



## **Budget Committee Meeting**

### **Draft Minutes**

**February 10, 2026 7:00 PM**

#### **Open the Meeting and Roll Call**

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

Budget Committee Members Present: Michael Cutting (Chair), Ray Martin, James Sherman, Rick Bixby, Bill Hanson and Kelly Lombardi arrived at 7:12 PM. Robert Blake via Zoom.

Select Board: Harry Seidel and Alfred Hanson

Finance Department: Clyde Carson

Harry Seidel opened the Select Board meeting at 7:00 PM.

#### **Approval of Minutes**

**Ray Martin made a motion seconded by James Sherman to approve the January 22, 2026 Budget Committee meeting minutes as presented. Motion passed.**

#### **Public Hearing:**

##### **Warner Village Water District 2026 Operating Budget, Capital Budget and Revenue**

Mike Cutting opened the public hearing at 7:02 PM.

Ray Martin explained that the WVWD had a surplus of \$28,000 which was a combination of increased income over budget and expenses were down. Ray Martin stated the proposed 2026 budget is up 1.7% attributed to a state requirement that there is a backup operator for the sewer plant. He explained that there is an additional \$10,000 for a part-time backup operator. Ray Martin stated that the previous budget was \$540,000 and is proposed to be \$549,604. The budget includes a 3% raise for the commissioners. He stated that employee benefits increased 6.55%. He explained that there was slight reduction in the number of hours reducing salaries by \$1,400. He stated that employees are budgeted to receive a 4% pay increase. Ray Martin noted that outside services has decreased. He stated that the plant is managed and operates efficiently reducing the number of hauls for sludge. Ray Martin explained that new meters will be installed for additional efficiencies. Debt is down. Ray Martin explained that in April of 2028 three loans will be paid. He noted that the WVWD has been approved for a \$20 million loan with a \$5 million loan forgiveness. Ray Martin stated that solar array has generated \$5,000 in carbon credits.

Warner Village Water District Warrant Article: Ray Martin explained that voters will choose a commissioner, clerk and treasurer. He reiterated that the voters will be voting on the operating budget of \$549,604.

No public comments or questions were raised. Mike Cutting recessed the public hearing noting that it will reconvene on Thursday February 12, 2026.

##### **Town of Warner 2026 Operating Budget, Capital Budget and Revenue**

1 Mike Cutting opened the public hearing at 7:11 PM. Kelly Lombardi arrived at 7:12 PM.  
2 Mike Cutting explained that the operating budget and the capital budget combined is a 1.44%  
3 increase over last year. He explained that due to the substantial increase in ambulance and library  
4 services the budget committee has done a great job at maintaining the budget at a \$77,023.10  
5 (1.44%) increase. Mike Cutting explained that the bulk of the savings was a result of reducing  
6 the capital budget from 755,000 last year to \$377,500 this year. He stated that it is important to  
7 recognize that this is kicking the can down the road.

8  
9 **Operating Budget:** Mike Cutting stated that the proposed operating budget is at \$5,057,708.74  
10 an increase of 8.6% over last year. He explained that funding for the police department budget  
11 was reduced by reducing funding for salary and benefits for a few months while the hiring  
12 process proceeds. Mike Cutting noted the same reduction was made to the Highway Department  
13 budget for two positions.

14  
15 Mike Cutting asked the public for comments and questions. No public comments or questions  
16 were raised.

17  
18 James Sherman explained that the Budget Committee and the Select Board worked hard to  
19 propose a low budget. He acknowledged that property taxes continue to go up. He stressed that  
20 68% of the tax bill the Town has no control over (county, school or state education). James  
21 Sherman explained that the State of NH has reduced the interest and dividends tax, business  
22 taxes and the state has removed the income cap for school vouchers. He stated that the cost per  
23 student has continued to increase and is now \$30,000. He spoke about the aging buildings in the  
24 district that the School District wants to address. James Sherman spoke about the reduction in  
25 rooms and meals tax from the State. James Sherman noted that from 2015 to 2025 the Town's  
26 expenditures have increased only 1.89% and taxes have increased by 3%.

27  
28 James Sherman explained that the local school tax has increased by 76 % since 2015 (5.23% per  
29 year), the county tax has increased 2.04% and the state education tax has increased .37%. He  
30 reiterated that in 2015 the school was at \$3.5 million and \$6.1 million in 2025. James Sherman  
31 stressed that the biggest factor in taxes is the school budget and town has no control over it.  
32 Harry Seidel agreed with James Sherman's comments. Harry Seidel explained that the religious  
33 exemption of property taxes relating to the sale of the Magdalene College to the catholic diocese  
34 is a significant reduction (\$90,000) to the tax base.

35  
36 **Revenue:** Mike Cutting explained that revenue is typically estimated on the conservative side.  
37 Last year revenue was estimated at \$1,346,000 and the amount collected was \$1,671,000. He  
38 stated that revenue this year is estimated at \$1,444,000. Mike Cutting stated that estimate is  
39 conservative.

