

**Town of Milton**  
**BUDGET COMMITTEE MEETING**  
**October 26, 2021**

**ATTENDANCE:**

**Members:** Humphrey Williams (Chair), Peg Hurd, Bob Carrier, Larry Brown, Claudine Burnham, Mike Beaulieu

**Excused:** Lisa Gautreau, Laura Turgeon

**Public:** Doug Shute

Humphrey Williams, Chair, opened the session at 6:00PM.

**1.) Pledge of Allegiance:** Humphrey Williams, Chair, led the meeting in the Pledge of Allegiance.

**2.) Roll Call:**

a. Mr. Williams, Chair, led the roll call of members to determine if a quorum was present.

Humphrey Williams (Chair), Peg Hurd, Larry Brown, Bob Carrier, Mike Beaulieu, Claudine Burnham.  
A quorum was present.

b. Public participation: Doug Shute was in attendance.

**3.) Review / Approve Minutes:**

**Minutes of October 14, 2021:**

Ms. Hurd made a motion to approve the October 14, 2021, minutes with corrections. Mr. Brown seconded the motion.

Roll call vote: **Ms. Hurd, Mr. Brown, Mr. Carrier, Ms. Burnham, Mr. Williams all voted Yes. Mike Beaulieu abstained. Motion Carried – 5 / 0 / 1**

**4.) Town Expenditure Report:**

Mr. Williams explained he has made some adjustments to the template. This template had included the capital reserve fund and warrants which may have been confusing. The net budget is \$5,649,927.47 which includes the warrants. Without the capital reserve and warrants, the net budget, approved for the year, is \$4,600,519.

The template now shows the projected expenditures (left side) for total budget including warrants, etc. along with showing the projected expenditures for the approved budget (right side). The Expenditure Report currently indicates the projected expenditure for the year at \$3,731,626.92. There are items that will be paid closer to the end of the year. Numbers indicate 63.83% of the budget was spent (at 75% of the budget time-period). Mr. Williams also explained on the expenditure report, the projected balances were based on historical data. Mr. Williams attended the last BOS meeting (not as Budget Committee representative but as a resident) and showed the BOS this information as well to help clarify where certain expenditures will be. The history will provide data to show line-items have typically been under-expended as well as those which usually go over budget. An example given was the cemetery: The budget was \$14,001. To date,

expenditures total ~\$6,400 or 46.39% of the budget expended. Projected expenditures are ~\$8,600 or 61.8% of the budget. Mr. Beaulieu questioned if the budget includes monies to provide care for the cemetery which is now under Lebanon ME responsibility. Mr. Williams indicated the cemetery budget only includes those in Milton and Milton Mills. There are perpetual care funds that are used.

Overall, Mr. Williams explained the updated templates will help to tighten the budget. Under the Contracts area, Mr. Williams used historical data to help project what the balances will be since most contracts are paid at year end or quarterly. Historical data suggests the town typically expends ~92% of the Contracts line-item budget.

The next area of focus Mr. Williams discussed was the Retirement & Salary area. The Town Administrator will forward the pay plan and will show current status. This is also what the BOS will be using for their information. As Mr. Williams indicated, the town is currently operating at lower staff capacities. Police Chief Krauss is planning to hire two employees by end of year. The Highway Department is short-staffed and looking to hire. At the upcoming meeting with the BOS those discussions about salaries and timelines will happen. Ms. Hurd said a simplified version of the town's pay plan format is currently in the hands of all the school board members for their review and discussion for school employees other than the teachers who have an approved contract.

Mr. Williams explained, as of September 30, 2021, due to current situation of departments being understaffed, a projected amount of ~252,000 will be remaining at year's end from the budget for salary. The projected amount may decrease with any new hires prior to end of year. The area Insurance & Benefits is also impacted. The overall projected remaining balance is ~\$989,000. That number will also decrease with new hires.

