



**Town of Warner**

**Budget Committee – Public Hearing**

**DRAFT - Meeting Minutes**

**January 19, 2023 7:00 PM**

At 7:04 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, Michelle Kendrick, Richard Bixby

Absent: Harold Blanchette

In attendance: Diane Ricciardelli (Town Administrator), Judy Newman-Rogers, Janice Loz (Land Use Coordinator)

Chair Cutting said he would like to discuss the new meeting schedule, as well as the upcoming vacancies on the Budget Committee. They would review the operating budget that has been sent around, and then the Selectmen’s office will present the capital budget and projected revenues.

**2 – Meeting Schedule**

February 2<sup>nd</sup> will be the first public hearing and it will be continued until February 7<sup>th</sup>. February 8<sup>th</sup> will be the final vote on the budgets. A different Zoom connection will be required on the 8<sup>th</sup> as there will already be another meeting in the office at the same time. The Town will borrow the library’s “owl” technology on the 8<sup>th</sup> and the Zoom connection information will be different. This information will be made available in advance for those who wish to log in. Diane said that the hearing on the 8<sup>th</sup> will not be interactive but the public will be able to view the meeting, as they can now, but without a screen on our end, to see the people at home.

**3 – Review of Minutes**

**January 12, 2023**

**It was moved by Robert Blake and seconded by Richard Bixby to approve the minutes of January 12, 2023 as amended.**

**The motion was approved unanimously.**

#### **4 – Budget Committee Vacancies**

Chair Cutting said that Dave Minton's term is up in 2023 and he will not be running again. Robert Blake's term had not been a full term but will also be up. He is planning to run again. Richard Bixby's term is up and he will also be running again to fill the seat. There is one open seat. Dave said he would try to find someone to fill his seat.

#### **5 – Operating Budget Review**

Chair Cutting said there were some substantial changes and he offered the floor to Christine Frost to present the information. Christine said there was a lot of concern about delivering the budget to the public the way it was. They started looking as hard as they could and entertained a lot of possible solutions. There were conversations with DPW Director, Tim Allen, The Town Administrator, and the Director of Finance to determine how they could use some ARPA funds, and move some things around in the budget.

The gravel line item was reduced by \$20,000 in the Public Works budget. Tim Allen felt this was something he could live with. Additionally, they reduced the fuel line from \$100,000 to \$80,000 due to the fact that gas prices seem to have stabilized. Christine said the Selectboard reassessed a lot of the line items in the budget to make cuts. Under Land Use, Legal and Outside Services had a combined reduction of \$1,000. There was discussion about a grant for the Land Use chapter (\$12,000) to pay the contractor (Central New Hampshire Regional Planning Commission) directly. Chair Cutting said that this revenue and expenditure needs to be included in the operating budget. Town Administrator will add the 12,000 for Land Use Chapter, and \$14,000 for the Ground Water grant and work done by Centra New Hampshire Planning Commission This was for \$14,000 but the work wouldn't be completed until 2023. She would put it in as revenue and as an expenditure in the operating budget under Conservation Commission.

The Selectboard will hold a public hearing to accept the funds in 2023

Robert Blake said that the changes made by the Selectboard reduced the increase by 1%.

Chair Cutting said the budget was \$4,336,512.25 at that point in time. He understood there would be adjustments still to come including the grants and associated expenses.

#### **6 – Capital Budget**

Chair Cutting said if they take the operating budget and the capital budget and put them together, they are netting out at about an 8.5% increase over last year. In view of inflation rates, perhaps this is not that bad. Mr. Gaffney said the Town was sold a package that said if they borrowed a large amount of money to do road construction projects, it would offset the budget. Considering the loan payment required, Mr. Gaffney does not believe the yare offset.

Christine said the Selectmen started out by reviewing the Capital Requests.

Bridge Repair: A CIP was set up for this; if they don't follow it year to year, they can't maintain the schedule Tim Allen has outlined. It has not changed.

Employee Health Insurance – \$18,000 was spent last year, and they had asked for \$15,000. This line was increased for this year to \$23,000.

Fire and Rescue – the CIP had \$150,000 which is an increase from the \$96,678 from the previous year. Fire Chief Jon France communicated that he will be safe with \$130,000

Firefighter's Equipment – this was left at \$36,800 as the apparatus is something they don't want to cut. It involves firefighter safety.

Highway Equipment – last year there was a \$160,000 warrant article. This year in the CIP it was outlined that they needed \$150,000. There was some discussion about what could be done with this. Tim Allen feels that he has a difficult time finding people with the proper CDL licenses and is looking to reduce the overall size of the equipment he will purchase for the future so people without the CDL can operate it. He agreed to limit the amount requested for this year to \$50,000.

Matching Grants – at this time nothing is being proposed. The Corridor Committee has done a great job, in her opinion. They got 510 responses in one week in the survey and are doing a great job getting the work done to look at the corridor between the village and exit 9.

Library Building – this was an anomaly last year that the Library was able to get some projects done that they hadn't planned. This was because the HVAC project didn't end up costing as much as they had planned. The Library doesn't anticipate any additional funding requests this year.

