



**Town of Warner
Budget Committee
Approved Meeting Minutes
January 7, 2021 7:00 PM**

No physical location for this meeting; it was conducted via Zoom.

At 7:00 p.m., Chairman Michael Cutting called the meeting to order and read this preamble:

Good evening, as Chair of the Budget Committee, I am declaring that an emergency exists and I am invoking the provisions of RSA 91-A:2, III (b). Federal, state, and local officials have determined that gatherings of 10 or more people pose a substantial risk to our community in its continuing efforts to combat the spread of COVID-19. In concurring with their determination, I also find that this meeting is imperative to the continued operation of Town of Warner government and services, which are vital to public safety and confidence during this emergency. As such, this meeting will be conducted without a quorum of this body physically present in the same location.

At this time, I also welcome members of the public accessing this meeting remotely. Even though this meeting is being conducted in a unique manner under unusual circumstances, the usual rules of conduct and decorum apply. Any person found to be disrupting this meeting will be asked to cease the disruption. Should the disruptive behavior continue thereafter, that person will be removed from this meeting.

Please note that all votes that are taken during this meeting shall be done by roll call vote.

1 – ROLL CALL

ROLL CALL: Mike Cutting (Chairman), Candace is in the room; Martha Mical and Alfred Hansen together alone; Kimberley Brown-Edelmann, alone; Martha Bodnarik, alone; Dave Minton, alone; Ray Martin, alone; Jonathan Lord (Select Board's Representative), alone

Also present: Diane Ricciardelli (Town Administrator), Michele Courser, Judy Newman-Rogers (Selectman), Clyde Carson (Selectman), Kelly Henley (Finance), Bill Chandler (Police Chief), Sean Toomey (Fire Chief), Michael Simon, (Library), Nancy Ladd (Library), Tim Allen (Public

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Works Department), Varick Proper (Transfer Station Foreman), John Leavitt, Kristy Heath (Recording Secretary)

Chair Cutting said they only had that meeting to discuss the water precinct and the operating budget. The following week they will discuss capital and revenue. The meeting afterwards will cover expenditures for 2020 and they will come up with the final wording for the warrant articles. The meeting on January 29th will be a public hearing, which will be continued to February 2nd if necessary.

Water and Sewer Precinct Budget – Ray Martin

Ray noted that there had been an employee leave the first of November, and a new employee came on January 1st. This caused changes in the healthcare and wage lines in the form of a budget decrease from \$455,000 to \$449,576, which is a 1.23% change.

One savings Ray mentioned was due to a state license fee not being needed this year. The fee is for a permit to discharge into the river. This comes due once every five years, so this year there is a savings.

General Government: wages are down 17.6% because the new person gets paid less than the outgoing person. The new person did cause a slight increase in the uniform line, however.

Chemicals: expenses for this line are up in order to satisfy their phosphorous and copper permits.

Service Outside Contracts: this line is up because they have to refurbish one of their two wells to get better production.

The overall budget for Sewer is up .5%.

Water Precinct

Wages: are down reflecting the new employee.

Chair Cutting wondered if employees were still doing projects instead of outsourcing to save money. Mr. Martin said that they are. They use the money in the **Service Outside Contractors** for materials for projects.

Debt Service Capital Outlay: is basically the same. Principle payments go up as the bond goes down.

Revenue Estimates: \$450,207. The tax rate won't change unless the valuation of the town is adjusted. Estimated income is down a little, reflecting usage.

Chair Cutting said the total budget, as it stands now before they begin looking at it is \$108,457 over last year (2.67%). With this increase considering everything going on, he didn't feel it was exorbitant. He applauded the town administrator, administration and selectmen for coming in at a reasonable level. Chair Cutting gave the floor to Mr. Carson about the increase, and to explain the changes that were made from the last budget the committee had reviewed.

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Mr. Carson shared a screen showing where the large increases could be found. The approved budget last year was \$3,471,487. He included in his list anything that was \$5,000 over or under their amounts last year.

Library: up \$21,911 due to the revaluation.

Health Insurance: down \$43,036 due to a change in employee insurance.

NH Retirement: these charges are from a downshift from the state to the tune of \$30,533.

Social Security: they discovered that the Police Department doesn't require the Town to save for this, so the Town is observing a savings of \$28,649.

Wage Increases: they changed the grade and step scale to \$.25/hour, so this line went up \$13,181. This was done to help offset the increase in health insurance to the employees.