Mr. Williams and the Town Administrator expressed a concern they have heard from some department heads regarding the budget. If next year's budget is based on hiring a new employee half-way through the year, what will happen the following year when the salary budget will be for 12 months? Mr. Williams explained new employees will be part of the pay plan like all existing employees and their salary will be reflected in future default and proposed budgets for the full 12 months. This is the primary purpose of having pay plans for employees.

Mr. Williams pointed out to the BOS that currently the projected budget is under the default. He also believes the budget can come in lower due to savings that can be found. An example of potential savings is related to Assessing. In this year's budget, the line-item is for \$40,000 with year-to-date expenditures totaling \$0.00. This is because under Assessing Contract line-item, \$42,096 was encumbered for the year. This means the \$40,000 is still available and can be removed from the projected budget (\$39,999 leaving \$1.00 for the line-item to be kept open for the following year). Mr. Brown pointed out there are two major projects, Dawson Street drainer and restoration of the Veteran's Park. Having those monies available, it provides a pincushion in case of additional costs that may arise after project start. Mr. Williams agreed that added costs are a possibility; he also explained for the current Dawson Street project there remains \$327,000 for that project. The BOS will be meeting with department heads and go through their proposed

budgets. Using the historical spending data, if on average less than 50% of the budget was expended, this suggests there may be no need for a proposed increase.

Mr. Williams explained last year's goal was to be under the default. He also believes this year's budget will be well under the default. Ms. Burnham believes this year's process is more analytical in the approach which will help everyone move forward with "truer" numbers. Mr. Williams agreed and stressed the importance of bringing accuracy to the table.

#### **5.) School Expenditures, Revenue and Grants Update:**

Mr. Williams acknowledged the current frustration with lack of reports and inability to get the necessary information for review. The school board has recently brought a consultant back to work through the process and to help get corrections to the revenue, grant and expenditure reports. Mr. Brown indicated there may be additional pressures from outside entities which will add to school board budgets.

#### **6.) Continue 2022 Town Operating Budget Discussions / Decisions:**

Mr. Williams explained the upcoming timelines for the overall budgeting process. Working backward from the March 8th town vote, the Deliberative Session will fall between February 5-12. This means the last day to hold a Budget hearing would be January 18th to be able to deliver the budget and warrant articles (including school board) by January 27th (posted for town review by January 31<sup>st</sup>). It is imperative attention be focused to have the town items done by end of November. Mr. Williams questioned Ms. Hurd and Mr. Shute (school board members) as to when they would have their information ready to go? They indicated this is something they will be focusing on but currently do not have a date. Mr. Williams gave them the reminder if the school board does not have their numbers prepared, it will go back to last year's approved budget. Ms. Hurd questioned if during the deliberative session, the school board would be first before the town and Mr. Williams thought that would be doable and would talk to the town moderator about that.

Mr. Williams explained he has presented to the Town Administrator the updated Excel spreadsheet with the budget discussions and suggestions from the previous Budget Committee meeting. That information will be used at the upcoming BOS meetings with department heads.

**Recreation:** Only changes in this area will be for salaries; there are no other proposed changes. Salary changes also impact Social Security & Medicare. Also of note, the originally proposed budget for Part Time indicated \$24,000 for salary but half of the part time salary is covered by the Recreation revolving fund. Mr. Carrier questioned the Printing line-item and asked to reduce it down to \$1.00 (since no money was spent). Mr. Williams will reduce the line-item to \$1.00. Mr. Beaulieu and Ms. Burnham indicated most changes will be due to cleaning up (housekeeping) based on historical spending.

Other suggested changes:

Printing – Historically, expenditures have been \$0.00. Budget proposal was decreased to \$1.00.

Postage – averages under \$20 spent/year on a \$200 budget, so it could be reduced.

Equipment Maintenance – Historically, expenditures have been under \$45/year (17.65%) All

member agreed to reduce the proposed budget from \$250 to \$200.

