

APPROVED – APRIL 18, 2019

Town of Warner Budget Committee

Meeting Minutes

Tuesday, February 5, 2019

7:00 PM Warner Town Hall



I. OPEN MEETING at 7:00 PM and ROLL CALL

Martha Bodnarik
John Leavitt

Michael Cutting (Chairman)
Ray Martin (Water Precinct)

John Dabuliewicz (Selectmen)
Martha Mical

Alfred Hansen
David Minton

In Attendance: Town Administrator - Jim Bingham, Selectmen - Clyde Carson and Kimberley Edelman

***Note:** Kimberley opened the Selectboard's meeting to run concurrently with the Budget Committee meeting.

II. APPROVAL OF MINUTES

Minutes of January 10, 2019 motion made by Martha Mical, seconded and unanimously approved

Minutes of January 17, 2019 motion made by Martha Mical, seconded and unanimously approved as amended

III. OPEN PUBLIC HEARING at 7:02 PM for the budget process. Hearing no questions, no discussions the Chair closed the Public Hearing at 7:05 PM.

IV. OPERATING BUDGET

The Chair explained that he will proceed through the budget by department.

1. Board of Selectmen Office Budget

A. Newsletter (Discussion and Motion)

BOS Office budget is \$152,269. There was conversation between Alfred, Ray and the Chair confirmed they were reviewing the budget prepared by the BOS which was dated January 31, 2019 with a total budget of \$3,110,816 listed on line 321 of the spreadsheet. That figure includes cuts made on January 22, by the BOS and on January 24, by the Budget Committee. Ray discussed the BOS budget and the reduced figure of \$1,999. He also referenced items restored to budget lines 12 and 14, \$800 and \$200 for the newsletter and office equipment, respectively. He believes the newsletter is an important tool to keep the people in town informed. **Ray made a motion to restore \$800 to line 12, the motion was seconded.** John L. stated that he is against this motion. Alfred clarified that removing the \$800 would leave the line with \$1,000. **The motion failed and the \$800 will remain reduced from that line item.**

B. Office Equipment Line (Discussion and Motion)

Ray proposed a motion to restore \$200 to the office equipment line. We spent \$3,298 in 2018, we spent \$2,991 in 2017 and \$3,450 in 2016. This cut would reduce the line item to \$2,500. **The motion was seconded.** Jim B. stated that in the line item the BOS supplies paper for the Land Use office and the hazard mitigation plan. He asked that the committee leave enough money to cover costs for paper. The Chair stated that in 2018 we had a budget of \$2,800 in this line item and spent \$3,298. Jim stated this expense is for paper and ink cartridges and other items that are necessary. The Chair asked if those items are charged to a specific department. Jim responded not necessarily. Alfred asked if Land Use has a line item for paper. It was noted that they have a supplies line. Jim stated that may be mylars but, he is not sure. This is not a lot of money, he said, but if we do the Master Plan or the Hazard Mitigation or Emergency Operations plan these create a lot of demand for paper. Judy Rogers, from the audience, commented that in relation to the Hazard Mitigation it looks like the Emergency Management office has a line with \$500 for supplies. Jim stated that paper comes from the BOS office. The Emergency Mgt. office supply line goes to more durable items like maps and chart boards. He said that Ed increased that line to

stock the Emergency Management office. Judy stated that sometimes the paper is charged back to the department at the end of the year. Alfred stated that every department has a supply line in it. Alfred asked Jim if during projects such as the mitigation project is that when paper use is above and beyond what is normal. Jim stated yes, one of the biggest supply items is paper. Alfred stated that he did not understand why each department doesn't have a supply line in it. Jim said if he was to surmise that we go into that type of modality it would be a lot of extra paperwork to charge back reams of paper to different departments that may not currently have that supply line. Jim stated that there is \$200 in question and urged the committee to make a decision. ***The Chair said the motion has been made to reinstate \$200 back into that supply line. Yes vote – 3, No vote – 3, the Chair made the tie breaking vote of yes. The motion passed, \$200 will be reinstated to the office equipment line.***

