

Town of Milton
BUDGET COMMITTEE MEETING
January 5, 2023

ATTENDANCE:

Members: Laura Turgeon (Chair), Bob Carrier, Humphrey Williams, Stephanie Mills, Peg Hurd. Absent: Kimberly Ward, Lisa Gautreau, Mike Beaulieu

SAU #64 Representatives: Adam Houghton-SAU #64 Superintendent

Laura Turgeon, Chair, opened the session at 6:00PM.

1.) Pledge of Allegiance: Laura Turgeon, Chair, led the meeting in the Pledge of Allegiance.

2.) Roll Call:

a. Ms. Turgeon, Chair, led the roll call of members to determine if a quorum was present. Laura Turgeon (Chair), Humphrey Williams, Bob Carrier, Ms. Hurd, Ms. Mills. A quorum was present.

3.) BC Business Conduct and Participation: Ms. Turgeon thanked everyone for attending.

Review Proposed School and Town budgets:

Town Proposed Budget: Mr. Williams explained there were some last few adjustments for the committee's review.

NH Municipal Association membership – this had previously not been identified properly and was charged to other areas. This has now been moved to the Town Administrator's Contract Services line-item and will be in the Default as well.

Mileage (Treasurer) – Mr. Williams received information from the Treasurer. This is based on 1.5 to 2 trips per week / ~35 miles round trip; 80 trips per year add up to ~2,800 miles/year. It should also be noted that the IRS recently increased the mileage reimbursement rate to .65 cents per mile.

Cemetery Sexton position will be a Stipend and will be included in both the proposed and Default budgets. ~15 hours per week / \$25.00 per hour (fully active for time period of six months) = \$2,550. This was added to the Cemetery Contract line-item.

Sanitary Sewer Contract Services line-item – new plant operator replacing Dale Sprague; contract for new operator is for \$45,000 per year.

Mr. Williams said the Town Administrator suggested instead of having separate travel & mileage lines in each department to instead just have one single travel & mileage line-item that everyone would charge to. There has been no definite decision on this and would not impact the bottom

line.

TA Contract Services: Added NH Municipal Association membership.

Ms. Turgeon called for a vote – all voted to approve.

Treasurer Mileage - \$1,800 (mileage reimbursement remained unchanged).

Ms. Turgeon called for a vote – all voted to approve.

Cemetery Sexton – added \$2,550 to Contract Services line-item. April-October time frame, ~15 hours per week / \$25.00 per hour. Total Cemetery budget - \$15,200

Ms. Turgeon called for a vote – all voted to approve.

Sanitary Sewer Contract Services - \$45,000 (contract will fall under the Default)

Ms. Turgeon called for a vote – all voted to approve.

Based on the above adjustments, the final budget from the Budget Committee matches the BOS proposed; 2023 proposed Operating Budget - \$4,940,452 (\$39,615 below the Default). Most of the increase is due to insurance.

Ms. Turgeon motioned to accept the proposed Operating Budget of \$4,940,452. Seconded by Ms. Hurd. All were in favor; the motion was approved.

School Proposed Budget:

Mr. Houghton explained many of the expenses found in the Principal Maintenance Agreement Lines were for copier leases. From a previous meeting with the committee, he was asked to reallocate the expenses back into their proper lines. Upon looking at the expenses, he found the company Leaf charged copiers to the elementary school – these charges are aligned appropriately within the budget. Another company – Conway Business Services – it appears that all of the expenses have been pushed under the elementary school; however, they did find that most of the printing devices are actually at Nute. The expenses from CBS have not been properly allocated in the past. Mr. Houghton and Mr. Campbell did meet to discuss. During this meeting, they discovered a 3rd company – Seacoast Business Machines – this is supposed to have been billed quarterly; they are not exactly sure what the bills are for although it does look like it is for some type of maintenance coverage and copier controls. Mr. Houghton projected out the monthly totals for a yearly total - \$22,300 which appears to be very high. He also reallocated the lines to reflect 40% charged to MES and the other 60% charged between the middle & high schools.

Ms. Turgeon said it's concerning to know that the school has previously just bought things and not accounted for them. She does appreciate all the time Mr. Houghton has spent looking through all of the information and working through the 'hornets' nest' trying not to get stung. Ms. Hurd added Mr. Houghton is really uncovering a lot of things and working to correct this.

Ms. Turgeon called for a vote to approve the printers/copiers/leases. All voted to approve. With the changes, the proposed School Budget is \$11,504,266.09 which is \$15,713.23 under the Default.

