



Warner Budget Committee
Meeting Minutes
Thursday, April 7, 2016
APPROVED

Mike Cutting opened the meeting at 7:00 pm.

In attendance: Mike Cutting, Martha Mical, Kimberley Edelmann, Jonathan Lord, John Leavitt, Alfred Hanson, Allan N. Brown – Selectman's Representative, Peter Newman – Commissioner Warner Village Water District

Others present: Selectman John Dabuliewicz, Marianne Howlett, Barbara Annis

1. Election of Officers

- A. Martha Mical moved to elect Mike Cutting as Chair. Motion was seconded. All were in favor, motion passed 8-0.
- B. Martha Mical moved to elect Kimberley Edelmann as Vice Chair. Motion was seconded. All were in favor, motion passed 8-0.

2. Review of Year to Date Expenditure's - Highlights

- A. John Leavitt asked where the solar array expenses are indicated. Selectman Brown said he believes the expenditure will come from the bottom line of the budget at the end of the year. John said there is no line item identified as solar array. Martha believes the expenditure will be paid from Expense of Town Officers. What John is saying is it should not have been expended because there is no line item to allow for the expenditure. Mike believes the expense was incurred before Town Meeting, therefore the Selectmen expected the solar array warrant to pass making funds available, but it did not pass. John said he understands some of the money was expended last year. He said money cannot be expended this year anticipating Town Meeting will approve something. They can only expend funds this year using the line items that we had on last year's budget.
- B. John said the same thing happened last year when the town applied for a grant for the Old Grade School. The expense was indicated under propane. This is against RSA 32:6, John thinks this is a serious matter. Money has to be appropriated at Town Meeting for the money to be expended. Kimberley said you can't say the Selectmen can't spend money until after approval at Town Meeting. John clarified what he said, the money that's expended from the first of the year can be expended by only using last year's line items. They cannot create a new line item in the new year until it has been approved at Town Meeting. John feels the Board should have asked for funding last year to cover the foreseen expenses for the proposed solar array. Mike said he feels the expense can be covered under Expense of Town Officers because they didn't need a specific line. Alfred asked what is the criteria for Expense of Town Officers, it sounds like it could be for anything. Selectman Brown said the Board of Selectmen run the town and they can spend to the bottom line of the budget.
- C. John read RSA32:6 as follows:
32:6 Appropriations Only at Annual or Special Meeting. – All appropriations in municipalities subject to this chapter shall be made by vote of the legislative body of the municipality at an annual or special meeting. No such meeting shall appropriate any money for any purpose unless that purpose appears in the budget or in a special warrant article, provided, however, that the legislative body may vote to appropriate more than, or less than, the amount recommended.
- D. Kimberley said which can include the operating budget. John said that's correct, line item in the operating budget. Kimberley said she didn't see anything about a line item, but, the operating budget was approved and the Selectmen can expend against the operating budget. John said there is no line item for a solar array in the operating budget. Mike said a line item is not needed, it is covered under Expense of Town Officers, the Selectmen have the right and authority to spend to the bottom line, so they can adjust any spending they want up to and including the total operating budget. Jonathan said in the Town Report on page 52,

there is an encumbered amount for solar array consulting fee for \$1,250.00.

- E. Kimberley said to John that your not going to see a line item for everything we do, like equipment, it covers a lot of different things. We can ask the Town Administrator how he posted that expenditure.
- F. Marianne Howlett said if the money was encumbered it would mean the expense would be for 2015. Marianne also said the town has 2 on-going grants, one at 32 Waterloo St. and the other at the Old Grade School. She said there isn't anything in the Town Report or the budgets about the status of those grants, she feels this is a part of the town's financial picture. Marianne thinks we should be able to see a breakdown of these grant in the Town Report to track them. Martha said the Budget Committee should be asking for a breakdown of the grants. Kimberley agreed it was a good idea. Mike asked if the Committee wants to see a breakdown at the next meeting. Selectman Brown said he will be talking to the Town Administrator to create a grant breakdown sheet.
- G. Alfred asked Selectman Brown what was spent on the solar array survey. Selectman Brown thinks it was about \$1,500.
- H. Elections is running high, at 71%, there are two more elections in 2016. The Supervisor's of the Checklist have more state mandated duties than in the past.
- I. Selectman Dabuliewicz said he received information from the NH Municipal Association saying that starting this year the town will need to show on the audit liability part the unfunded liability from NH Retirement System. John will obtain more information.
- J. Martha asked if the town is tracking building maintenance. Selectman Brown said yes, the DPW is tracking the hours. Selectman Brown will ask the Town Administrator how the hours are being tracked. Martha wants to make sure this change is cost effective. Mike said all the time is being paid from the Highway Department. Alfred asked why building maintenance has been removed as a line item. Mike said the position has been combined with the Highway Department splitting the hours between the two functions and for accounting purposes the time is being tracked in one department. John feels the cost of building maintenance should have remained in each building budget charging the time as used.
- K. The Committee talked about the expense of keeping the Old Grade School open. The Town Administrator will need to provide some detail regarding the sprinkler/fire system. Selectman Brown said \$1,400 was spent on the fire alarm system. A fire alarm panel needed to be replaced and there was a leak in the compressor which cost \$1,500.
- L. Mike recommended sending the American Legion a letter reminding them to invoice the town.
- M. Alfred had questions about workers compensation that needs to be answered by the Town Administrator. He believes the cost is higher than what was discussed during the budget process.
- N. Mike asked why was the dispatch service paid all at one time, from a cash flow standpoint he feels it should be paid in two payments, (line 330 in the Fire Department budget).
- O. Mike asked why there is a negative figure on line 440 (outside rental) in the Highway Department. Selectman Brown said the credit is due to a returned item.
- P. Mike asked why the Highway Department labor budget is \$5,000 higher this year at this time compared to last year at this time and this winter was milder than last winter. Selectman Brown said one reason is there was wage increases. Kimberley said it was an icy winter as well. There is also building maintenance time included in the labor line. Alfred feels building maintenance should have been left alone.
- Q. John said there was talk last year from someone in the administration that they were thinking opening the Transfer Station on Wednesday instead of Tuesday and Thursday thereby limiting the cost of the Transfer Station, he asked if anything is happening with that? Selectman Brown said he has never heard of that interest. John said he brought the question to the individual in administration asking why is the Transfer Station open Sunday's and that person suggested a better idea to eliminate Tuesday and Thursday and open Wednesday late.

