

Town of Boscawen
Advisory Budget Committee Public Meeting
Boscawen Municipal Complex
January 28, 2021 at 5:00 p.m.

Present: Barbara Randall, Chair, Alan Hardy, Mark Varney, Edward Cherian Jr., Katie Phelps, Dean Hollins, Nicole Hoyt, Bruce Crawford, Brian Fleury, Rhoda Hardy, Kellee Easler, Sarah Gerlack, Susan Croft, Kearsten O'Brien, Pam Hardy, Gary Tillman, Tama Tillman, Tim Kenney, Lorrie Carey, Paul Dickey and Kate Merrill.

Meeting started at 5:04 pm.

Due to the Covid-19/Corona Virus crisis and in accordance with Governor Sununu's Emergency 17 Order #12 pursuant to Executive Order 2020-04, the Board was authorized to meet electronically.

Kearsten O'Brien did roll call. Budget Committee: Barbara Randall, Susan Croft, Brian Fleury, Bruce Crawford, Gary Tillman, Peg Daneau, and Rhoda Hardy.

Review and Approval of the February 6, 2020 Minutes: Line 67 should reads 'Town's'. Line 73 'they' should be 'the'. A **motion** to approve the Minutes with amendments listed was made by Bruce Crawford, seconded by Susan Croft. Roll Call Vote: AYE: Croft, Crawford, Daneau, Fleury, Tillman, Randall. NAY: none. Motion carries by a unanimous vote.

Election of Chair: A **motion** to nominate Barbara Randall as Chair was made by Susan Croft and seconded by Gary Tillman. Roll Call Vote: AYE: Croft, Crawford, Daneau, Fleury, Tillman, Randall. Motion carries by a unanimous vote.

Selectmen Cherian gave a summary of budget items that had changes.

Overall they are proposing a 5.27% increase in the 2021 budget. As it has been a challenging year and quite a few employees have had to work remotely, he would like to commend employees and department heads as they have performed above and beyond during this pandemic.

Account #4140, Town Clerk/Elections is being increased by 22%. They need to hire another person in this department. There has been an increase in construction of new homes which means new residents in town. The Town Clerk's office has offered more services than ever before. They have brought in an increase of almost \$100,000 between 2018 and 2020. The person hired will split their time between the Tax Collector and Town Clerk.

Account #4150, Financial Administration. They had a new hire since last year. Katie Phelps has been operating two departments; Finance and HR. Last year she had an assistant.

Account #4151, Tax Collector. They also have had a part time new hire.

Account #4153, Legal Expenses. They have not spent much on litigation so this account has been reduced.

Account #4155, Personnel Administration. This account has had the largest increase; \$143,458. An increase of 19%.

The total budget increase that is being asked for is \$243,000.

The increase is driven by a few things. The cost of health care has gone up. Katie Phelps reported a 6.2% increase. Cherian went on to report that Personnel is the largest expense. This is for the people that do everything in the town. There is a significant increase in retirement costs which are calculated by the retirement system. The town is responsible for contributions to the pension. Katie Phelps reported that Group 1 went from 11.1% to 16.01%. Group 2 went from 28.3% to 33.88%. That is \$39,000 of the cost. Personnel Administration, Account #4155 under tab #5 shows that the Employee Health Insurance has increased by \$98,000. The town has been talking about right sizing the employee health insurance system. People who chose a single person plan did not pay any premiums. People who chose two person plan or family plan paid some premiums. The town was fully subsidizing single family plans. They made an adjustment to that. Now the individual plans will pay approximately \$50 a month for their plan. The town has made it more equal by adding more towards two person and family plans. They are adding to the employees benefits. More people have now adopted two person or family plans. That is the largest single increase in the overall budget.

The Police Department had a 6 month increase for a new officer, which is standard. That has changed. A member of the Police Department has a longevity payment and another member has a longevity payment as well as a pay adjustment. They have lost 2 police officers this year and so they are trying to keep the pay competitive to entice people to stay. There is also a new position added.

The Police equipment increased by \$3,000 for Taser equipment cost. Some increases didn't happen because the Chief was able to obtain grants.

