

2016 Municipal Budget Process 2015 – Town of Lincoln
Budget Committee Meeting Minutes – January 19, 2016
Lincoln Town Hall, 148 Main Street, Lincoln, NH

Attendance:

Budget Committee Members: Marty Nastasia, Ivan Strickon, Cindy Lloyd, Tamra Ham, Dennis Ducharme, Mike Simons, Herb Gardner, Selectperson Jayne Ludwig, Deanna Huot, Susan Chenard, Lutz Wallem, and Paul Beaudin. (Bev Hall excused)

Staff: Town Manager Butch Burbank, Finance Director Helen Jones, Library Director Carol Riley

Audience: Patricia McTeague, Gail Tremblay, JJ Bujeaud

Call to Order: Chairman Mike Simons called the meeting to order at 5:02pm.

As the meeting minutes for January 12th and 14th had just been distributed this day, the committee discussed holding off on approving them until the next meeting. Lutz felt that the committee should have the time to review them in depth, due to all of the figures involved. Paul felt that since the capital items had not been approved, but only discussed, it might be ok to do so. Tamra pointed out that the minutes only need to be taken, not approved, anyhow. Mike was happy to wait, but Butch cautioned not to wait too long after a meeting to approve them.

Motion: “To Wait to Approve the Meeting Minutes of January 12, 2016 until the next meeting”

Motion: Paul Beaudin Second: Ivan Strickon Motion carries with one abstention

Motion: “To Wait to Approve the Meeting Minutes of January 14, 2016 until the next meeting”

Motion: Paul Beaudin Second: Tamra Ham Motion carries unanimously

#22 – Library

Carol Riley pointed out that her budget had just a very small increase. One item causing this was her plan to purchase an AED device, with intention to train her staff on it as well. The library has some customers for whom it might be important to have one there. Also, Carol would like to attend a conference in Denver for public libraries. Herb clarified that it was a national conference. Deanna would support Carol’s attending that conference, as do several other members. Carol comes back full of new ideas. There was also a small increase of 2.55% in wages. Tamra asked if the library had been in touch with Robert Wetherell regarding the AED purchase. JJ said he spoke with Rob and they can take advantage of his discount through the ambulance service. Tamra checked that there were no new problems with building, which was correct. Paul wondered about wages being underspent in 2015, yet now the library was looking for about \$2000 more, or roughly \$5000 more than the 2015 actuals. Carol explained that new employee started in April, and did not work the whole year, as budgeted. \$21,378 had been taken out of the budget between the budget committee recommendation and town meeting last year, and they had to come to \$105,762. As it is a trustee fund, bookkeeping was needed to adjust. Besides the rot repair, Helen asked Carol where to take the rest of the money out, and she had said to take from printed material. The library had to cut back on the amount of books

45 purchased too. Building maintenance shows a request for \$3,000, but the library also has \$26,000
46 in CIP requests. Carol explained that the \$3,000 is for maintenance, not replacement; more like
47 for carpet cleaning, windows, toilets, etc. She's building up the CIP for carpet replacement,
48 which will be a big project. Bookcases are very difficult to move, and all books must be
49 unloaded from them. Bethlehem just did a project to move from one building to another, and it
50 cost \$10,000 just to move the books, though they used a professional mover. The Lincoln Public
51 Library received the 5 star award for 7th year this year, due to use of library, programs they hold,
52 etc. Paul asked how contracted services were underspent by 21% this year. Carol said that the
53 last cleaning person never gave her a final bill. The propane budget was reduced to \$2,600 this
54 year, but spent \$2,900 last year. The cost went down for gallons of propane. Ivan explained that
55 the AED's are half supplemented by the State of NH through the ambulance service. Magazine
56 costs were 26% less because they were supplemented by the Friends of the Library. Public
57 comments were all for the budget. Offsetting revenue is just for copies and fax fees. As they are
58 one of only places that have a copier and fax machine, they do make the budgeted \$500.

