

MINUTES

Sanbornton Budget Committee

Meeting Date and Time: Wednesday, January 24th, 2018 at 7:00 PM

Meeting Place: Town Offices, 573 Sanborn Road, Sanbornton, N.H.

The Budget Committee met with the Board of Selectmen during the regular BOS meeting to discuss department budgets.

Present: Budget Committee Chair Ralph Rathjen, Selectmen Karen Ober, Katy North and John Olmstead, Earl Leighton, Craig Weisman, and Craig Davis.

Review of FY19 Department Budgets

Chair Ralph Rathjen explained that he would like to discuss only the department budgets where there are differences between the BOS recommended figure and the Budget Committee's. He asked why the budget for Medical Insurance is substantially higher than the actual expenditures each year. Town Administrator Katie Ambrose stated that the figure is based on the maximum out of pocket expenses for employees taking the Town insurance and that there are 12 new hires. Chair Rathjen noted that the BOS added \$1 for the budget lines for Police Officer 3 and 4. Selectman Ober stated that the Police Department has been managing with 5 officers but even with an additional officer they will not have 24-hour coverage. She also stated that there is no warrant article in the works for a 6th officer but that could be petitioned by someone at Town Meeting.

For the Fire Department, Chair Rathjen noted that the Budget Committee voted to decrease the budget lines for overtime and office supplies (a new photocopier) but did not change the requested amount for new software. He stated that there was general consensus among the Budget Committee to reduce the requested employee count for the Highway Department and to reduce budget for Salt by \$10,000. Chair Rathjen also noted that medical insurance and fuel for all departments will be looked at by the Budget Committee tonight. Craig Davis stated that he would like to reiterate to taxpayers at Town Meeting that they are voting on a bottom line budget and that the BOS are the spending agents for this total amount and can move funds if needed.

Selectman Ober explained the warrant articles that will be brought to Town Meeting including all CIP requests which total \$290,000. Chair Rathjen asked if the pay raises as part of the new pay matrix are included in each department budget and Selectman Ober responded that they are.

(Budget Committee meeting continued at the Life Safety building meeting room at 7:47pm with Chair Rathjen, Craig Davis, Craig Weisman and Earl Leighton in attendance.)

Medical Insurance - Chair Ralph Rathjen stated that he feels the Medical Insurance line should be reduced as it has been underspent each fiscal year. He noted that the BOS budget methodology is based on all new employees taking the maximum HRA amount and having multiple dependents. The current fiscal year trend shows that insurance will be underspent by \$80,000. Craig Davis stated that it is unfair to take disposable capital from residents year after year and have it end up in the General Fund because it's not used. Earl Leighton stated that there is enough in the General Fund right now to cover the medical insurance line if it happens to be overspent in FY19. Craig Davis made a motion to reduce the BOS recommended budget for

Medical Insurance from \$419,740 to \$350,000. Earl Leighton seconded the motion and the motion passed unanimously.

Fuel – Chair Rathjen explained that viewing fuel budgets in each department budget does not look like much, but as a Town the total fuel budget has been underspent historically each year. He stated that Police and Highway are the main users of fuel. Chair Rathjen made a motion to reduce the BOS recommended budget for Police Gas 4210.635 from \$16,000 to \$8,000 and to reduce Highway Diesel 4212.636 from \$40,000 to \$25,000. Craig Weisman seconded the motion and the motion passed unanimously. The new total for fuel across all departments is \$45,175.

Chair Rathjen explained that historically the spending across departments has increased but taxes have remained stable. Earl Leighton noted that much of Sanbornton's land is in Current Use which leads to a shallower pool of tax dollars. Craig Weisman stated that he would like to see a breakdown of homes assessed at \$100,000, \$200,000, etc. Chair Rathjen asked if the Committee wants to distribute the Transfer Station revenue sheet to residents at Town Meeting. Craig Davis responded that this would be too much information at one time.

Fire Chief Paul Dexter asked for the Committee to consider creating a non-lapsing fund for the Fire Department fees which can then be used for the purchase of smoke detectors for residents in need. He stated that he would like to have \$2,000-\$2,500 in that fund and usually raises about \$2,000 from fees per year.

Meeting adjourned at 8:45pm. The next meeting is scheduled for Tuesday, February 6th at 6:00pm to be held at the Old Town Hall with a public hearing component at 7:00pm.

Respectfully submitted,

Audry Barriault, Budget Committee Secretary