

Municipal Budget Committee Meeting
Allenstown Fire Station
8 Whitten Street
Allenstown, New Hampshire 03275
May 21, 2020

Call to Order

The Allenstown Municipal Budget Committee meeting of May 21, 2020 was called to order at 6:06 pm by Chair Keith Klawes.

Chair Klawes read the following statement:

As Chair of the Allenstown Municipal Budget Committee, I, Keith Klawes, find that due to the State of Emergency declared by the Governor as a result of the COVID-19 pandemic and in accordance with the Governor's Emergency Order #12 pursuant to Executive Order 2020-04, this public body is authorized to meet electronically. Please note that there is no physical location to observe and listen to this meeting, which was authorized pursuant to the Governor's Emergency Order. However, in accordance with the Emergency Order, I am confirming that we are:

- a) Providing public access to the meeting by telephone, with additional access possibilities by video or other electronic means.*** We have a Zoom conference calling session set up for those listening. The instructions are on the Town website on the Planning Board agenda page.
- b) Providing public notice of the necessary information for accessing the meeting.*** We previously gave notice to the public of the necessary information for accessing the meeting, including how to access the meeting using Zoom or telephonically. Instructions have also been provided on the website of the Town of Allenstown Planning Board page attached to the agenda for this meeting.
- c) Providing a mechanism for the public to alert the public body during the meeting if there are problems with access.***
- d) Adjourning the meeting if the public is unable to access the meeting.***

Introductions

Present on the Committee: Keith Klawes, Carol Angowski, Bobbie Laflamme, Jeffrey Venegas, Kris Raymond, School Board Representative; Julie Keane, Matt Pitaro, Maureen Higham, Selectboard Representative

Excused: Melaine Boisvert, Tiffany Ranfos, Jim Rodger, Robin Richards, Deb Carney

Allenstown Staff: Derik Goodine, Town Administrator; Debbie Bender, Finance Director

Chair Klawes called for the Pledge of Allegiance.

Election

Chair Klawes called for the election of Chair, Vice Chair, and Secretary.

Ms. Angowski nominated Keith Klawes as Chair. Ms. Keane seconded the motion.

Chair Klawes stated that he accepted the nomination.

A roll call vote was taken.

Carol Angowski – Aye

Bobbie Laflamme – Aye

Jeffrey Venegas – Aye

Kris Raymond – Aye

Julie Keane – Aye

Matt Pitaro – Aye

Maureen Higham – Aye

Keith Klawes – Aye

The motion carried unanimously.

Ms. Raymond said they should table the elections of vice chair and secretary until they have a larger group. (There was no second requested or provided.)

A roll call vote was taken.

Carol Angowski – Aye

Bobbie Laflamme – Aye

Jeffrey Venegas – Aye

Kris Raymond – Aye

Julie Keane – Aye

Matt Pitaro – Aye

Maureen Higham – Aye

Keith Klawes – Aye

The motion carried unanimously.

New Member

Chair Klawes introduced and welcomed Matt Pitaro as a new member, elected at the March Town Meeting.

Reports

▪ Revenue and Expense Report for the Town

Ms. Bender said that 2019 revenue and expense accounts are closed out except for audit entries, which mostly do not affect the results.

Ms. Raymond said that 2019 Town expenses showed a surplus of \$245,419.00. She asked if this goes to the General Fund, not to the taxpayers.

Ms. Bender said that the surplus goes to the Unassigned Fund Balance, which can be put into capital reserve funds, used to reduce the tax rate, and/or be used for a few encumbrances. She said the same was true of the revenue surplus of \$351,539.00.

Ms. Raymond said that this is a healthy amount of approximately \$600,000.00 being added to the Unassigned Fund Balance.

Ms. Angowski referred to the Police Retirement account (4155) at the bottom of page 2 and noted that it was overspent by \$13,000.00.

Mr. Goodine explained that the amount budgeted was based on a smaller police force. They have a full force now. That account, he said, represents the amount the Town regularly must put into the employees' accounts for their retirements.

Ms. Angowski asked about the expenses in the legal line, also on page 2.

Mr. Goodine said they have had lawsuits to settle and also are still dealing with the Eversource case and Holiday Acres. In anticipation, he said, they have budgeted \$60,000.00 for 2020, up \$10,000.00 from 2019.

Ms. Angowski asked about Police Training hours on page 3.

Mr. Goodine said that this relates to miscellaneous grants; the expenses are recorded but the offsetting grant revenue is not budgeted because it is not guaranteed. He added that Chief Stark keeps careful records of these transactions.

Ms. Angowski asked about Police overtime.

Ms. Bender said that a new officer was at the Police Academy and his shift had to be covered by another officer during that time.

Ms. Bender spoke about the Town budget in general, especially in relation to the impact of the COVID-19 pandemic. She said that they should do okay in 2020, but there are potential challenges for next year. There is a bit of a lag with motor vehicle registrations, she said, especially since the time to register new purchases has been extended. The Meals & Lodging revenue, as well as the Highway Block Grant revenue, are more serious issue. A predicted 50% decline in Meals & Lodging revenue, which is budgeted at \$222,000.00, will have a substantial impact on 2021 revenue. She said that the Unassigned Fund Balance will help, and capital reserve funds provide some leverage as well.

