

1 **DRAFT Budget Committee Meeting Minutes**

2 **October 10, 2024, 7:00 PM**

3 **Open the Meeting and Roll Call**

4 Chair Cutting opened the Budget Committee meeting at 7:00 PM.

5
6 **Budget Committee Members Present:** Michael Cutting (Chair), Alfred Hanson, Harold
7 Blanchette, Bill Hanson and Rick Bixby.

8 **Absent:** Robert Blake and Ray Martin

9 Others Present: Harry Seidel, Faith Minton, Clyde Carson Finance Director, Judy Newman-
10 Rogers Selectboard Admin Asst & Operating Zoom, James Gaffney, Ed Mical and James
11 Sherman by video

12
13 Mike Cutting stated that he had requested the YTD cash reserve figures (cash on hand). He also
14 requested the Capital Reserve Funds (CRF) balances. He explained that the Capital Improvement
15 Program (CIP) will be reviewed next week. Alfred Hanson noted that the Budget Committee
16 previously requested general fund balance, detailed breakdown of Revenue and an update on the
17 AT&T communication tower (99 year) easement lease payment, which the Budget Committee
18 has not received. Clyde Carson stated that he received an email requesting updated revenue
19 reports and updated expense reports which have been provided.

20
21 **Minutes July 18, 2024 and September 12, 2024**

22 **Harold Blanchette made a motion seconded by Bill Hanson to approve the July 18, 2024**
23 **minutes as presented. Motion passed unanimously.**

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25 **Rick Bixby made a motion seconded by Bill Hanson to approve the September 12, 2024**
26 **minutes as presented. Motion passed unanimously.**

27
28 **Review of YTD Assets**

29 - Cash Reserves: cash on hand not provided

30 - Capital Reserve Funds (CRF) - Balances per Account: available next week

31
32 **Review of YTD**

33 - **Revenue:** Need a detail reporting

34
35 - **Audit:** Mike Cutting asked for an update on the Town's audit report. He stressed the
36 importance of establishing a plan to address the auditor's report to allow the Town to act on any
37 issues. Clyde Carson advised the committee that the auditors are still working on the audit, they
38 are nearing the end of the process. Harry Seidel will look into the delay and report back to the
39 committee. Faith Minton explained that the municipalities are often pushed back.

40
41 -**Computer Upgrade:** Mike Cutting asked Clyde to provide an accounting of the American
42 Relief Plan Aid (ARPA) monies at next week meeting. Clyde Carson advised the committee that

1 the balance is approximately \$7,000 after a payment to the Town's 250th Anniversary. Faith
2 Minton estimated the payment to be around \$10,000. Mike Cutting spoke about the need for
3 town computers. He stated that the 250th Anniversary should be funded by donations not by
4 Town funds. He stated there is a critical need to buy computers / equipment. Alfred Hanson
5 stated that he has requested to know how much money is needed to upgrade the town's
6 computers. Harry Seidel explained that the Town Administrator is working to make the upgrades
7 and address the cyber protection that is desperately needed. Mike Cutting stressed the need to
8 make a decision on how many computers to replace. Harry Seidel agreed, he advised that a few
9 computers have been purchased. There was a discussion about the Town's need for IT services.
10 The current arrangement does not serve the Town during normal business hours. The Town is
11 looking to make a change to meet the needs. Alfred Hanson stressed the urgency to make the
12 change and upgrade the Town's computers. Faith Minton agreed, she stressed that the Select
13 Board is working on this and needs to spend funds prudently. Mr. Cutting spoke about the ability
14 to use unspent funds at the end of the year.

15
16 **Revenue YTD:** Mike Cutting stated that revenue appears to be in line for the first 3 quarters of
17 the year. He asked when the Rooms and Meals tax and the Highway block grant would be
18 received. Clyde Carson stated at the end of the year.

19
20 Alfred Hanson questioned the \$600,000 for sale of municipal property (AT&T 99 yr easement
21 lease) and the Warner Village Water Precincts' purchase of town property. There was a
22 difference of opinion regarding the structure of the payment and schedule. Mr. Cutting asked if
23 the Select Board has discussed how to use the \$600,000. Harry Seidel stated that it is currently
24 invested in New Hampshire Investment pool making a very good return. Faith Minton stated
25 that the idea is not to start using it to lower the tax rate, as of now there is not a decision on how
26 to spend the money. James Gaffney asked for clarification on a report column "uncollected" as
27 referenced in the report. Clyde Carson explained that it is the difference between what was
28 originally budgeted and what was actually collected. Mr. Cutting stated the Town originally
29 budgeted \$1,280,250, the town actually collected \$1,515,866 and that difference is \$235,616.89
30 more than what was originally budgeted. There was a discussion relating to what was budgeted
31 to collect, what was collected that was not anticipated.

32
33 Mr. Cutting explained that \$915,866 for the first 3 quarters multiplied by 4 (quarters/year) then
34 divided by 3 means the Town will come in on target for what is estimated to receive. Clyde
35 Carson reiterated that the Town is still going to receive the Rooms and Meal tax, the block grant,
36 and additional auto registrations. He stated that based on that the Town is looking to be in good
37 shape. Judy Newman-Rogers further explained that when looking at the Revenue report any sum
38 in parenthesis reflects an amount higher than what was previously estimated.

