

Auburn Budget Committee Meeting
December 6, 2018
Auburn Town Hall

Members Present: Peter Miles, Chairman; Kevin Downing, David Wesche, Paula Marzloff, Dan Carpenter, and James Headd

Others Present: Town Clerk Kathy Sylvia, Tax Collector Susan Jenkins, Police Lt. Ray Pelton, Detective Sergeant Chip Chabot, Finance Director Adele Frisella and Town Administrator Bill Herman

Meeting called to order at 7:05 pm

Approval of Meeting Minutes

David Wesche moved to accept the minutes of the November 29, 2018 meeting as presented. Seconded by Paula Marzloff. A vote was taken; five were in favor and one (James Headd) abstained. The motion carried.

Town Clerk

Election Personnel

Requesting \$3,000, a reduction of \$5,000 from 2018. Year to date expended \$6,300

Records Preservation

Requesting \$4,000, level funded from 2018. Year to date expended \$0

Town Clerk Dues & Conferences

Requesting \$3,000, an increase of \$1,000 from 2018. Year to date expended \$1,801.35

Law Books

Requesting \$1,100, an increase of \$400 from 2018. Year to date expended \$119.45

Election Expenses

Requesting \$3,000, a reduction of \$5,000 from 2018. Year to date expended \$6,178.86

Dog Tags

Requesting \$500, level funded from 2018. Year to date expended \$417.56

Town Clerk Kathy Sylvia noted the main reduction is due to the fact in 2019 there will only be local elections in March, while 2018 there were three elections including local elections in March, State Primary Election in September and State General Election in November.

David Wesche moved to approve Town Clerk's budget at a total of \$14,600 as presented, seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Supervisors of the Checklist

Checklist Supervisors

Requesting \$950, a reduction of \$2,250 from 2018. Year to date expended \$883.02

Mrs. Jenkins reported the reduction was due to there will only be local March elections in 2019 versus three elections having been held in 2018. She also indicated she included some hours for Supervisors training which will occur in 2019 as a result of changes in election law which will affect the Supervisors of the Checklist.

Paula Marzloff moved to approve Checklist Supervisors budget proposal totaling \$950, seconded by David Wesche. A vote was taken; all were in favor, the motion carried unanimously.

Tax Collector

Deed Research

Requesting \$550, an increase of \$50 from 2018. Year to date expended \$528

Tax Bill Printing

Requesting \$3,050, an increase of \$50 from 2018. Year to date expended \$2,274.56

Tax Collector Education

Requesting \$1,000, a reduction of \$100 from 2018. Year to date expended \$946.25

David Wesche moved to approve Tax Collector budget proposal totaling \$4,600 as presented. Seconded by Kevin Downing. A vote was taken, all were in favor, the motion carried unanimously.

Police Department

Computer Services

Requesting \$23,100, a reduction of \$400 from 2018. Year to date expended \$22,593.51

Lt. Pelton and Detective Sergeant Chabot were present and explained the department's request and how they worked with the Police Commissioners and the Board of

Selectmen to address some identified needs through unexpended funds from the 2018 budget which enabled the department to reduce its original budget request of \$30,000.

Dan Carpenter moved to approve Computer Services at \$23,100 as presented, seconded by Kevin Downing. A vote was taken; all were in favor, the motion carried unanimously.

Assessing

Annual Assessing Update

Requesting \$34,000, a reduction of \$52,400 from 2018. Year to date expended \$73,109.90

Town Administrator Herman explained this line item covers the annual assessing work required to maintain and update the Town's property valuations, and noted the Board of Selectmen had just approved a new five year contract with the Town's assessing firm, Avitar Associates. He indicated it also included \$6,000 for the Town's anticipated expenses associated with the appeal of property assessments statewide by Eversource. The major reduction in this line item in 2018 was the year of a revaluation, while 2019 returns to the normal annual work.

David Wesche moved to approve Annual Assessing Update at \$34,000, seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Insurance

Municipal Property Liability

Requesting \$71,375, an increase of \$661 from 2018. Year to date expended \$71,609

Unemployment Compensation

Requesting \$1,191, level funded from 2018. Year to date expended \$1,191

Workers' Compensation

Requesting \$43,373, an increase of \$3,213 from 2018. Year to date expended \$40,160

Insurance Retention (Claims)

Requesting \$3,000, level funded from 2018. Year to date expended \$1,526.50

Finance Director Frisella explained the various coverages and amounts to the Committee members.

Kevin Downing moved to approve Insurance totaling \$118,939, seconded by David Wesche. A vote was taken; all were in favor, the motion carried unanimously.