Mr. Goodine said that he had done some back-of-the-envelope calculations, looking at the period from March 14th through April 30th. He said that current property tax interest revenue was about \$27,000.00

in 2019 versus \$13,086.00 for the same period this year. Property tax interest revenue from prior years' taxes was \$16,216.00 for this period last year and are only at \$5,408.00 for the same period this year. Property owners are not paying during the pandemic. He said that this is concerning but may recover. He noted that eRegs are up and Motor Vehicle Registrations were running very well until the pandemic. The budgeted amount of revenue is \$710,000.00, up six percent from last year. This revenue lost during the virus is considered to be delayed but not lost.

Chair Klawes asked if any Town employees have been furloughed and if employees are still being paid.

Ms. Bender responded that employees are working when they can, some from home and some on an adjusted schedule. She said they are paid whether they are working or not; the Selectboard made that decision early in the shutdown. She said that Ms. Pelissier comes in every morning, and that she, Ms. Caruso and Mr. Goodine are distancing but still working. In general, employees are not just sitting at home. They are making the best of the situation while staying safe.

Mr. Goodine added that many employees have been doing safety training (online) at home.

- **State of the School**

Ms. Raymond began her presentation, stating that the School operates on a fiscal year, July 1st through June 30th, so their year has not yet ended. She said they still need to collect about \$450,00.00 in revenue from Medicaid. Amber Wheeler, the Business Administrator, doesn't usually have a full picture until the end of July. Expenses now have a surplus of \$326,074.87, and they are pretty confident of this amount. Purchases orders have to be in by now. She said that March Town Election voting showed overwhelming support for the School trust funds. They do not have an unassigned fund balance, so saving for a rainy day is via trust funds. These five funds, totaling \$220,000.00, she said, are funded through the surplus. This leaves about \$106,000.00 which the School Board will decide what to do with. The School Board will meet on June 9th, she said.

Mr. Pitaro referred to the revenue sheet, noting that more money came in from Medicaid.

Ms. Raymond said that Medicaid funds come in on several lines, not just the surplus line. She said that all of it still has not been received because it comes from the State and the federal levels.

Ms. Angowski asked, since the students are not going to school, how they work with tutors for ELL, OT and SPED.

Ms. Raymond that is still being done virtually via ZOOM. The students at ARD all have laptops and the principal has helped with internet connections. The AES students do not have one-to-one devices but Chrome Books are available. For support services, she said, they are leaning heavily on parents and guardians. She continued with her presentation, saying that the last day of school in Allentown will be May 29th. She said the principals have provided good updates. Grades are recorded, and they have to show competencies. Next Friday, May 29th, they will have a parade going through town, largely to honor the eighth graders, but for everyone. Those the bus cannot reach can go to ARD, where social distancing will be enforced. The eighth-grade graduation plans have not yet been determined, but the principal is distributing packages for the students. There will be no summer school in the buildings; it will be done virtually. She said they do not yet have guidance for the fall, but a task force has been established and will be meeting over the next few weeks to address this. She said that, because of COVID-19, school

education funding has her hugely concerned. A State committee was established and funded to hire a consultant. They are meeting virtually and have until January 2021 to complete their work and report their findings and recommendations. Additional funding for the next biennium is a grave concern because of the effect of layoffs and revenue deficits at the State level.

Ms. Angowski said it is wonderful that the schools are trying to make this year's classes which are leaving a party apart from the others.

Ms. Raymond said that the eighth-grade class trip to Philadelphia and New York City was canceled, but the teachers are putting together a virtual class trip to these two cities for the students.

Ms. Raymond updated the Committee on the two committees which were established – the New Building/Renovation Committee and the Joint Tuition Committee. She said that the Joint Tuition Committee has concluded that moving middle school students to Three Rivers in Pembroke is not going to save money. That committee has been disbanded. The New Building/Renovation Committee has hired an architectural firm for the preparation of a Department of Education application. A letter of intent was sent so that Allenstown will be in the queue for funding. The application is about 40 pages long and includes drawings being prepared by the architect for the July 1st deadline. The first set of drawings is for a K-8 building at AES; a second set is for the renovation of both AES and ARD. She said they are on a tight schedule, but Allenstown has been deemed eligible for 60% reimbursement.

Ms. Raymond stated that as much maintenance work as possible has been done at the schools. At ARD, they have been cleaning, clearing brush all the way to the fence, and even cutting down trees. The church, which owns the convent building, has been cleaning their brush as well. They are looking at taking the building down, too.

Chair Klawes asked if the last day of school for Pembroke Academy is May 29th as well.

Ms. Raymond responded that it was. She said they have done a nice job throughout the pandemic and are looking at possibly having a graduation ceremony on July 18th or 25th at the Speedway in Loudon.

Review of Previous Meeting Minutes

Chair Klawes said he had not sent out the previous meeting minutes, so these will be reviewed at a June meeting or in September.

Old Business

None.

New Business

None.

Adjournment

Chair Klawes adjourned the meeting at 7:03 pm.