39
40 Harry Seidel asked if the Budget Committee has any suggestions on ways to increase Revenue.
41 Mr. Cutting explained that recently he spoke to residents about expenditures. He informed them
42 that the town can control expenditures to a degree but the town has to be able to provide some
43 services. He stated that the Town is revenue poor. He spoke about his conversation with Kathy

1 about hiring a grant writer. Someone who is proficient at finding and writing grants. The cost of
2 writing the grant could be incorporated into the grant. Bill Hanson stated that he recalls the
3 reason Kathy's salary is higher than the previous Town Administrator was because she was to
4 write grants. Harry Seidel explained that the market price for a Town Administrator has
5 significantly increased. He stated that there was a hope that the position would write grants.
6 Harry Seidel concurred with Mr. Cutting that federal grant money is out there. He stated that
7 securing a grant is not easy. He spoke about steps the Town can take to increase the chance of
8 being awarded a grant such as capital reserve funds. James Sherman spoke in favor of grants and
9 the benefits of a grant writer. James Gaffney asserted that the rationale previously given for the
10 cost of hiring the Town Administrator would be offset by the grants that position would secure.
11 Faith Minton spoke about the Town's hiring a Town Administrator. Faith stated that the best
12 candidate was hired. She said wanting a grant writer does not necessarily mean that the Town
13 could find that. Judy Newman-Rogers stated that discussion about Town Administrator being a
14 grant writer was pre-existence of an actual Town Administrator position, 20 years ago. Harry
15 Seidel did not recall the discussion at the last town meeting. He does not see the value in
16 bringing forward a discussion from years ago and applying it to the TA we have now. He feels
17 focus should be on solving the challenges of today. Harry Seidel stated that the Town does not
18 spend recklessly, bottom line is we need more revenue. Harry Seidel cited Mike Smith's
19 ongoing efforts to bring in revenue by selling town owned property. Alfred Hanson insisted that
20 reluctance to growth is a problem in Warner. He stated that if you do not want growth then you
21 will pay higher tax bills. He emphasized the need for growth and planning. James Gaffney
22 recapped previous efforts of a former selectperson to sell town owned property and the resistance
23 that occurred. Judy Newman-Rogers explained that some of the resistance was from people who
24 did not want parcels sold out of fear of possible development. Faith Minton stated that the
25 process the Select Board is following is in the best interest of the community.

26
27 Mike Cutting asked if there are any other ideas to increase revenue. Bill Hanson spoke about the
28 need to entice businesses to the Town of Warner. Alfred Hanson stated that the Town could ease
29 up on some services. Judy Newman-Rogers spoke of the benefits of the new Assessing and Tax
30 Collector system.

31
32 **- Expenditures**

33 Mike Cutting stated that expenditures are at 67.2% three quarters of the way through the year
34 and anything below 75% is reasonable. He stated that there are a few accounts over spent. Clyde
35 Carson asked the committee to keep in mind the unexpected costs for the temporary TA and the
36 hiring costs for the new Town Administrator. He spoke about the increase in welfare costs, and
37 legal fees for 91-A requests.

38
39 Bill Hanson asked why the overtime line item in the general government budget has been
40 removed. Clyde Carson stated that it is built into the wages. Harry Seidel believes the overtime
41 line item in 2023 was for Butch (temporary TA). James Gaffney requested a breakdown of the
42 legal costs for things like 91-A requests and other general legal opinions. Mike Cutting stated
43 legal costs have already exceeded the budgeted amount. James Gaffney hopes the Town will do

1 a better job at being transparent in an effort to reduce the 91-A requests. Alfred Hanson
2 cautioned that there are some 91-A requests on topics that cannot be made public. Clyde Carson
3 stated the legal fees line item consists of four categories: land use, utilities, 91-A and general
4 legal questions. He will provide a breakdown. Rick Bixby asked if the majority is from the
5 utility/Eversource. Clyde Carson stated the Eversource legal fees have been increasing.
6

7 **Next Meeting**

8 2025 CIP and the current CRF balances will be reviewed.
9

10 James Gaffney stated that Warner is in the top 10 in the State for highest tax rate. He suggested
11 looking at other communities comparable to Warner and review their revenue and expenditures.
12 He stated spending in Warner has gone through the roof. Harry Seidel disagreed, he believes
13 Warner is comparable to surrounding towns or lower. He reiterated that the town does not spend
14 money recklessly. Mike Cutting stated that it is a delicate balancing act and it is very difficult to
15 compare town to town, each town has unique circumstances. James Gaffney suspects there are
16 towns out there who are successful at not spending money and /or coming up with revenue
17 sources. Alfred Hanson stressed the town has lost a tremendous amount of money over the last
18 few years from the state and federal government. He urged the committee to look at the next
19 year as a turning point and look at where we stand and where we want to go moving forward.
20 Mr. Sherman wants to look at where town money is going and refusing to upgrade. He spoke
21 about the manual functions that the town does which costs manpower money, computer systems
22 are outdated. He spoke about the improvements that have been neglected all come at a cost to
23 the town. Rick Bixby spoke about the advantages that Warner has by having a water and sewer
24 department. He stated many towns do not have those departments.
25

26 **Harold Blanchette made a motion seconded by Rick Bixby to adjourn the meeting.**
27 **Motion passed unanimously.**

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29 The meeting adjourned at 8:40 pm

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31 Respectfully submitted by Tracy Doherty