C. Town Administrator Salary (Discussion and Motion)

John L. commented that he made a spreadsheet on **wages** which was forwarded to committee members. There are eleven employees who did not receive an increase of 2.8%. In order to give them a raise we would have to take money out of the Town Administrator's and Bookkeeper's salaries. He proposed to reduce the Administrator's salary by \$4,631. He asked if everyone was familiar with how he came to that figure or would they like him to review it. ***John made a motion to reduce the Town Administrator's salary by \$4,631. Alfred seconded the motion.*** John L. proposed that up until March 31st all wages will be kept as they were distributed until after April 1st. At which point they will be reduced by 2.8% of the 2018 salary. He explained that there were employees of the town that were told they would be compensated the following year. This is a two part system, taking care of a few this year and next year the remaining employees. He feels that since the Town Administrator was deeply involved in the wage study, he should at least be one of those people who are taken care of later. We should take care of other employees this year. John D. stated that the BOS did not develop a two part system. Alfred asked if there was a two part system planned for next year. John D. stated that he couldn't comment on that since there isn't anything planned. John D. commented that there was an update that was given to the committee back in Dec. 2018.

Ray stated that the salary issues were a decision of the BOS and he believes it would be out-of-place to take back those increases that have been implemented. He is not agreeing with how it was done, but it was done and in the budget. Therefore, he feels it should remain in the budget. John L. and Kimberley disagreed about the statement that the BOS had potentially made a mistake relative to wages. John L. stated that if something outrageous happens in the budget in one year, we should not come back the following year and automatically approve it. John L. believes that the committee should make a stand and this action will serve as a partial correction for what happened in terms of wages. He feels that the committee has a responsibility to the town to set the budget at a reasonable figure.

The Chair stated that during the wage study process certain employees had wage adjustments. He asked Jim B. if the intention was to make additional adjustments in 2019 or 2020, or was this a onetime adjustment to just specific employees. Jim B. stated that everyone got an adjustment in the sense that we were moving all the town employees onto a new matrix. They put town employees on the step that was the next highest for their current wages. Of the 23-to-24 employees, eleven of them had to be adjusted just to be on step one, regardless of length of service or job responsibilities. Consequently, some employees got large jumps other did not. In fact, only two people, a part-time employee and a full-time employee were already being paid a salary that put them on the end of first quadrant of the matrix. The BOS had the goal of getting all employees moved into or past the first quadrant or the first 25%. The ultimate goal is to get people up to the mid-range 50% quadrant which will put Warner right in the middle comparatively to other towns in the state. In the next phase, the BOS will look at how to develop a process to adopt to incorporate step increases, specifically what will be the criteria. Also, how to deal with merit bonuses or longevity pay. Some people were already paid quite well for their job so their adjustment to be placed into the new matrix was not very big. The consultant's evaluation found some employees were underpaid for what their job responsibilities were compared to what other towns were paying employees for the same position. This had nothing to do with raises and 2.8%. The BOS are responsible for dealing with compensation and keeping well paid strong workers.

Police Chief Chandler stated I was told that this was a two year endeavor and that they were going to get these people up to the 25th percentile. The following year they would evaluate the rest of the people as it related to longevity and other issues surrounding their jobs. That was his understanding the day after the BOS voted to give these raises.

