



**Warner Board of Selectmen  
Meeting Minutes  
Wednesday, May 25, 2016  
APPROVED**

Selectman Carson opened the meeting at 3:30 pm.

In attendance: Selectman Clyde Carson - Chairman, Selectman Allan N. Brown, Selectman John Dabuliewicz and Jim Bingham – Town Administrator

Audience Attendance: Kimberley Edelman, Mike Cutting

**1. Budget Planning**

- A. Mike Cutting, Chairman of the Budget Committee and Kimberley Edelman, Vice Chair of the Budget Committee met with the Board with a proposed Budget Committee meeting schedule based off of last year's schedule.
- B. Mike said one of the topics the Town Administrator wanted to talk about is how did the budget process go last year and what do we need to correct or adjust for the 2017 budget year. Mike said from his personal perspective he thought great strides were made last year in getting material to the BC in a timely basis. By doing so the rehashing of things 3 or 4 times was reduced greatly. Mike asked for suggestions to improve upon it. Chairman Carson said from his perspective from the last few year's, last year was the best year in terms of process, and the question is how do we build on that. Kimberley asked if there are any specifics. Chairman Carson said the meeting schedule was in-sync, and the Selectmen scheduled their planning based on that schedule. Selectman Brown added the meeting dates were also set based on when the insurance rates come in as well.
- C. Mike said the schedule was also adjusted to accommodate when the Board makes decisions on wages. Selectman Brown said having the Selectmen decided upon wage increases early on in their discussions was helpful. The Town Administrator said by November 10<sup>th</sup> of last year the Selectmen were able to present a complete budget.
- D. Mike asked what the Board thinks should be done differently from last year. The Town Administrator explained that each department budget reflects the numbers the department head wants, he and the department head make adjustments, if necessary, and then the Board looks at the budget and then department budget goes to the BC. He believes if the BC wants to help make a better budget they really need to focus on the justification notes. For the BC to come in and start looking at the current year, what we spent to date compared to last year and then get into arguments on why this and why that is unproductive. What the BC is looking at is a moving target and we are telling you the spent to date is a snap shot in time and we have the rest of the year to go through. The BC members are feeling, why am I looking at these numbers if there not real, but, the Town Administrator feels if the BC looks more closely at the budget that's being requested and the justification notes he thinks it will help the Selectman's office and the BC get a better understanding of the actual expenses. To wait to the end of the year when the numbers are closing out and questioning the changing figures, is again unproductive. There are good reasons for the end of year figures changing, there's a lot of invoices that will not be paid until the end of January and that is not going to change. The Treasurer sent an email asking if he should attend this meeting to explain that the books cannot be closed early because then there will be a lot of journal entry's that will need to be moved months later by the auditors. The books must remain open until the last week in January. The Town Administrator said he does put pressure on the Department Heads to minimize expenditures in the last 2 weeks of December.

- E. Mike asked how do other towns close their books so much earlier, he said he has talked to some towns that close their books December 31 or January 10. Selectman Dabuliewicz asked what kind of staff do those towns have that you talked to. Mike wasn't sure. Chairman Carson said he has a similar concern. Kimberley said what she wonders about is if the town is paying invoices at the end of January what are we doing to our suppliers books. Selectman Dabuliewicz said the question is when are the suppliers billing us. Kimberley said the other side of the question is how much impact does the previous year's closing of the budget matter when we are planning the next budget. Does it impact decision making for the next budget and if so by how much. We may be working our pants into a twist for no reason. The Town Administrator said that's why I'm saying if you want to know what's going on in the budget we are proposing, you need to look at justification notes. Essentially each year is different, by looking at the past year's, your looking for a trend, but you can't hold the letter to the law on what happened last year is going to happen this year, it's not realistic. What's more realistic is what Kimberley pointed out.
- F. Selectman Brown said one thing that happened the first few year's he was on the BC, but it didn't happen last year. There were complaints about the Department Heads bringing in their budget and then the Town Administrator was changing the numbers that went to the Selectmen and BC. The Department Heads were coming in not knowing the changes. Selectman Brown said the process works and feels the BC needs to be careful not to do what it did the first few years he was on the BC and say we want to have the budget at a zero increase. That's why the Town Administrator had to make cuts to achieve the zero increase and that makes it hard between the Department Head and the Town Administrator and it makes it look like the Town Administrator is arbitrarily cutting the budgets.
- G. Mike said he has asked the last couple of years what does the BC want to do, a flat budget or not. The process has been let's see how the budget comes in. The items coming forward in 2017 are the roundabout, if the bids come in too high, fire station, which is a bond item, the budget is impacted by leases for equipment, a solar array and the Odd Fellows Building. Mike can foresee keeping the budget process as low as possible because all of those things will impact the tax rate. How do we handle all that? Selectman Dabuliewicz said to Mike when you use the word budget and you talk about the separate warrant article items, that's the full budget. It's the operating budget is were the BC has the ability. Mike said it's what ends up coming out of the wallets to pay taxes.
- H. Selectman Brown said the real shock and horror is when some of the BC members said they want to see the budgets presented to Jim before they are reviewed by the Board. Selectman Dabuliewicz said the allegation was that things were being done by the Town Administrator and the Department Heads had no idea. Mike said what would be helpful is when the budgets are presented to the BC, show the original budget from the Department Head and the budget after the Selectmen review it. Kimberley asked why. Selectman Brown said it's not the Department Heads that have the ability to present to the BC, it's the Board of Selectmen that present the budget. Kimberley asked Mike why he feels it's important to present the two budgets. Mike said the concept behind that was the BC would know what the Department Head needs are. Kimberley said by doing that you would be forcing the BC to have to rehash that discussion that already took place.
- I. The Town Administrator wanted to go back to the perception that there is a distinct difference or there's a lack of communication between what the Department Heads want and submit and what finally reaches the BC. This is just not true and he also feels the BC completing their tours of the departments is a plus. He talked about the budget reports and reporting, he doesn't mind getting new information to the BC but he is looking for is a full vote of the committee, not a shout out.
- J. Chairman Carson said the discussion is almost to an agreement and it would be good to say the budget the BC gets from the Selectmen will be the budget the BC works with, that will be the starting point as opposed to trying to come up with 3 different angles at the budget. He feels it would save the BC time and from our perspective we need to make sure the department input is fairly represented. Selectman Brown feels the system works, the Department Heads meet with the Town Administrator and then he brings the budget to the Board. When the department budgets are reviewed by the Board, the Department Heads are invited and expected to be there the same when the budgets are presented to the BC.

