

Budget Committee
Milton, N.H. 03851
Special Meeting Minutes
Town Budget Presentations for 2016
Tuesday November 24th 2015

Meeting was called to order at 6:00PM

Roll Call seating members: Bob Carrier, Larry Brown, Lue Snyder, Tom Mc Dougall, Maureen Steer, John Katwick, Ann Walsh (School Board Rep), Stan Nadeau (Water District), Mike Beaulieu (Selectmen Rep) a Quorum was present. The Pledge of Allegiance was recited

The Selectmen Chairmen Tom Gray, Andrew Rawson Town Administrator Liz Dionne, opened their meeting at 6:00 pm a quorum was present

Public in Attendance: Fire Chief Nick Marique, Pam Smith, Pat Smith (Highway, Government Buildings, Transfer Station), Police Chief Richard Krauss, Brian Boyers (Planning & Code), Karen Brown, (Recreation) Bob Smith, Tammy Smith

Approval of Minutes: The Chair would like a motion to approve the November 17th 2015 minutes. Tom Mc Dougall made the motion to accept the minutes as written second by Larry Brown: Motion passed 8-0-1.

Insurance & Benefits: The Town Administrator Liz Dionne: **Health Insurance:** Full Time employees \$515,474 increased by \$69,802. **Dental Insurance:** Full Time employees \$13,278 decreased by \$492. **NHRS Retirement:** Retirement System mandated pension for Group 1 employees. **Life Insurance:** Full Time employees \$ 648 decrease by \$34. **Unemployment Insurance:** \$4,374 unemployment for all employees. **Workers Compensation Insurance:** Insurance for all employees. This is based on usage \$62,611 a decrease of \$3,667. **Property & Liability Insurance:** \$56,114 an Increase of \$3,671. The current rate is for 6 months. The new rate will increase to 7% for July –December based on usage. We're in a 3 year cap program with them. They cannot increase the P&L Ins. over 7%. **Property & Liability Deductions:** \$6,000 I raised it to \$8,000. The Selectmen reduced it to \$6,000 no change. \$1,000 deductible per insurance claim.

In the calendar year 2015 we had 28 employees one of the position was changed to a Part time position. We now have 27 full time employees.

The Total Budget is \$740,343 and increase of \$69,555.

We have vacancies in full time positions and you have to budget for health Ins. We will fill these positions at some point and you don't know when you're going to hire and so you don't know what plan they're going to take. You have to budget for a family plan. Any money that is not paid to the insurance Company at the end of the budget year as well as the other insurances the money goes back to the general fund and eventually it will go to the fund balance which can be used to reduce the tax rate.

2% merit and 1.7 % raises: Bob Carrier I believe the Town employees should get the merit and COLA raises. We Have good employees here. We need to keep them. Employees are leaving for better paying jobs. I know this budget is high there are factors in the budget that are causing it and one of them is the new budget Debt Service those are needed items. The Insurance & Benefits has increased and something we have no control of.

Larry Brown: This merit pay is a risk performance exposure that Pat has said directly time after time. If they don't do what I think is excellent work they don't get a raise this is where the risk performance comes in.

Larry Brown: what motion does the Chair want? Bob Carrier the motion is to accept the 2% merit raise and the 1.7% COLA for the Town employees. Larry Brown made the motion second by Ann Walsh. Discussion. Stan Nadeau: should we split this into two motions? Bob Carrier I don't think we have control the cost of living. He ask if anyone would like to amend the motion. There was no amendment offered.

Bob Carrier ask the TA Liz Dionne if we can vote on whether to give or take away the COLA? TA Liz Dionne: The Selectmen voted in October to put the 1.7% COLA. In the budget. Bob Carrier: if the budget goes into default do they get the COLA. TA Liz Dionne: Yes but they would not get the merit raise. Bob Carrier: the default budget you sent us is the COLA in the budget? TA Liz Dionne: Yes for 6 months. The merit raise and the COLA in the proposed budget are for 6 months starting in July to December.

Bob Carrier: I know Stan mentioned the fact that social security is not getting an increase and that's because Congress has to change the way they calculate the formula they use. The veterans are not getting an increase either and that is very unfortunate, but there are people who will be getting a COLA. Wages are starting to go up in N.H. according to WMUR channel nine business segment on Sunday morning now not all sectors wages are rising.

TA Liz Dionne: we lost a driver from the HWY dept. to go to another municipality for \$5.00 more an hour. We also lost another truck driver who resigned to go back to his previous job for \$20.00 an hr. more.

Bob Carrier: if you figure out how much they will get for 6 months by the time they take out for FICA and Medicare there not going make that much extra. Bob Carrier: do the employees contribute to some of the health care packages?

