



BUDGET COMMITTEE MEETING

January 10, 2017

Call to Order: 6:30 p.m.

ROLL CALL

Present: Dennis Heffernan, *Chair*
Francine Hart, *Vice Chair*
Sam Cafiso
Laurie Milette
Tricia Holt, *left at 8:07 p.m.*
Bob Hamilton
Lisa Lambert
Dean Nifakos
Martha Sumner, *leave of absence*
John Sherman, *Selectmen Ex-Officio*

Also Present: Sean Fitzgerald, Town Manager

D. Heffernan explained that he had received a letter from M. Sumner requesting a leave of absence due to health concerns.

The Pledge of Allegiance was led by D. Heffernan

REVIEW/APPROVAL OF MINUTES

★D. Heffernan moved, second by F. Hart, to approve the minutes of the December 13, 2016 meeting. There was no discussion on the motion. The vote was 8-0-1 (Holt abstaining).

★T. Holt moved, second by B. Hamilton, to approve the minutes of the December 20, 2016 meeting. There was no discussion on the motion. The vote was 9-0-1 U/A.

BUDGET REVIEW

S. Fitzgerald noted that he had met with members of the Budget Committee (BudCom) regarding some tailings in the retirement line of the personnel budget. He added that he had the Finance Director scrub the numbers, including the Police and Fire Departments. S. Fitzgerald reported that he was able to bring a \$20,000 reduction to the Board of Selectmen (BOS) at their last night's meeting. He added that this tightens the personnel budget to a revised bottom line of \$600,715.

S. Fitzgerald offered that if the Debt Service for the new Police Station is taken out the increase between the approved 2016 and proposed 2017 budgets is less than 1%. He attributed the tight budget to the diligence of the BudCom, BOS and department heads all working together.

D. Heffernan added much of the cost increases could be attributed to factors, such as insurance, that are not within anyone's control. He echoed S. Fitzgerald's appreciation for everyone's hard work.

There was discussion of the recently BOS approved Collective Bargaining Agreement (CBA) for the Town Hall Unit. It was noted that the BOS unanimously approved it at last night's meeting.

D. Heffernan requested a copy of the CBA.

S. Fitzgerald offered that it was available online on the Public Employees Labor Relations Board (PELRB) website, but he would email a copy to the BudCom members. (PARKING LOT ITEM)

D. Nifakos asked when the final accounting of the 2016 actuals would be available.

S. Fitzgerald responded that the 2016 books had not yet been closed out. He said that he would soon have an unaudited report of 2016 expenses.

D. Heffernan inquired if the Default Budget had been prepared.

S. Fitzgerald replied that the BOS had finalized it at their last meeting.

D. Heffernan requested a copy of the Default Budget. It will be emailed to the BudCom members. (PARKING LOT ITEM)

★F. Hart moved, second by L. Lambert, to take the new bottom line budget request of \$9,016,202 under consideration. It was noted that the change to the personnel budget/retirement line needed to be considered first. The motion and the second were withdrawn.

★F. Hart moved, second by D. Nifakos, to follow the recommendation of the Town Manager to reduce the proposed 2017 Town Budget/Personnel Budget/Retirement Line by \$20,000 for a revised bottom line in the proposed Personnel Budget of \$600,715. There was no discussion on the motion. The vote was 9-0-0.

WARRANT ARTICLES

J. Sherman noted that he did take all the recommendations from the BudCom regarding changes to Warrant Article and Intent Statement language, including the suggestion that "raise and appropriate" be changed to "raise and appropriate through taxation" back BOS. He explained that the BOS declined to change the language as suggested because it wasn't always applicable as \$3M was raised from other sources. He added that he would indicate where changes had been made as the BudCom considered each Warrant Article.

It was noted that the Warrant Articles would again be re-numbered once the Operating Budget is included. Therefore any motions considered at this meeting use the Warrant Article title instead of the Warrant Article number.

J. Sherman reminded that the BOS are responsible for the wording of the Warrant Articles and Intent Statements. He added that he brings back suggestions from the BudCom as a courtesy and because he is a nice guy, not as a requirement. He noted that he sometimes gets flack about doing it, but he believes that the BudCom frequently have good ideas. He reiterated that he does it because he is a nice guy, not because he is required to do so.

HIGHWAY DEPARTMENT EQUIPMENT CAPITAL RESERVE FUND

Article P-17-02: “Shall the Town vote to raise and appropriate the sum of \$87,000 to be added to the existing Highway Department Equipment Capital Reserve Fund?”

(Recommended by the Board of Selectmen (5-0-0) and the Budget Committee (0-0-0). These funds are in the Capital Improvement Program as approved by the Planning Board.)

[Intent: To continue to set aside money for future purchases of Highway Department vehicles. Putting funds aside each year will allow for the orderly replacement of highway vehicles by leveling the yearly tax impact. This money can only be spent by a future vote at Town Meeting. These funds will be invested in an interest bearing account.]