Alfred asked the BOS to tell the committee why they proceeded with the way they did and not in line with past procedures. He commented that wages typically have been discussed right up until the last minute. The BOS decided to do this two months early without discussing it with the budget committee. Kimberley responded that in November 2017 after the BOS reviewed the wage study they came before the committee with the four worst case employee pay rates to be brought into the matrix. The budget committee warned do not do it piecemeal, do it all at once. We took a year to implement the wage analysis so that it would not be piecemeal. She continued that it was done openly in view of the employees for over a year and a half. It was publicized in the newspaper and employees saw the data. We implemented it in time for those who have always been way under paid would get something in time for Christmas. It was also a demonstration of our desire to finally make right the fact that our wages were so out of whack for some of our individuals. We needed to do it and she apologized for completing it a year later than we should have. Alfred expressed his frustration with the BOS for not communicating fully with the budget committee as wage increases effect the budget. Kimberley thanked the committee for the feedback and stated that it was a good learning opportunity for the BOS. This was a new process specifically for her as a new BOS Chair. She committed to share this feedback with the next board of Selectmen. Alfred stated that last fall the committee tried to avoid this problem by designating a certain time to talk wages. He expressed his frustration with the process and why the committee wasn't involved. Kimberley thanked him for his comments.

Judy R. has found in her extensive research that there were four full time employees in 2017 that were presented by the BOS to have wage adjustments. The part-time employees were stated to be okay. Gary Thornton had presented in the wage study that his proposed wage chart for March 2018 included a 3% increase. So, 2017 numbers that were provided were increased by 3% over what he was purposing the BOS use for 2018. This wage chart is what the BOS are using because they didn't decide to do anything in 2017. So, the difference in the numbers between 2017 and 2018 for the individuals who received adjustments should be 3%. So, I would propose that those that are below the wage scale at least be put on the wage scale and the others using their 2017/2018 wages at 3%, then be put on the wage scale. Because those employees are losing out on any increase, they need to be adjusted by 3%. John D. stated that every employee has been put on the new wage scale at the rate that Gary suggested, the BOS never directed it to be at 3%. John D. stated that the step takes into consideration the 3%, it is included. Judy reiterated that employees didn't get that 3% increase.

Jim B. stated that everyone got the \$0.35 increase. What this did was give the more moderately paid individuals a boost. Jim B. asked Judy's for clarity on her suggestion. He interpreted it to mean all the employees who were below the one step would get on and the others who had a salary or wage and were put on the next highest step. Then make an adjustment of 3% and put them on the matrix for the next step. Judy clarified that in 2017 the four people that were proposed to have adjustments, those amounts are now different, they have increased. She commented that if they were given in 2017 most of them would have received a different amount. So, if you are going to use 2017 numbers then use them for everyone. Jim stated that in 2017 to his knowledge there was only a partial increase for some of the full time people. John D. stated that in 2017 the increases were the \$0.35 increase, no one received more. Judy stated that someone did receive \$0.90 more. John stated that was a separate undertaking from this current conversation. Judy said that the people who were put on the wage scale are benefitting from that 3% increase. The others who are just being put on the wage scale are just getting their rate of pay. He went on to say that if you look at the matrix the 3% which Judy is referencing is included in the matrix that was used in November. Everybody got that and no one was left out. No one got anything in 2017 except someone who got a step increase.

The Chair reminded the committee that there was a motion on the floor to reduce the Town Administrator's salary by \$4,631. Ray asked if the BOS do not cut the Administrator's salary where is this money going to be cut? John L. stated that the committee should not go through this budget and discuss every cut as if the BOS are not going to comply. He doesn't believe that is the job of the committee.

Ray commented that the budget has already been reduced by a vote of 4 to 3 by \$51,000. John stated that the goal was \$80,000 in cuts. Ray clarified for the record that this was part of achieving that goal and John agreed. **The Chair moved the motion for a vote. Yes vote - 4 to No vote - 3. The motion passed in favor of reducing the Town Administrator's salary, reducing it to a suggested \$74,222.**

