

**JOINT SESSION
BOARD OF SELECTMAN AND BUDGET COMMITTEES
2022 TOWN OPERATING BUDGET REVIEW
NOVEMBER 18, 2021**

ATTENDEES:

Board of Selectman Committee: Claudine Burnham (Chair), Andrew Rawson, Matt Morrill

Budget Committee: Humphrey Williams (Chair), Claudine Burnham, Peg Hurd, Larry Brown, Bob Carrier, Mike Beaulieu, Laura Turgeon, Lisa Gautreau

Staff: Chris Jacobs, Town Administrator

Mr. Williams chaired the meeting. He welcomed everyone to the Joint Session then asked the BOS to open their meeting.

Board of Selectmen: Chair Claudine Burnham called for a Roll Call to open the meeting: Andy Rawson – Yes, Matt Morrill – Yes, and Claudine Burnham – Yes.

Budget Committee: Chair Humphrey Williams called for a **Roll Call to open the meeting:** Larry Brown – Yes, Claudine Burnham – Yes, Bob Carrier – Yes, Mike Beaulieu – Yes, Laura Turgeon – Yes, Lisa Gautreau – Yes, Peg Hurd – Yes, Humphrey Williams – Yes.

The Pledge of Allegiance was recited.

Mr. Williams explained the purpose of the meeting was to continue the review of the proposed 2022 Town Operating Budget and work towards a mutually agreed upon budget. Mr. Williams had met previously with the Town Administrator to correct some errors and make the preliminary budget adjustments to the spreadsheet as suggested by the Budget Committee. He wanted to assure the department heads regarding the salary that because the town voted on and approved an Employee Pay Plan, salaries are treated like “contracts”. He understands during the budget discussions department heads might feel restricted if not all the positions are filled; for budgeting, it’s important to look at hiring timelines to see if there may be some savings available based on hiring later in the budget season but, even if the budget is reduced for the year, because of the Employee Pay Plan, the full/proper salaries are guaranteed in the outyears. He stressed the importance of presenting a sound fiscal budget that will be good for the taxpayers and not cripple the town nor the departments. While it’s important to look at the history it’s more important to have the right budget. Mr. Jacobs explained the charge from the board was to bring forth a budget at, or below, last year’s budget. He found several contracts / services that had been double entered. He believes he has developed a very good budget that does not tie department head’s hands but is fiscally responsible.

Continued Review 2022 Town Operating Budget:

1.) Town Administrator: Mr. Jacobs had prepared a document which outlined adjustments he had made to the 2022 Budget and indicated areas which could provide additional savings including the contracted services line (\$80,000 decrease). Mr. Williams opened the discussion and asked if anyone

had additional recommendations or adjustments to add. Mr. Carrier questioned the training line-item. He had reviewed the history and said since the average yearly expenditure was ~\$531, he recommended dropping the amount to \$600. Mr. Jacobs disagreed with the recommendation since there are new employees in the positions that may require additional training, especially related to welfare. Mr. Beaulieu agreed the number of new employees is higher than previous years. Mr. Williams said there may be potential savings with other areas including maintenance line-item (equipment) which possibly could be reduced. He recommended reducing this line-item to \$1,000 (from \$2,000). Ms. Turgeon agreed with the recommendation. Ms. Hurd questioned the overall bottom line of the budget. At this time the 2022 proposed budget is \$4,725,754 vs. \$4,766,722 (default) which is ~\$41,000 under the default.

Mr. Carrier also questioned the postage line-item. Historically this line-item has been very complex with the average expended ~\$988 – the proposed budget is \$2064 (Mr. Carrier recommended \$800). Mr. Williams explained that at the end of last year the postage expenditures had been improperly re-adjusted resulting in a negative balance. Mr. Jacobs requested this be held until the end of the budget discussions as this line-item could be combined from all other department lines and combined into one line. This could also be applied to the supplies and printing line-items. Mr. Williams used the spreadsheet to display the postage lines for the 2021 budget was 11,237. To date (for ten months) the postage expenditure is \$6,830 and projected for the year to be ~\$8,500. Overall postage proposed for 2022 is \$11,310 and additionally, the Town Clerk/Tax Collector has a new \$2,000 contract for mailing Tax and Sewer Invoices bringing the total to \$13,750. It was recommended to lower the proposed TA Postage from \$2,064 to \$1,000 and lower the proposed TC/TX Postage from \$8,000 to \$6,000. This resulted in reducing the total postage budget by \$3,064 with a total postage budget of \$10,246.