Available balance of the Highway Department Equipment Capital Reserve Fund is \$32,876 as of October 31, 2016.

J. Sherman noted that the BOS had not made any changes to the language of this Warrant Article.

★D. Heffernan moved, second by T. Holt, to recommend the Highway Department Equipment Capital Reserve Fund Warrant Article in the amount of \$87,000.

Discussion:

B. Hamilton asked if the balances in the Capital Reserve Funds (CRF) were now up to date in these Warrant Articles.

J. Sherman offered that they were accurate up to the date noted, but not current. He added that they would be updated before Deliberative Session.

D. Nifakos asked if this would be the only time the BudCom would be able to suggest changes to these Warrant Articles.

D. Heffernan replied that there could be changes made at Deliberative Session and if there are the BudCom would have an opportunity to re-vote whether or not to recommend the changes at that time.

J. Sherman added that they could be legally changed at the Committee's next meeting. He noted that the BudCom can vote whether or not to recommend changes until Deliberative Session, after that the whole body would vote on the changes.

S. Fitzgerald offered that members of the voting public do look at the vote tallies on the recommendations when they are making their decisions.

There was no additional discussion on the motion. The vote was 9-0-0 U/A.

FIRE DEPARTMENT CAPITAL RESERVE FUND

Article P-17-03: "Shall the Town vote to raise and appropriate the sum of \$108,000 to be added to the existing Fire Department Capital Reserve Fund?"

(Recommended by the Board of Selectmen (5-0-0) and the Budget Committee (0-0-0). These funds are in the Capital Improvement Program as approved by the Planning Board.)

[Intent: To continue to set aside money for future purchases of Fire Department vehicles. Putting funds aside each year will allow for orderly replacement of fire vehicles while leveling the yearly tax impact. This money can only be spent by a future vote at Town Meeting. These funds will be invested in an interest bearing account.]

Available balance of the Fire Department Capital Reserve Fund is \$299,765 as of October 31, 2016.

J. Sherman noted that the BOS had not made any changes to the language of this Warrant Article.

★D. Heffernan moved, second by F. Hart, to recommend the Fire Department Capital Reserve Fund Warrant Article in the amount of \$108,000.

Discussion:

D. Heffernan added that the Fire Chief had responded to the questions from the last meeting regarding the tanker and those comments were emailed out to the members.

There was no additional discussion on the motion. The vote was 9-0-0 U/A.

SELF-CONTAINED BREATHING APPARATUS (SCBA) CAPITAL RESERVE FUND

Article P-17-04: "Shall the Town vote to raise and appropriate the sum of \$33,400 to be added to the Self-Contained Breathing Apparatus (SCBA) Capital Reserve Fund?"

(Recommended by the Board of Selectmen (5-0-0) and the Budget Committee (0-0-0). These funds are in the Capital Improvement Program as approved by the Planning Board.)

[Intent: To continue to set aside money for future replacement of the SCBA, cylinders, and masks. Putting money aside each year will allow for the orderly replacement of this equipment by leveling the yearly tax impact. This money can only be spent by a future vote at Town Meeting. These funds will be invested in an interest bearing account. 2017

would be the third year of a 6-year multi-year project. The total cost of replacement is \$200,000.]

Available balance of the Self-Contained Breathing Apparatus Capital Reserve Fund is \$34,050 as of October 31, 2016.

J. Sherman noted that the BOS had made changes to make the Intent Statement less wordy.

★D. Heffernan moved, second by L. Lambert, to recommend the Self-Contained Breathing Apparatus (SCBA) Capital Reserve Fund Warrant Article in the amount of \$33,400.

Discussion:

There was no discussion on the motion. The vote was 9-0-0 U/A.

REPLACEMENT OF FIRE DEPARTMENT VEHICLE-

Article P-17-05: “Shall the Town vote to raise and appropriate the sum of \$498,613 for the replacement of the Tanker 5 Fire Truck and to withdraw \$484,613 from the Fire Department Capital Reserve Fund and \$14,000 from the Public Safety Impact Fee Fund?” **This warrant article shall be null and void if warrant article P-17-03 depositing \$108,000 into the Fire Department capital reserve fund fails.”**

	Appropriation:	\$498,613
Withdrawal from Fire Department Capital Reserve Fund:		-\$484,613
Withdrawal from the Public Safety Impact Fee Fund:		-\$ 14,000

	Amount to be raised by 2017 taxation:	\$0

(Recommended by the Board of Selectmen (5-0-0) and the Budget Committee (0-0-0). This expense is in the Capital Improvement Program as approved by the Planning Board.)

[Intent: To replace the Tanker 5 Fire Truck as part of the replacement schedule for Fire Department vehicles. Timely replacement of vehicles ensures maintenance costs and vehicle downtime are minimized while driver safety is maximized. Tanker 5 is the department’s water supply truck. It was purchased in 1993 and is used to transport a large volume of water to the scene of fires to supply the initial water for fire attack. The truck is equipped with 2,000 ft of large diameter supply hose which is used to shuttle water from additional tankers into the scene. The 1993 truck was purchased with an expected 25 year life as a front line piece and will remain as a reserve tanker and mutual aid response truck until it is completely retired. It will be housed inside the Safety Complex.]

