



## Budget Committee Meeting Draft Minutes

February 4, 2025, 7:00 PM

### Open the Meeting and Roll Call

Chair Cutting opened the Budget Committee meeting at 7:01 PM.

Budget Committee Members Present: Michael Cutting (Chair), Ray Martin, Harold Blanchette, Rick Bixby, Bill Hanson, Alfred Hanson and Robert Blake.

Select Board: Faith Minton, Harry Seidel, Mike Smith (Chair), Kathy Frenette and Clyde Carson.

Mike Smith reconvened the Select Board meeting at 7:03 PM.

### Continuation of Public Hearing

Robert Blake spoke about the focus on one particular position without looking across the entire budget to determine what is occurring in each department. He spoke about the reasons wages increased (cola, new hire or increased hours). He stressed the need for a FTE report. He noted that wages in most departments increased significantly last year and again this year with a 3% COLA. He acknowledged that the budget has increased approximately 20% in the last 3 years. Robert Blake stated that there has been a change in reporting, and it is important to look at where the money is; the Highway Department accounts for 63% of that increase. Robert Blake stated that the town needs to be more disciplined when it comes to compensation. Mike Cutting spoke about the impact that the residents will be facing next December when the tax rate increases from \$9 to \$12. Ray Martin stressed that the tax rate was artificially lowered because of the one-time source of revenue not the fault of a department or administrator. Bill Hanson pointed out that the problem began in 2021 and has avalanched since. Harry Seidel spoke about the significant increase in the market place wages as it relates to the clerk's positions recently hired. He stated that today people command higher wages than they did five years ago. Harry Seidel stated that Warner is more in line with the market place wages. Alfred Hanson spoke about looking at the needs of the Town as it relates to labor. He addressed the funds currently sitting in Capital Reserve funds and now the residents are being asked for more.

John Leavitt stressed that the \$600,000 has not been spent and can be used to lower the tax rate. Mike Cutting spoke about the disbursement of the ARPA funds masking actual expenses. Alfred Hanson stressed that what is needed is a closer look at how funds are managed.

### Operating Budget Review

Mike Cutting explained that the Select Board made adjustments to the proposed operating budget, and it is at \$4,663,954 a \$100,867 (2.2%) increase from last year. The Select Board reduced the Administrative Assistant wages down to \$62,386 and Town Clerk wages increased to \$51,427 because it incorrectly calculated with a 2.5% COLA. Robert Blake suggested reducing the Highway Department and Transfer Station budgets by \$30,000 each. He stated town departments need direction and allowed them to decide where to make the adjustments. Bill Hanson spoke about creative ways to achieve budget reductions. He acknowledged that this will be uncomfortable for employees and residents. He suggested closing the Transfer Station a few days a week.

**Alfred Hanson made a motion seconded by Bill Hanson to reduce the Highway Department operating budget by \$30,000. Motion passed 7-1-0, Faith Minton voted in the negative.**

**Alfred Hanson made a motion seconded by Robert Blake to reduce the Transfer Station operating budget by \$30,000. Motion passed unanimously.**

The operating budget is now \$4,603,464

### Capital Budget Review

1 Record Preservation \$10,000, Police vehicle \$20,000, Bridge Repairs \$50,000, Highway Equipment  
2 \$265,000, Transfer Station Facilities \$25,000, Transfer Station Equipment \$25,000, Firefighters  
3 Equipment \$35,000, Fire and Rescue vehicle \$100,000, Property Reval \$40,000, Contingency Fund  
4 \$20,000, Employee Expendable Trust Fund \$40,000 and the Warner Community Center \$20,000.  
5 Total Capital Budget \$650,000. Clyde Carson questioned if it would be more cost effective to add the  
6 1<sup>st</sup> year lease payment to the operating budget rather than the capital budget since paving funds will be  
7 added back in along with additional lease payments.  
8

9 Mike Cutting opened the public hearing at 8:15 PM.  
10

11 An audience member (name not stated) asked for clarification on the language of the warrant article.  
12 Tim Allen clarified the \$1 clause protects the town's equity in the machine. Kathy Frenette states the  
13 language is verbatim from previous warrant articles from 2015. Rick Bixby suggested adding language  
14 that advises the voters that the 1<sup>st</sup> payment comes from the capital budget and the remaining payments  
15 will be made through the operating budget. Ed Mical explained that the 2015 warrant article was  
16 worded to reflect that funds were to come from taxation. Robert Blake spoke about the possibility of  
17 only one article passing and the effect that would have on the other two warrant articles. Article 14 was  
18 changed to Article 16. He reiterated that the operating budget has been reduced by \$70,000, which  
19 should affect the tax rate. He explained the two warrant articles to increase the veteran's tax credits and  
20 the warrant article to increase the elderly exemption will also increase on property taxes.  
21

## 22 Warrant Articles

23 Article 2 Citizens Petition to Increase of Select Board stipends by \$3,000 per person

24 Article 3 Operating budget \$4,603,464.64

25 James Gaffney urged the Budget Committee to sharpen their pencils to avoid a floor amendment.

26 Article 4 Citizens petition: modify the veterans tax credit from \$500 to \$750

27 Reduces revenue and increases taxes

28 Article 5 Citizens petition: modify the All veterans tax credit from \$500 to \$750

29 Reduces revenue and increases taxes. Elizabeth Labbe provided information that calculates the  
30 redistribution of all the property tax exemptions and tax credits. It does not include the potential  
31 increase to the elderly exemption.