D. **General Discussion** (Contingency Fund, Town Administrator, Bookkeeper, Software/Computers, Tax Rate)

John D. asked why the committee is spending time discussing wages when the money will not necessarily come out of that line item. The Chair stated that the committee could very easily remove the \$80,000 out of the bottom line, but potentially we will be asked at the town meeting to justify the amount and where it should come from. Clyde C. stated that as he understands it the \$80,000 which you said is roughly half of what we have been running as a variance for the past several years. That is about a 5% variance, which he believes is a pretty good variance. He explained that this new variance will potentially be around 3%. As the budget committee prepares for a higher level of contingency fund we are at a greater risk of bumping up against the operating budget. He is concerned that if something that is unplanned happens we are not going to be able to support it. His question for the committee was are you prepared to support a higher level of **contingency fund**. The Chair stated that the contingency fund is set at \$10,000 and the limit that we can fund it is \$31,000. Clyde said his concern is that we are going to run into a problem in 2019, if we reduce the bottom line of the budget by \$80,000 and we don't increase the contingency fund. He wants to know the committee thoughts on this issue. John L. said he would be in support of it to mitigate unplanned costs and to have an alternative for the BOS to have at least \$31,000. The Chair agreed with increasing the contingency fund balance of an even \$30,000. A contingency fund expenditure has to be justified. If we proposed raising that fund to \$30,000 then it would offset the cuts that we are proposing.

Alfred reflected back on when the town first decided to hire a **Town Administrator**. One of the first things that happened was the Finance Dept. got cut in half. He stated that in 2009, the budget was 3% cheaper. The budget grew from 2007 to 2009 by 7% to 11%. The Finance Dept. did not increase over the years. So, recently if the town is doing almost 8% to 10% more business why is the Finance office expense increased to almost 30%. We have only increased the business aspect of the town \$280,000 in comparison to our expenses in the Finance office. That one office which we thought was going to save us money just 9 or 10 years ago is now costing of twice as much as we thought. The growth of that department has not matched the growth of every other department in that town. He finds this to be very concerning. When a department increases 8% to 9% a year, wages are obviously a part of that increase. Jim B. stated that when you look at the increase of various departments over the years and you state that they seem to stay in line with the overall budget increase. When you consider the big departments and the capital reserve fund for equipment that growth is quite substantial. In terms of the Operating Budget the Finance Dept. has three lines, support software, salary and audit costs. Back in 2009, when the Finance office position was to be evaluated eight months after you got your first Town Administrator, it was a part-time position. When I came before this committee two years ago you had over \$350,000 _____(inaudible on recording?) going back to 2009, your finances were not in great shape. The problem with the part-time **bookkeeper** the town was losing them every two years. The current bookkeeper was taking work home in order to get things done. I made that business decision to make that position full time. There have been more financial demands on that office because of DRA ruling, state rules and articles which justify that position being full-time. As a consequence the financial situation in town has improved and is transparent. When I made that simple recommendation there was some strong resistance to that proposal. Jim stated his concern that there are some dynamics here that are very disruptive to the process of working together professionally.

Alfred responded to Jim by saying that he understood what was said but there is one key issue that he never hears. Everyone talks about **software, computers** and how they are so much more expensive. Software does a lot to help each department. So, the software is more expensive which in turn makes the department run more smoothly. Jim stated that one large improvement currently in progress is the software in the Assessing office will be able to communicate with the tax office. This has cut down on manually transferring data between those two offices. We have not spent a lot on software. We have upgraded hardware on computers which is a necessary maintenance practice.

Kimberley stated that she had heard suggestions that maybe the **Bookkeeper** position should be part-time. She had a conversation with the Treasurer who stated that she has observed the Bookkeeper's amount of transactions that she is managing for the town and was impressed. John L. disagreed, he stated that he recently had a conversation with the Treasurer and she stated that the position did not warrant being a full-time position.

The Chair referenced back to Clyde C. statements about raising the amount in the **Contingency Fund**. The amount would be \$30,000 and would possibly eliminate the need for some of these reductions. John L. clarified that we could still implement those reductions but, the Contingency Fund would help mitigate some of those reductions.