TA Liz Dionne: yes they do. The Selectmen decided that one person plan would be paid by the Town 100%. But not a 2 person plan or a family plan the way that it's handled has been for years is the amount of the 1 person plan is deducted from the family plan and the balance that is left over go to an 80/20 split 80% Town 20% employees broken down payroll deduction. For a family plan the employee has \$72.00 a week taken out of the payroll deduction starting in July it will be \$76.68. The dental plan is handled differently there is one plan offered 1, 2, person or family plan. The Town pays a 100% for a 1-person plan that's it. The 2-person or family plan has to pay the full amount.

Larry Brown: The structure on full payment for a single person on health in years past we had discussions that the employees here are hourly employees and they had limited ability to improve sick and vacation time to ride out employment that a massive injury has a chance coming from a car accident or from covered workmen's compensation and most illnesses come and go without a major impact on the Town budget.

The question on Stan's policy and if we vote on this motion we are basically voting that we agree the policy decision that the Selectmen to continue the COLA and that the structure and the salary that the Town has and the cost of not retrain employees which takes three months to train a new employee.

The Chair called the vote a yes vote means you accept giving the raises for the employees.

John Katwick, (Yes) Stan Nadeau, (No) Lue Snyder, (No) Tom McDougall, (Yes) Larry Brown, (Yes) Maureen Steer, (Yes) Ann Walsh, (yes) Mike Beaulieu, (Yes) Chair, (Yes) Motion Passed 7-2 the raises have been approved.

Approval of the Budget Committees Budget: Bob Carrier all the budgets have been presented and the Budget Committee have reviewed the budget and motions were made to the budget and all motions failed. The only change came from the HWY Departments Equipment Maintenance line Pat Smith offered to reduce that line by \$10,000. There were no more attempts to change the budget.

We are here with the Selectmen who are waiting for our budget. Their column is filled in with their request and they would like us to approve our budget so they can fill in our budget request.

Bob Carrier would like a motion to approve the Budget Committees budget of \$4,189,455 Larry Brown made the motion second by Ann Walsh discussion.

John Katwick: we've been talking about a year on CDL drivers the budget committee cut \$10,000 would it make sense to use

that \$10,000 to update the CDL wages for the truck drivers for the Town of Milton. As we sit here today we have 3 brand new trucks with no drivers. Bob Carrier: that would be up to the Selectmen we can give it back, but we don't set wages. John Katwick: does the BOS have anything in place to handle this a warrant article. Tom Gray were working on it.

Bob Carrier: is there anyone who has a question or would like to make changes to the budget this is a good time to do that some of the Dept. Heads are.

Lue Snyder: I have a question on the Recreation Dept. this budget this year is really high. My question about your budget you do a good job could you go without the extra 5 hrs. and go with the current 15hrs. for the part time position.

Karen Brown: Three months of the year the salary will come out of the beach and camp revolving funds and the 9 months I put in 5 extra hours in the budget to help with the other programs that the recreation offers. This also gives me a chance to take an occasional day off. The work load doesn't change. I need to have the extra 5 hrs. for the PT salary or I'll have to the extra 5 hrs. with no pay.

Lue Snyder: This budget this year is really high. I can't see the taxpayers voting for this budget that has increased 6.17%. I can see us going to a default budget. We just did the math it's (Stan Nadeau) \$258,297.80 increase.

Bob Carrier: This is a bare bones budget. I don't see where we can make any cuts to the budget other than cut services. The difference between our budget and the Selectmen's budget is \$10,000.

Andrew Rawson: I would like say something in our defense Lue is saying we loaded this budget up 6%. It's a little unsettling to the public. We went through this budget and made changes and Liz re-wrote it. This a bare bones budget.

Larry Brown: I agree with Liz that when the budget goes up and the community is so impacted by the property taxes it is tough going that does not change the cost of government for this Town that come in from third parties that can't be controlled.

Tom McDougall: ask Tom Gray Prices go up everything goes up except gas. What would be an acceptable increase 6% is too high? I don't have any idea and I also looked at the budget and I don't see where you can take 6 % from. What would be acceptable 2%?

Bob Carrier: It's very simple look at your budget you can see where the budget drivers are the Insurance & Benefits and Debt Service. Insurance we can't control debt service this is equipment that the Town needs. We are also down 3 employees. The Town employees have reduced their own budgets as much as they can.

Stan Nadeau: People will look at the bottom dollar and they're going to pick the lower number. The difference between our proposed budget and the default is \$24,386. Unless we get that budget below the default. I have a feeling the people will pick the default number. I agree with Lue when the people get their tax bills this year there's going to be a lot of upset people.

Larry Brown: could we take out money out of the budget from different Depts and use money from different accounts to supplement the Depts that we took money? Tom Gray: You would have to have a purpose to do that.

The Chair called for a vote on the motion to approve the Budget Committees budget of \$4,189,455 Larry Brown made the motion second by Ann Walsh.

John Katwick (Yes) Stan Nadeau (No) Lue Snyder (No) Tom McDougall (No) Larry Brown (Yes) Maureen Steer (Yes) Ann Walsh (Yes) Mike Beaulieu (Yes) Chair (Yes) Motion passed 6-3). The approved BC budget.