40  
41 **Warrant Articles:**

42 Article 1: Shall the town vote to raise or appropriate the sum of \$5,047,709 as the operating  
43 budget.

44  
45 Article 2: Shall the town vote to raise and appropriate the sum of \$15,000 to be placed in the  
46 previously established Police Department Vehicle Replacement Capital Reserve Fund. Police

1 Chief Bill Chandler stated that last year \$10,000 was cut from his initial request for CIP and that  
2 will impact his department's vehicle replacement schedule in the future. Bill Chandler stressed  
3 that next year he will need to propose \$25,000 for capital reserve funding to make up for the  
4 reductions this year and last year.

5  
6 Article 3: Shall the town vote to raise and appropriate the sum of \$125,000 to be placed in the  
7 previously established Bridge Repair Replacement Capital Reserve fund. Robert Blake stated  
8 that the current balance is \$136,490. He spoke about his concerns regarding reduction in funding  
9 of CRF's. Robert Blake advised the Board that last year the CRF accounts totaled \$2.4 million,  
10 and the current balance is \$1,824,000. Ed Mical explained that currently there is an application in  
11 at the State to replace the culvert on Schoodac Road and it is a 75/25 split.

12  
13 Article 4: Shall the Town vote to raise and appropriate the sum of \$100,000 to be placed in the  
14 previously established Highway Equipment Capital Reserve Fund. Robert Blake advised the  
15 current balance is \$229,720.

16  
17 Article 5: Shall the town vote to raise and appropriate the sum of \$25,000 to be placed in the  
18 previously established Transfer Station Equipment Capital Reserve Fund. Robert Blake advised  
19 the current balance is \$28,978. Alfred Hanson explained that a determination has not been made  
20 yet regarding the next purchase.

21  
22 Article 6: Shall the town vote to raise and appropriate the sum of \$30,000 to be placed in the  
23 previously established Firefighters Equipment Capital Reserve Fund. Robert Blake advised the  
24 current balance is \$98,000. Fire Chief John France stated that the next purchases would be  
25 portable radios and additional fire structural fire gear.

26  
27 Article 7: Shall the town vote to raise and appropriate the sum of \$50,000 to be placed in the  
28 previously established Fire and Rescue Vehicle Capital Reserve Fund. Robert Blake advised the  
29 current balance is \$410,000. Fire Chief John France stated the next purchase will be the forestry  
30 vehicle and he estimated a withdrawal from the CRF to be approximately \$126,000. He noted the  
31 next purchase would be Rescue 2 Suburban at a cost of approximately \$90,000. Chief France  
32 stated that the tanker will be due in the next 4-5 years. Harry Seidel advised the Board that the  
33 Fire Chief has reduced his funding requests by \$30,000.

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35 Article 8: Shall the town vote to raise and appropriate the sum of \$32,500 to be placed in the  
36 previously established Property Reval Capital Reserve Fund.

37  
38 Article 9: Shall the town vote to establish a contingency fund for the current year unanticipated  
39 expenses that may arise and further to raise and appropriate the amount of \$20,000 to be placed  
40 into this fund. This sum is to come from the unassigned fund balance. Any appropriations left in  
41 the fund at the end of the year will lapse to the general fund.

42  
43 Article 10: Shall the town vote to establish a revolving fund pursuant to RSA 3195-h, for the  
44 purpose of supporting Warner's emergency operations center. And furthermore to raise and  
45 appropriate the sum of \$6,500 to come from the unassigned fund balance.

1 Article II: Shall the town of Warner vote to accommodate RSA 75:27 to modify the provisions  
2 of RSA 72:35 previously adopted for the optional tax credit of \$2,150 for the service connected  
3 total and permanent disabilities of residential property.  
4

5 James Sherman advised the Board that he recently learned that RSA 261:153 allows the Town to  
6 charge an additional \$5 motor vehicle fee to be used for highway improvements. He stated that  
7 he will propose this at Town meeting. He estimated this could generate an additional \$20,000 –  
8 21,000. Mike Cutting stated that this is something that the Town of Henniker is doing and it will  
9 be up to the voters of Warner.  
10

11 Mike Cutting recessed the public hearing at 7:48 PM, to reconvene on February 12, 2026.  
12 Alfred Hanson asked when they would hear back from the Department of Revenue (DRA)  
13 regarding the warrant articles. Clyde Carson explained that the warrant articles were submitted to  
14 the DRA yesterday and they are in the queue. He hopes to hear back from the DRA by the end of  
15 the week.  
16

17 **Meeting Schedule:**

18 Thursday February 12, 2026

19 Thursday February 19, 2026 Final Votes  
20

21 **Adjournment**

22 **The Budget Committee recessed until Thursday February 12, 2026.**  
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24 **Harry Seidel made a motion seconded by Alfred Hanson to adjourn the Select Board**  
25 **meeting at 7:50 PM. Roll Call Vote Seidel YES Hanson YES**  
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27 The meeting recessed at 7:50 PM

28 Respectfully submitted by Tracy Doherty