

1 **2017 Municipal Budget Process 2016 – Town of Lincoln**
2 **Budget Committee Meeting Minutes – January 5, 2017**
3 **Father Roger Bilodeau Community Center, Lincoln, NH**

4 Attending: Deanna Huot, Patricia McTeague, Beverly Hall, Lutz Wallem, Secretary Susan
5 Chenard, Cindy Rineer, Marty Nastasia, Cindy Lloyd, Larry Sweeney, Chairman Mike Simons,
6 Vice-Chair Herbert Gardner
7 Excused: Dennis Ducharme and Selectperson Jayne Ludwig
8 Staff: Finance Officer Helen Jones and Town Manager Butch Burbank
9 Audience: Mary Conn

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11 **Call to Order:** Chairman Mike Simons called the meeting to order at 5:35pm.

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13 **Review of meeting minutes of December 20, 2016**

14 **Motion:** To accept the December 15, 2016 meeting minutes, as amended,

15 Motion: Herb Gardner Second: Lutz Wallem Motion carries unanimously
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18 Cindy Lloyd reported that she had heard back from the Town's attorney, Peter Malia, who thinks
19 our bylaws are fine. He had just one suggestion for change on the public participation
20 document. The bylaws and public participation information is attached to these minutes, and
21 would be sent to budget committee members for review.
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23 **#20 - Welfare – Butch Burbank**

24 Butch said that Jane Leslie has continued to do a great job with this department, only spending
25 about \$2,000 of the town's funds this year. Instead, she knows how to get the applicants
26 assistance without it being at the expense of the town. The suggested budget figure is reduced
27 further. Butch said he was a little nervous about that figure, due to changes that could come
28 about by the incoming administration, etc. However, this is a budget that can be overspent if
29 necessary, as long as the town stays within the bottom line. Cindy L pointed out that it can be
30 overspent, if it remains within 10% of the overall bottom line. The health agencies that we
31 donate to are the ones that typically help the town by helping the welfare applicants. Jane uses
32 whatever resources she can find, but sticks to the rules very closely. Helen and Butch do feel
33 we're as low as we should go. The only line item that went up in this budget is the NHGAP
34 hosting fee, by \$20. This is a program that allows Jane to see if an applicant has applied for the
35 same assistance from other towns, among other things.

36 Public input from Mary was that the town had spent about \$1500 in 2015.

37 **Motion:** To close discussion on the Welfare budget until the meeting prior to the Public Hearing.

38 Motion: Herb Gardner Second: Patricia McTeague Motion carries unanimously
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40 **#5 - Personnel Administration – Butch Burbank**

41 Butch explained that, basically, almost all of these numbers are dealt to us by the insurance
42 carriers. Health insurance costs are less than a 3% increase, but retirement, group 2, saw an
43 increase in employer contribution by 38.64%.

(Tammy Ham arrived at 5:50pm to cover the meeting in place of Selectperson Jayne Ludwig, having read online that the meeting was to start at 6pm.) Helen pointed out that worker's comp had been reduced by about \$6600. Butch explained that the formal education budgeted figure was not used last year, but continues as available for union members. We are still in contract negotiations with the police union and have until February 7th to finalize a contract. Larry wondered if we would have a correct set of figures when Chief Smith comes in on January 24th. Butch believed that this should generally be the case.

Deanna noted that there was no increase in Medicare and Social Security, although payroll was increased by 3%. Butch and Helen explained that last year, we had budgeted for full staffing in the police department. However, the department was down 2 police officers for a good portion of year, so we underspent this amount last year. Wages for the police department are up over 8%, and a new officer with 15 years of experience will be starting soon. New officers coming in, come with varying levels of experience, and so, fall into different steps in the union contract. This payroll increase could go higher than the 8% based on negotiations.

Cindy R asked about health insurance. What percentage does the employee pay? For non-union employees, the town pays the 1-person rate. For union members, the town is in negotiations, but currently, the town pays 94% and employee pay 6%, of all costs, for as many family members as needed. There is also a \$2,000/yr stipend for those that choose not to take the town's plan. Tammy asked if there are any non-union town employees who have whole-family coverage grand-fathered, and Bruce believed there were only 3 left. Cindy R wondered why nothing was funded for worker's comp last year. Helen explained that we got the "holiday" - we had a credit due to the insurance pool having built up too much excess funds.