Public Library had a significant cut.

Capital Reserves increased by \$253,200. This will help offset the cost when they purchase a new fire truck. This account has been contributed to for many years. They have received grants and money back from the Covid19 grant funds. That fund balance has been about 8% of the total budget or \$760,000. They are keeping an excess of \$650,000 as unassigned fund balance. So the Board has determined to pay all contributions to the Capital Reserve Fund so there will be no tax increase.

The cost of living adjustment is 1.3% due to the federal guidelines. They asked the departments to make cuts and many employees have volunteered to forgo pay increases to reduce the budget. He'd like to thank those employees.

The Board zeroed out donations to nonprofits this year because the budget is so tight and employees are giving up pay increases. Doing so made sense. As a Board they decided not to make any contributions this year.

Questions from the Budget Committee:

Barbara Randall had a question regarding Tab 8 of Parks and Recreations. They didn't have a summer program. But \$20,000 was paid out for salaries as well as \$500 for overtime. Cherian explained that a lot of preparation and work was done for the program. They were reimbursed by the State, but it doesn't show in the line items.

Gary Tillman has sat through these meetings every week and thinks the town has done an excellent job in reducing the budget. A lot of hard work was put into this budget.

Peg Daneau worked at the City of Concord with their budget in the past. Boscawen added the revenue in a few meetings back. She has questions regarding the Town Clerk and Tax Collector and the new position requested. Section 4 of the document discusses income coming in for that area. She's not seeing the boost of revenue that she expected in relationship to the additional work expected. Looking straight at the data and numbers she's not seeing the change. Ed Cherian answered that a lot of new 'on line' work has been done by Nicole Hoyt and her group which has triggered more calls. Nicole Hoyt added boats and off road vehicle and snowmobile registrations. Last year they projected \$600,000 in revenue and it ended being \$700,000 in revenue. Gary Tillman asked if absentee ballots come with that. Ed Cherian explained that election costs come under another line. They ran multiple elections during the Covid19 pandemic with a huge number of absentee ballots. This increased her hours worked. The last 5 years of revenue was shared on the GoToMeeting screen for all to see/review. Nicole Hoyt explained the increases were from snowmobile, hunting licenses, and fire permits. As they take on additional transactions, part of that money needs to be paid to the State of NH. The screen shows what was collected and what was paid out to the State for the transactions. Katie Phelps explained that last year there was a huge bump as \$971,930 and \$247,354 went back to the State of NH and other agencies. Peg Daneau thought 2020 numbers looked similar to 2017 numbers. Nicole Hoyt explained the staffing has changed as there was a full time tax collector and a full time town clerk. They had a town clerk for 5 months and then she left. From there she absorbed the town clerk position and then they added a deputy. They were still not working up to full staff. And her deputy for tax collector has also increased the welfare department programs that they offer. The work load is getting too heavy for just 2 of them. Sarah Gerlack explained that perhaps not everyone may realize, but welfare is also in their office. There are 3 departments being run by 3 people.

Ed Cherian reported that the Select Board voted to support this budget. The budget committee hearing is in 2 weeks for a vote. It is a lean budget. There is a lot of uncertainty in state and federal revenue.

Barbara Randall asked if they were not going over the Warrants this evening. Ed Cherian stated that was correct. They are waiting for the petition ones. The Board and budget committee should look at any that has budget implications. They can speak regarding the EPA grant for a total of \$600,000. \$500,000 comes from EPA and \$100,000 comes from the town to clean up the Commercial Street property. This is listed under Warrant 09. They are trying to meet that \$100,000 in kind.

Katie Phelps noted that the only change they may have is a new warrant article added, but other than that there will be no further updates to the budget packages.

Ed Cherian noted that the deadline for petition articles is February 2, 2021. The Board will view that and vote on it next Thursday.

Barbara Randall turned the meeting back to Ed Cherian to continue with a Select Board meeting at 6 pm.

Next meeting will be February 11, 2021 at 6:00 pm.

Respectfully submitted by Rose Fife