

Approved: _____
Approved with changes: _____
Unapproved: _____

Effingham Budget Committee Minutes
68 School Street, Effingham
May 18, 2020

Members Present: Dave Strauss (chair), Leo Racine (vice chair), Chuck Fuller (selectmen's rep), Tim Eldridge, David Garceau.

Members Absent: Theresa Swanick,

Others Present: Nate Fogg, Mike Cahalane (selectman), Ben Eldridge, & Tom Hart (selectman via telephone).

The meeting was called to order at 6:00pm.

New Business

Elect officers for the coming budget season.

A brief discussion noted that Dave Strauss was willing to be chair one more time. Then he hoped that another member would take over. Continuity might be important with the likelihood of an unusual budget season because of the Covid-19 pandemic. Leo noted that he was willing to continue as vice-chair.

A motion was made by Chuck Fuller to elect Dave Strauss as the chair of the budget committee. The motion was seconded by Tim Eldridge. The vote was 5-0 in favor of the motion.

A motion was made by Dave Strauss to elect Leo Racine as the vice-chair. The motion was seconded by Chuck Fuller. The vote was 5-0 in favor of the motion.

A motion was made by Dave Strauss to elect Tim Eldridge as the recording secretary. The motion was seconded by Chuck Fuller. The vote was 5-0 in favor of the motion.

Minutes

The Budget Committee (BC) reviewed the minutes from the 10th, 2020 meeting.

A motion was made by Tim Eldridge to approve the February 10th minutes as printed. The motion was seconded by Dave Strauss. The vote was 4-0-1 in favor of the motion with David Garceau abstaining.

New Business

The BC welcomed potential BC member Ben Eldridge and thanked him for his interest in joining the BC. Dave Strauss asked if he were aware of their schedule and could he make the meetings. Ben Eldridge noted that he works for the NHDOT, and unless it was snowing, he would be able to attend because of his state plowing duties. The BC noted that if it were snowing, there was a good chance that the BC meeting would be rescheduled. Dave Strauss gave Ben copies of the RSA that assigns the duties and responsibilities to the budget committee.

A motion was made by Dave Strauss to appoint Ben Eldridge as a budget committee member until next March. The motion was seconded by Chuck Fuller. The vote was 5-0 in favor of the motion.

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Chairman Strauss reminded all members that all correspondence relating to the BC must go through the chair to ensure that the chair knows the committee activities and to make sure that any question gets directed to the correct party for an answer. Any correspondence between members regarding BC business is discouraged because of the possibility of the discussion being considered as an illegal meeting.

Effingham Property Tax Breakdown

Property taxes outstanding 2019 property taxes are \$399,206. As of May 8th, the total outstanding property taxes are \$364,305. This number looks better than last year. The first tax bills will be going out soon, it is unknown how the Covid-19 crisis will affect the collection of property taxes, but it would be no surprise if the effect is negative.

Highway Block Grants are paid out 4 times a year. This revenue will likely be negatively affected by the crisis because most people have reduced their amount of travel for work and for pleasure.

Chairman Strauss has prepared a letter to the BoS explaining a 3-phase plan to reduce spending of the town budget. This is in anticipation of a budget revenue shortfall. Chairman Strauss asked if the letter and 3-phase plan should be voted on by the BC and sent as a recommendation to the BoS. Recommendations to the BoS are advisory in nature.

After a general discussion of the phasing, and general consensus that action will likely need to be taken, the BC decided to make it an informal recommendation to the BoS who were all present at the meeting (two in person and one by telephone conference call.) The BoS agreed that they were aware and were already considering options.

Chairman Strauss reviewed the Budget Committee Process Instruction with the BC and reviewed where they were in the process and what were the next steps.

The Budget Schedule has been set up and agreed in general to the schedule, understanding that Covid-19 may affect the budget schedule due to the maximum amount of people that can be safely assemble in the meeting room. The BC may have to consider other locations such as the school to allow adequate space for meetings.

The Unassigned Fund Balance is reviewed 4 times per year. The latest data point was April and the town had a fund balance of \$302,948 or 6% overall retention. This is within the guidelines of 5% to 17%, however, is on the low side.

The town reviewed the list of current GWRSD students given to them by the school district. 8 students on the list do not live in town and 19 on the list cannot be located. The school SAU office along with the truant officer will work to identify the home location for the 19 unlocated students to see if they are actually Effingham residents. This reduction of students will lower the school portion of the tax rate in 2 years.

A new list is provided for review each year and it is very important to Effingham to ensure that they are only paying for Effingham students. Several people review the list including the school principal, town clerk, police officers, welfare department to find known non-residents.

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In the latest budget to actual, it was found that Mr Fogg had been paid twice for March time. This was caused by a revised time sheet being submitted and by employee training. The error is being corrected going forward. Some of Mr Fogg's 2019 time was also paid in 2020. This cannot be corrected due to the 2019 budget year being closed.

Parks and recreation activities have been cancelled and the summer program is shut down for the summer. The Effingham BoS suggested a payment of \$2,000 to Ossipee, which seemed favorably received by the town of Ossipee who hosts Effingham's parks and rec program.

BC members should review the entire budget to actual report and forward any questions to Dave Strauss to investigate and report back.

The BC prefers to meet in person whenever possible. The BC members should be looking for ways to meet with people while staying safe. (Zoom, Google, Live Stream, other options?)

The next meeting of the BC will be in July.

Dave Strauss is meeting with Grace Fuller on May 19th to make sure that the CIP committee and BC work together to provide CIP information to the BC.

BC members should review the BC Schedule before the next meeting. Tim Eldridge would like to see less meetings. Covid-19 may actually necessitate additional meetings to keep the numbers attending meetings controlled.

The BC will look to approve the BC Schedule at the July meeting. Then it will be forwarded to the BoS.

Dave Strauss explained how the budget sheets for next years budget are filled out. He is looking for 2 or 3 BC members to review and double check each of the budget sheets prior to sending them to each department. Tim Eldridge, Dave Garceau, and Leo Racine volunteered to help review the budget sheets.

Dave Strauss will check on the Co-Op electrical agreement to see if it is providing a benefit to the town.

The BoS is working on the bridge repair and road construction schedule. Many factors are being weighed including their ability to get DES permits to proceed on several projects.

Meeting Participation

Chairman Strauss checked multiple times during the meeting for emails and/or phone calls from those trying to be in touch or ask questions of the BC. No emails were received, and no phone connections were requested other than Selectman Tom Hart, who stayed connected through the entire meeting.

Next Meeting Date

The next budget committee meeting will be held on July 20th at 6:00pm.

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Adjournment

A motion was made by Tim Eldridge to adjourn the meeting. The motion was seconded by Leo Racine. The vote was unanimous in favor.

The meeting adjourned at 7:50 pm.