From the public, Mary said that in 2013, the town had a wage and benefits plan survey done by MRI. They suggested that the town pick up 85% of health insurance costs and have the employee pay 15%. Did the town pursue this? Butch said he had brought this up to the Board of Selectmen last year, but not this year, as that board did not want to saddle employees with such a burden. Mary explained that several surrounding towns are offering 2-person plans, and any other combination, where employees pay 15%. A 2-person plan can be \$185/week. Tammy suggested looking elsewhere for a decent plan, as an acquaintance had found a good plan, which can be \$145 per month. Mary would like to see additional funds budgeted for insurance, but even if so, that doesn't require the town to change how it offers plans. Helen will research the cost differences. The town has a very good plan, but a separate plan that Tammy has knowledge of, has a small copay, \$2500 deductible, etc. for less than \$145/month. Tammy would like to see this subject brought before the Board of Selectmen. Butch said that the 85/15 split has become a recruiting tool. Thornton just lost its police chief, who wanted to take advantage of this better option in Plymouth.

Motion: To put off closing the discussion on the Personnel Administration budget until the budget committee has the information regarding the cost of copay from finance and the opinion of the selectmen.

Motion: Beverly Hall

Second: Herb Gardner

Cindy L would like to see a path to bring this to the Board of Selectmen, and then we can react. (It should start with a policy change.) Helen asked if she should check what other towns like Derry, etc. do as well. And this was well-received. The MRI wage and benefit plan came out in 2013, and described what happens in nearby towns. Cindy L confirmed that this is only for non-union employees. Mary suggested comparing municipality to municipality, but others felt it also made sense to compare to private and state employers, as employees look in all of these for a job. For example, state employees make less per hour, but get better insurance. Larry said his company took 6 months to go through the many variables of insurance plans for their employees, and that it cannot be solved in 30 minutes. The ACA is such a moving target that everything needs to be looked at again anyhow. Mike pointed out that we can motion to open discussion on this subject again too.

The motion carried unanimously.

#7 - Town Hall – Butch Burbank

Carpet annual cleaning remained the same. Electricity was reduced due to a rate drop, as was propane for the same reason. Materials and supplies dropped based on usage. Building and Property maintenance also saw a reduction, due in part to a new cleaning company from Sanbornton. Town Hall and the police department have been very happy with them, and the library also uses them. They come in 3 days a week, which seems to be plenty. Overall, this budget is down over 20%. Tammy wondered if we were cutting it a little close, but Butch said staff and Helen are comfortable with the figure.

There was no public input.

Motion: To close discussion on the Town Hall budget until the meeting prior to the Public Hearing.

Motion: Herb Gardner Second: Patricia McTeague Motion carries unanimously

Other business

The town received an email from Krista Hollingsworth from Jean's Playhouse. They were asking for \$2500 for the Playhouse, a 501c3. However, when they filed to become tax exempt, the town decided not to pay them anymore additional, as the town already gives them a break. The letter was sent in October, but missed. It would have been under the executive budget. Butch will bring it to the Board of Selectmen, and may bring it back before us. Deanna wanted to note that they do a lot with after-school programming and donate many times to local organizations. Perhaps they could help us decide with information as to how many people they service in our town, like the others did for health appropriations.

Larry asked if the town has a policy for when they give funds. Butch said there was nothing written, but actions were based on NHMA guidelines. Larry suggested having a written policy. For example, the American Legion, as a non-profit, could just as easily ask. (He's the commander there.) There is a difference between tax exempt and non-profit. Deanna said that every tax exempt entity must file papers every year. That's how the town came to own Lady's Bathtub. Becoming tax exempt is a federal decision.

132 **Motion:** To adjourn at 7:04pm.

133 Motion: Herbert Gardner Second: Larry Sweeney Motion carries unanimously

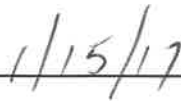
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Chairman Mike Simons

Date


1/15/17