when they discuss the encumbrances at their upcoming BOS meetings. Mr. Carrier questioned what happens with any left-over monies? Mr. Williams stated they go back into the general fund.

A review of upcoming dates related to SB2 towns: The budget hearing must happen by January 18th. This means, by January 11th, they must post notice of the Public Hearing and the Budget Committee will need to review and vote on the Town and School Warrant Articles.

Mr. Williams stated that going forward it is important the School Board provide their budgets in November to avoid last minute scrambling. He stated that the Town has already scheduled the Joint Budget Committee-BOS Budget Presentation Meeting for September 2022. He suggested that the School Board should establish a planned schedule for their presentations to ensure accountability timely presentation to the Budget Committee. Mr. Williams thanked Ms. Hurd for everything she has done in her efforts to get school data to the committee.

8.) Next Scheduled Meeting:

January 11, 6:00PM – Warrant Article vote for Town and School

January 17, 5:00PM – Public Hearing (Notice for this hearing must be posted by January 10th)

9.) Adjournment:

Mr. Williams stated he would entertain a motion to conclude the meeting.

Ms. Gautreau made the motion to adjourn at 8:15PM; Seconded by Ms. Hurd. All were in favor. Meeting adjourned.

Respectfully Submitted,

Amy Winslow-Weiss, Recording Secretary – Budget Committee

Approved on: January 11, 2022