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60 The committee was reminded that some members had to leave at 7pm. Since it was now 5:30pm,
61 there was a discussion on which items to vote on this evening. Anything that Woodstock would
62 also be voting on was shifted till Thursday, after Woodstock had a chance to have their meeting
63 this Wednesday. At this time, most of the audience left, besides Patricia, and the committee
64 decided to discuss the Executive Budget.

65 66 #1 – Executive

67 The Town Manager started by discussing wages. The increase reflects the 2.75% proposed across
68 the board, plus the change in the HR/Admin/Recording Assistant increase from 16 to 24 hours.
69 Overtime is down, as we start to better manage the hourly employees whose comp time must be
70 paid off at the end of the year. The elected officials' rate remains unchanged.

71 Utilities (phone costs) were down 3.31% as we added a cell phone for public works for the water
72 plant, but removed a land line. The other items are at an annual fee.

73 Dues/training/travel showed most items at the same cost. The ICMA conference, part of Butch's
74 contract which he cut last year voluntarily, has been added back. Miscellaneous seminars budget
75 has dropped slightly, but Butch continued encouraging members of boards and committees to
76 attend these. Mike noticed there was nothing budgeted for Scottish Clan. Jayne said that there
77 was no formal request letter from that organization, so the Board of Selectmen decided not to
78 give any voluntarily. Deanna remembered this item starting when they were putting up the
79 staging at Loon. The town used to give \$1500 per year, since 2009, but stopped last year. The
80 Selectmen used the same criteria with the health agencies; if we did not receive a letter of
81 request, we didn't fund. The town's residents, businesses and school provide volunteers and
82 rooms, while the Town participates by keeping our police officers in kilts, so the Highland
83 Games are well supported.

84 Contracted services saw a variety of increases. Appraisal maintenance and software were both up
85 as 2016 is a revaluation/pick-up year. Computers and equipment only saw 1 computer to be
86 replaced this year, and Butch hopes to stay on a 1/yr schedule now. Certified Computers
87 consolidated their bill this year, including offsite back up, email and maintenance and includes
88 all of the town's computers, not just town hall. BMSI shows a slight decrease, but Butch is
89 asking BMSI to add payroll or we may look elsewhere. Currently Helen is calculating payroll
90 information like absentee/attendance, etc. by hand. The copier lease just went up, but it gets a ton

91 of use. \$4,000 is back in the budget for the Volunteer Night/Christmas party. Town hall received
92 feedback that the employees and people on other boards would like to see this party back. GASB
93 separate benefit accounting has been required every 3 years, but soon has to be done every 2
94 years. This is through DRA and auditors, and is a federal requirement. We'll do it in 2016, then
95 again in 2018. Repair of equipment like phones, etc. not under contract is for maintenance. Web
96 design costs are in their last year as Jayne and others know how to work it. This should not be a
97 cost next year. Town car maintenance and fuel is increasing, as Butch is trying to get employees
98 to use it as much as possible, but it needs more maintenance. He noticed that the steering has an
99 issue currently.

100 Materials and supplies cost are steady, as is the FEMA offsetting revenue for the Town's
101 administrative work as contract holder of record for the bridge. Butch noted that the rest of the
102 steel was coming this week.