J. Sherman noted that the BOS had the language of this Warrant Article, which included correcting the amount that was being requested and deleting the line that showed what the balance would be if this Warrant Article is approved. There were also changes to shorten the Intent Statement, by removing the last half, from what the BudCom previously reviewed.

★T. Holt moved, second by F. Hart, to recommend the Replacement of Fire Department Vehicle Warrant Article in the amount of \$498,613,000.

Discussion:

There was no discussion on the motion. The vote was 9-0-0 U/A.

UNMARKED POLICE VEHICLE CAPITAL RESERVE FUND CREATION

Article P-17-06: "Shall the Town vote to create an Unmarked Police Vehicle Capital Reserve Fund and further to raise and appropriate the sum of \$16,000 to be added to the Unmarked Police Vehicle Capital Reserve Fund? This reserve Fund shall fund all police vehicles and equipment trailers that do not participate in the annual cruiser replacement program funded through the Town Budget and to designate the Board of Selectmen as Agents of the fund." This capital reserve fund is being established pursuant to RSA35:1.

(Recommended by the Board of Selectmen (5-0-0) and the Budget Committee (0-0-0). These funds are in the Capital Improvement Program as approved by the Planning Board.)

[Intent: To establish a fund to allow the Town to set aside money for future purchases of unmarked Police Department vehicles. Putting money aside each year will allow for the orderly replacement of these vehicles by leveling the yearly tax impact. These funds will be invested in an interest bearing account.]

J. Sherman noted that the BOS had removed the words "to continue" from the Intent Statement, as this Warrant Article was to establish this Fund.

★F. Hart moved, second by B. Hamilton, to recommend the Unmarked Police Vehicle Capital Reserve Fund Creation Warrant Article in the amount of \$16,000.

Discussion:

There was no discussion on the motion. The vote was 7-2-0 (Milette, Nifakos dissenting).

REPLACEMENT OF UNMARKED POLICE VEHICLES

Article P-17-07: "Shall the Town vote to raise and appropriate the sum of \$15,000 for the replacement of Animal Control Officer's (ACO) vehicle and to withdraw \$15,000 from the Unmarked Police Vehicle Capital Reserve Fund? This warrant article shall be null and void if the warrant article creating the capital reserve fund (P-17-06) and depositing \$16,000 into the capital reserve fund fails."

	Appropriation:	\$15,000
Withdrawal from the Unmarked Police Vehicle Capital Reserve Fund:		-\$15,000
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	Amount to be raised by 2017 taxation:	\$0

(Recommended by the Board of Selectmen (5-0-0) and the Budget Committee (0-0-0). This expense is in the Capital Improvement Program as approved by the Planning Board.)

[Intent: To replace the ACO vehicle as part of the replacement schedule for unmarked police vehicles. The ACO vehicle is a 2002 model with over 100,000 miles on it. Timely replacement of vehicles ensures maintenance costs and vehicle downtime are minimized while driver safety is maximized.]

J. Sherman noted that the BOS made some small changes to the wording including removing the last half of the Intent Statement.

★F. Hart moved, second by D. Heffernan, to recommend the Replacement of Unmarked Police Vehicle Warrant Article in the amount of \$15,000.

Discussion:

There was no discussion on the motion. The vote was 5-3-1 (Milette, Nifakos, Hamilton dissenting; Cafiso abstaining).

COMMUNICATION RADIO SYSTEM CAPITAL RESERVE FUND

Article P-17-08: “Shall the Town vote to raise and appropriate the sum of \$65,000 to be added to the Communications Radio Dispatching System Capital Reserve Fund?”

(Recommended by the Board of Selectman (5-0-0) and the Budget Committee (0-0-0). These funds are in the Capital Improvement Program as approved by the Planning Board.)

[Intent: To continue to set aside money for the future purchase of a communication radio dispatching system which will update the existing system with a successor Motorola system. As the current technology is rapidly becoming outdated, and replacement parts are no longer being manufactured, putting money aside each year will allow for the orderly replacement of this system by leveling the yearly tax impact. The total cost of this project will be approximately \$400,000. There is currently \$76,493.96 in this Capital Reserve account. The Town plans on adding \$65,000 for the next five years for replacement of equipment in 2021. This money can only be spent by a future vote a town Meeting. These funds will be invested in an interest bearing account.]

Available balance of the Communication Radio System Capital Reserve Fund is \$76,493.96 as of October 31, 2016

J. Sherman noted that the BOS changed the wording of the last line of the Warrant Article to be consistent with wording in other Warrant Articles. He added that one sentence was also deleted from the former Intent Statement, but in general the Intent Statement is not changed.