Sand and Gravel: this went up \$31,000

Paving: this was increased by \$18,000

Fire Department Volume Increase: based on the call volume they have had to increase \$17,859

Computer Costs: up \$8,000

Comprehensive Insurance: up \$8,000

Highway Department Labor: they have moved Tim Allen into full-time so there was an increase of \$8,086

Town Hall Labor: they have restructured, which has resulted in a decrease of \$23,888.

Transfer station Labor: they increased hours to keep people distanced during Covid-19, which was an increase of \$7,607.

WCC Backflow Device: all town buildings needed this. The cost is \$5,829.

This was a subtotal of \$73,057. The total changes are a 2.1% increase over the 2020 budget.

Operating Budget

Chair Cutting said the operating budget is \$169,621, which is a \$10,493 increase over last year.

Martha Mical recommends taking out the newsletter because the library does one already. Perhaps the Selectmen could add something to it. Clyde said the newsletter from the library is online only and not everyone gets it. The town newsletter goes out in the mail to everyone in town. He feels there is a need to continue with the paper newsletter.

Martha Mical asked about the panic buttons in the town hall. She thought they had already been installed. Therefore, she has recommended the removal of \$1,680 from the Office Supplies and Equipment line. Diane said that the buttons have been installed last week but she worries that the office supplies and Equipment line might go over regardless. \$5,744.65 was spent to date. The expense for the panic buttons haven't been paid for yet, which will add the total spent. They

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have another week to pay expenses for 2020. Diane said their Covid supplies are more than they anticipated, and they do have to consider the elections this year. They also go through a lot more paper because everything is getting mailed. Martha said if the panic buttons have been paid for and were installed, it shouldn't be coming out of 2021's budget. Diane said it is still in the narrative but it should have been taken out. Martha Bodnarik said that they should go with Martha Mical's suggestion until they get an updated count of the expenses in that line.

Martha Mical said there is \$1,000 under Expense of Town Officers and they spent only \$159. She suggested reducing it to \$500. Diane said this line is for travel expenses for meetings. Due to Covid, it was thought that meetings won't resume in person until fall, so this was a reasonable cut.

Martha Mical thinks they should put back the \$1,399 for the newsletter which is a reduction of \$2,180. Diane said that they will need to purchase more ink and paper this year than in past years, so they need to keep that in mind. Chair Cutting said this leaves \$3,300 in the Office Supplies line. Diane said they are doing all they can to save money on office supplies. They are not extravagant with this line. Diane said she would be comfortable with \$5,000 for this line but they will work with whatever they get. It is a lot of work for them to look for discounts all the time. They have spent \$5,700 on office supplies this year, but they will work with what they get. Diane said she underestimated the line last year.

Martha Bodnarik asked for a clean copy and explanation for the next meeting for them to vote on. The office supplies line is especially important.

Chair Cutting asked the committee members if they would feel comfortable voting that evening or if they wanted a better explanation of the office supplies line. Jonathan said he would like a vote that evening. Ray said he would vote that evening. He thinks the \$6,500 is going to be spent in the office supplies line, and thinks the narrative was old and that the line doesn't actually include the panic buttons. Martha Mical wanted to vote that evening. Martha Bodnarik said she wasn't comfortable voting that evening. Alfred said he would be OK to vote that evening. Kimberly said she wouldn't vote that evening for that department. Dave Minton said he still had a question about another part of that budget. He would rather wait for a vote. Chair Cutting said they would postpone the vote on this portion of the budget to another date.

Dave Minton asked what the increased hours were for computer expenses. Diane said they got some of the money back for some added expenses with a grant, but Dan's line was missing funds for his regular hours. They did have to purchase some new computers because the ones they had were not compatible with Zoom. Dave asked if they were anticipating the same expense this year for Dan. Diane answered in the affirmative.

Election Budget \$2,916

Martha Mical proposed taking all but \$150 from meals for the elections because there is only one election this year. Ray Martin said this needs to cover lunch and dinner for the election, as well as water and snacks for the workers for the day. He thought the expense of \$250 was reasonable. Dave Minton agreed. Martha Bodnarik suggested that people would be fine to bring their own food and only be provided snacks and water. Ray Martin said this is to pay for food for those who work all day at the polls, not for those who come in to work just a few hours. He didn't think they should nickel and dime people like this.

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Roll Call Vote:

A "Yes" vote would reduce this line by \$100.

A "No" vote would leave the line alone.

Lord: No, Martin: No, Mical: Yes, Bodnarik: No, Hansen: No, Kimberley: No, Minton: No

The budget for that line would remain as-is.

Finance: \$69,811

There were no suggested adjustments.