Judy R. stated that the Town Administrator's position was created with the hope of saving the town money. In addition that individual would be taking on the majority of the financial responsibilities. The original idea was that the **Town Administrator** was to take on the extra burden of the bookkeeping and various financial responsibilities. We answer to the town's people as elected officials. The Chair countered that a lot has changed since 2008 and 2018 and the responsibilities of the Town Administrator and the finance dept. are not the same as they were in 2008. Judy stated that the change should be brought before the Town's people because this is financially effecting them. Jim B. stated that he does have significant financial responsibilities, the budget comes from my office and he has sought grant money of over \$300,000 for the town. Alfred clarified that he is not questioning Jim's performance. It is the finances of the town which he feels a responsibility to protect for the town's people.

Jim stated that he does not understand the \$80,000 figure and how that was derived, usually these numbers will have some definitive back-up. The Chair stated that it was a figure the committee agreed to as a budget reduction. Jim asked the committee what was their **goal as to the municipal tax rate**. The Chair said using the \$3,273,982 figure which we had arrived at on January 24, and the \$638,300 capital budget figure. Then everything that Kimberley had sent me on that formula using the \$1,200,000 for revenue, applied debt surplus of \$10,000 and additional applied surplus of \$100,000 an overlay of \$50,000 and credits of \$94,000 based on the evaluation of the town the tax rate will go from \$9.34 to \$9.68, or roughly a 0.34 increase which is roughly 3.665%. Jim asked if the Chair took the total appropriations and decreased it by \$100,000 how would that effect the tax rate. The Chair said it would drop the tax rate by a penny (\$0.01).

Martha B. stated that we chose a number which we thought was fair to reduce the budget. She ask that we please proceed with the budget. We are trying to show the town that we are reigning in some of the spending while realizing that nobody can hold a firm line in the current economy. We are trying to produce a fair and reasonable budget. The BOS have made their budget, now let us make ours.

E. **BOS Administrative Assistant** (Discussion and Motion)

John L. made a motion to make an addition to line 6 of the budget. The BOS Administrative Assistant, she did not get a 28% raise, of \$649.00 which would bring her salary to \$35,175. No second, the motion fails. Martha B. commented that the committee should not be playing with the salaries or the pay. We give the BOS a lump sum and they do with it what they want, she implored the committee to move on.

F. **BOS Office Budget** is \$144,839. No further questions or discussion

2. **Elections Budget.** No questions or discussion

3. **Bookkeeper's Salary** (Discussion and Motion)

The Chair asked if there were adjustments to be made on Finance. John L. proposed the **Bookkeeper's salary be reduced by \$6,664, reducing it to \$43,340. The motion was seconded.** John L. explained that he used the same formula as he did for the Town Administrator. All wages will be received up to March 31st then reduced by \$6,664. It will result in a 2.8% salary increase over 2018, which will still give her over 13% for the year. The wage study said this position is usually combined with another position. John D. clarified that

other towns usually combine the Tax Collector and the Town Clerk's positions, not the Bookkeeper. Kimberley added that it would be a conflict to have you main revenue position combined with the Bookkeeper's position. There was discussion between John L. and the committee and Jim B. about a salary increase that the Bookkeeper received which the budget committee did not get a chance to comment on. John D. replied that particular increase happened in a non-public session of the BOS.

John D. stated that there was a point system that is used to rate the responsibilities in an individual's job. Mr. Thornton used this to place the Bookkeeper's job into a particular place in the wage matrix based on actual duties performed. That is how the salary increase was determined. He continued to say that all employee's positions were evaluated the same way. He didn't think that Mr. Thornton did anything nefarious. The salaries were based on the actual duties of the job. Jim B. added that the Bookkeeper did receive a wage increase based on the same criteria that the BOS have used for other people who have completed training and have improved their skills. Jim said that we did that for an employee in the Police Dept. and for the Deputy Town Clerk. This falls within the purview of the BOS and is legitimate.

Judy asked if it was perfectly legitimate why did it happen in a non-public session. John D. replied that it was a personnel matter and was handled in non-public. Although, he conceded that a vote should have been taken in public. The Chair stated that wages have not typically been handled in non-public session. Ray stated that at a previous town meeting the town voted not to put individual employee salaries in the town report. Ray stated that we always hear about what the townspeople want, what about services and access in relationship to taxes. What are they willing to sacrifice? He concluded that maybe that will become more clear at the Town Meeting.

