

Auburn Budget Committee Meeting
October 14, 2021
Town Hall
Minutes
7:00 PM

Members Present: Peter Miles, Chairman, David Wesche, Vice-Chairman, Dan Carpenter, Kevin Downing, Paula Marzloff, Joanne Linxweiller, School Board representative Janice Baker and Selectmen representative Keith Leclair,

Others Present: Town Administrator William Herman, Finance Director Patricia Rousseau, and Nancy Hoijer, Recording Secretary

Chair Miles called the meeting to order at 7:00 PM and introduced new member Joanne Linxweiller, other members present and welcomed new Finance Director Patricia Rousseau.

Election of Committee Chair and Vice-Chair

Mr. Wesche motioned to nominate Peter Miles as Chairman of the Budget Committee. Mrs. Marzloff seconded the motion. A vote was taken, all were in favor, the motion passed 8-0-0.

Mr. Leclair motioned to nominate David Wesche as Vice-Chairman of the Budget Committee. Mr. Carpenter seconded the motion. A vote was taken, all were in favor, the motion passed 8-0-0.

Presentation of Overall 2022 Town Budget – Town Administrator Bill Herman & Finance Director Patricia Rousseau

Mr. Herman provided the Board with the FY 2022 Selectmen Budget Schedule, and the FY 2022 Budget Committee Schedule showing when individual Departments would present their budgets to each Board or Committee. Mr. Herman provided the Board with a Memorandum dated October 11, 2021 concerning the proposed FY 2022 Town Budget and Capital Expenditures and the proposed FY 2022 Town Budget.

Finance Director Patricia Rousseau reviewed the expenses that were unknown at this time such as Insurance Rates, COLA (Cost of Living Adjustment), and Step Increases. Mrs. Rousseau noted the proposed Budget would be adjusted as the figures become available. Mr. Leclair noted revenue from a return of surplus from the HealthTrust of approximately \$25,000 was not anticipated in the Town's revenue calculations, while Rooms and Meals Tax revenues from the State will increase by \$140,000 to nearly \$420,000.

General Committee Discussion on Approach to 2022 Budget

Mr. Herman indicated the proposed budget for FY 2022 is approximately \$187,000 higher than last year. Among the larger items, the Fire Department is seeking the replacement of 30 portable radios which are estimated to cost \$135,000. The Joint Personnel Board comprised of

the Board of Selectmen, Library Trustees and Police Commissioners will be meeting on October 19th to consider the potential of a cost-of-living adjustment (COLA) and/or step increases for wages for FY 2022. With this year being a year of negotiation, any tentative collective bargaining agreement reached with the Auburn Police Union would not be included in the budget but would go before the Town in a warrant article.

Mr. Leclair noted the Town has received Federal funding this year which allowed the Town to make one-time improvements without spending down the Building Maintenance or the Town Property Improvement Funds. The Town received \$292,000 in federal ARPA funds this year and will receive an equal amount next year which must be obligated by 2025 and spent by 2026. He reported \$117,000 was spent so far this year. The funding covered a gear extractor for Fire Department to remove carcinogens from its uniforms for \$45,000; the Police Department had lavatory/toilets in their holding cells that were in disrepair and replaced at a cost of \$10,000-\$14,000; the new Storage Building cost went over budget by \$25,000 due to the increased cost of materials; the telephone system was struck by lightning at the Safety Complex and both that system and the one at Town Hall were replaced for \$8,000; improvements were made to the food concession & storage building at Wayne Eddows fields for \$3,000; ceiling insulation at the Police Department side of the Safety Complex was replaced at a cost of \$13,600 with a grant from Eversource reimbursing half of that cost, and the Highway Department purchased a compressor.

Mr. Leclair noted the Equipment Maintenance Fund had costs mostly associated with the Fire Department taken out and the Board may recommend putting approximately \$25,000 into that account to raise the balance to \$50,000.

Mr. Leclair noted the Accrued Benefit Liability Fund has a balance currently of approximately \$31,000 without the payoff of the recently retired Finance Director, which will be significant based on her years of service. Mr. Leclair anticipated the balance would be drawn down to the teens and recommended with more retirements expected over the next three to five years that the fund be boosted by \$40,000-\$50,000 this year in anticipation.

Mr. Leclair reported the Board was notified by the Road Agent of a significant 47% increase in road salt expenses in 2022. This increase may result in an additional unanticipated cost an additional \$50,000-\$100,000 for the winter season. The Town can only hold so much road salt on site, less than 20% of what is anticipated to be needed.