- R. Alfred asked how many hours are open to the public at the Transfer Station. Selectman Brown said 28 hours. Kimberley recommended to the Selectmen updating the Transfer Station sign out by Route 103, the sign does not reflect the open hours.
- S. John asked where will we see the roundabout expenses. Mike said it's a capital budget item. The Committee would like to review the up to date expenses for the roundabout at their next meeting.

3. Revenue – Year to Date

- A. Martha noted the land use change tax should be 0 because that money goes to the Conservation Commission.
- B. For comparison purposes John would like to see the first 6 months from last year compared to this year's first 6 months for the next Budget Committee meeting. Like for like comparisons.

4. Other Business

- A. Kimberley will be attending the Local Officials Workshop in Grantham next week. Kimberley offered her seat to Jonathan who accepted.
- B. Mike asked the Committee what they want to follow for a schedule pattern for this budget process. Martha liked the schedule pattern they used last year but the difference she would like to see is the Department Head present their budget instead of the Town Administrator. Martha feels they are not hearing everything, it will give the opportunity for the Department Head to say for example "I really think we should go for the surveillance cameras at the PD rather than the insulation". Selectman Brown said these budgets come to this Committee through the Board of Selectmen. There's a process, the Department Head comes to the Town Administrator and presents his case, the Town Administrator brings the budget to the Board of Selectmen, the Board of Selectmen present the operating budget to the Budget Committee. Mike said if the Budget Committee chooses to present its own budget and work on its own budget then he thinks it's relevant to hear from the Department Heads. If the Committee chooses the Selectman's budget then we need not bring in the Department Heads. Mike said the real question is the Budget Committee going to develop our own budget?

Alfred said before a Town Administrator we had the opportunity to meet with the Department Heads. Now Selectman Brown said there's a procedure which Alfred has never seen. Alfred asked when did this change. John said RSA 32:16-2, to confer with the governing body or bodies and with other officers, department heads and other officials, relative to estimated costs, revenues anticipated, and services performed to the extent deemed necessary by the Budget Committee. It shall be the duty of all such officers and other persons to furnish such pertinent information to the Budget Committee.

John said there were changes to the Highway Department budget that the DPW was not aware of until he saw it. Martha said that happens a lot. Martha said she wants to hear from the Department Heads if they feel the budget being presented is not what they perceive to be as their budget. Selectman Brown said he sees Martha creating a war between the Department Heads and the Town Administrator by doing it that way. Mike said he wants to avoid that. Selectman Brown said that's why we have a Town Administrator. Martha said what she objects to is a Department Head meeting with the Budget Committee with a budget that has been changed and they have no knowledge of the change.

John Leavitt said the Town Administrator is performing as a Town Manager. Selectman Brown said no he is not, he is doing his job.

Mike brought the discussion back to the meeting schedule. John would like to receive the Department Heads submitted budget to the Town Administrator. Selectman Brown said to John what he is saying is the Department Heads don't feel comfortable working with the Town Administrator to argue their own case.

Alfred would like to stay on the same schedule as last year, be provided with a copy of the draft Department Head budget well ahead the night they are scheduled and then the Selectman's version will be presented with the Department Head present.

Kimberley would like to start the process earlier, early July, so the Committee has a feel on what's coming ahead, the Committee decided upon July 7th to meet with the Department Heads and find out how the year is going and what they think is going to happen the following year. She said the Committee should do tours of the buildings sometime in September. The meeting schedule will be similar to last years.

- C. Jonathan will be the representative to the CIP.
- D. Alfred will be the representative to the Road Committee.
- E. Kimberley will be the representative to the Economic Development Committee.
- F. Selectman Brown said the land for the fire station will be purchased soon.
- G. The town will be going out to bid for the roundabout on April 12, bids will be open on May 5.

5. Adjournment

A motion was made and seconded to adjourn at 9:02 pm.

Respectfully submitted,
Mary Whalen
Recording secretary