★D. Heffernan moved, second by T. Holt, to recommend the Communication Radio System Capital Reserve Fund Warrant Article in the amount of \$65,000.

Discussion:

There was no discussion on the motion. The vote was 8-1-0 (Nifakos dissenting).

BUILDING/BUILDING SYSTEMS CAPITAL RESERVE FUND -

Article P-17-09: “Shall the Town vote to raise and appropriate the sum of \$10,000 to deposit into the Building/Building Systems Capital Reserve Fund?”

(Recommended by the Board of Selectmen (3-2-0) and the Budget Committee (0-0-0). This fund is in the Capital Improvement Program as approved by the Planning Board.)

[Intent: To replace funds spent in 2016 for unanticipated maintenance or repairs to Town-owned buildings and to continue to set aside money for future repairs of building systems in Town owned properties. Buildings are one of the Town’s largest capital assets and these funds are used to maintain and repair systems such as heating and ventilation, electrical and plumbing. Monies from this fund would be used for repairs that are unanticipated prior to Town Meeting and that cannot wait until a future meeting. This money can only be spent with the approval of the Board of Selectmen. These funds will be invested in an interest bearing account.]

Available balance of the Building/Building Systems Capital Reserve Fund is \$7,672.84 as of October 31, 2016.

J. Sherman noted that the BOS had not made any changes to the language of this Warrant Article.

★F. Hart moved, second by T. Holt, to recommend the Building/Building Systems Capital Reserve Fund Warrant Article in the amount of \$10,000.

Discussion:

There was no discussion on the motion. The vote was 4-5-0 (Lambert, Nifakos, Hart, Milette, and Hamilton dissenting).

ACQUISITION OF LAND AND/OR BUILDINGS CAPITAL RESERVE FUND

Article P-17-10: “Shall the Town vote to raise and appropriate \$100,000 to be placed into the Acquisition of Land and/or Buildings Fund capital reserve with \$100,000 coming from the Unassigned Fund Balance?”

	Appropriation:	\$100,000
Withdrawal from the Unassigned Fund Balance:		-\$100,000
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Amount to be raised by 2017 taxation:		\$0

(Recommended by the Board of Selectmen (3-2-0) and the Budget Committee (0-0-0). This fund is in the Capital Improvement Program as approved by the Planning Board.)

[Intent: The intent of this capital reserve fund deposit is to build a fund that may be used to purchase land and/or buildings that would enhance the Town owned assets.]

Available balance of the Acquisition of Land and/or Buildings Capital Reserve Fund is \$TBD as of December 31, 2016.

J. Sherman noted that the BOS had not made any changes to the language of this Warrant Article, but the Board had re-voted the recommendation because there was now a full board.

★D. Heffernan moved, second by T. Holt, to recommend the Acquisition of Land and/or Buildings Capital Reserve Fund Warrant Article in the amount of \$100,000.

Discussion:

There was no discussion on the motion. The vote was 3-6-0 (Cafiso, Milette, Hart, Hamilton, Lambert, and Nifakos dissenting).

LIBRARY CAPITAL RESERVE FUND

Article P-17-11: “Shall the Town vote to raise and appropriate \$50,000 to be added to the Library Capital Reserve Fund for the purpose of capital improvements, repairs, renovations, and additions to the Library?”

(Recommended by the Board of Selectmen (5-0-0) and the Budget Committee (0-0-0). This expense is in the Capital Improvement Program as approved by the Planning Board.)

[Intent: In 2016 the voters approved the creation of a Library Capital Reserve Fund to stabilize year-to-year variations in funding for capital improvements. These improvements are documented in the Infrastructure Evaluation Study for Plaistow Public Library prepared by the Castagna Group and accepted by the Library Board of Trustees. Projects planned include the purchase and installation of an emergency backup generator, energy efficiency improvements, and repairs and upgrades to the Library's roofing, windows, HVAC, fire suppression, & fire alarm/ security systems, and exterior siding, walkways, and parking areas. Funds may only be spent with the approval of the Board of Selectmen. These funds will be invested in an interest bearing account.]

Available balance of the Library Capital Reserve Fund is **\$TBD as of December 31, 2016**

J. Sherman noted that the BOS approved the recommendation of the Library to reduce the request from 68,000 to \$50,000. He added that the reduction was more of a delay as the work will still need to be done, they are just not asking for the money this year. He noted that there were changes to the Intent Statement for readability, not for content.

★F. Hart moved, second by D. Nifakos, to recommend the Library Capital Reserve Fund Warrant Article in the amount of \$50,000.

Discussion:

There was no discussion on the motion. The vote was 9-0-0 U/A.

CABLE DEPARTMENT CAPITAL RESERVE FUND

Article P-17-12: “Shall the Town vote to raise and appropriate \$30,000 to be deposited into the Cable Department Capital Reserve Fund?” Funds to be used for the replacement and/or purchase of new equipment for the Cable Department and furthermore, shall the Town vote to raise and appropriate \$30,000 from the Capital Equipment Revenue to be deposited in the Cable Department Capital Reserve Fund and \$30,000 to be withdrawn from the unassigned fund balance.

