

TOWN OF EPSOM
BUDGET COMMITTEE
JANUARY 4, 2024

Attendees: Marylou Keane, Chairman; Joni Kitson, Vice Chairman; Gary Kitson, Water District Representative; Meadow Wysocki, Selectmen's Representative; Mary Frambach; Joyce Heck; Len Gilman; Linda Hodgdon; Penny Graham; Nancy Wheeler

Not in Attendance: Michael Muise, School Board Representative

Other Attendees: Deb Sullivan

Marylou opened the meeting at 7:00 PM.

Minutes

The minutes of December 14, 2023 were reviewed and amended.

Gary motioned to approve the minutes of December 14, 2023, as amended; Joni seconded the motion. The motion passed.

The minutes of December 21, 2023 were reviewed and amended.

Floyd motioned to approve the minutes of December 21, 2024, as amended; Mary seconded the motion. The motion passed.

Town Warrant Articles

Meadow reviewed the Warrant Articles for the Town. Deb noted the articles have been approved by DRA. Article 1, the Town Budget was not discussed until the amount is finalized.

ARTICLE 2: Shall the Town vote to establish a contingency fund for the 2024 year for unanticipated expenses that may arise and further raise and appropriate the sum of twenty thousand dollars (\$20,000) from the Unassigned Fund Balance to go into the fund? Any appropriation left in the fund at the end of the year will lapse to the general fund. Majority vote required. This Article and its appropriation are in addition to the operating budget.

No tax impact

Recommended by the Selectmen 3 - 0

Meadow discussed this Article is for the contingency funds if they need the funds at the end of the year. The funds have never been used in the past and lapsed into the general fund.

ARTICLE 3: Shall the Town vote to raise and appropriate the sum of twenty five thousand dollars (\$25,000) to be added to the previously established Expendable Trust Fund for the Maintenance of Historic Town-Owned Buildings with said funds to come from the Unassigned Fund Balance? Majority vote required. This is a Special Warrant Article and its appropriation is in addition to the operating budget.

No tax impact

Recommended by the Selectmen 3 - 0

Meadow noted that some funds were used for the Town Hall renovations and the fund has to be replenished.

ARTICLE 4: Shall the Town vote to raise and appropriate the sum of twenty five thousand dollars (\$25,000) to be added to the previously established Government Buildings Maintenance Expendable Trust Fund with said funds to come from the Unassigned Fund Balance? Majority vote required. This is a Special Warrant Article and its appropriation is in addition to the operating budget.

No tax impact

Recommended by the Selectmen 3 - 0

This Fund is for use on all Town buildings and the amounts are from the Unassigned Maintenance Balance.

ARTICLE 5: Shall the Town vote to raise and appropriate the sum of seventeen thousand six hundred and seventeen dollars (\$17,617) for the purpose of purchasing five sets of firefighter turn out gear for the Fire Department, and further authorize the withdrawal of the same amount of seventeen thousand six hundred and seventeen dollars (\$17,617) from the Fire and Rescue Apparatus Fund for that purpose? Majority vote required. This is a Special Warrant Article and is in addition to the operating budget.

No tax impact

Recommended by the Selectmen 3 - 0

There is no tax impact for this Article.

ARTICLE 6: Shall the Town vote to raise and appropriate the sum of eighty nine thousand six hundred and seventy dollars (\$89,670) for the purpose of purchasing a High-Pressure Air Compressor for the Fire Department, and further authorize the withdrawal of the same amount of eighty nine thousand six hundred and seventy dollars (\$89,670) from the Fire and Rescue Apparatus Fund for that purpose? This compressor will replace the existing compressor that was previously purchased in 1980. Majority vote required. This is a special Warrant Article and is in addition to the operating budget.

No Tax Impact

Recommended by the Selectmen 3 - 0

Art 6 – No tax Impact

Gary noted that if the Article could say it was a High-Pressure Air Compressor for filling air tanks it would be a better explanation for the voters. Meadow and Deb will speak with the Fire Chief and check on adding this.

ARTICLE 7: Shall the Town vote to establish a Fire Department Details Revolving Fund pursuant to RSA 31:95-h? All revenues received from fees for Fire Department Details shall be allowed to accumulate from year to year and shall not be considered to be part of the Town's general fund unreserved fund balance. These funds may be expended only for payroll, payroll related costs and fire department equipment. The Town Treasurer shall have custody of the funds and shall pay out the same on the order of the Fire Chief.

No Tax Impact

Recommended by the Selectmen 3 - 0

Meadow noted these funds will come from special details that the Fire Department employees work, i.e. work at the Race Track and Deerfield Fair.

Floyd asked what equipment could be purchased from this fund. Meadow noted that payroll for the special details has to be paid from these funds. She noted that the remaining funds can be used for Fire Department purchases if needed.