Ms. Turgeon motioned to approve the overall proposed School Budget of \$11,504,266.09. Seconded by Ms. Hurd. All were in favor; the motion was approved.

Town Warrant Articles:

Mr. Williams explained there have been some minor changes to the town's Warrant Articles which will be reviewed by the town attorney.

School Warrant Articles:

#2 Operating Budget: no change to the wording; waiting for revenue numbers.

#3 Library Media: \$5,000 wording same as previous years.

#4 : Building & Maintenance Fund: changes to the wording; 'Use unreserved fund balance (or surplus) available on July 1, 2023, and appropriate up to the sum of \$50,000 from this source to be placed in the Milton School District Maintenance, Repair, Renovations Capital Project Reserve Fund...' removed wording about the need to raise additional taxes and would not result in increased taxation.

Mr. Williams explained during discussions about the town's Warrant Articles it would be better not to use wording around using monies from the unreserved fund balance since this is misleading in regards to tax impacts and the unreserved fund balance has been depleted quite a bit in the past two years; he recommended wording to reflect the estimated tax impact. He made the same suggestion for the school's Warrant Articles. Ms. Mills asked why the school decided on choosing the wording as to not reflect a tax impact. Based on previous experience, Ms. Hurd said if there is no surplus no Warrant Article, even those approved, would be funded. Ms. Turgeon asked when was the last time there was no surplus? Last year, the school did get everything asked through the Warrant Articles. This could indicate overbudgeting or not budgeting correctly. There was \$600,000 used to roll back in addition to the Warrant Articles. Mr. Williams said if there is no net budget for the school, the public may think it's funded when it really hasn't been funded. When shown as an estimated tax impact, the vote stands yes or no. As it currently stands, all the Warrant Articles could pass but the school could get nothing. Ms. Hurd said they have discussed this with the school's attorney who indicated the Warrant Articles are better written than the DRA recommended. Mr. Williams said the way they are written could be confusing to the public who ultimately may think by voting yes it will have no impact on them. Ms. Hurd said she understands the discussion, however the School Board has decided to proceed this way. Mr. Houghton clarified he did present both wording options to the School Board.

#5 \$50,000 Expendable Trust Fund – Education of Educationally Disabled Children: Dollar amounts have not changed; just the Warrant Article wording.

#6 \$20,000 School Bus Trust Fund: No changes. This is used to purchase vans. The wheelchair bus purchase should come out of the Special Ed Fund.

#7 \$21,000 Maintenance Vehicle Trust Fund: Dollar amount has increased over last year. Ms. Hurd said the amount came from the CIP.

#8 \$10,000 Technology Expendable Trust Fund: Ms. Hurd said this fund is not used for student laptops; staff computer peripherals, network, etc.

#9 Mr. Houghton said the Warrant Article did not change, only the note that went along with the article – this year, would develop a policy – if the policy was approved this year, would not take

effect until the following year. Ms. Turgeon asked for further explanation – it sounds like the school wants to hold back some of the unreserved fund balance so instead of returning those funds back to the town, the School District would retain up to 5%. Mr. Williams explained the town does not keep any unspent monies at the end of the year; monies are either used as an encumbrance or goes back into the general fund. The school is paid from the general fund. Encumbrances are very specific and must be part of the planned budget, a contracted item, or CIP. Ms. Hurd said the school's encumbrances are treated differently from the town. Upon committee asking where would the money go? Mr. Houghton said the RSA does not allow for any planning until it is approved. Ms. Hurd said they would not be able to spend any of the monies without first holding a public hearing.

#10 – Sell/dispose 131 Nute Road (Nute Ridge School House): Ms. Turgeon asked if the school knows if they are able to sell a building that they are unsure if they are the owners? Mr. Houghton said the deed does indicate the School District is the actual owner. Unfortunately the School does not know where the property owner is; at this point are unsure of what the options are. The school's attorney said this Warrant Article is the first step. Mr. Carrier said the Budget Committee does not need to vote on this article.

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

a.) There was none.

5.) Public Comments or Questions on Budget Committee Meeting Topics: There was none.

6.) Next Meetings: January 10, 2023

Public hearing is scheduled for January 17th, 6:00PM; meeting will be held at the Nute Cafeteria.

Ms. Hurd said the PTA may be interested in holding a fundraiser lunch during the upcoming Deliberative Session.

7.) Adjournment:

a. Ms. Hurd motioned to adjourn at 7:20PM; Seconded by Mr. Williams. All were in favor. Meeting adjourned.

Respectfully Submitted,

Amy Winslow-Weiss, Recording Secretary – Budget Committee