

Approved: _____
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Effingham Budget Committee Minutes

68 School St, Effingham

February 1st, 2022

Members present: Dave Strauss (chair), Leo Racine (Vice Chair), David Garceau, Jim Giguere, Jay Krysa, Theresa Swanick, Lenny Espie (Selectman's Representative)

Others present: Audrey Frazier (Town Administrator), Chuck Fuller (Selectman), and members of the public; Erik Jones, Steve Regal, Mike Cahalane and Rosemarie Wissenbach

The meeting was called to order at 6:00 pm. A roll call confirmed those present.

Minutes:

Dave Strauss made a motion to approve the meeting minutes for January 11, 2022 meeting. The motion was seconded by Leo Racine. Lenny Espie stated there is a correction to be made on page two, to two day instead of two week work schedule. Chair Strauss stated this could be done via pen and ink. Minutes were approved with correction.

Motion Vote as corrected: Leo Racine-aye. Jay Krysa-aye, Lenny Espie-aye, Jim Giguere-aye, Dave Garceau-aye, Theresa Swanick-aye, Chair Strauss- aye (passed 7-0).

Committee Business:

Chair Strauss referred to page 2 of the agenda packet the Budget Committee 2022 Operating Budget approved in the amount of \$1,987.307; this is a 50 cent increase from last year. Chair referred to page 3 of the agenda, to please add \$100.00 to the amount overall amount of \$2,901,907.00, making the total Budget Committee overall Budget approved to the amount of \$ 2,902,007.00, the retirement benefit was 7600 and not 7500.

Chair Strauss referred to page 5, the unassigned fund balance (UAFB) on page 5, 1/11/22 adjustment was \$2,769.79 added = \$558,969.31, February 1, 2022 we added 9,518.66 to this = \$568,487.97, as of today.

On the top of the page 5 we have taken from 4915 and 4916 a total of \$33,500.00 for UAFB usage. Projected Unspent 2021 Operating budget is \$125,640.74. Taking \$33,500 coming from that amount leaves \$92,140.74 that will roll over into our general fund.

This is telling us that after we usage of UAFB for Bailey Road Bridge, One section of Green Mountain Road, the Historical Town Hall and Trust Funds the UAFB would be in excess of \$665K. Right now it's just a matter of if the BOS changes the Green Mountain Road figure, the existing \$625k may be sufficient for Green Mountain Road or they might want to increase it.

Chair covered the procedure for the public hearing and handed out an overall note package to help address any questions on each individual budget. Chair covered the Draft MS-737 and noted the

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operating budget will be the \$1,987,307.00 Chair Strauss asked to keep the 737 draft copy with the numbers and the areas that are important that you want to verify as a budget committee member.

Chair Strauss asked the BOS what it thoughts are on the Green Mountain warrant articles, are we going to delete one, keep one, do you know at this time? Lenny Espie states, he has a good idea. Chair Strauss said he would prefer that we have it going into the public hearing, because Audrey can get it all printed out with the right amount. Lenny Espie said he can't see doing the 1.1 mile with the prices we got for the whole thing. Jim asked if we do have a price now? Chair Strauss stated we do have 3 bids for the whole thing, Allstate was \$538,941.60, GMI was \$504,677.00 and R&D was 487,540.00. Jim Giguere asked who has been doing it, which company has done the first section? Chair Strauss stated R&D. Lenny Espie asked to hear the bids for the 1.1 miles, Chair Strauss stated they were Allstate at \$249,000.00, GMI was \$237,275.00 and R&D was \$231.290.00. Chair Strauss said he doesn't see any reason why we wouldn't be going the full length; would the BOS like to make a motion and remove?

BoS Vote: Selectman Fuller made a motion to remove the 1.1 Green Mountain Road warrant article, Lenny Espie 2nd Selectman Fuller- aye; Selectman Espie-aye (passed 2-0).

Motion Vote: Chair Strauss made a motion to approve the removal of 1.1 Green Mountain Road warrant, Jim Giguere 2nd. Chair Strauss asked all in favor, Leo Racine-aye, Jay Krysa-aye, Lenny Espie-aye, Jim Giguere-aye, Dave Garceau-aye, Theresa Swanick-aye, Chair Strauss-aye (passed 7-0).