Mr. Williams is aware the committee may be accused of “nickel and diming”; however, he again stressed the need to view the history of expenditures and small reductions can quickly add up and make a difference in the overall final budget.

Mr. Carrier questioned Electric line-item and suggested decreasing the amount of \$2,300 down to \$2,000. Historically this line-item has been 83% spent, under \$1,500/year. Mr. Williams agreed the \$2,000 seems very reasonable and should cover any increased costs due to inflation. All members agreed to recommending the decrease to \$2,000.

Equipment Purchasing: Historically, expenditures for this line item have averaged under 26% of the approved budget. However, based on the other proposed reductions all members agreed to currently leaving the proposed amount at \$200 to perhaps offset other potential costs.

**Fire Department:** There was a recent discussion with Mr. Williams, Mr. Jacobs and Chief Marique. When Chief Marique presented at the September meeting he indicated the proposed budget for Full-Time Firefighters would be \$147,978. The \$132,294 that was listed on the preliminary proposal was carried over from last year’s budget. The \$147,978 is per the pay plan and will be presented to the BOS. One additional change is the NH Retirement System rate which increased from 30.08 to 32.99 (this is required from the state and only applies to full-time firefighters). Along with factoring in the change to the FT salary line-item, all currently proposed Fire Department adjustments have now been made to the budget.

Mr. Williams had a discussion with the Town Administrator regarding Highway Department Contract Services. The BOS recently approved a new salt contract. He stated in the past it was questionable what line-item(s) the money was spent from between HW Operating Supplies and HW Supplies line-items. Mr. Jacobs suggested adding a separate salt line-item or for this year’s budget enter this under the Contracted Services line-item as it may be easier to just put it under the Contracted Services line-item and then going forward add the separate salt line-item.

Mr. Williams will also send to the Budget Committee (already sent to the Town Administrator) line-items he indicated as bigger ticket items with targeted potential savings. This information is all based upon whether new employees are hired into the positions. An example: a proposed salary of \$336,847 for the Highway department – based on all full-time positions. However, this year being short-staffed, it appears the potential is to save roughly \$70,000 below the currently approved budget of \$318,528.

Mr. Brown indicated it would be helpful to have the following information (letter size paper): a complete list of contracts by department with vendor, description of service with rate, start & end date (contract renewal date), tickler date indicating when to begin negotiations. Mr. Williams said all the contract information is included in the Excel Proposed Budget reports; he will talk with the Town Administrator to try to provide an updated format that will be easier to read through.

Another area in which Mr. Williams focused was the Highway Equipment Maintenance: There is currently \$25,000 in the default for the line-item. While there is equipment that is getting older and this year the expenditure has been higher, the projected budget is \$50,000 which raised a red flag. Based on the history of town expenditures, Mr. Williams questioned if this could possibly be put at \$35,000 instead. The projected expenditures for this line-item is ~\$30,000 to \$33,000 this year and on average, the amount spent is ~\$28,000. The committee members agreed decreasing the line-item to \$35,000 seems reasonable and that would reduce the projected budget by \$15,000.

Mr. Williams will send the reports out to the Committee members for their additional review.

Just a reminder the BOS will be meeting with department heads prior to the joint BOS/Budget Committees meeting on November 18<sup>th</sup>.

**7.) Other business that may come before the board:**

Mr. Williams has sent the MS9 report to the committee members. Mr. Williams will work to get the summary report which would be easier to find and read through information.

**8.) Next Scheduled Meeting:** November 18, 6:00PM. This will be a joint meeting with the BOS.

**9.) Adjournment:**

Mr. Williams stated he would entertain a motion to conclude the meeting.

Mr. Brown made the motion to adjourn at 7:25PM; Seconded by Ms. Hurd. All were in favor. Meeting adjourned.

**Respectfully Submitted,**

**Amy Winslow-Weiss, Recording Secretary – Budget Committee**

**Approved on November 23, 2021**