Floyd discussed that the Budget Committee reviews the budget and makes cuts. He noted that we need to come up with other sources of revenue rather than property taxes. He noted the Budget Committee does not have the ability to have those funds used to purchase equipment, etc. He noted whatever profit is in that fund should automatically go back to the general fund to help offset taxes. Nancy noted that use does not jive with the RSA. Meadow noted the Select Board knows what is in the fund and they could request the Fire Chief use the funds to purchase equipment he is requesting for that year.

Floyd discussed these and other sources of revenue that could be used to assist in the reduction of taxes. He noted there had to be a serious conversation with Department Heads who have funds in special accounts indicating that some of the funds could be used to offset taxes.

Nancy discussed that there are funds (\$16,000) from the Ambulance fund to offset taxes. Floyd asked what is the appropriate amount to use to offset the taxes. It was discussed this would have to be a Warrant Article. Floyd asked if it could be looked at for the future.

Linda asked what the Select Board saw for expenses. Meadow noted they see the accounts payable and approve them.

Penny noted that originally only some funds went into the funds and then another Warrant Article was voted on to allow all the funds go into the ambulance fund.

ARTICLE 8: Shall the Town vote to authorize the Board of Selectmen to enter into a five year lease- to- own agreement in the amount of one hundred ninety thousand eight hundred and seventy five (\$190,875) for the purpose of leasing an excavator for the Highway Department, and to raise and appropriate the sum of (\$50,000) for the down payment, and to authorize the withdrawal of that same amount of \$50,000 from the Highway Vehicle Equipment Capital Reserve Fund. This lease agreement contains an escape clause. Majority vote required.

No Tax Impact

Recommended by the Selectmen 3 - 0

Nancy asked if there were other payments to be made in 2024. Deb noted that the Road Agent has included the additional payment funds in his operating budget. Nancy noted the article is binding for one year only because only a simple majority vote is required. Floyd noted that the Road Agent has the funds in the budget to make the additional payments.

ARTICLE 9: Shall the Town vote to raise and appropriate the sum of one hundred fifty thousand dollars (\$150,000) to be added to the Capital Reserve Fund previously established for the purpose of reconstruction and improvements to town roads? Majority vote required. This is a Special Warrant Article and its appropriation is in addition to the operating budget.

Estimated tax impact is \$.29 per thousand

Recommended by the Selectmen 3 - 0

Meadow noted this is the same Warrant Article that is submitted each year.

ARTICLE 10: Shall the Town vote to raise and appropriate the sum of ten thousand dollars (\$10,000) to be added to the Capital Reserve Fund previously established for the purpose of purchasing motorized vehicles and equipment for the Highway Department? Majority vote required. This is a Special Warrant Article and its appropriation is in addition to the operating budget.

Estimated tax impact is \$.02 per thousand

Recommended by the Selectmen 3 - 0

This Article is the same as previously submitted for a vote.

ARTICLE 11: Shall the Town vote to raise and appropriate the sum of twenty-five thousand dollars (\$25,000) to be added to the Capital Reserve Fund previously established for the purpose of bridge replacement and repair? Majority vote required. This is a Special Warrant Article and its appropriation is in addition to the operating budget.

Estimated tax impact is \$.05 per thousand

Recommended by the Selectmen 3 - 0

Meadow noted that these funds are for a matching grant for a bridge grant.

ARTICLE 12: Shall the Town vote to establish an Emergency Management Equipment

Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of purchasing emergency management equipment and related project costs, and to raise and appropriate the sum of ten thousand dollars (\$10,000) to be placed in this fund. Further, to name the Emergency Management Director as the agent to expend from said fund.

Estimated tax impact is \$.02 per thousand

Recommended by the Selectmen 3 - 0

Meadow noted items that would be necessary for the Emergency Management Department to save for items that are a higher cost and he would like to have a fund to purchase them.

ARTICLE 13: Shall the Town vote to raise and appropriate the sum of twenty thousand dollars (\$20,000) to be deposited into the Capital Reserve Fund previously established for the potential future expansion of the public water system? Majority vote required. This is a Special Warrant Article and its appropriation is in addition to the operating budget.

Estimated tax impact is \$.04 per thousand

Recommended by the Selectmen 3 - 0

Meadow noted this is for locating an additional well site. These funds are to match grant funds. She noted that to expand the water area additional funds would be required. Len noted that the Water District is separate from the Town and why is the Town rather than the district requesting these funds. Gary noted with engineering studies and land acquisitions that it would cost approximately \$1 million to put in an additional well. It was asked what benefit it would be to the Town. Meadow noted it would assist to entice more commercial businesses in Town. Len asked the intent of the return on the tax dollars. Gary noted that it would be for matching grants. The issues were discussed. Floyd discussed that the Town does need commercial development to help offset taxes. Gary noted that there is revenue from the sale of water. Linda noted you have to have long term investments for some items.

Penny asked the amount in the fund, being told \$48,000.00. Meadow discussed the grants that the Town has been awarded. Meadow noted there are 3 or 4 sites that are being considered for an additional well.