The Chair redirected the committee to the motion on the floor, to reduce the Bookkeeper's salary by \$6,664. Yes vote – 3, No vote – 4. The motion failed. The Bookkeeper's salary will remain untouched at \$50,004.

4. **Tax Collector's Budget** and the reduction of tax liens by \$200. The new budget number would be \$53,881. No questions, no further discussion.
5. **Treasurer's budget**, \$5,000. Alfred asked if the Treasurer is paid hourly. It was stated that she is paid a stipend. He asked if the Bookkeeper's job has increased in responsibility why hasn't the Treasurer's. In 2016, the Treasurer did get an increase, Jim stated that we could look at that again. No further questions, or discussion.
6. **Town Clerk's Budget**: \$74,799. Martha M. asked if 1,390 hours equates to 30 hours a week. Jim stated, no, it is averaged based on the contact that we had with the Deputy Town Clerk. She wanted to work no more than 15 hours until we got to Town Meeting. At that point it would be revisited. That represents the first quarter and averages to 27 hours a week. Kimberley clarified that there is money in the budget to cover 30 hours a week. Alfred asked how many hours is the Town Clerk position. Jim stated that a previous Town Meeting set it at 35 hours a week, which is considered full-time. Judy stated that the previous Town Clerk tracked her hours for a year to determine the hours (35 hours), she also said it was not set at Town Meeting. No further questions, or discussion.
7. **Trustee of the Trust fund**: \$550. Hearing no questions or further discussion.
8. **Town Assessor's budget**: \$38,220, which includes a reduction in outside services line item by \$1,500. No further questions, or discussion.
9. **Legal Budget** (Discussion and Motion)
Ray made the recommendation that the committee reinstitute \$8,000 for a total of \$12,000. We are participating in a lawsuit with Eversource and the lawyer has said that town will spent at least \$12,000 this year working on that effort. Ray stated it should not be part of the Contingency Fund. Martha B. stated it would also not be unforeseen and therefore could not go into the Contingency Fund. Alfred clarified that this suit is in reference to the taxation of the "poles." It was Alfred's understanding from a comment made by Martha M. that this money was set aside previously for this purpose. Martha M. said that if that money isn't utilized it goes back into the general fund at the end of the year. ***Ray made a motion to reinstate the \$8,000 to the***

Legal budget, it was seconded. John D. stated that Warner along with the other towns involved in this litigation should be prepared for this hearing. John L. said that we have asked about this issue in the past and were told it was a non-public matter and could not be divulged. Kimberley made that comment, yet, has learned that it is part of client-lawyer privilege and it could be discussed. **The Chair moved the vote. It passed unanimously. The Legal budget is recommended to be set at \$12,000.** No further questions or discussion.

10. **Benefits:** set at \$176,275. No questions, no discussion.
11. **Landuse budget:** \$34,162. Previously \$3,600 was taken out of professional services, and \$1,000 was taken out of Legal Expenses. No further revisions, questions or discussion.
12. **Government Buildings - Town Hall** (Discussion and Motion)

The budget for this item is \$18,586. Ray would like to restore the previously removed \$100 for electricity, \$200 for heat and \$600 for maintenance. Funding for heat and electricity have been reduced every year for the past six years. Heat is being reduced below what was spent in the previous year. Also, he does not want repair and maintenance to get nicked and dined with reductions. **Ray made a motion to restore \$900 total back into those individual line items.** John L. stated that we can save more on electricity and heat. He has witnessed two instances where space heaters were used to heat an entire room. He has found that space heaters are more efficient when used to heat a small defined area, for instance close to where someone is sitting. There have been an instance when a window was left ajar, or lights were left on. He felt that this should be better monitored and more savings could be realized. **The Chair stated that the motion has been made and seconded. The motion failed and \$900 will remain removed from the Town Hall budget, totaling \$18,586.** No further questions or discussion.