Mr. Carrier questioned the equipment purchase line-item under TA. Historically the average expenditure was ~\$545 and he recommended this line be reduced to \$1500 (from \$1900). Ms. Turgeon stated the cost of goods has really increased which could impact this line. Mr. Jacobs questioned what the board is really looking for regarding the budget. Mr. Williams said they are not nit-picking all the items just looking to the history to help determine what has typically been expended with the lines. Mr. Carrier explained he is trying to accurately reflect what has happened. Mr. Williams explained any recommendations to reduce line-items is not personal. Mr. Jacobs indicated he has great respect for Mr. Carrier and the amount of time he has taken to review the budget; however, he (Mr. Jacobs) has spent a large amount of time to put this budget together. He also indicated with the bigger picture; they will be meeting soon with the state to set the tax rate. The unassigned fund balance which typically is made up of the 10-15% not spent is used to help keep the tax rate down. He believes he has met the goal of bringing in a budget which is less than last year's. He has already done this by reviewing the budget and cutting the \$50 and \$100's from the various line-items. Mr. Williams explained their overall purpose is not to "nickel and dime" but to develop a fiscally sound budget that is under the Default and make reasonable reductions where Budget committee members believe there are still potential savings to be found. Mr. Jacobs indicated he agreed that with the postage line he will still have sufficient funding to buy postage in order to provide certain necessary functions.

Town Clerk / Tax Collector: From Mr. Jacob's memorandum provided, he explained there were two adjustments he had made to the salary line-items. (??)

Mr. Williams recommended a proposed change to the training line-item; the proposed budget \$1,720.

Mr. Rawson reminded everyone the current Tax Collector will be ending her employment in early 2022 and they should anticipate the new hire will need training. Mr. Williams recommended keeping the line at \$500 (historically the average expended is \$350). Both Ms. Gautreau and Ms. Hurd believed the \$1,720 to be a reasonable amount. While Mr. Beaulieu recommended \$900, the majority of the committee members agreed to keep the amount at \$1,720.

Treasurer: The Budget Committee recommended the amount for travel be reduced to \$1,800 (from proposed \$2,200) because historically it was under \$1,600 per year. It was agreed to reduce the proposed budget to \$1,800.

Supervisors of the Checklist: No changes recommended.

Moderator: There was one change recommended to decrease the election official's line-item from \$4,086 to \$3,000. Mr. Jacobs stated the reason for the increase is to have an extra election added to the budget in case it be scheduled. The Budget Committee reduced the proposed budget to \$3,000.

Budget Committee: Based on 20 scheduled meetings, the committee reduced the Professional Services line-item from \$1650 to \$1500.

Trustees of the Trust Fund: There were no recommended changes.

Assessing: Mr. Williams had previously proposed there are potential savings of \$40,000 in this area due to the AS Contract Assessor line-item being encumbered. As Mr. Jacob's memorandum explained, the town will encumber existing funds to pay for the contract assessor for FY2022, plus the contract amount has dropped from \$42K annually to less than \$20K. Additionally, the AS Software Support line-item was reduced from \$5,000 to \$0 because it is part of the contract for the AS Contract Assessor. Overall, the total proposed budget was reduced by \$42,349 below the Default budget.

Government Buildings: Salary line-item is based on 3 FT positions. It was noted the department head typically figures OT into the salary line. Mr. Williams suggested having separate Salary and OT line-items, so the salaries align with the Employee Pay Plan and total overtime is visible. All agreed that going forward, we should have straight salary for FT/PT using the pay plan and have an OT line for those departments who use OT. Mr. Jacobs stated he would reach out to the department heads to get the separate salary and overtime data. Mr. Williams and Mr. Morrill asked questions concerning the \$6,500 for ball field maintenance? Is this really a contract service? Mr. Williams is not suggesting this be cut, but he is requesting additional information to determine the need for this line-item. Mr. Jacobs will get further information. Mr. Jacobs also indicated that some Highway items currently under the contract maintenance should probably be put under a different line-item.

Cemetery: Mr. Williams explained last year's budget was increased due to a request. However, based on historical data, the requested increases do not align with the history of expenditures. It's also projected that expenditures from this year's budget will be approximately \$5,000. Mr. Jacobs explained Mr. Katwick will be attending the BOS meeting in December to provide further clarifications. Mr. Rawson also reminded everyone that Mr. Katwick will be retiring at the end of 2023, so a

replacement will need to be found to fill that position. Mr. Williams suggested tabling the Cemetery budget until after the BOS meets with Mr. Katwick.

Police: Adjustments in the salary line-items were made previously by the Budget Committee.

Fire: Minor adjustments have been made to align the FD Training, FD Electric and FD Supplies line-items to coincide with historical expenditure data. Mr. Williams suggested a potential savings in training due to historical expenditures being about half of the proposed annual budgets for this line-item. Mr. Rawson reminded committee members with new hires, they will need training and recommended keeping the training at the proposed amount. Regarding electric, decreasing the amount to \$14,000 will still cover the costs. Ms. Hurd stated the Fire Chief always provides a very conservative budget and recommended keeping it as is. Mr. Rawson indicated he is OK with decreasing the electric, however encouraged all else to remain the same. Ms. Gautreau said she just would like to see accuracy in the budgets. After further discussion, it was agreed by all to make the following adjustments: FD Training reduced from \$6,800 to \$5,000; FD Electric reduced from \$15,250 to \$14,000; and the \$3,050 from those two line-items was added to the \$3,500 proposed for the FD Supplies, changing it to \$6,550 and bringing it in line with the historical yearly average expenditures of ~\$6,400. There was additional discussion about the line-items related to Heat. Mr. Jacobs agreed to obtain the contract information for propane to help determine applicable budgets.