103 Discussion on the budget started with Tamra clarifying that postage and registered mail costs
104 were for the whole office, including planning, etc. Deanna stated that she had not been Butch's
105 biggest fan when he arrived, but as she has been observing him from a different light, she is now
106 very happy with how he is handling himself. Butch said that that meant a lot to him. Deanna also
107 thanked the budget committee secretary, Susan, for her detailed minutes, but wondered if
108 someone else could do the minutes, so Susan could participate more fully. Butch said that he
109 would have to set hours aside in some budget and generate overtime, as it is an evening event.
110 Most boards do take own minutes though. The minutes used to be much briefer, but it was
111 something to think about. A number of committee members stated that they liked the detailed
112 minutes. Butch thought that if he adjusted his overtime budget by \$300, that could used be 24
113 hours of minute-taking. The committee would think about this. Jayne asked if we could change
114 the name of the annual party to a holiday party, rather than Christmas party. That would be left to
115 the Board of Selectmen. Deanna supports that event, and Tamra seconded that. They felt it was
116 good to recognize the volunteers and it was a great way for members of different boards to
117 interact. Paul asked about the over expenditure in payroll by about \$4,000. Helen said it was a
118 miscalculation on her part. Also, were the public officials' pay amount correct or would they
119 need more? Helen would have that information on Thursday. Paul noticed that expenditures for
120 telephone lines had dropped to around \$6,600. Butch said that we were starting to see savings we
121 get rid of some lines and switch to radios, etc. Paul then asked about contracted services, saying
122 that Ivan brought up earlier the need to get new quotes, due to Certified Computers big increase
123 to \$15,832, up from last year's \$12,865. Butch agrees. Paul also asked about the town car. With
124 costs increasing every year, \$4500 in 3 years, wouldn't it make sense to look at a replacement?
125 Butch said part of the savings is in mileage. The staff can't charge mileage if the town car was
126 available and they chose to use their own vehicle. Tamra asked when the next one old police car
127 would be available. Paul had a similar point; to buy a new used one for about \$6,000 and maybe
128 put it into the CIP. Tamra would like to see how much the savings in mileage are, by looking at
129 the last year that we didn't have it. Butch said current use was about 3,000 miles at 55c/mile. The
130 next car more would be more efficient and safer. Deanna noted that the Selectmen have not
131 asked for an increase in 17 years. Butch said he had asked the Board of Selectmen, and they said
132 they were fine without an increase. Mike felt that was yet another reason for annual party.

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#4 – Legal

Legal was underspent last year (about \$120,000 actually spent vs \$175,000 budgeted). This year the town was asking for \$150,000. This was due mainly to the bonds. If the levee bonding goes through, it could be underspent again, but if not, costs could be sky high. This figure was a total guess. The Town is trial ready for the utility cases, so that's basically set. Legal fees that were \$3,000-\$5,000k/month are now only hundreds per month for utility cases. On the levee and Beechwood, we think we're good, but need 2/3 approval for those bonds. If the budget committee votes against a budget/or considerably less, it cannot be overspent significantly per DRA. Butch and Patricia do not feel that the \$150,000 is excessive. Ivan wondered if law firms could bill us in 2017, if needed? It would be hard to tell, if it will be at the end of the year. Butch hinted that there is a new potential issue coming up at the Landing. The union contract is also to be negotiated next year and one never knows the reception on that. Paul said his point in looking to reduce this figure, was that if the Town can show a reduced operating budget, it helps to sell the bonds. Tam felt that with the town meeting track record on bonds, she would hesitate to reduce this budget specifically. Butch understands Paul's point, as this is not a concrete amount. Paul stated that he is now in favor of the bond, in general, where he had not been for it the last 2 years. He's been talking people into it as well, even if he still has an issue with the last 300 feet. He believes Beechwood may be the bigger issue. Paul asked that we look at the end of the budget season and see if we still have 10% overage. We are responsible for the bottom line only as a town. Paul noted that we've been adding offsetting revenue back into this year's budget, so that bottom line may look pretty good. The tax rate for the town portion is the only part that we can influence.

#5 – Personnel

Helen asked that we wait to discuss this budget until any other wages are discussed.

