

TOWN OF EPSOM
BUDGET COMMITTEE
DECEMBER 12, 2019

Present: Marylou LaFleur-Keane, Chairman; Joni Kitson, Vice Chairman; Gary Kitson, Water District Representative; Len Gilman; Virginia Drew, Selectmen's Representative; Mary Frambach; Linda Hodgdon; Penny Graham; Joyce Heck; Meadow Wysocki; Tony Soltani; Bill Yeaton, School Board Representative

Not in Attendance:

Other Attendees: Patrick Connors; Christine Vada; Peter Warburton; Lucie Weeks; Ralph Weeks; Cheryl Gilpatrick; Karen Guercia; Amber Wheeler

Marylou opened the meeting at 6:34 PM.

School District

Mr. Connors presented the School Budget. Each committee member was given a binder of information. Mr. Connors noted that there is the potential for an additional aide in Kindergarten next year. Linda asked the difference in the salary lines. The additional money would be for a third Kindergarten teacher if needed. Mr. Connors reviewed the other increases in supplies that would be for the third Kindergarten classroom.

Tony asked the number of students last year vs. this year at Pembroke Academy. In the 2019/2020 School Year there were 191 pupils vs. a proposed 175 pupils in the 2020/2021 school year. The per pupil costs have increased. Linda asked the tuition; \$12,823.00 for 2019/2020 year vs. \$13,165.00 proposed for the 2020/2021 year. Ms. Wheeler noted the figures are an estimate discussing how the figures are determined. She noted the tuition could go up or down. Mr. Connors noted the pupil numbers are shown on Page 44.

Tony asked if the district paid for students to attend other high schools; it does not. Bill noted the AREA Agreement makes it difficult for the district to pay for students to attend other high schools.

Tony noted that the total number of students in middle school vs those attending high school (paid by the district) was reduced. It was noted that some students go to other high schools where the parents pay the tuition.

As of November 6, 2019, Epsom had 165 students attending Pembroke Academy. Ms. Wheeler noted that the tuition is only charged for the number of days a student attends Pembroke Academy. Ms. Wheeler noted this is a revenue source for Pembroke and Pembroke estimates lower so they do not have a revenue shortfall.

Marylou asked about the teacher contract with Mr. Connors noting it will be a separate warrant article.

Mr. Connors noted the Special Education programs that are for children from the age of 3 to 21.

It was discussed that a position was shifted to a guidance counselor rather than a teacher due to the needs of the students. Special diagnostic was reduced due to proposed less needs of students.

Marylou asked about in-service training; Mr. Connors noted it is training for Math and Social Emotional Learning.

Tony questioned having funds for training. It was noted the amount is included in the teachers' contract. Virginia noted that when the money is spent it is gone. Tony noted that not all funds were spent in 2018/2019. The trainings were discussed.

Tony asked if the committee could make budget changes or if it is the Selectmen or School Board. He was told that the changes are made by the committee.

Linda asked about the SAU costs. Ms. Wheeler noted it is based on population. Tony confirmed that it is based on student population and tax valuation. Linda asked who puts together the SAU budget. Ms. Wheeler noted it increased from this year and is presented and voted on by the AREA board. The board is made up of the school board members of the 5 towns in the SAU. Tony noted that student population has decreased but the SAU budget has increased.

Linda discussed the Superintendents' salaries. Ms. Wheeler noted that it is a bottom-line budget and the boards could vote to increase or decrease the line. Meadow confirmed that payouts for retiring personnel were included in the line.

Linda noted that 2018/2019 met the budget by using money from the SAU Unreserved Fund Balance. Tony asked the number in the Unreserved Fund Balance. Ms. Wheeler noted they have just one and if they have funds remaining at the end of the year it can go into the balance. Gary asked the balance; approximately \$200,000.00. Linda noted they are using \$60,000.00 for 2019/2020 and 2020/2021. She noted it would not take long to use the funds.

Tony discussed the salaries voted on vs. the salaries that have been paid to the SAU employees. Linda noted that they are using the fund balance that Epsom is going to have to pay for at some point. It was discussed that the raises are not in the salary, but in line 123. Raises are taken from this line for the employees.

Meadow noted that there were salary increases from \$14,000.00 to \$43,000.00 for Epsom personnel. Ms. Wheeler noted they had to bring some salaries up to what they should be. It was noted that the full SAU Board voted on these changes.