Planning and Code: The salary line-item was adjusted to match the new hire. The GIS software had been listed at \$4,000; the actual number should be \$2,400. The Professional Services line indicates a large increase of \$5,760; Mr. Jacobs explained this is primarily due to rejoining the Strafford Regional Planning Commission. While it appears this may be expensive to join, it's very important to the town and provides many benefits that save the town much more than the cost of the contract. Even with the added cost for the Strafford Regional Planning Commission, the proposed budget for 2022 is actually below the 2021 approved budget.

Planning Board: Mr. Jacobs explained the adjustment to this area including a \$50, reduction below the Default in the training line-item.

Zoning Board of Adjustment: There were no changes recommended.

Conservation Commission: Mr. Jacobs explained the Conservation Commission was proposing a Warrant Article for the proposed \$1000 budget to be placed each year in a legal defense revolving fund which would be used for professional services for defense against any legal action taken.

Emergency Management: Mr. Morrill questioned the electric line-item. Mr. Williams stated he believed it was electrical services related directly to emergency situations. Mr. Rawson contacted Chief Marique, who stated it was electrical service to the radio communications towers.

Highway Department: This department is not currently fully staffed with one position still open. Historically the salary lines have included OT (as stated in the Government Building section, going forward, the OT would be separate from the salary lines). The committee would like additional information regarding the department's plan for OT. Mr. Beaulieu explained the overtime budget has

historically been based on the potential of 18 snow events per year. It was also questioned why the maintenance line was doubled. As explained, the trucks are past their warranty and going forward will cost more to maintain. The department head is working on a plan to incrementally replace the trucks and by 2023, have 4 new trucks. Mr. Williams stated, if this is to happen in 2023, it will need to be a warrant article in 2022. Mr. Morrill said the increase in the maintenance line is in case the warrant article would not pass. Ms. Gautreau does not believe the \$50,000 to be unreasonable; Ms. Turgeon agreed to keep it at the proposed amount. Mr. Jacobs explained he has created a separate line-item for salt which will track the road salt. Mr. Williams will adjust the spreadsheets to modify the HW Operating Supplies by moving the \$80,400 to the new Rock Salt Contract line-item.

Solid Waste: The salary line and default can match and were adjusted. There were no other recommended changes.

Outside Appropriations: Mr. Rawson has talked with the We Care Food Pantry. Currently there are nearly 175 residents in Milton receiving regular services. He is requesting \$1,000 in additional monies to increase to We Care Food Pantry Default and Proposed budgets to \$5,000. Mr. Williams thought it was a good idea and suggested the BOS vote on the recommended change before the Budget Committee made their recommendation.

Mr. Morrill made a motion to raise the amount allotted to We Care Food Pantry from \$4,000 to \$5,000. Mr. Rawson seconded the motion. All were in favor; the motion was approved. The Budget Committee agreed with the proposal and increased the proposed line-item from \$4,000 to \$5,000.

Welfare: The welfare salary line-item was adjusted to match the new hire. He also recommended a \$750 adjustment to the final expenses line-item. He explained one has been provided this year.

Recreation: The Budget Committee previously made adjustments to the Electric and Printing line-items. Mr. Williams stated there is \$600 in the professional services line-item with no details in the Contract section of the budget.

Library: The Budget Committee agreed with the proposed budget. Ms. Turgeon recommended the library could apply for E-Rate to help with the monthly invoices for high-speed internet.

Sewer: The adjustments have been made to the overall budget with recommendations from Dale Sprague. It was noted the overall average expense in the miscellaneous line-item is high and should be itemized to accurately track expenses. The permits & testing line-item increased because of the new monitoring well. Mr. Rawson stressed the expenses, including increases, are offset by the usage fees. Mr. Morrill asked for clarification on whether they pay public works for property maintenance. Mr. Williams said historically this department averages approximately \$83,000 in Proposed Budgets and over \$98,000 in expenditures, always spending more than their proposed budget (~118% of overall budget spent) and mostly in the Miscellaneous line-item. Everyone agreed they would like more accurate breakdowns to understand the department expenditures.

Mr. Williams said this year's budget is based on more accurately detailed information than in previous years and therefore is more refined. Mr. Williams thanked everyone for their hard work and cooperation in developing a fiscally sound budget well under the Default Budget.

As there were no additional questions nor items for discussion, Mr. Williams, Chair of the Budget Committee, asked for a motion adjourn the meeting. Ms. Hurd motioned to adjourn the meeting. Mr. Brown seconded the motion. All were in favor.

Mr. Morrill motioned to adjourn. Andrew Rawson seconded the motion. All were in favor.

Meeting was adjourned at 9:30PM.

Respectfully submitted,
Amy Winslow-Weiss – Budget Committee / BOS Recording Secretary

Minutes Approved on December 28,2021