

# Finance Advisory Committee Meeting Minutes: September 26, 2022

## Present were:

Debbie Deaton, Administrator  
Mitch Gluck  
Dennis Howe, FAC  
Luke Moran, FAC  
Joe Woodworth, FAC

## Discussions

### Open Discussion to address conformity of data entry by multiple collection points

- The team continues to gather data from the Department Heads.
- The FAC will compile the Department Head data, and then cut & paste the data into the FAC master template.

### 1. Modifications to the Budget Worksheet Master (see previous handout to modify database)

- Changes were implemented including classification of full-time and part-time employees. This data is used to calculate items such as COLA, NHRS, FICA and Medicare.
- Dennis provided detailed instructions for changes to the inflation cells.
- Note that COLA adjustments are implemented on April 1<sup>st</sup>.

Here is an example of salary calculations for budgetary purposes (these are fictional numbers):

Base Salary as of 1/01/2023	\$50,000	\$4,167 per month
COLA adjustment on 04/01/2023	5%	\$2,500 increase
Base Salary as of 12/31/2023	\$52,500	\$4,375 per month
Budgetary Salary for 2023	\$51,875	3 months @ \$4,167 per month 9 months @ \$4,375 per month

- FICA and Medicare should be based on the budgetary salary for 2023 (\$51,875).

NH Retirement System.

- This calculation is odd because the first half of the New Ipswich 2023 year uses the NH FY23 rates, and the 2<sup>nd</sup> half uses NH FY24 rates.
- Here are the applicable rates:

	NH FY2023 (July – June) Rates	NH FY2024 (July – June) Rates
Police	33.88%	31.28%
Full Time Employees	14.06%	13.53%

Example NH Retirement contribution (assume Police for this exercise).

Month	Monthly Pay	Rate	NH Retirement Contribution
January	\$4,167	33.88%	\$1,412
February	\$4,167	33.88%	\$1,412
March	\$4,167	33.88%	\$1,412
April	\$4,375	33.88%	\$1,482
May	\$4,375	33.88%	\$1,482

June	\$4,375	33.88%	\$1,482
July	\$4,375	31.28%	\$1,369
August	\$4,375	31.28%	\$1,369
September	\$4,375	31.28%	\$1,369
October	\$4,375	31.28%	\$1,369
November	\$4,375	31.28%	\$1,369
December	\$4,375	31.28%	\$1,369
<b>Total Contribution for 2023</b>			<b>\$16,893</b>

To simplify the math, we could use the following percentages from the budgetary salary:

	NH FY2023 Rates	NH FY2024 Rates	Budgetary Rates
Police	33.88%	31.28%	32.580%
Employees	14.06%	13.53%	13.795%

*Note: This is calculated by averaging the 2023 and 2024 rates*

Budgetary Salary for 2023	\$51,875
Simplified budgetary rate	32.58%
Retirement contribution	\$16,901

*Note: A minor discrepancy will exist (<\$8 in this case) because of COLA.*

## 2. Capturing Employee Salary and Stipends

- a. Include lines equal to the number of persons that expenses are paid
- b. Description column entries
  - i. Do not include person's name in description
  - ii. Do include:
    1. Position title
    2. \$ Rate per hour (hourly employees only)
    3. Number of hours expected over a year (hourly employees only)
    4. Brief description of services provided
  - iii. If stipend, so designate (Fire has line that mixes both salaries and stipend)

## 3. Capturing Contract Expenses

- a. Include lines equal to number of contracts paid
- b. Description column entries should include narrative to address:
  - i. Type of contract
    1. Fix Price Contract, (usually immune from inflation) or
    2. Delivery order (susceptible to inflation)
  - ii. Was contract procured through Sole source or multiple bids

Discussion around contracts. Decision to request details of existing contracts, but not pursue any process changes at this time. Possible action for the 2024 budget cycle.

## 4. Capturing Fuel

- a. Description column should include:
  - i. Identify:
    1. Gasoline, or
    2. Diesel

- ii. Estimated mileage using current 2022 values
- iii. Identify 2022 gas price value used in calculations
- iv. Identify usual source, if possible (gas station or diesel depot (State managed?))

**5. Capturing Supplies valued over \$3,000.00**

- a. Verify these costs are not a contract and purchases made on demand
- b. Description column should include:
  - i. Identify the typical supplies purchased with these funds

**6. Other general topics for discussion**

**Meeting adjourned**