



Town of Warner

Budget Committee – Public Hearing

APPROVED - Meeting Minutes

July 14, 2022 7:00 PM

At 7:01 p.m., Chairman Michael Cutting called the meeting to order and took the roll.

1 – Roll Call

Mike Cutting (Chairman); Dave Minton, Christine Frost (Select Board Representative), Ray Martin, Robert Blake, Michele Kendrick, Harold Blanchard

Also Present: Ed Mical, Martha Mical

2 – Recommendations for Chair and Vice-Chair

Chair Cutting asked for the board to recommend a Chair and Vice-Chair for the upcoming budget year.

It was moved by Michele Kendrick and seconded by Ray Martin to nominate Mike Cutting to serve as Chair of the Budget Committee for the 2021-2022 budget season. The motion was approved unanimously.

Chair Cutting said that Aarika Reynolds had resigned as vice-chair of the Budget Committee because she moved to Sutton. A replacement was needed.

It was moved by Dave Minton and seconded by Mike Cutting to nominate Robert Blake as the vice-chair of the Budget Committee for the 2021-2022 budget season. The motion was approved unanimously.

3 – Budget Committee – Interested Member

Rick Bixby was present at the meeting. He had expressed some interest in becoming a member of the Budget Committee. Chair Cutting asked Mr. Bixby to tell the Committee a bit about himself.

Mr. Bixby said that he is 38 years old and has raised his family in the Town. He has tried to come to as many Budget Committee meetings as he can and finds them both interesting and frustrating. Chair Cutting asked if Mr. Bixby would be able to be present in most of the meetings. Mr. Bixby said that he could as long as he didn't have to plow in the winter. He works for the Town of Sutton. He added that if there was another candidate with more experience, he was OK with not getting the position. Christine said that anyone who volunteers to serve the town like this should be seriously considered.

It was moved by Ray Martin and seconded by Harold Blanchard for Rick Bixby to fill the Budget Committee open position left by Aarika Reynolds until March, 2023. The motion was approved unanimously.

Chair Cutting asked Mr. Bixby to get to the Selectmen's office to get sworn in sometime in the next week.

4 – YTD Expenditures

Chair Cutting said they would go through the expenditures and would answer questions as they come up. Ray wasn't sure why they needed to go through the YTD expenses. Chair Cutting said they wouldn't be going line by line. He would go through each department. Christine thought it was helpful to get the bigger picture. Ray said he just didn't want to get into the minutia of the budget at this point. Chair Cutting agreed. He added that they get a good idea at the 6-month mark how the budget is working. It can help them with their future budgeting. The costs of things are increasing and they may need to change how they do projects and how they budget for things like fuel, legal expenses, etc. It was noted that right now the vast majority of the welfare expenses is housing and hotel accommodations.

Christine said it is critical that the people understand that emails cannot be sent and cc'd to the entire Committee outside of a meeting, as it is then considered a meeting. Under the right-to-know law, this is not permitted. No one had done this, however Dave Minton had asked if he could have cc'd the rest of the committee with his questions about the budget.

Ed Mical said people can be notified of his questions in an email, but only for them to mull them over for discussion at the next meeting. Christine said that this is still tricky, because people are often used to replying to those types of emails with their thoughts and suggestions. Dave said that he did receive some answers from Diane. It was noted that the rest of the Committee had not heard Dave's questions.

Christine went through some of the questions that came to her:

Michele Kendrick asked about the Selectmen's expenses on Town Offices. 1-4130-01-690. The budget is for \$1,000 and they have spent \$1,850. This was a request from the Simmons school for a trustee fund. Christine said she has asked Diane if this was the correct coding for that expense. The school has a trust fund that they pull out when needed; they have to ask permission from the Town to use the funds.

Robert he did some research on this and found that the fund is used generally for programming once a year. It is appropriate to use it for this purpose and has been done so for a number of years. Ray said that the \$1,8000 was a trust fund expense and not a budget item. He didn't think it should have been a part of the operating budget. The Town has several trust funds but they are not included in the budget.

Christine said that in line 4140-3-620 Election Supplies there was an overage but it is currently negative. The program they have started using for the Supervisors of the Checklist, wasn't compatible with the computer they had, so a new computer was purchased. Chair Cutting thought that the \$12,000 budgeted would include the election computer. It shouldn't go into the supply line of \$800, which is for copies, etc. Christine said this is good information to know but it was OK if it showed up in the wrong place; they will add a note.

The next question was about Finance Officer Software. \$4,552 is the budgeted amount and they have already spent \$12,806.56. Christine said there are many pieces that go into the overage. There was an expectation that a person would come in to do the finances much quicker than actually happened. Many months passed before someone came on board. There is a lot less in the actual wages and hiring MRI was a substantial investment as a consultant to do the work in the interim. Dan Watts was also hired to help with the technology moving forward. The numbers, themselves are not off by too much. It is a shift from one resource to the consultants instead of to a new hire.