Joni asked the number of secretaries covered under their salaries; Mr. Connors noted 4.

Meadow asked if they were expecting an increase in the cost of criminal background checks. Mr. Connors noted that anyone who volunteers with the children are checked. Drug testing is for employees and the volunteers who are here regularly or for field trips or events, such as the book fair.

Tony asked if there are a certain number of hours that staff works. Mr. Connors noted teaching staff is primarily an 8-hour day with support staff primarily a 7-hour day. They work from 180/190 days to 220 days a year. The number of days varies depending upon the secretary's position. Mr. Connors noted that 2 secretaries are based on the union contract and two are not.

Bus Transportation was discussed with Virginia noting that without a high school bus it is a hardship for many people. Bill noted that he has not heard from any parents regarding a high school bus. Virginia noted even the transportation for half day Kindergarten is a hardship for some parents.

Line 334 – Maintenance – Tony asked what is included with Mr. Connors noting fire extinguisher servicing, plowing, servicing of emergency batteries, clean catch basins, turning the water on/off for the fields, temperature and fire alarm testing, boiler and elevator inspection, roof inspections and septic pumping.

Len asked if the cost of testing vs. replacing fire extinguishers had been compared. He noted that often it costs more or the same to purchase new extinguishers. He noted the warrantee is invalid once the tag is removed to test them.

Tony questioned the busing line comparing each year with the default budget. The homeless and special education transportation was discussed.

Penny noted that if a student is living in another town, they are designated homeless. It is a Federal Law.

The bus contract was discussed with Ms. Wheeler noting it is a 4.5% increase each year. Tony could not understand a jump of \$40,000.00 a year. Marylou asked for a breakdown to be forwarded to the Committee.

Tony asked to see the contract, it is included on page 56. Ms. Wheeler noted they request bids for the entire SAU and then do a breakdown for each Town. Ms. Wheeler noted it includes \$15,000.00 for homeless transportation.

Penny asked if any teachers are retiring, Mr. Connors noted there are two. He noted they

budget for the mid-range in the salary for a replacement teacher. Penny asked if they had a limit on the number of teachers that could take early retirement each year, it is based on the master agreement.

Gary asked about the health insurance increase. Ms. Wheeler noted there are new positions and plan changes.

Meadow asked about Line 382 (Non-Bargaining Increase), Ms. Wheeler noted it had been in the salary lines and this year it is separated. Mr. Connors noted the positions that are covered by the line. Tony asked if they get the same benefits as employees covered by contracts. Mr. Connors noted the Board tries to keep the benefits similar for the non-bargaining positions.

Penny asked about the funds that went to the Special Education Trust Fund and the Building Maintenance Trust Fund. There is \$174,000.00 in the Special Education Fund and \$80,000.00 in the Building Trust Fund. Gary asked if there were plans to use the funds? Bill thought the Board would build them up to a certain amount and then not add any further money.

Revenue

The Adequate Education Grant amount is proposed to increase by \$119,379.00 for 2020/2021. The State Education Tax is proposed to increase by \$13,866.

Ms. Wheeler noted the Federal grants that are received by the district.

Mr. Connors discussed that a teacher may bring their child to Epsom for \$500.00 with the thought it makes it easier for the teacher not having to worry about after school care, etc. Ms. Wheeler discussed other revenue that is received.

Linda asked about the Medicaid funds for the school. Ms. Guercia discussed the process that has to be followed. She noted they do not know when it would be available.

Ms. Wheeler noted they are estimating \$182,763.00 in additional revenue this year. Marylou asked if the money would be included for Full Day Kindergarten, Ms. Wheeler noted there is a one-year lag and would not be received until the 2021/2022 school year if it passes.

Ms. Wheeler noted the budget has decreased by 1.69% from 2019/2020.

Penny asked for the default budget; Ms. Wheeler did not have one, but will get it.

The Tax Rate Forecast was reviewed. Marylou asked what were anticipated warrant articles, they are listed on page 53. If the teachers' contract passes it would add \$0.22 per thousand to a tax bill.

Mr. Warburton noted they could return if there are more questions. He noted the new

language in the proposed teacher's contract vs. the exiting contract.

Penny noted the teachers have to work an additional day with the new contract. Using no personal days is a \$500.00 bonus, it varies if they use some of the time (Section 9.2 in the contract).