Tax Collector: \$54,494

There were no suggested adjustments.

Treasurer: \$5,000 (same as last year)

Martha Bodnarik said if giving raises to everyone on the step schedule, someone like the deputy treasurer should get something. She hopes that in the future the selectmen and administrator would give a nod to these kinds of employees. Clyde said the increase in wages was to offset the added cost to employees who had experienced increases on their medical insurance. Martha asked if they gave this increase to everyone, even if they do not use the town's insurance. Clyde said they did. Kimberley said that there have been some years when stipend employees have received increases.

Town Clerk: \$79,968

Ms. Mical suggested taking out \$630 from the meetings and seminars line.

Roll Call Vote:

A "Yes" removes \$630, making it 79,338.

A "No" keeps the line the same as proposed.

Lord: No, Martin: Yes, Mical: Yes, Bodnarik: Yes, Hansen: Yes, Edelmann: Yes, Minton: Yes

The budget will be reduced by \$630.

Trustee of Trust Funds: \$550

Kimberley said they split the \$550 between three trustees, of which she is one. She gave her portion to Dale Trombley, who used to be a trustee. She has continued consulting to the rest of the trustees and doesn't get paid by the town but does so much for them. Martha Mical asked if more should be put in that line so their consultant can be given a stipend. Kimberley said she thinks that would be fair, but she would leave that up to the Selectmen to make that decision.

Ms. Bodnarik suggested increasing this line to \$600 to allow \$200 each, as they deserve it for the weight they carry. She wasn't making a motion, just making a comment that stipend employees should get a bump. Clyde said that at the end of the last fiscal year they had some forms that had to go to the state. Dale was the only person who understood how to do it. Had it not been for her, they couldn't have met the state requirement. Kimberley said the trustees used

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to have a bookkeeper, and it was Dale for 15 years. The bookkeeper was the one who got the stipend. Now they don't have a bookkeeper because the board changed and all the trustees were asked to contribute to this task. So they decided to split the stipend between them. Martha said a bookkeeper giving that amount of time should get something a little more fair. Chair Cutting said there was no motion so they would leave it at \$550.00.

Assessing \$36,800

Ms. Mical had some suggested changes:

Wages: she said this position has been reduced to 10 hours/week and if she gets \$18.87/hour (which she rounded to \$20/hour) that would mean a reduction of \$5,440. Diane said that was incorrect information. She said it is a 27 hour/week position. Clyde said the total town hall labor was reduced by \$23,000 and each individual line doesn't line up as it once did.

Alfred said last year they combined land use and assessing into one position. Now they are proposing in 2021 to break the position back into two? Diane confirmed this to be true and said combining the position did not work. Now they are back to 27 hours a week for the assessing department. He wondered why it didn't work last year. Diane said it was too much work for one person. They needed to diversify and they tried it without success. The position is 27 hours a week.

Ms. Mical said \$900 out of Outside Services could be cut because when she did the multiplication that's what she got.

Ms. Mical said she would like to cut \$200 out of meetings and seminars. Diane said training is important for this position as the person is new.

Ms. Bodnarik asked why they were asking for 3x the amount spent this year for outside services. Diane said that is what the assessing department had anticipated for this year's pick-ups.

Roll Call Vote:

A "Yes" would remove \$1,100 from the above-suggested reductions.

A "No" would keep the lines as they are.

Lord: No, Martin: No, Mical: Yes, Bodnarik: Yes, Hansen: Yes, Edelmann: No, Minton: No

The cuts were not approved by the majority. The budget will be maintained at \$36,800.

Legal: \$11,000

There were no suggested adjustments.

Benefits: \$131,635

There were no suggested adjustments.

Land Use: \$35,121

Ms. Mical said they don't need two sets of maps. She wanted to reduce the map budget by \$150.

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Roll Call Vote:

A "Yes" removes \$150

A "No" keeps the budget as-is.

Lord: No, Martin: No, Mical: Yes, Bodnarik: No, Hansen: No, Edelmann: No, Minton: No

The budget will remain at \$35,121.

Town Hall: \$17,186

There were no suggested adjustments.

Warner Community Center \$21,659

Ms. Mical asked Ray if the backflow had been done at that building yet. Ray said as far as he knows, it was scheduled to be done in the new year. There were no suggested adjustments.

Old Fire Station: \$800

The lease runs out in June 2021.

Clyde said the town is still under review about the lease. He isn't sure if the sale will be done by June but the goal is to have it done in 2021.

Cemeteries \$26,001

There were no suggested adjustments.

