

Town of Milton
BUDGET COMMITTEE MEETING
August 24, 2021

ATTENDANCE:

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

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), Peg Hurd, Larry Brown, Claudine Burnham, Bob Carrier, Laura Turgeon, Lisa Gautreau. A quorum was present.
- b. Public participation: There was no public participation.

3.) Review / Approve Minutes:

Minutes of June 22, 2021:

Ms. Hurd made a motion to approve the June 22, 2021, minutes with amendments as stated. Mr. Brown seconded the motion.

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

4.) Review / Discuss New 2022 Town Operating Budget Template:

Mr. Williams reported Mr. Jacobs is already working with the budget template and all departments have begun entering their data directly into the excel files.

5.) Discuss Joint BOS/Budget Committee Meeting for 2022 Town Operating Budget:

The joint BOS/Budget committee meeting is scheduled for September 18th at 9:00AM. Mr. Williams will talk with Mr. Jacobs and stress the need for any information to be sent prior to the meeting. The overall goal is to start reviewing all submitted information at the next scheduled Budget meeting on September 28th and begin the budget finalization process in October.

6.) Town Expenditure Reports:

The committee reviewed the town expenditure reports from July, 2021. Through July 31st, the town is at 58.33% of the year completed with 46.49% of the budget expended. Expenditures stood at \$2,626,882.94, with total projected expenditures of \$4,503,227.90 (7/31/2021). Mr. Williams pointed out with the rising costs associated with goods and services (for example, fuel costs), this will have an impact on town expenses. Even with those increases, to-date, the overall budget remains ~10-12% under. This is mainly due to personnel staffing shortages, especially with the police department.

Summary line-item areas requiring further explanation included:

Cemetery Contract Maintenance, 01-4195-340: There is a separate line-item now for contract maintenance which is a newer line item, with No Budget. What is the purpose of this line-item? If this is for cemetery maintenance, isn't this already in the maintenance line-item? Ms. Burnham explained they recently hired a new vendor who is responsible for cemetery maintenance. Mr. Williams stated that one contractor is charged for the same lawn service under the two different line-items. Mr. Williams requested further explanation for this new line-item as previously any maintenance costs have been applied to the Cemetery Maintenance line-item, 01-4195-725.

Another area for further exploration is the Library Contract line. To date expenditures stand at \$4,637.24 which is very far over the budgeted amount of \$3,200. In reviewing the Details Report, Mr. Williams questioned why there is a Citizens Bank charge of \$1881.24 in June for the Library and over \$12,000 in total bank charges for all departments, from three different banks? Are those fees associated with the account or credit card charges? If bank fees, he recommends getting rid of that account. He would also like explanation as to why there are multiple accounts from multiple banks instead of using one bank (for example: Citizens Bank is for the Library, Bank of America for the Rec Department, and First Seacoast is for the rest of the town departments.). Mr. Brown pointed out that Citizens Bank is an account carried by the trustees which had been used for small gifts and donations and not as part of town revenues. If that is correct, why does this show as a town charge? It was noted that some of the charges have been reversed. Mr. Williams will discuss further with Chris Jacobs for explanation. Ms. Turgeon questioned does the town issue department credit cards? The answer from Mr. Williams is he believes yes, specifically for purchases of supplies. Ms. Turgeon suggested reviewing who has access to them and why.

Another area involves the Town Clerk line-item which 93% of professional services dollars spent already. It appears this is mainly for the Avatar software which in the past had been mainly associated with the assessing department. There are charges for Avatar software under the assessing department. He questioned if this should be under both line-items and will send this question to the BOS and Mr. Jacobs.

Mr. Williams again stressed that while there are some line-items that are slightly over, most of them remain in good shape.

Mr. Carrier provided information about his review of the multiple duplicate electric bills reflected in received expenditure reports. Mr. Williams will be sending this documentation to the BOS for further clarification. He indicated this could possibly be a timing issue.