(Recommended by the Board of Selectmen (5-0-0) and the Budget Committee (0-0-0). This expense is in the Capital Improvement Program as approved by the Planning Board.

Appropriation:	\$30,000
Withdrawal from Unassigned Fund Balance:	-\$30,000

Amount to be raised by 2017 taxation: \$0

[Intent: To set aside money for funding future Cable Department Equipment. These funds will be used to improve the quality of programming originating at the Plaistow Public Library facility by providing a more user friendly set-up, ability to provide higher quality programming, reduce set-up times, and to provide visual and work space enhancements.]

Available balance of the Cable Department Capital Reserve Fund is \$29,878 as of December 31, 2016.

J. Sherman noted that the BOS changed the language for the source of the funding of this Warrant Article.

★D. Heffernan moved, second by F. Hart, to recommend the Cable Department Equipment Capital Reserve Fund Warrant Article in the amount of \$30,000.

Discussion:

There was discussion about the Cable Strategic Plan. It was noted that \$20,000 is received from Comcast for capital projects. This money cannot be deposited straight into the Cable Department CRF, it must first go into the General Fund and then into the Unassigned Fund Balance (UFB) at which point it can be placed on the Warrant to be spent for items in the Cable Strategic Plan. That Plan calls for \$30,000 in improvements for 2017, which explains they request for funding from the UFB for this Warrant Article. It was noted that the Comcast contract is re-negotiated every five (5) years and this commitment for capital projects is on top of the local origination fees that are collected. There was discussion on the terminology for this revenue stream. It was once thought of as licensing fees, which is how it appears in Town Reports, but is not called out as a no-interest loan for local origination. S. Fitzgerald will look into that and make sure it is properly reconciled.

There was discussion about the wording of the Intent Statement, to include more of an explanation as to the \$20,000. J. Sherman offered to on re-wording the Intent Statement.

B. Hamilton questioned why it wasn't specific as to what the upgrades would be.

S. Fitzgerald offered the upgrades were outlined in the Capital Improvement Plan (CIP).

B. Hamilton replied that he wasn't a fan of adding words, but this Intent Statement was vague and confusing.

L. Lambert offered that she felt the Intent Statement was misleading and overly persuasive. She added that if the Intent Statements didn't show both sides of then she would be in favor of eliminating them all together.

There was additional discussion regarding the Intent Statements. Suggestions were made to produce a voter's guide that would be more comprehensive and balances to show the pros and cons of each request. It was also suggested that there needed to be more of a balance in the justification for each request. It was noted that the Warrant Article, including the Intent Statement was the method of information used by the voters. Costs comparisons for a voter guide were noted and some members felt it would be a worthwhile expense to provide more balance. It was also noted that there is no case law regarding Intent Statements and they are still the prerogative of the BOS. It was also noted that the Town Reports and all the information contained within, including the Warrants, are available a week before Town Meeting.

L. Lambert offered that she felt adding the words "through taxation" as previously suggested was a good way to present the other side of the coin.

J. Sherman responded that the BOS decided not to add that language because it's wrong in some cases.

There was additional discussion regarding the Cable CRF Warrant Article and what would be upgraded if it were to pass. It was noted that there would be opportunities for High Definition (HD) programming which would allow home viewers to see things such as PowerPoint presentations much better. It would also offer more robust local origination programming.

J. Sherman offered to work with Dean Zanello (Cable Coordinator) to re-word the Intent Statement related to this Warrant Article. (PARKING LOT ITEM)

F. Hart offered that she felt Intent Statements were a slippery slope towards electioneering. She offered support for a voter's guide that could present both pro and con sides to be fair and balanced.

J. Sherman noted that he felt it would sound more like electioneering if statements were written to the negative.

D. Heffernan asked if the Committee wanted to vote on this Warrant Article this week or wait until the Intent Statement was re-worded.

J. Sherman noted that the amount of the request was not going to change.

There was no additional discussion on the motion. The vote was 4-5-0 (Cafiso, Hart, Lambert, Hamilton and Nifakos dissenting).

J. Sherman questioned if the Intent Statement were clearer would that prompt the BudCom to re-vote the recommendation.

B. Hamilton offered that it was an issue for him that the balances in the CRFs were not up-to-date.

J. Sherman replied that they will be, but that they cannot be until the books are reconciled.

There was a discussion about updating the CRF accounts based on March Town Meeting voting. It was noted that cash flow is the most guiding factor as to when monies approved at Town Meeting are deposited into the different CRF accounts. It was suggested that it was more useful to look at how the money was being spent throughout the year than it was to just look at a balance in an account. That balance may be indicative of monies being built up to be spent in a future year. It was noted that cash flow accounts were part of the CIP.