Chair Cutting said the report Christine had provided has Finance Administration, Finance, Tax Collector, and Town Clerk all combined. He said they need to be listed separately, as they are separate budgets.

The Assessing budget question was a coding error, and Christine said it would be moved.

Christine said that there was a refund of fuel in the propane tanks, as they changed companies. The propane had to be removed from the tanks and they will be refilled by the other company.

Cemeteries/American Legion – this was an account to purchase flags. She wasn't sure why the expenses that appear there for this wasn't thought of to be budgeted for ahead of time. Ray said the American Legion said they bought new flags to go up and down Main Street. There is a trust (Sibley Wilkins Trust) that generally pays for this expense. He thought perhaps this was coded incorrectly. He thought it was \$1,500/year.

Under the Police Department, part-time wages, should be in the Full-Time Wages line. There is no part-time wage line. The Equipment line item for the Police Department was not known at the time last year, but the tasers needed to be replaced because of technology advancements. This was an unexpected expense.

Under the Fire Department, the Dispatch Service line was fully expended as there was a bill that came and it was paid out; it was a yearly expense.

Michele had a question about the Transfer Station demo tipping fees. She recalled that there was a discussion about demolition materials being brought to the transfer station. Ray said they had also not been charging fees during Covid. It was thought that charging fees again would result in less of this type of trash being brought to the transfer station.

With regards to welfare expenses, Michele said she didn't think that they were budgeting enough as every year this goes up and up. Christine said she thought that other towns should be looked at to see what is happening with them. Chair Cutting said it used to be that people were supposed to pay the town back. He recalled some people who received welfare monies used to do community service to pay back the town in some way. He wasn't sure that this was even an option today. Christine said that 90% of this budget is to pay for housing/hotels for people in the town who are homeless.

Michele asked about Equipment Repair; she thought with aging equipment should they budget more? Christine said that they used the money to purchase a tractor, mower and an aerator. The tractor was initially going to be incorporated into the Highway budget but his expenses were going a little "nuts" so it was paid for by this line. She wasn't worried about this. Chair Cutting said the tractor that is being purchased will do a number of things. It will plow the sidewalks in the winter (replacing the old one that is used for this purpose), it will have a bucket for parks and rec. It will also have a 3-point hitch on it, and it will be able to mow.

Robert had a question about the expenditures for the extra help in the office. Christine said that they had an enormous field of people who came in to help, and their services must be paid for at the time of the service.

Ray said that he recently signed the quarterly checks for the on-call firefighters. Robert said the payroll amount spent looks quite favorable so far, but the extra expenses add a lot. Christine said they are currently doing a lot of work (labor).

The next question had to do with the revaluation work; Robert asked if it is usually done the second half of the year? Christine said they weren't doing a revaluation this year. There was not an Assessing Clerk for at least the first quarter of the year. The job was being done by others in the Town Hall, but no one had been hired to work on a regular basis. For the revaluation years, the budget does go up to anticipate the work that has to be done. The cost of a revaluation is about \$120,000 - \$140,000.

The last question was about the library. Christine said the library sets their budget and the Town pays it. Ray said that Town pays the library staff. Chair Cutting thought that Clyde had not coded it correctly; this is probably an accounting issue.

Christine said that when some of the wages look low, in addition to the vacancies in town, there will be an increase in spending of wages in the second half of the year. They chose to do for employees last year was to give them a COLA increase immediately and then implement a performance-based increase that begins July 1st. This will result in the wages going up the second half of the year.

Mr. Bixby commented (inaudible).

Christine said that in total, 42% of the budget has been spent at half-way through the year. She felt that this was good. Chair Cutting reminded everyone that they lost their bookkeeper in November of 2021. He thought that since then, and since a new bookkeeper has been hired, they will be in better shape at the end of the year.

Chair Cutting said they aren't that far off from where they were last year. They generally come in under budget at the end of the year.

There was discussion of the fact that prices for everything are increasing. The projects they had planned and had taken out loans for would be worked on as much as possible. It is better to do it this way than to put the projects off as prices continue to increase for construction.

Christine said Town Meeting directed the funds in the loan to be used for the five projects presented. It would be illegal to use the funds in any other way.

The next Budget Meeting would be September 22nd at 7pm.

Christine said no one joined via Zoom that evening.

It was moved by Ray Martin and seconded by Harold Blanchard to adjourn the meeting. The motion was approved unanimously.

The meeting adjourned at 8:25pm.

Respectfully submitted,

Kristy Heath, Recording Secretary
Town of Warner