The welfare line-item was also discussed. At last year's joint BOS/Budget meeting, the point was raised that the town was not going to hire a welfare individual, rather services would be provided via a contract basis. However, an individual has been hired on a part-time basis to provide those

services. Additionally, there are associated expenditures including FICA, etc. Answers and additional explanations have been added to the reports.

7.) School Expenditure, Revenue and Grant Reports:

There is a new school superintendent/business administrator and as with any new addition, there are some associated growing pains. One of the difficulties recently experienced is receiving the necessary excel report files used for budgeting purposes. Mr. Williams received the end-of-year file instead of the beginning-of-the-year reports and in the wrong format. Ms. Hurd supplied the committee with hard copy of the July reports. Ms. Hurd explained the school year ended on June 30th and reviewed the over-expended line-items from the report. The report indicated by the end of June, the budget was at 96.45% expenditures in total. Year-to-date report indicated ~\$389,000 remaining however there are still expenses from July that will reduce that total.

Over-expended items discussed included:

Professional development conferences – Ms. Hurd explained teachers' contracts allow for specific monies for attendance at conferences which is then divided between elementary, middle and high schools. This year more middle school teachers attended conferences; however since the elementary and high school attendance was lower, this line-item balanced out.

Supplies – SAU: More paper, etc. \$286.00 over

Building repair: \$32,000 over. As this item was mainly encumbered (due to many grants received), Ms. Hurd believed this to be mis-categorized. This was mainly due to the lead paint at Damon House.

Electricity: Overall increased costs

Food Service: Replacing the concrete foundation for the outside freezer at MES.

Books & Digital Resources: Includes books, science curriculum. There was an incorrect posting which will need to be changed.

Furniture: Replacement of chairs, tables, etc.

Even with the overages indicated, the expenditures through the end of June are still approximately \$389,000 under the budget.

The July expenses report was reviewed. It was noted that the teachers' salaries line is already over. This is due to the fact that contracts go through August 31st while the school year ends June 30th. This will normalize at the start of the school year. In reviewing the report there is nothing outstanding. Mr. Williams and Ms. Hurd will continue to work with the new school business administrator to ensure information and reports are issued on a timely basis and in a format that will work with all involved.

Grant Reports reviewed: Ms. Hurd explained there are some discrepancies between the current grants report and the revenue report. Some of the discrepancies are due to spending monies from a grant and then submitting for reimbursement. There have been many grants especially related to COVID. Mr. Williams stressed the need to find the best uses for received grants. A question was raised regarding the potential need to repay some received grants back if Nute would close in 2023 which may result from different options currently being discussed by the

Exploratory Committee. Mr. Williams stated that you can't focus on what might happen, you have to focus on what is at hand.

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

Mr. Brown raised concerns over the following: the potential for additional increased changes to special ed; contractual changes to retirements and others leaving; uncertainty to learning availability; final return to the general fund (the final expenses and income for the school year to know what is the balance); impact of repairs and the Capital Improvement Program (CIP) subcommittee. He also stated his desire to have a 'plug & play' budget by November 1st. Mr. Williams believes that to be possible if answers and additional information are provided by the end of September. Mr. Brown also pointed out he does not believe it useful to have a school district working at a slower, more deliberate speed. Mr. Williams is in total agreement that the new school budget should be done sooner than in the past.

Regarding the CIP, Ms. Hurd questioned (as part of the Facilities committee) if the CIP subcommittee has already met? The answer was the committee has met twice to date with no representative from the school board in attendance at either meeting. According to Ms. Hurd, Mr. Shute was not aware of any scheduled meeting. Ms. Turgeon and Ms. Burnham indicated he is on the email distribution list and should have received meeting information. Ms. Hurd will follow-up with Mr. Shute.

9.) Public Comments or Questions:

There were none.

10.) Next Scheduled Meeting: Joint BOS/Budget Committees meeting, September 18th, 9:00AM.

11.) Adjournment:

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

Ms. Hurd made the motion to adjourn at 7:30PM; Seconded by Mr. Brown. All were in favor. Meeting adjourned.

Respectfully Submitted,

Amy Winslow-Weiss, Recording Secretary – Budget Committee