ARTICLE 14: Shall the Town vote to raise and appropriate the sum of five thousand dollars (\$5,000) to be added to the previously established Cemetery Maintenance Expendable Trust Fund, with said funds to come from the Unassigned Fund Balance, which is equivalent to the total amount of cemetery plot sales for 2023? Majority vote required. This is a Special Warrant Article and its appropriation is in addition to the operating budget.

No tax impact.

Recommended by the Selectmen 3 - 0

These funds are from the sale of cemetery plots in 2023. The funds are paid into the general fund, but have to be transferred to the Cemetery Maintenance Expendable Trust Fund.

ARTICLE 15: Shall the Town vote to raise and appropriate the sum of four thousand dollars (\$4,000) to be used by the Northwood Lake Watershed Association for aquatic invasive species and aquatic bacteria education, prevention, treatment and control in Northwood Lake? Majority vote required. This appropriation is in addition to the operating budget.

Estimated tax impact is \$.01 per thousand

Recommended by the Selectmen 3 - 0

This Article is for the same amount as past years.

ARTICLE 16: Shall the Town vote to establish a Heritage Commission pursuant to RSA 673:1, II, consisting of five citizen members and up to five alternate members to be appointed by the Board of Selectmen? One commission member shall be a member of the Board of Selectmen.

No tax impact.

Recommended by the Selectmen 3 - 0

Marylou noted the Budget Committee would not vote on this Article as it does not include any financial funds. Meadow noted this would be an advisory board to assist residences who want to restore their older homes. Nancy asked if there are plans to establish a fund. Meadow did not believe there would be a need for funds.

Meadow noted there are ten total petition zoning articles. Joyce asked how citizens would learn about them. Meadow noted that they would be presented by the Planning Board at their public hearing and also at the deliberative session.

Water District

Gary noted that this budget is similar to previous years. He noted the rates would not be changing. He noted they have returned to the original operator they had in the past. Gary discussed the service agreements for the wells.

Gary noted the Reimbursed Expense Income was due to a lightening strike that the insurance reimbursed the expense for repairs.

Penny asked which well was Well One and Well Two locations. Gary noted Well One is behind the old library and Well Two is behind the school.

Gary discussed the company they use for completing repairs to the system.

Gary noted the Warrant Articles.

Town Budget

Gary noted he was not happy with the attorney fees for the Zoning Compliance Officer (\$4,000) and only having \$100.00 in his budget for training.

Meadow is concerned with the reduction in the electric line. She noted that the Town still has the expense and the Select Board will have to find the funds. She would like to have the \$1,800 returned to the budget. She noted the Town is also taking on the Old Library. Floyd asked the amount remaining in the 2023 budget. Meadow noted there would not be any funds remaining. Deb noted there are between \$10,000 to \$20,000 in remaining invoices and also the are encumbrances.

Nancy motioned to add \$1,800 back to the electric line and to reduce the ZCO legal line by \$2,000. Meadow seconded the motion. The motion passed.

Gary asked if the Select Board had the rights to enter into an agreement on public property without going before the voters. Meadow noted there were 3 public meetings and also a meeting with legal before the Select Board made the agreement with the Food Pantry. Gary noted they had asked the voters to give \$300,000 to renovate the lower level of the Meetinghouse and then gave the space away. It was further discussed. Meadow noted previously the Food Pantry had used the Town Hall space.

Marylou asked if there were any further revisions to the Town budget. Meadow noted that it was lower than the default budget.

Deb asked if she could submit the default budget to DRA for review, Marylou noted she could.

Marylou noted the meeting next Tuesday will be at the school at 7:00 PM. On Thursday the meeting will be at the Fire Department.

Marylou gave Committee members a draft copy of the School Warrant. She noted the School Board is to vote on it tomorrow morning.

There was an in-depth discussion regarding the increases in the school budget. It was noted that at the end each the year they had excess funds to add money to the two funds and also to complete other projects at the school. It was discussed that there is a great deal of waste in supplies.

Joni discussed that she did not know why there was a change for the Contracted Services she was reading the account note with a \$549,800 increase – Joni noted the child in question had a nurse last year. There was a discussion if the child has Medicare that might pay some of the costs. It was noted that the school stated they could not release that information.

The school default budget was noted with \$13,356,551 being on the Warrant Article and the printout on page 19 indicating it was \$13,436,551.

The totals of the school budget and the school default budget were discussed. Linda noted they had to cut more than \$320,000 from the budget for it to be less than the default budget. Potential cuts in various lines were discussed.

Len motioned to cut the following lines in the School Budget:

Line 001.1100.561.103.00 (Tuition to Other Districts)	\$71,442
Line 001.1200.323.103.00 (Contracted Services)	\$150,000
Line 001.1200.569.103.00 (Special Placements)	\$150,000
Line 001.2318.312.103.00 (SAU #53)	<u>\$ 35,000</u>
TOTAL	\$406,442

Joyce seconded the motion. The motion passed.

Meadow motioned to adjourn; Gary seconded the motion. The motion passed.

Marylou adjourned the meeting at 11:06 P.M.

Respectfully,

Betsy Bosiak
Recording Secretary