

TOWN OF EPSOM

BUDGET COMMITTEE

AUGUST 11, 2011

**Present:** Marylou LaFleur-Keane, Chairman; Virginia Drew, Vice Chairman; Penny Graham; Carole Brown; Wayne Moore, Substitute Water District Representative; Brad Keyes; Bob Sawyer

**Not in Attendance:** Joyce Heck; Joy Tyrell, School Board Representative; Dave Fiorentino; Ralph Weeks; Selectmen's Representative; Gary Kitson, Water District Representative

**Other Attendees:** Nancy Wheeler; Jon Richardson, NH State Representative; Dan McGuire, NH State Representative; Carol McGuire, NH State Representative; Tony Soltani, NH State Representative

Marylou opened the meeting at 7:04 PM. She had everyone introduce themselves. Marylou thanked Dan and the other State Representatives for attending and preparing the information regarding the State Budget and how the changes would affect the Town.

Dan discussed the sheet he prepared; he noted there was very little change in the State budget. The amount for Adequate Education Aid has remained the same. Dan noted in 2014 the formula would change so the amount the Town receives may change. The Dropout Prevention Program has dropped approximately a million dollars. The Breakfast and Lunch Programs have remained with the same funding. The Catastrophic Aid (Special Education) was cut slightly as the money is also in the Adequate Education Aid funds. The Tuition & Transportation funds were also reduced as funds are included in the Adequate Education Aid. These funds are for students transported to other school districts for vocational education programs. Carol noted education funds have remained essentially the same. The Driver Education funds have been dropped with the Towns to fund if they so desire.

Representative Soltani noted as Catastrophic Aid is being reduced approximately 30% to 40% in two years with the Towns being obligated to pay the costs. Virginia noted she would like to concentrate on what the budget is and not our feelings. Dan discussed that Catastrophic Aid is for children who cost Towns additional money above the amount necessary for normal tuition (Special Education). Virginia noted towns with programs within the school district have less expense than towns that have to transport the children to other towns.

Dan was not familiar with the Environmental category. Carol noted it was for separate items for specific projects. If Epsom is not asking for money for a specific project it would not be affected. The monies for the Suncook River Programs are not included in these lines.

Rooms & Meals Distribution has a formula with the money being capped to the towns in the future.

Carol discussed the retirement changes. Carol noted the changes will not affect people who are currently retired. She reviewed the information on the handout (see attached). The cost for the employer rates was reduced by the Retirement Board. Carol noted each fund (employees, teachers, police & fire) are computed individual. Carol noted the legislature indicated if the Town rate is reduced to the same percentage as the employees then any further increases will be shared equally by the towns and employees. Dan noted the change in the amount of time and hours that retirees could work part-time and still collect their pension. Carol noted most of the changes apply to people who have less than ten years in the retirement system.

Nancy noted Epsom Town employees have to work 35 hours and have other benefits to make contributions the retirement system. Carol noted a retired person has to work 32 hours or less for the State or a town to be considered part time and to continue collecting retirement.

Dan noted the surcharge for registering vehicles is no longer being collected. The change will be seen by the towns in 2013. Dan noted towns can now vote to have a tax cap, it has to pass by a 3/5<sup>th</sup> vote. It has to be a fixed dollar amount or a fixed percentage. It only limits what the Selectmen or Budget Committee can recommend, not what the voters could amend at town meeting or the deliberative session. It is not changing for cities.

Dan noted there is a substantial amount of money for the Suncook River projects. It is \$8 million for buyouts in the affected towns (\$2 million from the State with \$6 million from the Feds). Dan discussed the concrete veins to be installed near the Route 4 Bridge to protect that bridge. There is money to protect the Epsom Town wells also. Carol noted DES is still discussing work to be done to protect the Leighton Brook area. Tony noted a bill for State money for additional repairs to the Suncook River is still under consideration, but the Feds refused to assist with those funds. Jon noted the problem has been ignored in the past few years. He noted there are a lot of buyouts in Allenstown vs. Epsom and Pembroke. Jon noted they will continue to work with DES for sediment migration. DES feels with the work to be done will control the sediment migration.

Dan discussed the change in DES rules that towns no longer need permits, etc. if completing road repairs, ditching or culvert replacement under 48 inches.

Dan noted the exemption for taxing telephone poles has expired. This will help increase the tax base. Electric power poles are currently taxed.

Dan noted if a contract for government or public employees expires and does not have an evergreen clause step increases are not required to be paid by the agency. Carol noted any bargaining unit now has to have 10 members.

Dan noted car dealers can register new cars, the fees are sent to the towns. The car dealer will be charging an additional fee for doing this. Jon did not think towns would see a change before next year as there is a committee overseeing the pilot towns implementing the program to determine its effectiveness.

Tax assessments may be appealed if you do not allow the assessor onto the property.

Carol noted appeals may also occur even if the inventory has not been filed with a town. Penalties for not filing the inventory are still in effect.

Dan noted Marylou had asked him how the changes in the HHS budget would affect the towns. Dan asked the state representative for the HHS budget who told him the Budget Committee should look at the trends in the Welfare Budget usage. He also spoke to the person in the Legislative Budget Office who put the attached spread sheet together for Dan. Dan reviewed the information on the sheet. Dan noted the list includes approximately \$15 million in cuts. He felt if the Town wanted a budget number it should be \$50,000.00. Tony noted the Town has Welfare guidelines that were adopted per State law. It was noted the Town still has to assist people who request aid. Tony noted the CHINS would have a negative impact on the police and possibly the school budget. Dan noted the program has been cut 40 to 50 percent.

Marylou thanked Dan, Carol, Jon and Tony for attending and giving the information. Carol noted there will be a legislative session in September, with the State having to repay \$35 million for Medicare. This may have other impacts to the Town.

#### **Review of Minutes of June 23, 2011**

The minutes were reviewed and amended.

**Virginia moved to accept the minutes of June 23, 2011 as amended, Bob seconded the motion. The motion passed with 3 abstentions.**

The next meeting will be September 15<sup>th</sup>. Marylou will ask the school to present a year to date as well as the Town's year to date budgets.

Virginia noted they were lucky to have State Representatives who were interested enough to attend.

Virginia confirmed the welfare budget was high; Nancy noted the use of rent monies had recently increased.

#### **Old/New Business**

There was no Old/New Business.

**Bob motioned to adjourn, Brad seconded the motion. The motion passed.**

Marylou adjourned the meeting at 8:38 PM.

Respectfully submitted,

Betsy Bosiak  
Recording Secretary