Mr. Leclair noted the Joint Personnel Board did not recommend a COLA increase in 2021 and with Social Security increasing by approximately 5.9% and the Consumer Price Index (CPI) increasing 4.6%, the blended percentage used to calculate the COLA would likely be 5.25%. As a result, he estimated total pay and benefits, inclusive of the collective bargaining agreement, would likely increase \$70,000 this year in addition to the \$187,000 increase in the proposed budget presented. He also noted last year \$200,000 was added to the undesignated fund balance. The Town's valuation increased by approximately \$12 million with approximately 20 new homes.

Mr. Leclair advised the Committee there may be a warrant article brought by the Board to reduce the amount going to the Conservation Commission from Current Use which is currently

100% and proposed to be 50%. The Commission has a balance of approximately \$1 million on hand and there are not a lot of properties left for purchasing in Town, however the Commission has done an excellent job. With less revenues coming in from new housing in the next few years Mr. Leclair proposed it would be beneficial to share this revenue with the taxpayers now. The percentage was put in place 12-15 years ago before the Town became SB2. At Town meeting approximately 37 people changed the proposed percentage from 50% to 100%.

Mr. Carpenter verified the Board of Selectmen will begin reviewing budgets. Mr. Leclair advised the Selectmen began reviewing proposed budgets at its last meeting with the Building Inspector, Animal Control, Planning & Zoning, Conservation and Welfare and will continue to meet with the remaining Departments, Boards & Committees each week.

Mrs. Marzloff commented a couple of budget lines have no expenditures listed yet which makes it difficult to gauge and asked about increases to the State Retirement System contributions.

Mrs. Rousseau noted a significant increase was anticipated by the previous Finance Director effective July 1st through June 30, 2023. She noted while anticipated the increase was higher than expected. She estimated 14.6% for regular employees, 33% for Police and 32% for Fire.

Mrs. Baker noted the school saw the increase last year and took a big hit in the budget for that.

Mrs. Linxweiler asked about revaluation to home values. Mr. Leclair noted it was every five years and Auburn was two years out. Mr. Herman noted the Town's values need to be within 90-110% of market value. He indicated Auburn is generally able to do that during the five years because the Assessors relook at a random 20% of properties each year to verify current values so the Town has been able to do a statistical update on the fifth year instead of a full re-measure and re-list assessing project.

Request for Auburn School District Budget Review Meeting

Tuesday, November 23, 2021

Mrs. Baker reported the Auburn School Board met two nights ago and there were no significant increases from last year. Some of the drivers included SPED going down and Pinkerton enrollment is down. The school is trying to be competitive with salaries as there are multiple vacancies including teachers, paraprofessionals, janitors and substitutes which can be disruptive. Food service is doing ok. The school is one year from its Collective Bargaining Agreement (CBA) cycle and will have 12-13 new people at the start of the year. Increases are expected in health 10% and dental 6%. The Board has urged Pinkerton to provide its budget needs earlier as many communities reported the need to have this information to work out their proposed budgets.

Mrs. Marzloff asked Mrs. Baker about the bond and Mrs. Baker noted it was in its third year and will be in the fourth next summer.

Mr. Leclair asked Mrs. Baker the SPED Trust Fund Balance and she estimated it to be approximately \$150,000 but will check. The unexpended fund balance is \$1.4 million and held as revenue against next year's budget.

Chair Miles urged the Committee to look at their availability to meet with the School Board on Tuesday, November 23rd. Mr. Downing noted it would be difficult for him. Mr. Miles offered that it could be another Tuesday since that is Thanksgiving week or on a Saturday.

Next Meetings: **Thursday, October 21st at 7:00 PM**
 Thursday, October 28th at 7:00 PM
 Thursday, November 4th at 7:00 PM
 Thursday, November 18th at 7:00 PM
 Tuesday, November 23rd at 7:00 PM – TBD
 Thursday, December 2nd at 7:00 PM
 Thursday, December 9th (if needed)
 Thursday, December 16th (if needed)

Adjourn

Mrs. Marzloff moved to adjourn the meeting at 7:42 PM, seconded by Mr. Wesche. A vote was taken; all were in agreement, the motion carried unanimously. The meeting adjourned at 7:48 PM.

Respectfully submitted,

Nancy J. Hoijer,
Recording Secretary