Tony asked the teacher's work year. It is 186 days and if an employee works in the summer, they receive a per diem. Mr. Connor noted that is for the nurse and guidance counselors. Mr. Connor noted the teachers get one day during the summer at their discretion to set up their classrooms.

Tony noted they have 15 days of sick leave, which means the work schedule is 170 days. It was noted that most teachers come in more than the one day allowed during the summer. Tony noted that Mr. Connors has the discretion to let the teachers work when he wants them to.

Gary asked the difference between documented personal leave and non-documented leave. It was noted that it is documented if they just take an hour off.

Marylou asked if anyone would like the presenters to return. It was discussed it would have to be Thursday, December 19. The only person who could return then is Mr. Connors.

Virginia appreciated the other school board members who attended. Marylou noted that she had mentioned it earlier today at the school it would be nice if the members attended the meeting.

Virginia thanked Mr. Connors for giving tours of the school to the committee members. She encouraged that it should also be available for the voters before the March vote.

Gary thanked Mr. Connors for his personal commitment to the children. Gary does not have children in the school.

Tony discussed the 2018/2019 salary rates noting there were no names attached to the positions.

Tony motioned to request the salary report for the town employees be listed by name and title so they all understand it, Len seconded for a discussion on the salary report.

Tony asked how difficult it is to get the information. Marylou noted if it is created it would be e-mailed to all members. Marylou did not know the amount of time to create the spread sheet. Tony felt he was being denied information he is requesting.

Virginia noted it was felt they were looking at the positions by position, not by name.

Tony noted the reason he wanted it was to know what the person is doing, Marylou noted that it is up to the department head to determine that. Marylou noted it is a bottom-line budget.

Meadow thought what he is doing by putting names to the position is determining the salary based on the person. Joni noted the committee does not set salaries.

Marylou noted that Tony has not attended previous meetings. He indicated he has been busy reading.

The motion did not pass with a vote of 1 yes, 10 no's and one abstention.

Penny noted that this year the committee has done things differently.

Len noted that sometimes you cannot ask questions during the discussion as you need time to think. He disagrees with Tony's point, but he feels the committee should meet earlier to discuss more with the departments. He noted this year is the first year we have discussed the Capital Improvement Plan.

Marylou requested additional funds for the Trustee of Trust Funds as training they attend is being charged for in the future.

Joni motioned to add a line item (370) for Professional Development to cover the cost of all three Trustees to attend the annual training seminar at \$75.00 per person for a total of \$225.00, Len seconded the motion. The motion passed.

Cemetery

Gary noted there is no increase in the budget but there is enough money to do other small jobs if needed. The cemeteries include Gossville, Libby, Short Falls, Bickford, McClary and Brown.

Gary noted the Sexton gets paid out of the maintenance line. Gossville has town water with a \$100.00 yearly cost. Electricity is to pay for the well pump at McClary.

Epsom Village Water District

Gary noted the proposed budget is \$201,389.00.

He noted the State is requiring more lab tests at the two wells due to PFOAs. He discussed the various testing that is required. They have added testing for the well by the school as they plan to do work on it that could require testing for bacteria.

Gary noted they did not do the warrant yet. Penny asked how people found out about the annual meeting, Gary noted it is posted at the Post Office and Town Office.

He discussed they have a computer system that monitors the water system, this helps to show changes that could show leaks in the system. Gary noted they could not hire anyone to operate the system for that price. The cost was discussed due to the \$4,000.00 increase. All testing will be done by the operator.

Linda asked if they write up what they do. Gary noted there is a contract. Tony asked if they could provide something for the increase.

Len noted that this is for the Epsom Village District and he would like to work on the Town Budget. Gary noted that the Town has allowed the Budget Committee to oversee this budget as they needed a budget committee oversight. Gary noted the budget is made up of water usage only.

Professional Fees is to audit the books each year. He noted that the district does its own billing and sends the books to the auditor each month. Gary noted a rate study is being completed by Underwood Engineering.

Gary discussed the Tank Rehab costs. He noted they have contracted with a company to inspect the tank and maintain it if something is done to the outside of the tank also. Well 1 was cleaned out and Rehabbed. The amount for Well 1 is for the service agreement only next year. The company inspects the well once a year. He discussed the work completed for the well.

Well 2 will be rehabbed next year at a cost of \$26,355 to be paid over 3 years.