S. Cafiso noted that he was not comfortable putting a yes vote to recommend something that was going to be re-worded.

L. Milette asked if monthly expenses come out of CRF accounts.

S. Fitzgerald explained that the BOS is the spending agent for all CRF accounts. He added that they can look at what is in the CRF account to minimize the impact on the operating budget for capital expenses, but the money has to be spent in accordance within the purpose the CRF was initially created for.

CONSERVATION 36-A FUND DEPOSIT

Article P-17-13: "Shall the Town vote to raise and appropriate the sum of \$10,000 to deposit into the RSA 36-A Conservation Fund?"

(Recommended by the Board of Selectmen (4-1-0) and the Budget Committee (0-0-0). This expense is in the Capital Improvement Program as approved by the Planning Board.)

[Intent: To add to the amount in the Conservation fund that may be used to purchase land, easements, or other land rights to preserve the natural environment for Conservation purposes. Note: Funds may be withdrawn from the Conservation Fund by a majority vote of the Conservation Commission and the Board of Selectmen.]

Available balance of the Conservation Fund is \$95,689.16 as of October 31, 2016.

J. Sherman noted that the BOS made a minor change to the Intent Statement

★D. Heffernan moved, second by L. Lambert, to recommend the Conservation 36-A Fund Warrant Article in the amount of \$10,000.

Discussion:

D. Nifakos asked if this was an annual appropriation just building up the fund.

S. Fitzgerald confirmed that it was, noting that a \$10,000 deposit was on the low side as easements and land purchases could start at \$50,000 and go to \$200,000. He offered that Plaistow's Conservation Commission has been recognized as one of the best in the state and had recently secured a \$100,000 grant to put 400 acres in a protected status.

J. Sherman offered that this was a different account than some of the others as there was no concrete plan for when the monies might be used. He added that there is no end point unless the voters say no.

There was no additional discussion on the motion. The vote was 7-1-1 (Hart dissenting, Nifakos abstaining).

RENEWABLE ENERGY CAPITAL RESERVE FUND CREATION

Article P-17-14: "Shall the Town vote to create a capital reserve fund for the purpose of funding renewable energy projects and further raise and appropriate the sum of \$25,000 to make an initial deposit into this fund and designate the Board of Selectmen as Agents of the fund?" This capital reserve fund is being established pursuant to RSA35:1.

(Recommended by the Board of Selectmen (0-0-0) and the Budget Committee (0-0-0). This expense is in the Capital Improvement Program as approved by the Planning Board.)

[Intent: To provide a fund pursuant to NH RSA Chapter 35, that can be used to help finance renewable energy projects, and purchase updated equipment demonstrated to reduce energy consumption and costs while retaining necessary levels of service. These funds will allow for the Renewable Energy Committee (REC) to continue pursuing energy related projects such as: 1) Municipal Solar Array proposed to be located at the Town's capped landfill; 2) Conversion of 460 +/- High Pressure Sodium (HPS) municipal street lights with more energy efficient and less costly LED fixtures; 3) Conversion of both interior and exterior municipal lighting to Light-emitting diode (LED) fixtures for Town buildings such as the library, safety complex, Town Hall etc. These funds will be invested in an interest bearing account.]

J. Sherman noted that the BOS had not voted on this one previously. He added the Article should show a 5-0-0 vote to recommend by the BOS. He also noted that they would review this wording again as some felt examples should be included in the Intent Statement.

★F. Hart moved, second by S. Cafiso, to recommend the Renewable Energy Capital Reserve Fund Creation Warrant Article in the amount of \$25,000.

Discussion:

B. Hamilton noted that he was a big fan of LED improvements, adding the he has noticed a cost savings by switching in his own home. He suggested that the projects be more specifically noted.

J. Sherman offered that Selectmen Julian Kiszka was working on re-wording the Intent Statement to include examples of proposed projects.

There was no additional discussion on the motion. The vote was 9-0-0 U/A.

RECREATION PLAN CAPITAL RESERVE FUND DEPOSIT

Article P-17-15: “Shall the Town vote to raise and appropriate the sum of \$50,000 to deposit into the Recreation Capital Reserve Fund?”

(Recommended by the Board of Selectmen (4-1-0) and Budget Committee (0-0-0). This funding is included in the 2017-2022 Capital Improvement Program as approved by the Planning Board.)

[Intent: In 2012, the Recreation Commission completed a rewrite of the Recreation Chapter of the Plaistow Master Plan. The Recreation Department also developed a Strategic Recreation Plan that includes a list of the recreation projects that the Town should pursue in order to meet all of its recreational needs. Establishing this Recreation Fund has allowed the Town to stabilize year-to-year variations in capital outlays for the various recreation projects. ~~and reduce or eliminate interest payments by having the cash on hand.~~ Overall, this will facilitate the implementation of the Master Plan through the scheduling of proposed projects over a period of time in order to allow the Town to attain the goal of implementing the needed projects in order to meet the recreation needs of the residents of Plaistow. A few examples of projects being pursued for 2017 include installation of security and accessibility features (including cameras) at PARC; neighborhood parks; additional playground equipment, new volleyball and bocce courts; and the establishment and support for recreational trails for Plaistow. These funds will be invested in an interest bearing account]

Available balance of the Recreation Plan Capital Reserve Fund is \$85,083 as of October 31, 2016.

