

## **Budget Committee**

### **Meeting Minutes**

**12/18/17**

**Present:** Rob Glassett- Chair, Wayne Anderson - Vice Chairman, Janet Cavanagh, David Carr, Ashley Dolloff, Bill Cote, John Sellers, Walter Waring, Scott Sanschagrin, Elizabeth Schneider, JP Morrison- Selectmen's Rep.

**Absent:** Bob Emerson and Joe Caristi.

**Others Present:** Finance Officer Robert Blanchette, Town Administrator Nik Coates, and Select Board members Rick Alpers, Les Dion, and Paul Manganiello.

**Call to Order:** Chair Rob Glassett called the meeting to order at 6:30pm.

**Review of Minutes:** Betsy Schneider made a motion to approve the November 20, 2017 minutes, seconded by Wayne Anderson. The Committee voted 9-0-2 in favor of the motion. JP Morrison made a motion to approve the December 2, 2017 minutes, seconded by Ashley Dolloff. John Sellers made a motion to table the approval of the December 2, 2017 minutes, seconded by Walter Waring. The Committee voted 5-4-1 in favor of the motion. Betsy Schneider made a motion to approve the December 11, 2017 minutes, seconded by Walter Waring. The Committee voted 10-0-1 in favor of the motion.

### **Correspondence:**

**New Business:** Rick Alpers presented the following highlights of the Select Board budget recommendations:

The Select Board budget is \$408,159 higher than last year's budget. The Board cut just under \$200,000 off the Department Head recommendations.

Health Insurance went up \$125,000 which is a 21% increase.

New Hampshire Retirement increased \$23,000.

Merit Raises are budgeted at \$45,000. This is a fluid number as employees can earn up to a 3% increase.

The Computer line increased as IT services in town need to be tightened up town wide. The new company will provide great IT services and repairs for the town.

Paving is up \$100,000 as \$100,000 was encumbered from the year before. There are also three additional projects.

Document Digitization is budgeted only for the software license fee of \$1,500.

Bill Cote asked for an explanation of the tax rate. Rick Alpers replied that the school portion went up \$1.45 and the state and county portions went up a couple of cents. The town portion remained level as the Board put \$250,000 toward the tax rate out of the fund balance.

Wayne Anderson asked if there was any discussion regarding employees contributing more to health insurance costs. Rick Alpers replied that the Board chose not to do that but they did change the plan to save about \$15,000.

Wayne Anderson asked if the paving was encumbered from 2017. Rick Alpers replied that it was from 2016.

Dave Carr asked if any other types of retirement plans have been looked at. Rick Alpers replied that they have not as he is not quite sure that the town can pull out of the state system once you are in.

Betsy Schneider asked if the money that is not spent in Merit Raises will be put into Accrued Wages. Rick Alpers replied that it the plan.

Rob Glassett asked about the change in electricity and heating oil/propane is due to not anticipating a second building. Rick Alpers replied that those expenses would be in a building project warrant article.

Wayne Anderson asked how comfortable the town was with using BMSI. Robert Blanchette replied that BMSI is not ideal and not user friendly but that it costs a lot of money to change software systems. Rick Alpers commented that a new system would need to have good payroll functions compatible with the state.

Betsy Schneider asked why the chip seal money wasn't spent. Rick Alpers replied that the money was spent on paving and not chip seal.

Betsy Schneider asked if there are going to be any encumbrances. Nik Coates replied that there are three so far: restoration records, Pemi Trail warrant article, and the generator.

John Sellers asked if all the paving money was spent. Rick Alpers replied that it came close to it.

John Sellers asked why projects are not in warrant articles instead of the budget. Rick Alpers replied that the Board took one project out of the budget but the beach repairs in still in the operating budget.

John Sellers commented that the Fire Department revenues for EMS are only up \$10,000 and asked if there is not contract from January to March. Rick Alpers replied that the contract run from April through March 31<sup>st</sup> the next year. John Sellers commented that the town should charge more on fees. Rick Alpers replied that it is a user based system and Bristol is the largest user. The Board has spoken many times with Chief LaRoche about the contract and Bristol could face losing towns like Danbury if more costs are passed on. Paul Manganiello commented that a percentage of the cost of the new ambulance will be factored into the contract that year and will be part of the formula. John Sellers commented that he did not think the town charges enough revenue from the schools and the TTCC.

John Sellers asked why the new telephone system is not a warrant article. Rick Alpers replied that the Board decided to keep the cost of the phones and the service contract in the budget.

Betsy Schneider asked how the health insurance decreased. Les Dion replied that the Board decided on another plan. Paul Manganiello commented that the co-pays in the new plan have increased.

Bill Cote asked what the final number for the new town hall and police station is. Rick Alpers replied that the Space Needs Committee recommended 2.25 million dollars for the project. The architects are working on what the project will look like for that amount of money.

Bill Cote asked if there are other warrant articles. Rick Alpers replied that he knows of the Central Street project and the ambulance. Other articles haven't been presented to the Board yet.

John Sellers asked how the increase in the budget will be paid for and if the unreserved fund balance will be used. Rick Alpers replied that that Board takes the budget seriously but that there is a need to continue to operate the community in the best sense to them. The Board can determine if fund balance will be used next year at tax bill time.

Rob Glassett asked about the decrease in tipping fees. Rick Alpers replied that there are changes to the ordinance and the transfer station won't be taking commercial trash anymore so the costs should go down.

**Old Business:** Health Insurance:

Rick Alpers commented that the Board did discuss putting the total cost of health insurance in one line and that this is HIPPA compliant. Betsy Schneider commented that she disagrees doing this in the Water/Sewer departments which are enterprise funds. Paul Manganiello replied that the costs for health insurance will be shown on the revenue side for the Water/Sewer department. JP Morrison commented that he thinks this is the way to do this and he likes to see what the town is spending for the whole thing. Wayne Anderson commented that it is efficient accounting wise. Ashley Dolloff commented that this will be a transition year and asked for a breakdown of each department's health insurance costs in a summary report. Nik Coates will send an updated summary report. Dave Carr commented that it's the Budget Committee's budget and no one came in prior to tonight to discuss this.

**Member Comments:**

John Sellers commented that he is disappointed by the Select Board budget going up 10% and that means the tax rate goes up be a dollar. He believes that projects should not be in the operating budget.

John Sellers made a motion to adjourn, seconded by Wayne Anderson. The Committee voted 11-0 in favor of the motion.

Respectfully submitted,

Wendy Costigan