13. **Old Graded School Building** (Discussion and Motion)

The committee discussed \$500 being removed from the maintenance line, leaving \$2,500. **Ray proposed replacing that \$500 to the maintenance line, adjusting the total to \$3,000 for maintenance. The motion was seconded.** David M. asked what caused the jump in the line for 2017, an overage. Jim stated that the boiler and heating units had to be replaced and repaired. Alfred inquired as to the purpose of the \$3,000 in maintenance. Jim stated it was previously discussed with the committee a reference to a notation on the budget was discussed. **The Chair moved the vote on the motion. Yes vote – 3, No vote – 4. The motion failed. The \$500 will remain removed from the maintenance line, budget total for Graded School building is \$17,159.** No further questions or discussion.

14. **Old Fire Station:** \$4,150. Kimberley said thank you to the more than 25 citizens who signed the *petition* article directing the BOS to put the old fire station up for sale. Martha M. added and return the property to the tax rolls. No further discussion or questions.
15. **Cemeteries Budget:** \$23,200. The BOS took \$2,000 off the line item repair of monuments. Ray asked the BOS why that was reduced so much. Jim said when he talked to Gary Young he said a lot of the repair have been done, we could taper off the amount in that line item. No further discussion or questions.
16. **Insurance Budget:** \$79,694. No further discussion or questions. Central Government agencies planning is a total of \$20,820. No further discussion or questions.
17. **Police Department: \$528,580** (Discussion and Motion)

Revisions were made to part-time wages we took off \$6,000 which drops that line item to \$15,275. Vehicle fuel line item was reduced by \$2,000 which drops that line item to \$5,400. The Police Chief Chandler stated that he needs at least \$16,140 for Contract Services, out of the current allocation of \$16,845. **Martha M. made a motion to reduce Contract Services by \$705. The motion was seconded. The Chair moved the vote and it passed unanimously. The Police Dept. line item Contract Services is reduced by \$705 totaling \$16,140.** No further questions or discussion.

18. Kimberley asked if the **committee** wanted to do anything different with their salaries in light of the recent news. One committee member (? Not identified on audio) commented, "no."
19. **Ambulance Budget:** \$77,000 paid to the town of Hopkinton. Alfred asked Jim if the town gets billed for Ambulance services. Jim stated that there are two payments, July and December. Alfred asked if they are asking for more money. Jim stated that it should be roughly the same amount as last year.
20. **Fire Department Budget:** \$171,346. To review we took \$3,000 out of new equipment which reduced that line item to \$25,000. The committee took \$1,000 out of the forest fire line item reducing it to \$2,000. Ray asked if there is a new and replaced equipment line why some money came out of the capital reserve fund. Kimberley stated that the capital reserve fund was specific to costs to build the building. Jim cautioned the committee to keep in mind that the equipment is expensive and some of the turn-out gear gets worn out quickly and is costly to replace. The suits are inspected to determine if they need to be replaced. The personal fire fighter capital reserve fund builds a buffer to handle these types of expenses. No further questions or discussion.
21. **Building Inspector's Budget:** \$4,700 which includes a reduction by the BOS in the Compliance Officer's salary of \$200. Emergency Management budget is \$9,101. No further question or discussion on either item.
22. **Public Works Budget:** \$1,049,931. (Discussion and Motion)
The Chair inquired about the Street Light budget of \$11,500. They discussed the Transfer Station budget of \$237,360. The committee previously added in \$1,000 to electricity taking the total to \$5,000. Also, \$1,000 was taken out of building maintenance to a total of \$2,000. Varick commented about building maintenance which is a discretionary item and the reason it has been underspent for two years was that we ran out of time in the year to spend the money. The trash bill rate has increased next year's projection based on current usage is \$69,142.52. We have budgeted \$62,005 to cover that cost. Martha B. stated that the committee should add \$2,000 to this item. **Martha M. made a motion to increase the budgeted amount of \$62,005 to \$69,005. The motion was seconded. The vote passed unanimously.**

Alfred asked Varick what exactly this covers. Varick said it covers municipal solid waste that goes into the compactor and material that Market Basket sends down to the incinerator which they reimburse us for. That reimbursement which is about \$5,000 which is not revenue it is a BOS reimbursement item.