32 Article 6 Citizen Petition: dissolve the transportation improvement (sidewalk) CRF. Transferring  
33 \$20,243.87 to the general fund.

34 Alfred Hanson would like to have an idea of how much it actually costs to apply for grants. Mike  
35 Smith explained that he would have supported this if it were worded to redirect the funds to another  
36 area verses the general fund.

37 Article 7 Citizens Petition to adopt and implement a tax cap

38 Article 8 Citizen Petition to reduce the amount of Land Use Change Tax diverted to conservation to  
39 20%. James Gaffney stated the average amount diverted to conservation is between \$40,000-\$50,000.  
40 Ray Martin disagreed, stating the average of the last 10 years is \$27,000. Bill Hanson stated that the  
41 Conservation Commission told the Budget Committee that \$150,000 has been accrued.

42 Article 9 Citizen Petition to increase the Tax Collector's compensation by \$16,148. An audience  
43 member (name not stated) asked for clarification on the intent: one time increase or permanent  
44 increase. Kimberly (online, last name not stated) stated that it is a one-time adjustment. She stated  
45 there is an RSA that requires the salary of a Tax Collector to be discussed every year. Mike Cutting  
46 explained the rationale behind reducing the Tax Collector's salary. Harry Seidel explained that the  
47 salary was reduced in an attempt to reduce the budget and streamline functions.

48 Article 10 Citizen Petition Combining the town clerk and tax collector's office

1 Ed Mical questioned when this would take effect if it passes. Kimberly explained that RSA 41:45-a  
2 specifies that it would take effective immediately.

3 Article 11 Record Preservation CRF \$10,000

4 Article 12 Police vehicle CRF \$20,000

5 Article 13 Bridge Repair/Replacement CRF \$50,000

6 Article 14 15 and 16 previously discussed

7 Article 17 Transfer Station Facilities CRF \$25,000

8 Article 18 Transfer Station Equipment CRF \$25,000

9 Article 19 Firefighter Equipment CRF \$35,000

10 Article 20 Firefighter and Rescue CRF \$100,000

11 Harry Seidel asked if the amount could be reduced to \$80,000. Chief France explained that he was  
12 asked to develop a replacement schedule, a reduction would be kicking the can down the road.

13 Article 21 Property Reval CRF \$40,000

14 Article 22 Contingency Fund \$20,000 from the unassigned fund balance not taxation.

15 Article 23 Employee Expendable Trust fund \$40,000 from the unassigned fund balance not taxation.

16 Article 24 Warner Community Center CRF \$20,000 from the unassigned fund balance not taxation.

17 John Leavitt questioned how much money is needed to apply for a grant and demonstrate the town's  
18 interest. Kathy Frenette explained that each grant and requirements are different. Christine (in the  
19 audience) explained the parameters of applying for various grants. James Gaffney explained that if the  
20 funds are intended to be used for matching grant fund, the creation of the CRF must specify language  
21 that includes verbiage "to be used as matching funds for a grant". Harry Seidel suggested adding the  
22 verbiage "to be used as matching funds for a grant".

23 **Faith Minton made a motion seconded by Mike Smith to amend Article 24 to add "and or  
24 matching funds for grants". Roll Call Vote Minton YES Seidel YES Smith YES**

25 James Gaffney stated that the town is going down a divisive controversial path relating to grant  
26 projects. He encouraged anyone involved in the grant writing process to be transparent. Faith Minton  
27 stated that the Select Board is not arbitrarily applying for grants to divide the Town, rather to pursue  
28 opportunities that would benefit the community.

29  
30 Elderly Exemption Citizen Petition to modify the elderly exemption.

### 31 Revenue

32 Projected for 2025 is \$1,346,300. Mike Cutting stated that the amount is conservative.

33 The total proposed budget is now \$4,603,185.64 an increase of .88%.

34

### 35 Warner Village Water District Budget

36 The operating budget is \$540,215. Revenue remains the same. Warrant articles 1) Operating budget of  
37 \$540,215 2) warrant article to satisfy the requirement from DES (removal of copper in the water).

38

39 Mike Cutting closed the public hearing at 9:47 PM

40 **Meeting Schedule:** Thursday February 6, 2025, Budget Committee final votes to recommend or not  
41 recommend: operating budget, warrant articles, revenue and the WVWD budget.

42

### 43 Adjournment

44 **Harold Blanchette made a motion seconded by Alfred Hanson to adjourn the Budget Committee  
45 meeting. Motion passed unanimously.**

46 **Faith Minton made a motion seconded by Mike Smith to adjourn the Select Board meeting.**

47 **Motion passed unanimously.**

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49 The meeting adjourned at 9:49 PM

- 1 Respectfully submitted by Tracy Doherty
- 2 Edited by Darcie Buskey, Assistant Clerk

DRAFT