#9 – Insurance

Butch explained that the property liability insurance budget was based on not to exceed numbers from Primex. We're in the July pool. The private sector couldn't touch this in the past, and we only have one pool to choose from, since PLT is going out of business. The Primex pool is going through a variety of claims, increasing those costs. Butch will go out to bid again, just in case. He will look at health insurance too, though there is no latitude on the union's portion. Healthtrust is good, but the town has a hodgepodge of insurance coverage. We are moving to single payer system. Currently, the Town's plan may be a Cadillac plan, especially as a small employer. Fines to employers could be as high as 47% per employee. A Cadillac plan is described as such if new employees search for a family plan and they can get equivalent coverage for less. If that's the case for a town employee, we could get that label. Patricia serves on an insurance coverage board for another municipality and noted that Lincoln offers far fewer benefits. Fines would be an employee benefit cost. Remember, wages have benefits added on. Private sector employees don't get insurance, so there's not a Cadillac plan. Mike clarified, if an employee finds the same coverage for a better price, really, the Town needs to get a better price.

#20 – Welfare

This budget was cut by 35%. Jayne, Butch's assistant, has some background in this area and is doing an awesome job. A new computer system connects all towns in the state, so we can weed out those that apply at each town in the area on the same day. Jayne is then able to work with

other applicants to find the best agencies to assist them. Encore also helps. Paul noted that we only spent ~ \$1700 last year and less than \$10,000 the previous year. Why are we asking for \$20,000? This is one that we can lower and potentially go over budget. Tamra suggested reducing the budget to between \$10,000 and \$15,000. Butch suggested \$12,500. Jayne wondered if people moving to this town would affect needs. More often, it's a time need to connect applicant with the best agencies, not actual expenditures. Fuel costs went down. Any homeless applicants typically need just a meal and bus ticket. The hours Jayne spends are part of the executive budget. Ivan wondered if the food pantry and tri-county cap offset this. Yes, health agencies keep track of referrals, like birch house, tri-county, etc. Paul asked that when we look at health agencies, we keep in mind how they can help Lincoln's poorest specifically. Helen can spread the items in this welfare as needed.

Motion: "To Reduce the Welfare Budget to \$12,500 in expenses"

Motion: Tamra Ham Second: Herb Gardner Motion carries unanimously

Ivan left at 7pm, as planned.

#23 – Patriotic Purposes

Deanna asked about the lack of budget for summer events. This included the movie night, ice cream social, etc. It is now in the recreation budget, at \$1600. This was the cost last year, which was offset 100% by donations, but some businesses felt put upon. The fireworks contract remains the same. Paul asked if the plantings and maintenance at the town hall and gazebo, including watering, weeding, etc. couldn't be done by public works. Cindy noted that public works doesn't have the time. (She lives at Riverfront, and they are still waiting for some landscaping at the river intake.) This line item also includes plants, as well as maintenance.

#19 – Health agencies

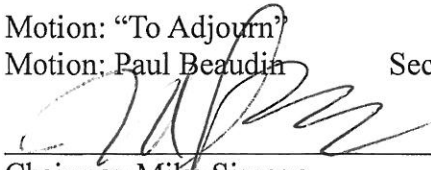
Mid-state Health, CASA and the Center for New Beginnings had not sent letters of request this year and did not receive last year, so that was continued. Paul just wanted to make sure we used the criteria of how each assists Lincoln residents. Transport central was a new service, and there was discussion that this is not the same as the senior van. Transport central could be used for regular medical visits of a specific person, for example, and is mostly volunteer staff. Paul wondered if we could list some of these agencies on our website. Everyone felt this was a good idea. Jayne clarified the difference for Transport Central from some Selectmen's documents. Tyler Blain Homeless Shelter was under Tri-County cap, yet a separate service. Deanna felt CASA should be sent some funds, but as they didn't request any, was ok. The Red Cross did request funds, and assist the town with blood drives and after a fire.

At 7:14pm, the committee confirmed that they just had Personnel and Town Hall left to discuss, and many to vote on at the next meeting.

Motion: "To Adjourn"

Motion: Paul Beaudin Second: Herb Gardner

Motion carries unanimously


Chairman Mike Simons


Date