Meadow asked if the \$25,000.00 is required for maintenance. Gary noted the main along Route 4 is cast iron and would be costly to repair if it breaks.

Gary reviewed the expenditures and income to date. He noted the hydrant rental is from the town as they are for the use of the entire town.

The cost to connect to the system is \$1,500.00. Gary noted the connections if the water line is completed on the west side of the Suncook River.

Gary noted they increased their rates in 2019 to 7.5 cents per cubic foot of water usage. The basic fee is \$75.00. Linda asked the average water bill costs, Gary noted various amounts depending upon the user.

Discussion on the Water District was complete.

Marylou noted there were questions regarding the town salary rates spreadsheet. Nancy discussed the spreadsheet she created as requested by the committee. Nancy noted the 2019 payrate is what is provided on her spreadsheet.

Gary noted the spreadsheet he created was only for him, but he was asked to share it.

Marylou suggested going line by line to review the salaries.

Nancy noted the Town Clerk/Tax Collector is a salaried position. The normal work week is 35 hours. Gary noted that he agrees with Nancy's sheet on those salaries.

Nancy noted that the Deputy works additional hours if the Town Clerk/Tax Collector is on vacation. Her typical hours are 30/week. She works 780/hours plus 50 additional hours to cover vacation and other times the Town Clerk/Tax Collector is out. Her hours were based on 810 hours/year. Additional salary is due to an extra pay period in 2020.

The Town Clerk/Tax Collector salary for 2020 includes 27 pay periods and the 50 cent an hour increase. Gary noted his figures agree.

Nancy noted the BOS Administrative Assistant gets 20 additional hours for holidays. The work week is 40 hours a week that includes 2100/hours plus 80 additional hours for overtime in 2020.

Nancy discussed comp time vs. overtime. Nancy discussed what the Employee Handbook states for comp time. Nancy noted she works more time due to the current work load.

Gary asked the number of people who get comp time; Police Officers and Fire Department employees. Nancy noted that employees who had no vacation the first year could accrue time. They now receive a week's vacation time after 6 months of employment.

The Part-Time Office Assistant is scheduled for 20 hours a week. There are 35 additional hours in her line as she covers if someone is on vacation or has a day off.

Linda asked if there are details on these hours noted for her replacement. Nancy noted she has a notebook with the information.

Nancy noted that she would be here 7 pay periods at 560 hours in 2020. There is a 5 week overlap for a new person to learn the position at a budgeted rate up to \$30.00/hour.

Fire Department

The Fire Department employees work 48 hours a week with compensation of 50 hours a week as they may work more than the 48 hours. They do not get overtime until after 53 hours. Gary confirmed they get overtime.

Tony asked if all the employees worked the entire year. Nancy noted one person is new with one employee out on medical leave. Nancy explained the rates for holidays for the Fire and Police Departments.

Nancy noted Epsom does not payout for accrued sick time if an employee leaves. They

may accrue up to 288 hours. If an employee goes a year without using any sick time then they get 24 hours of additional pay.

Police Officers work 43 hours/week with the assistant working 40 hours/week. Tony questioned the Police Department being funded for 6 full time personnel. Nancy noted that the Chief is hoping to get the new officer into the Academy in January.

Tony questioned having part-time officers, Virginia noted that line was reduced to \$10.00. Outfitting a part-time officer is a significant cost. The issues with using part time personnel were discussed. Linda noted the committee had this conversation at previous meetings.

The Road Agent is salaried. Nancy noted the laborer works 40 hours a week. Tony questioned the part-time position. Nancy noted they do not have the position this year.

The Zoning Compliance Officer works 29 hours a week at an hourly rate.

Nancy noted that Library had two full time employees with the Part-Time Employees working various hours.

Nancy noted if you have questions regarding the information, she presented please ask her. Gary noted the extra hours should be put on other lines for the committee.

Gary asked about the Road Agent line being overspent. Joni asked if it was the payout for the previous road agent; Nancy noted it was.

Minutes of December 5, 2019

The minutes of December 5, 2019 were reviewed and amended.

Meadow motioned to approve the minutes of December 5, 2019 as amended, Len seconded the motion. The motion passed with one abstention.

Virginia motioned to adjourn; Meadow seconded the motion. The motion passed. Marylou adjourned the meeting at 10:45 PM.

Respectfully submitted,

Betsy Bosiak
Recording Secretary