

Budget Committee Meeting

July 17, 2023

Present: Shaun Flatter, Nick Smith, William Carrow, Mary Ellen DeBenedictis, Ryan Paisley, Robert Cote, Carl Hutson, and Sue Muncey were in attendance.

Mr. Flatter brought the meeting to order at 7:00 p.m. Mr. Flatter stated a quorum has been met. The two (2) topics of discussion were: (1) mid-year review of the 2023 budget and (2) discuss and vote on changes to the 2023 budget.

Mid-Year Review of the 2023 Budget

Mr. Flatter stated the Chief and the Town Manager significantly succeeded and fell short on a few items.

Mr. Cote stated let us take a deep dive into the budget. He is recommending some changes. The goal is to update the spreadsheet. Account 361-100 New Homes: The Mayor and the Town Manager had discussions on this item. It is a hit or miss. We are underperforming. It should be at 53%. The Office Manager and the Town Manager reviewed this. We have 22 open permits in Ovations that have not gone to settlement. The average fee on the new home is \$7,500. Adding the additional \$163,000 for when they go to settlement will take us close to \$208,000. This is what we currently have permits for. It takes about four (4) months from build to settlement. Mr. Cote recommends we lower this to \$225,000. Mr. Flatter asked, do we see any more activity? Mr. Cote stated not at this time. Providence Crossing, Grain Mill Station, and Huntington Mills are all completed. There is no transfer tax from Railroad Square. Mr. Smith stated the overage will go to the reserve accounts. Mr. Cote stated if at \$225,000 the extra can go into reserves. Mr. Smith stated he would like to keep an extra \$10,000 in the budget.

Mr. Cote stated Account 362-120 Existing Homes – there is no way to predict existing homes. He recommends lowering it to \$150,000. Mr. Smith stated the figures are different. He recommends \$170,000.

Mr. Smith asked about the business licenses. Mr. Cote stated a lot did not renew.

Mr. Smith asked about property tax. Mr. Cote stated this is based on projected hope. He recommends lowering to actual.

Mr. Smith asked about the reconnection fee. Mr. Cote stated he likes to undershoot. Mr. Smith stated change to actual. Change to \$8,000. Mr. Paisley asked why the late fee revenue was different. Mrs. Muncey stated it depends on how much they pay. Also, some customers only have electric with the Town.

Mr. Cote stated Account 380-170 Plan Review Fee the income is absorbed into the L&I Permits. Recommends adjusting to zero. Mr. Flatter stated drop to zero.

Mr. Smith stated for Account 378-210 Sale of Vehicle change to \$9,100. Mr. Cote wanted to thank the Director of Public Works and the Public Works Administrative Assistant for preparing everything for the sale.

Mr. Smith stated for Rental Inspections adjust to actual.

Mr. Smith stated the SALLE Grant has a negative. Mr. Hutson stated the SALLE Grant for 2023 will be \$5,024.70 and the EIDE Grant will be for \$4,047.80. Mr. Smith asked when do we get the money? Mr. Hutson stated at the end of the year. We get the Violent Crime money in October.

Mr. Smith stated for Account 375-120 change to actual.

Mr. Cote stated the revenue is \$6,964,206.38 adjusted. Mr. Paisley asked why do you need a number? Mr. Smith stated for projected income to come as close to budget as you can. Mr. Smith stated to adjust the General Fund interest. Mr. Cote stated the grants are a passthrough. Mr. Smith stated to change the Clayton Fire Company grant to \$51,900.36. Mr. Smith asked what we have in the EV Grant so far. Ms. DeBenedictis asked what the WWMP Grant was. Mr. Smith stated sewer. Mr. Flatter said try to figure out what the other 47% of interest would be for the General Fund. Mr. Flatter stated change to \$30,000. Mr. Cote stated the new revenue balance will be \$7,15,212.54 which is 62%.

Mr. Cote stated Account 611-201 Mayor and Council Salaries is at 81%. He recommends changing it to \$7,500.

Account 612-120 Postage – Mr. Cote recommends increasing it to \$1,000.

Mr. Cote stated Account 612-180 Utility Expense is at 62%. There is a \$829.12 carryover from 2022. Mr. Flatter stated leave as is.

Mr. Cote stated Account 612-190 Telephone Expense has a December carryover. Mr. Flatter stated leave as is.

Mr. Cote stated Account 613-110 Maintenance Contracts – we need to reallocate \$3,000 to Other Professional Services. This was the MCSJ upgrade. Pitney Bowes is billed quarterly. We have two (2) more payments equaling \$3,023. Mr. Cote recommends raising it to \$20,000. Mr. Flatter stated change to \$20,000.

Mr. Cote discussed Property and Worker's Compensation Insurance (614-100 and 614-110). The increase is due to the increased salaries. The premium was paid up front. Our refund will be prorated for six (6) months. There will be a 10% cancellation surcharge. The penalty is on what we receive back. The new plan is \$34,700. The property insurance is not changing. We need to adjust property insurance to actual. We need to adjust worker's compensation to \$54,647. We are actually paying for 1-1/2 years in premium. The new policy will be effective on September 1.

Mr. Cote stated Account 616-140 Auditor is at 64%. There were extended services due to the 2021 audit. We have provided all the documents to the auditor. It is recommended to leave as is.