Insurance: \$100,441

There were no suggested adjustments.

Central NH Regional Planning Commission: \$20,999

There were no suggested adjustments.

Police Department Budget: \$551,096

Ms. Mical asked about the heat in the building. Not much was spent on propane last year. She suggested reducing the line by \$420. Chief Chandler said as of December 29, 2020 their heat had a remainder \$361.18 of funds but said there was an increase in the price for propane this year. Martha Bodnarik thinks the amount should stay the same and not be reduced. Ray Martin said the past two years have been warm winters. Propane has changed in cost but the gallon usage is down because of the warm temps. A few cold spells will blow the budget out. He thinks they should keep the line the same. Chief Chandler said that they are in the building day and night so unlike other buildings, they can't turn down the heat at the end of the day.

Roll Call Vote:

A "Yes" removes \$420 from the heating line.

A "No" keeps the line as-is.

Lord: No, Martin: No, Mical: Yes, Bodnarik: No, Hansen: Yes, Edelmann: No, Minton: No

The budget remains as is.

Fire Department: \$206,794

Chair Cutting noted that this department has received an increase in calls this year and this is not projected to change. Chief Toomey said that since it is a new building, he would like to keep the heating line the same until they get an idea of how it will be in the winters.

Mr. Minton asked if there had been a slow-down in the last month with calls. Chief Toomey said no. They had 44 calls in December. Dave asked about the New/Replaced Equipment and the purchase of radios. Chief said from that line they spent a lot of money on hoses and nozzles that have been failing. They haven't bought radios from that line recently. They are \$5,200 each. Radio purchases come from capital.

Martha Bodnarik asked about the heating system and the high electricity expenses. Chief Toomey said they have a heat pump system and a propane boiler. There is a combination system of propane and electricity. Kimberley said the lights in the building are LED and are energy efficient. There are a lot of big motors requiring electricity in the station. Judith noted that there was \$600/month in electricity bills which seemed high for an unmanned building. Chief Toomey said they could have a review of the energy usage by someone to see if there is an issue, but they are cutting their propane expenses in half. Martha suggested Eversource come in to do an energy audit on the building to see where the energy was being used.

Diane said MagiTek has recently offered free data loggers for every room to see where the heat and energy was going. It was thought that the town should take MagiTek up on this offer.

Mr. Hansen said he had a problem doing an energy audit on a brand new building. If they are under budget for propane, it would be interesting to know what the projected electrical usage was for that building. Chair Cutting said the reason to do an audit now is to see if they can save money in some ways, and to see how accurate the engineer's calculations were about the energy consumption.

Ambulance \$86,000

Chief Toomey said this was an estimate on his part because it is an average over three years of their call volume. He hadn't heard back from Hopkinton so had to make an educated guess on the amount. Diane said she would try to contact Hopkinton.

Building Inspector: \$5,200

Ms. Mical said next year this individual needs to encumber his fees instead of re-appropriating his money; there is \$500 he didn't claim. Diane said the extra \$500 is for zoning compliance and she apologized for the confusing explanation. Judy said wages cannot be encumbered.

Emergency Management \$8,351

There were no suggested adjustments.

Highway Dept \$1,121,911

Ms. Bodnarik said that in the future, she would like capital items to be put under the capital budget, and maintenance items under the operating budget.

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Ms. Mical asked where secretary who works two days a week is paid from. Mr. Allen said she is paid from the part-time wages budget.

Ms. Mical said they have an extra full-time person so didn't understand why overtime has increased. Tim said the reason they increased this is because he is trying, during winter maintenance, to get the crew out a couple hours earlier to get a pre-salt on the road to conserve on sand. They've tried it for three storms this year and he believes it will make a tremendous difference. Looking back at his past over-time and this year's it looks like he has \$11,000 left over. If they have to, they can back \$8,000 out and ease into his new plan for this year. Overtime averages \$33,000-\$34,000 per year. He put the \$8,000 in the overtime because it is a two-hour increase per storm for 25 storms for the crew.

Ms. Mical asked to remove \$9,000 from the overtime line.

Mr. Hansen wondered where the extra \$100,000 from the first approved budget came from that they had been working with. Diane said when she first sent things to Chair Cutting, she sent the working budget sheet to him. Chair Cutting accidentally sent this out to everyone, and it was only her notes. It wasn't meant for all to see as the numbers were not correct at that point.

Mr. Minton asked about the pit and how they could get sand from it. Mr. Allen said that they would need to blast rock to access a vein of sand, but they can't with their current Alteration of Terrain Permit. He doesn't want to make winter sand from the product in the pit because they can use it for another project.

