

**Town of Jaffrey
Budget Committee
January 2, 2020**

Members Present: Peter Maki, Frank Sterling, Norman Langevin, Sam Greene, Kathy Batchelder

Members Excused: Robert Schaumann, Charlie Turcotte

Staff Present: Town Manager Frederick, Finance Director FitzGerald, Administrative Assistant Zola

Others Present: None

MEETING OPENED: 6:02p.m.

OLD BUSINESS: None

MEETING MINUTES APPROVAL:

On a motion by Greene, seconded by Maki, the 12/4/19 minutes were approved (4-0). Batchelder abstained- didn't attend meeting.

NEW BUSINESS:

TM Frederick explained what materials were found in the 202 Budget Binders given to the Committee. The figures are current to 12-31-19 that are presented tonight. Budget Highlights and Overview are as follows:

The proposed total operating budget of \$6.592M is \$96,849 (-1.45%) less than 2019's adopted budget. The budget includes a 2% salary increase for all non-represented personnel and a 53-pay period year. Additionally, there are four retirement buyouts exceeding \$100,000 incorporated in the budget. The Police Union CBA is a warrant article for \$30,616 that includes a 2% COLA and health insurance stipends for approval at Town Meeting. The areas of significant increase are Debt Service (39.96%) due to the addition of the School/Stratton/Squantum water main replacement, Highway (12.38%) due to retirements and restructuring, Library (7.84%) due to their increased patronage, Cemeteries (80.1%) due to paving the Conant Cemetery entrance, and the addition of Ambulance funding in the budget of \$40,000 (previously a petition warrant article at \$30,000).

The Town evaluated the viability of St. Patrick's School following Town Meeting in 2019. When the report was reviewed, the decision was made to not proceed with a new town office and focus efforts on roads. During the CIP process, CIP Committee made the recommendation to the Planning Board to proceed with the Town Office/Police Station option and focus on roads.

At their December meeting, the Planning Board voted to approve the Capital Improvement Plan that did not include a new town office/police station. Therefore, the focus of this budget is on our roads system and includes the recommendation for a \$1M road bond. This bond would bring the roads up to an 80 rating.

Sterling explained that there will be personnel changes and reorganization of the DPW. Presently, DPW Heglin is heading the Roads, however, the hope is to higher someone exclusively for roads and Heglin would move to Water & Sewer only.

Chairman Langevin was concerned about a backup plan if the Road Bond isn't approved at Town Meeting.

Jaffrey has established capital reserve funds to defray the costs of large expenditures in future years and help to support the Capital Improvement Plan. This year, the TM is recommending level funding for all capital reserve funds.

The town contributed \$435,000 from UFB to offset taxes in 2019, a decrease from the previous year's contribution of \$560,000. Our statutory UFB decreased \$193,662 to \$1,966,760, as determined by NH DRA in November. This represents 11.24% of operating expenses. DRA recommends maintaining between 5% and 17%, while Jaffrey has a policy target of 11%. will continue targeting \$435,000 as our contribution from UFB to offset taxes.

Budget Review

Executive – Decreased due to Town Manager's salary being partly distributed to Utilities. There are 53 pay periods in 2020. Salaries increased 2% overall. Administrative overtime increased \$32 with salary increase. Budget Committee time is funded from Finance Administration budget.

On a motion by Sterling, seconded by Batchelder, the Executive budget in the amount of \$243,403 was tentatively approved (5-0).

Elections & Registration– Increased \$4,851 due to staff salaries and 4 elections this year. Operations was decreased due to the copiers being under the Executive budget. Election spending is increased due to the added elections.

On a motion by Batchelder, seconded by Greene, the Election & Registration budget in the amount of \$89,522 was tentatively approved (5-0).

Financial Administration – Increased \$9,333 due to IT Contracted Services. There is a 3-year replacement schedule for IT hardware. Salaries are decreased due to the new Tax Collector and Finance director. \$25,000 was encumbered from last year.

On a motion by Sterling, seconded by Greene, the Financial Administration budget in the amount of \$259,710 was tentatively approved (5-0).

Judicial/Legal – This budget is level.

On a motion by Greene, seconded by Maki, the Judicial/Legal budget in the amount of \$20,000 was tentatively approved (5-0).

Personnel Administration – Changes in Health Insurance caused a decrease of \$18,751. Police and Non-represented Employees went with a plan with a lower premium and higher deductible. DPW stayed with the Green plan with 0% COLA. The school district changed to this insurance 4 years ago and the BOS dictated for the Town to follow suit. There will be a research committee formed to investigate if other insurances are better.

Dental increased 3.9%

Merit Compensation was funded at \$20,000. This item was removed at the 2017 Budget Hearing. Unions have step increases; non-represented employees have none.

On a motion by Batchelder, seconded by Sterling, the Personnel Administration budget in the amount of \$695,050 was tentatively approved (5-0).

General Government Buildings – Decreased \$793 due to the cleaning contract and Meetinghouse alarm system.

On a motion by Greene, seconded by Maki, the General Government Buildings budget in the amount of \$30,000 was tentatively approved (5-0).

Insurance – Increased by \$3,174.

On a motion by Maki, seconded by Batchelder, the Insurance budget in the amount of \$48,520 was tentatively approved (5-0).

Building Inspection – Increased by \$4,530 due to books and periodicals needing to be updated to meet the current building code and COLA is 2%.

On a motion by Greene, seconded by Maki, the Building Inspection budget in the amount of \$82,412 was tentatively approved (5-0).

Health – Level Funded.

On a motion by Batchelder, seconded by Sterling, the Health budget in the amount of \$1,787 was tentatively approved (5-0).

Welfare – Decreased \$957 due to salaries. Current Coordinator is a Town Employee vs. a Contractor, so there are insurance/retirement costs. Direct Assistance is level funded.

On a motion by Maki, seconded by Greene, the Welfare budget in the amount of \$116,943 was tentatively approved (5-0).

Patriotic Purposes – New sidewalk flags were included in this year’s budget.

On a motion by Greene, seconded by Batchelder, Patriotic Purposes budget in the amount of \$4,000 was tentatively approved (5-0).

Conservation – Level Funded. Funds are used for dues and memberships.

On a motion by Greene, seconded by Maki, Conservation budget in the amount of \$475 was tentatively approved (5-0).

Debt Services – Increased by \$152,868. Included the Squantum and Stratton Road reconstruction. All Capital leases are paid off.

On a motion by Sterling, seconded by Batchelder, Debt Services budget in the amount of \$53,444 was tentatively approved (5-0)

OTHER BUSINESS: None

MEETING ADJOURNED: On a motion from Greene, seconded by Batchelder, the meeting was adjourned at 6:55pm.

The next Budget Committee Meeting – Tuesday, January 7th @ 6pm at the Jaffrey Fire Station.

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