- K. Chairman Carson said the Selectmen are also working on revising the grade and step matrix this year as well. He doesn't know if this will effecting the budget in 2017.
- L. Selectman Brown asked the Town Administrator if the December 15 BC meeting date works for him. The Town Administrator said he can have a fairly accurate revenue report on this year's revenue and from there he can put together a conservative projection for next year. He said the tricky thing about revenue is that when there's pressure to count grant revenue, when it's not solid, it brings our non-tax revenue to a point where we are fooling ourselves in terms of what we think the tax rate will be. As much as some of the BC members want to see strong revenue numbers, the Town Administrator cautions against that, because the numbers are not known. What comes in, it comes in, the town has very little say in revenue unless the town is actively going after grant money. Kimberley said hopefully everyone on the BC has learned that revenue is always conservative.
- M. The Town Administrator said he understood the issue John Leavitt had with the salaries. The overall salaries went up higher than 2% because overtime was added. He said he is going to work on a report that shows the salary/wage growth from last year to this year. He is also going to break out the overtime in Police, it's already broken out in Highway.
- N. Mike asked if anything needs to be added to the budget presentation process. Kimberley wants to know if it's painful to create the budget presentation, if yes, she has a problem, she thought it was automated. Mike did too. The Town Administrator said he creates the excel budget presentation report from information provided from the Munismart program and updates the actual column and creates the proposed column. Kimberley suggested looking into the Munismart program to see if it has the capability of generating a similar excel format. Kimberley said she loves the report, she just doesn't feel the Town Administrator should be putting so much time into it.
- O. They talked amongst themselves about the process last year and Selectman Brown felt the BC members complained about the capital budget more than anything. Kimberley feels the BC needs to be a little bit more careful or kinder to changes to the previous year's numbers as they are updated, you can't impact them anyway. What the focus should be on is the next budget.
- P. The Town Administrator said he is trying to get the BC members to feel comfortable about emailing him questions. Kimberley asked if he wants questions from every member or would he prefer the questions get filtered through one source. He said in the year's he's been doing the budget he has had 2 BC members see him and 3 actually sent an email. What he is trying to do is not feel he has to walk into a BC meeting with a catchers mask on the day of the meeting. He would rather have the questions ahead of time to be able to answer in the public sector. Kimberley suggested the budgets come through Mike or herself and they collect the questions. Mike would rather the budgets be sent directly to the members. The Town Administrator suggested to have the members send their questions to Kimberley and she will consolidate them and send them on to the Town Administrator.
- Q. Mike said when a Department Head has a new expense, for example the Police Department surveillance cameras, let's have firm proposals rather than something on the back of a napkin. Kimberley asked what would the quotes do for the BC. Mike said it substantiates the budget more realistic. Kimberley said your asking for proof that they did their jobs properly, that's how it sounds to her. Mike disagrees and feels it adds validity. Kimberley doesn't feel the BC should be asking for a pile of quotes, it's not the BC job, we should just ask for the information. The Town Administrator understands where Kimberley is coming from, more cooperation and less sense of distrust, and distrust is the sense he gets from some BC members, we do complete do diligence.
- R. The Town Administrator talked about consolidating some warrant articles. In order for him to do so he needs the BC to recommend first. Kimberley is not in favor of this suggestion, she feels the citizens want to vote on each item. Selectman Brown said Newbury and other towns consolidate. Kimberley suggested asked the BC for their reaction. They then finished reviewing the BC meeting dates.
- S. Chairman Carson asked about having the BC sit on the stage during Town Meeting as it was done in the past. Kimberley said there are members who would rather sit in the audience. Mike asked why the

question. Chairman Carson said he always thought it was good when the Budget Committee sat on the stage, it's the BC budget being presented.

## **2. Adjournment**

A motion was made and seconded to adjourn at 5:09 pm.

Board of Selectmen  
Clyde Carson – Chairman  
Allan N. Brown  
John Dabuliewicz

Recorder of the minutes: Mary Whalen