

TOWN OF WARNER

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BUDGET COMMITTEE MEETING

May 4, 2023 7:00 pm
Lower Meeting Room Warner Town Hall 5 E Main St

AGENDA

Chair Cutting opened the meeting at 7pm.

Voting for Chair and Vice Chair:

Motion by Jonathan Lord to nominate Mike Cutting for Chair, second by Bob Blake, and motion for vicechair by Jonathan Lord and second by Harold Blanchette. Roll Call vote:
Harold Blanchette - yes. Bob Blake – yes. Christine Frost – yes. Ray Martin – yes. Bob Blake – yes. Jonathan Lord – yes. Michele Kendrick – Yes. Richard Bixby – Yes. Herm Blanchette – yes. Approved.

Attendance: Chair Mike Cutting, Vice Chair Robert Blake (by zoom), Herm Blanchette, Christine Frost (Selectboard), Ray Martin, Jonathan Lord, Michele Kendrick, Richard Bixby, Diane Ricciardelli (Town Administrator), Judy Newman-Rogers (selectboard admin assistant.)

Expense discussion: The Chair introduced Town Administrator, Diane Ricciardelli, to address questions about expenses. Bob Blake had questions of expenses of Board of Selectmen, Town Offices, the line is over by several thousands. Diane explained that the board approved gift cards for the staff at the end of the December and the credit card bill arrived in January. This happens every year at end of year. Chair Cutting asked that this get into the correct year going forward. Chair Cutting explained that although we come in under budget at the end of the year, there are still expenses from 2023 that hit in 2024 and then they are charged back. So the savings at the end of the year, will likely be less. This will be part of the audit report. Bob Blake agreed with Chair Cutting that expenses should be accrued so that they show up in the year they were spent. If there is an 88k surplus, then it would be a 86k surplus.

Next question from Bob Blake was about OT for Highway. Diane spoke to Director of Highway, Tim Allen, and this happens every year in April. We had many weekend storms at the beginning of the year. Bob focused his attention on lines that are over and he does not feel it is productive to spend time on other lines, as we should look at lines that are already overspent. It is a reality that the budget is already spent, and it is just spent. Diane assured the board that the budget will not be overspent by the end of the year. This is the first year without salary savings and we cannot count on that.

Gas water heater and garage doors in Highway overspent that line in Highway.

Richard asked if came out of the highway budget. Diane explained that the overage may be made up by another line going under in another department.

Christine Frost explained that the exercise of the Budget Committee is to plan the budget for the next year.

Chair Cutting noticed that the postage is also over and will need to be increased for next year.

Discussion about mailing the Town Report from the Warner Post Office is significantly more and we lose a week if we mail out of Manchester.

Ray Martin agreed with Christine Frost that since this is the first quarter, when we put together budgets, it should be done in fall, not now. We are consistently over in one area and we should be using last year's expenses. It is a little early to be making these decisions. Diane and the Selectboard manage the budget all year long to be sure the budget comes in under budget.

Michele Kendrick asked about interest on loans are at 50 percent. Diane answered that if that is 50% then we have paid for half the year, not one quarter. Some interest and loan payment are billed that way.

Schedule

Chair Cutting talked about the schedule and had been talking to the selectboard about 2023 schedule. When the department heads come in, the budget committee does not have all the details worked out for the year. Chair Cutting would like a bottom line budget and that is possible after December 10 as the insurance, benefits are done, and the payroll plans should be done for the Town. Chair Cutting would like to start meetings after December 14, for departments, Dec 21, Dec 28, and January meeting with the Feb 1 public hearing. It is critical that the material is sent in advance so that for the Dec 14 meeting, materials need to be sent by December 7. Christine Frost would like to not have any changes to the budget, that changes happen at the budget meeting.

Chair Cutting explained that the new budget software displays the department request, and then the selectboard request, and finally the budget committee's budget. You can see changes reflected in the columns from one meeting to the next.

Herm noted that the budget software will help with getting different versions with dates on the bottom as sometimes people do not notice a date.

Ray Martin requested that the smaller budgets not be asked to speak to the budget committee as they are small (thousands) as opposed to the bigger departments. The small budgets can be lumped together and we would get a report as opposed to having them all present to the budget committee, unless there are questions by the budget committee. Have all the small the department at one meeting. This will reduce the time we spend in meetings when we should be focusing on the larger budget, Highway, Fire, Police, BOS, Water Department. We don't need to spend time on these unless there are big changes. Diane will be keeping notes in the budget module, and if you would like an excel spreadsheet coming out of the budget software without a date, you will put your own date. The nicely formatted report is a pdf with dates – that is the one that people like to look at, but it is not an excel spreadsheet.

Christine Frost said that the budget will be delivered as a whole budget, and not in pieces. The Budget Committee will get the entire budget reducing the time that individual departments have to meet with the budget committee.

During the 5-6 week period, Christine would like to revisit and let the budget committee do their work, then take a second look. But the selectboard will not be going back and forth. Chair Cutting asked if the Dec 14 will be the final budget. Christine said that is correct. Bob Blake would like to see when the entire budget is delivered, it would be great to focus on areas, opposed to departments, and I would be happy to work with Diane on this. The groups would be compensation, staffing, benefits, energy, and other large expense items. Bob Blake envisions a separate schedule, pulling them out, extracting them to see how the change in the budget is being driven by those accounts. Diane explained that with the new software, we can pull report as requested by Bob, and Bob said that would be perfect. Diane called attention to the codes on the far left, reports can be sorted by those codes. Bob suggested that the department heads can explain what is driving their costs and they could tell their story.

Mike Cutting asked everyone to look at the schedule. November 15 calls for the CIP and it is critical that the selectboard have this done by November.

The board agreed not to have the meeting in July. The meetings would start on Oct 19 (to review expenses). Michael will put the schedule together and send to the committee and the dates will be Nov 16 for CIP. December 14, 21, and 28. January 4 and 11, with other meetings in between if necessary.

Diane also suggested that she would send the expense report as needed. Chair asked that the questions be directed to Diane but send to everyone so that there are not repeat questions. We cannot answer the questions to the entire board, unless critical. This would be the revenue and operating reports.

Jonathan Lord asked if the budget committee could look at a vendor report. Chair Cutting did not think this was something the Budget Committee needed to consider as that is up to the selectboard. Diane said that she could run a vendor report with the budget software. Chair Cutting said that the Budget Committee's job is to prepare the budget that is fiscally responsible to meet the needs of the Town, and not to manage how or where it is spent.

Bob Blake asked when the tax rate setting happens. Ray Martin explained that the reports get to the DRA in September and we may be able to start looking at the tax rate in late October. Bob noted that we submit our revenue numbers and it may be adjusted by the state. Christine noted that there is still time to make adjustments after DRA provides the number and the process may take a few weeks. November is much more realistic so that the tax bills are sent by December 1 but it depends on when the tax rate is set. Judy Newman-Rogers noted that there were delays at the state last year but that Marianne likes to get the bills out and have a 30 day due-date that is prior to Christmas.

Adjourn at 7:25pm.

Posted 8/29/2023