Mr. Smith asked about Account 616-100 Post Employment Benefits. Mr. Cote stated the bill generates around August / September.

Mr. Cote recommends changing Account 616-120 IT Technology Service to actual.

Mr. Cote stated Account 616-170 Other Professional Services is where the MCSJ fee should have gone.

Mr. Cote stated Account 616-180 Accounting Consulting is at 97%. \$12,930 was billed for December 2022 work. When we have an accountant on staff, they can perform this work. Mr. Cote recommends increasing it to \$65,000.

Mr. Cote discussed Accounts 618-160 and 618-170 Seminar/Class and Travel/Meals/Mileage. This was the DC trip for Council. Mr. Flatter asked about travel for the new Code Enforcement Officer. Mr. Smith stated he will have a town vehicle. Mr. Flatter recommends changing it to \$4,500. Mr. Cote recommends changing it to \$5,000. The Office Manager has her last year of Municipal Clerk training to become certified this year.

Mr. Cote discussed Account 618-120 Donations. Mr. Cote recommends increasing it to \$16,500. Mr. Flatter recommends increasing \$3,000. Mr. Carrow suggested changing it to \$18,000.

Mr. Cote recommends changing Account 618-110 DE League of Local Governments to \$4,000.

Mr. Hutson stated for Account 761-250 PS Part-Time Salaries we have only spent 27%. He suggests taking \$10,000 out of this line and moving to Account 761-761-130.

Mr. Hutson stated OHS is a wash.

Mr. Hutson stated for Account 763-100 Ammunition – this was the body camera that was paid in January. We were reimbursed for it in December 2022. Mr. Smith stated change to \$18,000.

Mr. Hutson stated Account 765-120 Clothing Issue – this was for bullet proof vests. A grant was submitted. We will receive \$3,000 back. Mr. Flatter stated leave at \$5,000.

Mr. Hutson discussed Account 767-100 Maintenance/Repairs. He stated a transmission went bad on the 2018 Tahoe costing \$5,000. He recommends adding \$5,000. Mr. Smith recommends changing it to \$18,000.

Mr. Hutson discussed Account 767-170 IT Technology. The yearly fee for Lexipol is \$6,000 and the cost for JJ on the police side.

Mr. Smith asked about the EV Grant. Mr. Hutson stated it is the down payment for the truck and charging stations. Mr. Smith is trying to wash it out. Mr. Hutson stated the estimate is \$148,000. Mr. Smith stated to put \$149,000 into both income and expenses.

Mr. Paisley stated the air card expense increased. Mr. Smith stated to change to \$7,000.

Mr. Cote discussed Account 771-100 L&I Salary. We have a new full-time Code Enforcement Officer. He recommends increasing the line to \$50,000. Insurance will be about \$3,000. Pension will be about \$1,800.

Mr. Cote discussed Account 772-100 Subcontractor Expense. The revenue line is permits. We can adjust the number. Mr. Flatter stated if the growth trend is like the first half of the year, increase to \$40,000.

Mr. Cote stated the Code Enforcement Software was paid for in 2023.

Mr. Cote stated Account 781-170 PW Office Supplies is at 62%. We will curb spending.

Mr. Cote stated Account 781-190 PW Maintenance Contracts is over due to B Safe security system. It is for fire protection and security. We had to upgrade at the beginning of the year. The bills are \$70 and \$60 monthly. He recommends changing it to \$4,000.

Mr. Cote suggests changing Account 784-360 to actual.

Mr. Cote stated Account 783-100 Membership Fees is paid in full.

Mr. Cote suggests changing Account 784-250 Herbicide Expense to \$1,000.

Mr. Smith stated to keep an eye on the Snow Removal. Mr. Cote stated that was for salt delivery and the snowplow.

Mr. Cote discussed Account 786-240 Vehicle Maintenance. The electric work truck had to be sent to Pennsylvania for repairs. The boom had to have maintenance and repairs which were unscheduled. The bucket and lift had to be inspected for safety issues. Smyrna assisted/covered for us when the truck was being repaired. He recommends changing the line to \$6,500 to \$7,000. Mr. Flatter clarified that \$4,500 was unscheduled. Mr. Cote stated yes. Mr. Smith and Mr. Flatter said to change to \$6,500.

Mr. Cote discussed Account 786-180 Electric Repair/Maintenance. We had weather-related events where we had to bring in AUI. Mr. Smith stated to change to \$70,000.

Mr. Cote discussed Account 788-100 Pumping Fees. He stated that sewer sales are higher. He is not concerned. He said it is performing well.

Mr. Smith discussed the transfers into the reserve accounts. He reviewed the non-budget accounts. Mr. Cote discussed the investments from the CD's. We will earn \$250,000 in February.

Mr. Smith stated to set up a meeting in September to start discussing the 2024 budget.

Mr. Smith made a motion to accept the changes to the 2023 budget as presented. Mr. Paisley seconded the motion. Motion carried unanimously.

Mr. Flatter asked for a motion for adjournment.

Mr. Paisley made a motion to adjourn. Ms. DeBenedictis seconded the motion. Motion carried unanimously. The meeting adjourned at 8:53 p.m.

Recording Secretary,

Sue Muncey