J. Sherman noted that the BOS had not made any changes to the language of this Warrant Article.

★D. Heffernan moved, second by B. Hamilton, to recommend the Recreation Plan Capital Reserve Fund Warrant Article in the amount of \$50,000.

Discussion:

D. Nifakos questioned the meaning of the phrase “*and reduce or eliminate interest payments by having the cash on hand*”

S. Fitzgerald offered that it would mean the Town wouldn’t have to borrow the fund or go out for a bond for a Recreation capital improvement. He added that if there isn’t a CRF account then there would be one-time spikes in the budget when a capital improvement is needed.

It was suggested that the highlighted statement be removed from the Intent Statement. It was noted that the Recreation Department would not go out and borrow for capital improvements but would wait until the funds in the account were replenished. It was suggested that the statement was unnecessary emphasis and should be removed. J. Sherman agreed to take the suggestion back to the BOS.

There was discussion regarding some of the examples in the Intent Statement. It was noted that there is a list of proposed projects and the years they are planned for.

There was no additional discussion on the motion. The vote was 5-4-0 (Cafiso, Hamilton, Lambert and Nifakos dissenting). (Administrative note: This vote was incorrectly recorded as 5-4-0. The correct vote was 5-0-4 (Cafiso, Hamilton, Lambert and Nifakos abstaining). The correction will be put on the record at the January 24, 2017 meeting and will be reflected in those minutes.)

TRANSPORTATION INFRASTRUCTURE CAPITAL RESERVE FUND

Article P-17-16: “Shall the Town vote to raise and appropriate the sum of \$50,000 to be deposited into the Transportation Infrastructure Capital Reserve Fund?”

(Recommended by the Board of Selectmen (4-1-0) and the Budget Committee (0-0-0). This expense is in the Capital Improvement Program as approved by the Planning Board.)

[Intent: To set aside money for public safety improvements, hazardous mitigation investments and traffic calming investments along Main Street as identified in the Transportation Chapter of Master Plan. These funds will help support improvements to the Town’s transportation infrastructure, including the Pollard Road drainage and realignment and the Main Street conceptual design and preliminary engineering for intersection improvements. These funds will be invested in an interest bearing account.]

Available balance of the Transportation Infrastructure Capital Reserve Fund is \$TBD as of December 31, 2016.

J. Sherman noted that the BOS had not made any changes to the language of this Warrant Article.

★F. Hart moved, second by S. Cafiso, to recommend the Transportation Infrastructure Capital Reserve Fund Warrant Article in the amount of \$50,000.

Discussion:

S. Fitzgerald noted that this account would help to fund projects such as Pollard Road drainage and other hazard mitigation projects. He noted that the Town was in the process of updating the Hazard Mitigation Plan. He added that having funds for engineering/design costs as well as matching funds put the town in a more favorable position when making grant applications.

There was discussion about the Main Street Traffic Calming Study, which was done to find ways to make Main Street, particularly in the Village District, more pedestrian friendly. It was noted that the Safe Routes to Schools grant was a piece of that effort, but there would be more monies needed. It was noted that this CRF was created by the voters last year. It was confirmed that the Traffic Calming Study was triggered by accident data. BudCom members requested a copy of the Main Street Traffic Calming Study by email. (PARKING LOT ITEM)

It was noted that often times State permitting requirements are a hurdle to a project moving forward. It was noted that usually a permit is not outright denied, but the town is given a path forward. It was also noted that the town has a good working relationship with New Hampshire

Department of Environmental Services (NHDES), the permitting agency for most hazard mitigation projects.

T. Holt left the meeting at 8:07 p.m.

There was no additional discussion on the motion. The vote was 3-5-0 (Cafiso, Milette, Hart, Hamilton and Nifakos dissenting).

J. Sherman questioned if the BudCom needed additional information on any of these Warrant Articles that would change any of their votes. There was no response.

TOWN FOREST EXPANSION

Article P-17-17: Shall the Town vote to expand the existing 404.2-acre Plaistow Town Forest by designating an additional parcel, Tax Map 8, Lot 26 (3.0ac) as part of the Town Forest?

(Recommended by the Board of Selectmen (5-0-0).)

[Intent: Plaistow's Town Forest is one of the most important environmental resource areas in Southern New Hampshire. Adding the parcel to the Town Forest will expand this Town resource, ensure the parcel is included in the Forest Management Plan, and maintain the health of the parcels in the Plaistow Town Forest.]

Not a monetary Warrant Article – no vote whether or not to recommend was taken.