Wages and Salaries

Wages and Salaries Proposal

Requesting \$2,078,074, an overall increase of \$131,486 from 2018 budget amount.
Year to date expended \$1,609,382

Town Administrator Herman explained the Joint Personnel Board including the Board of Selectmen, Library Trustees and Police Commissioners met in mid-November to discuss options for 2019 wages and salaries that included the potential of no increases; a Cost of Living Adjustment (COLA); a step increase, or the combination of a COLA and a step increase. Their determination was to budget for a COLA of 2.5% to be effective April 1st and a step increase based on a positive job performance review to be effective as of the employee's anniversary date of employment. That was the recommendation being passed to the Budget Committee.

Mr. Herman explained the Personnel Policy defines how a potential COLA would be calculated, which is to average the COLA to be issued to Social Security recipients (2.8% in 2019) and the region's Consumer Price Index for the year (2.2%). The average of these two numbers is 2.5%

The Committee reviewed the spreadsheet of information provided by Finance Director Frisella which included the default budget amount of \$2,041,260 that represents all current wage and salary rates without any increase. The total amount reflecting only a 2.5% COLA was \$2,066,959 and the cost of providing only a step increase is \$2,053,358.

The Committee members asked questions concerning various items and positions including the Finance Assistant, Parks & Recreation Coordinator, Fire Chief, call fire personnel, and NH Retirement System.

Dan Carpenter noted it is hard to tackle this all at once, noting it was approximately half of the entire budget.

Jim Headd noted there had been unanimous agreement among the Joint Personnel Board members that providing a COLA and step increase for 2019 was the appropriate action to take to maintain the staff currently serving the Town and to remain competitive in the marketplace.

David Wesche asked if the COLA and step provision would be what comes forward as part of the tentative agreement for a new contract with the Auburn Police Union. Mr. Herman indicated the Town and Union have reached a tentative three-year agreement, the first year of which provides something different to the full-time positions, but does provide a COLA and step to the part-time officers. Years Two and Three provides the traditional COLA and step for all positions.

David Wesche expressed his thought that the most important thing an employer can do is to pay their people appropriately.

David Wesche moved to approve the Joint Personnel Board's recommendation of a 2.5% COLA and step increases for Town employees at a total cost of \$2,078,074, seconded by Kevin Downing. A vote was taken; all were in favor, the motion carried unanimously.

Personnel Administration

Health Insurance

Requesting \$285,092, a reduction of \$32,954 from 2018. Year to date expended \$268,395.02

Dental Insurance

Requesting \$16,396, an increase of \$2,060 from 2018. Year to date expended \$14,334.50

Disability Insurance

Requesting \$8,457, an increase of \$519 from 2018. Year to date expended \$6,113.42

Life Insurance

Requesting \$2,841, an increase of \$69 from 2018. Year to date expended \$2,732.16

Town Administrator Herman noted the main item in this account was health insurance, and the budget reduction is due to the Board of Selectmen making a decision to change insurance plans in 2018. The health insurance year runs July 1st to June 30th, so the 2019 budget provides the full year's advantage of the cost savings that began July 1st. Finance Director Frisella responded to questions committee members had concerning various insurance offerings.

David Wesche moved to approve Personal Administration for Health Insurance, Dental Insurance, Disability Insurance and Life Insurance at a total of \$312,787, seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Longevity Pay

Requesting \$10,900, an increase of \$300 from 2018. Year to date expended \$0

Town Administrator Herman noted longevity pay is a provision included in both the Auburn Personnel Policy and the Auburn Police Union Collective Bargaining Agreement. Based on current personnel and the expectation they are all here on December 1st, 2019, there would be 28 individuals who would be eligible for some amount of longevity pay. He had provided the Board a breakdown of the numbers of employees eligible which totaled an expense of \$10,900. He noted these are annual

payments, but are not included in the employees' base pay moving forward. They are treated as separate payments.

David Wesche moved to approve the Personnel Administration – Longevity Pay proposal totaling \$10,900, seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Other Business

Mr. Herman noted the Budget Committee had caught up to the budget work completed by the Board of Selectmen. The Selectmen should be completing their work on the operating budget at their next meeting on December 17th, so there would be no business for the Budget Committee to conduct on December 13th. The next meeting of the Budget Committee will be scheduled for December 20th.

Adjourn

Paula Marzloff moved to adjourn the meeting at 7:48 PM. Seconded by Jim Headd. A vote was taken; all were in agreement, the motion carried unanimously.

The meeting adjourned at 7:48 PM.