Further Discussion: Chair Strauss stated right now that will affect the warrants total 1,616,000.00, on the 737. As far as the Green Mountain warrant article are we good with that? Selectman Fuller stated he feels the \$625K may be tight. Chair Strauss said he was recommended and considered going up to \$650K. Mike Cahalane said he feels the number \$625K would work, if you added \$25k, it would give you a cushion, in this market place, where things are moving price wise and things are not the norm, the last thing you want to do is 2 and 1/4 or 2 miles and not finish it. Asphalt prices may go up, and shouldering for the rest of the section, one hundred thousand dollars could be eaten up very quickly. Since March of 2012 to 2014 was the last time that asphalt was at these prices, could continue to still go up, may have to be shifted towards us. There are other market forces that could impact the prices. Selectman Fuller stated \$650,000 would be the new number. Chair Strauss said it is not an exact science, if we don't need it, we won't spend it that is the viable solution.

BoS Vote: Selectman Fuller motioned to change the amount to \$650k for the warrant article for the full section of Green Mountain Road, Selectman Espie 2nd. Selectman Fuller asked all in favor to change the amount to \$650k for the warrant article, Selectman Fuller-aye, Selectman Espie-aye (passed 2-0)

Motion Vote: Chair Strauss motioned to amend the warrant from \$625k to \$650K, of which \$250k will be coming out of the unassigned fund balance, \$250k from taxation and \$150k from carry-over funds as voted by the BOS, Jim Giguere 2nd. Chair Strauss asked all in favor, Leo Racine-aye, Jay Krysa-aye, Lenny Espie-aye, Jim Giguere-aye, Dave Garceau-aye, Theresa Swanick-aye, Chair Strauss-aye (passed 7-0).

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Further Discussion: Selectman Fuller stated \$635,000 appears to be the new 2022 projected UAFB after doing the adjustment. Chair Strauss stated that will increase the warrants by \$25,000.00. Erik Jones stated, to be clear the tax impact does not change. Chair Strauss stated, correct, good point, so, you will see that number change. I will write these numbers in or we will give you a new 737. Keep that 737 we had, so you know where to look for the numbers and what you should see when you are signing it. Chair Strauss asked everyone to look at the 2022 Budget to actual packet, want to point out on this the 2nd column in is budget, this is what we voted to approve all the way down on all of our budget sheets, any adjustments that we have from the public hearing and any adjustments that we have from the town meeting, so those budgeted amount could change based on whatever happens, if we agree with the audience at our hearing to delete or add something, it would obviously increase or decrease the budget amount. At the town meeting, they have the final stamp to say what the budget is, whether increases or decreases. This is a good template to look at. Chair Strauss asked members, if you get a chance, on a snowy day, take a look, check it over, if you see something crazy let me know.

Public Questions: No

Adjournment: Chair Strauss states the next meeting start time is 5pm on February 8th, we want to make sure we are comfortable to sign the MS-737, which will be the final meeting unless something goes crazy. At that meeting we will determine, where the first budget meeting will be in April.

Chair Strauss said the snow day for the February 8th meeting will be Friday the 11th same 5pm start time. Chair Strauss asked again, any questions, points to help at the meeting. Mike Cahalane asked if he could ask a question in regards to the Conservation Commission and land being in current use, the first \$2500 goes to the Conservation Commission, should we put a warrant article in to address this, change the percentage, up it. Chair Strauss stated he doesn't know if we want to add anymore warrant articles at this point. Selectman Fuller stated the number have changed with current use due to Covid. Leo Racine said we can put it in to look at for next year. Chair Strauss said an additional thing he wants to look at for next year and the office is getting requests is for the elderly low income residents, changing the percentage of what is eligible, something that needs to be discussed. Selectman Fuller said Dave Hynes has been actually doing some call around to other towns for their exemptions. Chair Strauss says it is something we should look at as a town with all of the calls that come in from the elderly, being just under the \$23,000.00 threshold and can't get the \$500 deduction, something to have on our radar for next year, and I will add it. Audrey stated we are not that far off from all the other towns according to DRA's website. The warrant article last year, they changed the income but not the assets and that is what makes them not qualify.

Motion vote: Chair Strauss asked anything else, a motion to adjourn at 6:52pm, Jim Giguere 2nd. All in Favor, Leo Racine-aye, Jay Krysa-aye, Lenny Espie-aye, Jim Giguere-aye, Dave Garceau-aye, Theresa Swanick-aye, Chair Strauss-aye. (passed 7-0).