Old Business: Water District reports Bob Carrier: Stan Nadeau sent me an e-mail informing me the Water District computer has crashed and hopefully it will be repaired before the Water Districts meeting that will be held Tuesday November 24th meeting. I received another e-mail from Stan Nadeau Monday the 23rd to inform me the computer has been repaired and I can call the office and get the reports that I requested. I went to the Water District Office to get them Tuesday before our meeting and I wasn't able to print them because my printer no longer functions.

I checked with the Town Clerks Office to see if the meetings minutes were up to date because the website has not been updated and the minutes were up dated and the recent draft minutes were posted. This was tabled until the next meeting so the committee will have time to look at them. This request was made because of the increase in the water rate of 15% to the Towns budget. Stan Nadeau answer was not sufficient enough.

Members Comment: John Katwick: I think we have to find a different process in a different way to work together as a Group for the Town. Just setting here tonight as far as I'm concern I wasted my time coming to this meeting. I'm sorry this is my feeling. I recommend strongly that we all of us start looking at things for the taxpayers reason to start working together instead of going through this bs I've heard all night.

Larry Brown: Stan and I disagree and I make sure that I thank him for the things he has done and I thank him for his attention and I would never say he wasted my time and at a public meeting not even use the phrase bs. I do not think that it's good

public discourse and it's a discourtesy for people at home. If you want to reduce this budget there's some very simple ways. You can take \$500,000 out in the Health Insurance. You can get rid of the Town Planner and the Economic Development Committee funds. The Deputy Treasurer and the Deputy Clerk and you will have more than just the 3 employees leaving DPW. We are on a different time from Mr. Gagne saying that the employees raise is having a job the fact that people have come and walked from DPW suggest that may not be the case.

Larry Brown: what the Chief was talking about right one of the standard things in State Government is the Dept Correctional Services looking for volunteers to maintain the records of the Dept. There's nothing in the State that is more crucial than the idea of someone for getting what they deserve and being treated accurately as a prisoner and as a member of the public and the budget of the State is in such disarray that they are looking for volunteers to help out in an agency controls people's lives.

Public Comments: Police Chief Richard Krauss: There was an article about funding issues at the Police academy

Those funding issues are going to start coming back to the residents of those Towns because of the fact that the funding mechanism that is fluid. At the Police Academy we've outdated this at this point until the Legislature makes some changes on the funding mechanism where going to start seeing the training lines at the Police Dept going up. We have already seen at least 4 different classes the Academy usually put on now they're no longer putting on. Some agencies around us has sponsored those trainings but we now have to pay to send an officer to those training classes. One of those trainings would be like our accident re-construction there are 3 levels of classes to take for the 3rd class that an officer has been able to go to cost \$12,000 to send that officer to that class. If the funding mechanism isn't corrected up there were going to see our increase in the training line because we to keep the certifications of our officers they have to have a minimum of 8hrs of training per year. If we have to start paying for each class the officer has to take we will be spending a lot money on training. We're hopeful the Legislation will find different funding mechanism that is currently being used but if not I can tell you right now we're already seeing classes are being cut and we're going to start paying to send officers to those classes.

Dennis Wing: The budget has been stripped down pretty well and probably nothing left to strip out of it.

We all do agree that what is killing the budget is the uncontrolled cost mainly the insurance.

We also know that wages of DPW are low. I don't know who does this it will need somebody to take the initiative (A), increase in wages. (B), reduce cost of insurance. Tom Gray: We talked about this at last nights meeting there is a warrant article on the DPW wages this will address this part of it. The insurance we talks about it as far as grand fathered existing employees put an 80/20 across the board. We also talked about by backs if somebody didn't want to have insurance they would have the opportunity by back.

Dennis Wing: Are you limited by insurance plan broke. Tom Gray: No, You can't get a better rate we're tied in with the School. Dennis Wing the reason I asked was I changed jobs and I just reduced my insurance premium \$178 to \$120 for my wife and I and now you're talking \$74 for a family plan is there some way we can find a middle that is competitive. Tom Gray: this is something were going to look at next year. It was too late to take any action because we're way in the budget season.

Andrew Rawson: as we were going through these budgets Selectmen Mike Beaulieu asked every Dept head if they could cut and they did. These budgets are bare bones other than the Dept service and the health insurance we can't control. The Dept heads did a good job and this is the budget.

Bob Carrier: The only alternative is to cut services.

Next Meeting: The next meeting is December 1st 2015 School budget presentation that will be held at Town Hall
Any new business that before the Board: None

Adjourn: The Chair would like a motion to adjourn Stan Nadeau made the motion second by To Mc Dougall

Motion Passed 9-0. At 7:16pm Submitted by Bob Carrier Approved on: _____

These are draft minutes until they are approved.