Ray made a motion to increase the building maintenance line item adjusted back to \$3,000 and an addition of \$1,000 which was previously removed. The motion was seconded. Alfred asked if we raise this line item and the transfer station did not have the time to complete projects before what is different this year? Varick said they had two employee with absences due to personal reasons this past year. He tries to save money on the labor line so if a shift opens up and I think we can get along without covering it, this at least gives a financial cushion towards the end of the year for unanticipated expenses. If a major piece of equipment fails we need some sort of contingency to cover it. **The Chair moved the vote. The motioned failed and the building maintenance line item remains at \$2,000.** No further questions or discussion.
23. **The Health Officers Budget:** \$17,363. No questions or discussion.
24. **Parks and Recreation Budget** total of \$36,053 which includes a reduction of \$2,000 in improvements and maintenance.
25. **Library Budget:** \$190,246. No questions or discussion.
26. **Memorial Day Budget** of \$1,500. No questions or discussion.
27. **Conservation Budget** is \$1,038. No questions or discussion.
28. **Budget overall net savings, Highway Dept. – Paving** (Discussion and Motion)

The Chair stated that there is a **net savings of \$43,814**, which is a total overall reduction to the budget. The Chair will verify the number and report to the committee at the next meeting, February 7, 2019. Martha B.

stated that if this number is correct then the committee is **short \$36,186**. She would like to take that out of the paving line of the Highway Dept. In recent years they have not been able to use all their paving money. This year they are looking at perhaps \$208,000 and that was prior to the addition of the Town Hall sprinkler project. There was some cross-talk between members to which Martha B. stated that the figure she is using includes the already encumbered amount. She stated that the paving projects are good projects but, if we cannot complete them this year we should not be budgeting for it. Clyde stated that we had a lot of rain this past year which impacted the Highway Department's ability to do paving projects. Clyde commented that people in town have commented that paving is an important issue to them. Martha M. stated that a lot of the department's paving budget is for projects that are being contracted out. The contractors have a tendency to get things done faster than we can. Martha B. stated that the dept. told us that they prep the sites prior to contractors starting. Her concern is that the Town Hall sprinkler project is a priority which will take up a significant amount of time. **The Chair confirmed that the motion is to reduce the paving line item of the Highway Dept. budget by \$36,186. No second was made to the motion. The motion failed.**

John L. made a comment that contract paving does not come out of the paving line item it comes out of the Capital Reserve fund. Martha B. responded it is supposed to. Alfred stated it was previously discussed by the Highway Dept. that they had four big projects to include the Town Hall and Kearsarge Mtn. Rd., Courser's Corner and the extension of Pumpkin Hill, as well as, Dustin Rd. He believes that if money is encumbered for projects they need to be completed. He would like to review the progress made on these projects and in a year's time. At that time he may be agreeable to making funding adjustments, but he cannot at this time. No further questions or discussion.

29. John L. made a comment on the budget in its entirety. He is opposed to this budget as long as the Bookkeeper has a 31% increase in pay for one year. He stated that there is no way he can sign his name to that budget. The Chair stated that everyone on the committee votes the way they feel is appropriate.
30. Martha M. stated that there are some non-appropriation articles that do involve money which can be reviewed at the next meeting. These articles may result in receiving money. The Chair stated that the committee will review the Capital budget and vote on the Precinct and all other items. Jim stated that the Capital budget that should be referenced by the committee is Draft 11 (eleven) updated January 24, 2019. It shows a Warrant Article total of \$638,300 the amount needed from taxation is the same amount.

V. Motion to adjourn was made and seconded the meeting was adjourned at 9:23 PM.

Minutes Submitted by: Janice L. Loz