

Approved as amended

9/7/8
9/18/08

TOWN OF EPSOM

BUDGET COMMITTEE

MAY 8, 2008

Present: Harvey Harkness, Chairman; Marylou Keane, Vice Chairman; Carol McGuire; Joyce Heck; Carole Brown; Larry Yeaton; Brad Keyes; David Fiorentino

Absent: Joanne Randall; Barbara Doughty

Other Attendees: Nancy Wheeler; Bucky Tiles; Carolyn Stiles; Dawn Blackwell; Joni Kitson; Mary Frambach; Andrew Walton; Larry Caraway

Harvey opened the meeting at 7:00 P.M.

Harvey's first item of business was the approval of the minutes of April 7, 2008.

Carol made a motion to accept the minutes of April 7, 2008 with Brad seconding the motion.

Harvey asked if there was any discussion on the motion. There being no discussion on the motion, Harvey called for a vote. The motion passed unanimously.

Harvey said the next item of business was to fill the vacancy due to the resignation of Don Harty. There were two applicants for the position, Larry Caraway and Joni Kitson. Harvey asked each candidate to take two minutes to introduce themselves to the Committee and discuss what they could contribute to the Committee. Then a public vote would be taken to fill the position. Dawn was present and would complete the paperwork so the elected person could join the Committee immediately after the vote.

Joni said she has experience with the budget having been a Selectman for five years. She knows the Department Heads and had ideas on how to improve it.

Larry has served on the Planning Board and ZBA, contributing to the town in various ways. He is an outsider to government but has time to contribute to the town. Financially he has a payroll and knows what it is like to budget.

Harvey called for a vote with Larry being chosen to fill the position. Dawn completed the paperwork and Larry joined the Committee.

Harvey explained Marylou and he had met and based upon members experience had assigned department liaisons. He discussed the responsibilities of liaisons.

Harvey said tonight's main agenda item was a training session on revenues. Nancy and Dawn were present to make a presentation.

Nancy passed out informational sheets, discussing the revenues and appropriations as voted in March. She said it has to be decided what the town has for money and the difference, if all the funds are not available, has to be found through other revenue sources.

The town's biggest revenue source is motor vehicle registrations, title fees, marriage, death and birth certificates. Nancy discussed other tax sources to the town, current use tax, timber tax, interest and penalties on property taxes paid late, boat registrations, among other things.

In October DRA meets with the town to set the tax rate. Nancy explained how DRA sets the tax rate and the DRA calculation sheet. Nancy said the town has to file an MS2 form with DRA after the March election that has to be held to.

Harvey discussed the gross appropriations with revenues raised for 2007 being over half the appropriation. Nancy said the gross appropriations included the amounts in the Warrant Articles passed. Nancy said these figures were for the town budget only. Nancy discussed the school and county information on the sheets.

Once the tax rate is set Dawn has to apply the rate to each property. The total of the property taxes can't be more or less than Y2% of the total amount to be raised.

Carole asked why the State education tax rate indicated \$2.24 and was set at \$2.14. Nancy said it is based upon Epsom's equalization rate which is slightly less than the State average. The State determines that rate.

Harvey commented the county rate is all most as much as the school rate. Brad discussed the increase in the last 4 years. Carole said we have a new county jail and nursing home. She explained the other offices within the county system - Sheriff's Department, Registry of Deeds, extension Services, County Attorney and others.

Harvey asked how the county costs are controlled. Carole said the elected representatives do the voting. Larry Caraway said there are County Commissioners also. Carole said payment on the bonds and health insurance are increasing. She said both new buildings have geo-thermal heat.

Larry Caraway asked about the Morrison Funds. Nancy said the principal can't be touched. The interest accrual varies being based upon the economy. Harvey asked if the money is invested in the local government funds pools. Nancy was not sure as she thought the trustees had moved some of the trust funds to other investments.

David said they could be heroes if they could find ways to generate more revenues. Ways to generate revenues were discussed. It was also stated that some revenue sources do not help to reduce the tax rate.

Andrew said this year it was determined the town should buy the tax rate down. Nancy said this is determined by the Selectmen with money being from surplus (Undesignated Fund Balance). She explained this fund is not all in cash, but in other types of assets also. DRA suggests the town have between 7 to 15 percent available with 10 percent being the suggested amount. The money is in an account managed by the Treasurer.

Harvey asked if the funds show in the Treasurer's report with Nancy saying they do as she lists all funds. Harvey said the money is there for emergencies. Nancy said there are certain ways to access the money explaining the town has to use all other options first, budget and Capital Reserve Funds if available. The town has to go through DRA, hold a public hearing and town vote before these funds can be used.

Marylou asked if the Selectmen determine the amount to keep. Nancy said it is up to the Selectmen to determine the amount. The Selectmen can use the money without a vote for lawsuit settlements. These funds are for town budget buy down only, not the school or county budgets.

Larry Caraway said there have three former Selectmen present, asking how diligent the town has been in going after grants. He asked if they have a grant writer. Jom said in her tenure they have gone after and received many grants. Larry wondered if it would behoove the town to contract with a grant writer. Nancy was not sure if it would be for municipalities. Larry said the Water Department has concerns with pipes, etc. This is not a town department, but a separate district.

Nancy discussed grants received in the past years. Mary said Congressman Hodes had a session on grants a short time ago. She said there are many avenues of availabilities. Carole also went to a conference by Congressman Hodes in Pittsfield.

Nancy said the ambulance revenue is not shown. A past Warrant Article redesignated that money to a special revenue fund for ambulance and fire apparatus. This money can only be accessed by a vote of the town.

Harvey said everyone needs to keep the information given to them in their notebooks.

Harvey said there is a committee working on updating the Website. They have a meeting on May 20 at 6:00 P.M. with the Website Committee. He said there will be a link for budget items.

Harvey reiterated the items for members to keep included:

- 2007 Town Report
- Monthly Budgets
- Revenue Handouts

Budget Worksheets

The next meeting will be June 12, 7:00 P.M. at Town Office. Capital Reserve Accounts and Trust Accounts will be discussed.

Larry made a motion to adjourn the meeting with Brad seconding the motion.

Harvey asked if there was any discussion on the motion. There being no discussion on the motion, Harvey called for a vote. The motion passed unanimously.

Harvey adjourned the meeting at 8:23 P.M.

Respectfully submitted,

Betsy Bosiak
Recording Secretary