Police Vehicle – \$15,000/year is a reasonable amount. The way they do their CIP has leveled-off what they ask for each year.

Property Revaluation – \$32,287 . This will be costlier than was anticipated and they do not have a choice; it has to be done in 2025 and they need an additional \$60,000.

Preservation of Records – \$20,000 this is the last year that funds need to be contributed towards this and the project will be drawing to a close.

Town Hall Improvements – there is roof work that needs to be done. Christine wasn't sure of the end result or how it will get done, but they need to put funds aside for this project.

Transfer Station Equipment – \$50,000 of the \$100,000 they pulled out of the Highway Equipment line item will go into this line. There was \$0 asked for and there is nothing in the CIP for this, but there are issues at the Transfer Station and they will need funding going forward for when they decide what to do.

Christine said the budget includes a contingency fund of \$10,000.

With the \$12,000, and \$14,400 for grants added in, the total increase from 2022, for both operating and capital budgets combined, is 9.27%.

It was confirmed that there were ARPA funds (\$125,000) earmarked for bridge repair which will be used this year.

Chair Cutting asked Ed Mical about the dry hydrant project. Ed said he still has to talk with the fire chief to get some application in to do this project. Ed listed off where some of the hydrants were. He said there is one on Joppa Road they were going to do never got done. When asked, Ed said there were not any current grants available for this work. He thought there were 7 or 8 put in. The one at Warner Power has to be re-done.

Employee Health Insurance – EFT: There was discussion of the employee health plan. The employee pays 50% of the deductible. Chair Cutting asked if there was a cap on what the Town's portion is. Judy said it is 50% per the plan. It isn't 100% coverage of everything but it is a lot. Some expenses are not part of the deductible. There is a line item in the budget to pay for 50% of employee deductibles.

Ed Mical asked if the town received a Highway Block Grant for bridges in 2022. Christine said there were some grants that came in including ARPA funds and a Highway Block Grant which can only be used for the specific projects outlined in their guidelines. The Highway Bridge Funding can only be used for bridges. James asked how much of the ARPA funds are being used towards general highway maintenance. Christine said it is required that the Highway Block Fund can only be used on the highway. The bridge funds can only be used on bridges. James was under the impression that some of the earlier funds from ARPA (Covid-related funding) could be used for the Highway Department and thought they had to be used within two years. Christine said there were two projects that could not be completed in 2022 and Tim had asked that they encumber \$102,000 of his 22-year budget to get the projects done in 2023. On December 20<sup>th</sup>, 2022 they encumbered the funds at a Selectmen's meeting. The previous Tuesday night they unencumbered those funds and used some of the ARPA funds to complete the School Street Project (\$50,000) and the other project Tim will push off until 2024.

John Leavitt asked about the status of the Old Fire Station building. Chair Cutting said since it has been sold, the Selectmen will need to write up some warrant articles to dissolve the funds left in those lines. John said he understood those funds would have to go back into the General Fund. Chair Cutting confirmed this to be true.

Mr. Leavitt asked how the Selectboard can make a determination of what is needed for the Transfer Station Facilities if they didn't get a directive from the Transfer Station. Christine said that the consulting firm said they could fix their Transfer Station by doing a few different things; all cost a lot of money. No matter what happens, they know that they need to do something to reassess how the Transfer Station works. Putting in \$50,000 (bringing the total in the line to \$150,000) doesn't even come close to what will be needed. But it is a start. She has been told that the biggest issue at the Transfer Station is that a new skid steer is needed. She was also told that the two pieces of equipment they have currently could be traded in and, along with the \$50,000 in the line, could pay for a new skid steer. Next year they will need to take a hard look at future purchases for that department, which will include a new compactor. John Leavitt said he was not criticizing what the Selectboard has done; he is criticizing the lack of participation from the Department Head at the Transfer Station. He opined that the three plans from the consulting firm were completely useless. Christine said that there has been a significant amount of participation from that Department and that discussions have been ongoing.

James said the CIP program is the Planning Board's function, per statute. He felt the Department Heads have done a great job but there is information missing.

## **7. Revenue**

Chair Cutting said they always estimate the revenues low. They use this estimate to calculate the tax rate. Christine said it would be helpful at the bottom of the page to have the total before they add in the loan so people can see where the increase is. Ray said that this is the best they can do now to estimate the revenues. Before the tax rate is set, there is another estimate provided (September) to show the last three months.

There was discussion about the sale of property factoring into the revenues. James said there is a lot of property not on the tax roll that aren't doing the Town any good. Chair Cutting agreed.

Mr. Mical asked if there would be paper copies of the budget available for the public for the next meeting. Diane said there would be. The budget sheets would also be on the town's website for those who wish to review them that way.

**It was moved by Ray Martin and seconded by Michele Kendrick to adjourn the meeting. The motion was approved unanimously.**

The meeting adjourned at 8:15pm.

Respectfully submitted,

Kristy Heath, Recording Secretary  
Town of Warner