Roll Call Vote:

A "Yes" vote will remove \$9,000 from overtime budget.

A "No" vote will leave the budget as-is.

Lord: Yes, Ray: Yes, Mical: Yes, Bodnarik: Yes, Hansen: Yes, Edelman: Yes, Minton: Yes.

The budget is reduced by \$9000.

Alfred suggested that Tim Allen put that line back in the budget for Tim Hayes so the budget committee can see what is being done. Tim said that he hoped the tracking they are doing will help with maintenance in all of areas Mr. Hayes is working. He doesn't have an issue putting the line back in, but if the information is compiled each day and put out there, it is up to him to put an appropriate budget with it.

Roll Call Vote:

A "Yes" vote removes the \$9,000 from the budget.

A "No" vote leaves the budget as-is.

Lord: Yes, Ray: Yes, Mical: Yes, Bodnarik: Yes, Hansen: Yes, Edelman: Yes, Minton: Yes.

The budget is reduced by \$9,000.

Exit 9 Streetlights (all street lights the town pays for) \$11,500

There were no suggested adjustments.

Transfer Station: \$257,358

There were no suggested adjustments.

Health and Welfare: \$22,363

There was some discussion of the Riverbend expense. It was decided to keep this as-is.

Ms. Mical asked to reduce the Direct Assistance in Welfare to \$8,000. Diane said that they cannot refuse people who come to the town asking for help. A lot of bills have come in at the end of this year and more will be coming in. Ms. Bodnarik said that there is no end in sight for people who are looking for jobs and this is going to be an issue for a while. She wondered if the line should actually be increased. Kimberley believed that it was going to get worse before it gets better and this wasn't the time to cut that line.

Martha Mical rescinded her suggested change.

Martha Bodnarik asked if they get inundated with a lot of requests, what can they do? They only have \$10,000 in contingency. The selectmen will have to take money from other departments to cover expenses. Diane said that people cannot be turned away even if there are other resources for help. Ms. Bodnarik suggested that if they become inundated, perhaps the library newsletter could include a plea for donations to the town to help cover the costs.

It was asked when Town Meeting would be. Clyde said that voting would be held outside in May when the weather was nicer.

Transfer Station

Varick Proper, transfer station foreman, joined the meeting and said the \$43,675.84 for part-time labor was incorrect.

Full-time and Telephone numbers were correct.

Disposal Costs: This year actuals were \$12,088; he asked that it be funded at \$12,000.

Electrical: This year's actuals were \$5,039; he asks that it be funded at \$5,000.

Heat: While that line was under-spent last year, the historical average is \$2,200.

Building Maintenance: \$3,000 is correct.

Fire Alarm, Uniforms, Office Supply, Equipment numbers looked OK.

Vehicle Fuel: \$1,200 would be more appropriate than the \$800 listed.

Improvements and Grounds Maintenance, Training, Certification/Safety all look OK.

Transportation: this closed last year at almost \$24,000. Rates are going up in 2021 so he recommends \$25,000 for that line.

Wheelabrator: this year closed at almost \$74,000 and they are looking at a 1-2% increase. He recommends \$75,000

Tipping fee: this line is fine.

NERR: he suggested using \$220 instead of \$210.

Recycling: this can be \$900.

This brings the budget to \$246,649.04

Chair Cutting said there are some discrepancies between these numbers and the Selectmen's numbers. He didn't want to do any voting on it until there was chance for discussion among the Selectmen.

Parks and Recreation \$34,280

Ms. Mical asked about the porta-potty. Kelly said the number last year wasn't right. It had something to do with a handicapped or a regular porta potty. April is going to pull the potty near the ice rink because they won't be using the rink this year. Ms. Bodnarik suggested making sure the lighting isn't turning on at night to prohibit people from trying to skate.

There were no suggested adjustments.

Library: \$215,458

Chair Cutting said that this cannot change as it is part of the formula created by the library when it was donated to the town.

Memorial Day: \$0

There were no suggested adjustments.

Conservation Commission: \$1,038

There were no suggested adjustments.

Chair Cutting said they would make sure a clean copy of the budget is provided to the committee members based on the changes made that evening.

The following meeting will cover capital, revenue and answers to questions that arose from that night's meeting.

Kimberley Edelmann moved and Martha Bodnarik seconded to adjourn the meeting at 9:59p.m.

The motion was approved unanimously.

Respectfully submitted,

Kristy Heath, Recording Secretary

Town of Warner