HIGHWAY BLOCK GRANT-

Article P-17-18: Shall the Town vote to raise and appropriate and authorize the Selectmen to accept a Highway Block Grant in the sum of One Hundred Fifty Thousand Dollars (\$150,000) for the road improvement programs to be recommended by the Plaistow Highway Department and the Town's Road Surface Management System as approved by the Plaistow Board of Selectmen, said sum to be supplied by the State of New Hampshire.

Amount to be raised by 2017 taxation: \$0

(Recommended by the Board of Selectmen: (5-0-0) and the Budget Committee: (0-0-0). This expense is in the Capital Improvement Program as approved by the Planning Board.)

J. Sherman noted that the BOS had not made any changes to the language of this Warrant Article, but had re-voted for the recommendation.

★S. Cafiso moved, second by F. Hart, to recommend the Highway Block Grant Warrant Article in the amount of \$150,000.

Discussion:

J. Sherman noted that this was an annual request for roadway paving maintenance. He also noted that the amount received may not be exactly \$150,000, but whatever the amount is, it will be added to the \$80,000 in the operating budget to total \$230,000 which is what is consistently needed each year for paving. J. Sherman offered this was just the Town accepting the money.

S. Cafiso asked if it is just acceptance of the money why does the Warrant Article read “raise and appropriate.”

J. Sherman responded that it was a State Law.

S. Fitzgerald added that it was Department of Revenue Administration (DRA) language. He added that “raise” means to identify and it was more of a nuance in the DRA language.

J. Sherman offered that the argument on the language happens every year, and agreed it was stupid wording. He noted that was why the line “amount to be raised by 2017 taxation \$0” was added.

F. Hart questioned if it would make sense to note in the Intent Statement that this significantly reduces the Operating Budget.

J. Sherman noted that in previous years the Intent Statement read that this was money that the town receives every year from the State.

There was no additional discussion on the motion. The vote was 8-0-0 U/A.

TOWN UNIT COLLECTIVE BARGAINING AGREEMENT

Article P-17-19: Shall the Town vote to raise and appropriate the sum of \$13,921.13 for the current fiscal year and to approve the items included in the proposed 2 year collective bargaining agreement reached between the Town of Plaistow and Teamsters Local 633 Union comprised of Town Supervisory employees, including the Deputy Police Chief, Code Enforcement Officer, Health Officer, Highway Department Forman, Highway Laborers, Assistant Town Clerk, Town Crossing guards and Administrative staff. The contract calls for the following increases in salaries and benefits:

Calendar Year	Increase %	Estimated Gross Payroll Cost	Estimated Health Insurance Savings	Estimated Net Contract Cost
2017	4% Wage	\$13,921.13	(\$23,994.07)	(\$10,072.94)
2018*	3% Wage	\$14,477.98	(\$5,737.30)	\$8,740.68

*Estimated 2016 health care cost level funded

(Recommended by the Board of Selectmen and the Budget Committee)

[Intent: This two-year contract provided for a modest increase funded in part by health care savings to the Town. The contract reduces the rate of cost sharing for health insurance due to Health Care plan design changes. The savings from the health care reduction is estimated to be \$29,731 over the 2 years of the contract (2017-2018) and the estimated two year cost of the wage increase is \$28,399. The estimated health care cost savings achieved through this contract is estimated to cover the cost of the wage increase.]

(Recommended by the Board of Selectmen (5-0-0) and the Budget Committee (0-0-0).

J. Sherman noted that the BOS had not made any changes to the language of this Warrant Article.

★D. Heffernan moved, second by S. Cafiso, to recommend the Town Hall Unit Collective Bargaining Unit Warrant Article in the amount of \$13,921.13.

Discussion:

D. Nifakos noted that the increases all seem to be offset.

S. Fitzgerald explained that by the cooperation of the employees the salary increases are being offset by healthcare costs savings. He noted that there was a period of five (5) years where the employees went without a wage increase. He added that he felt this contract was moving the Town in the right direction and he hoped that the BudCom would support it.

D. Nifakos asked if they needed to make the motion recommended in the Town Manager's memo.

S. Fitzgerald replied that it could all be addressed with the recommendation of the Warrant Article.

S. Cafiso asked if the words "in part" from the Intent Statement should read "in full."

S. Fitzgerald responded that healthcare costs can change through the year and he suggested that this language would help folks understand there can still be unknowns. He added that the union employees were changing from a point-of-service plan to an HMO. He also noted that this Warrant Article addressed costs for the first year of the contract; the second year will appear in the Operating Budget.

It was noted there was a spelling error in the Warrant Article language, "*Forman*" should be "*Foreman*."

There was no additional discussion on the motion. The vote was 8-0-0 U/A.

F. Hart asked if D. Heffernan would prefer to receive any additional suggestions for changes via email to know how much time would need to be allotted. That was confirmed.

COMMITTEE REPORTS

Public Safety Building Committee (PSBC)

D. Heffernan noted that the PSBC would be meeting the next Thursday at 8:00 a.m., at the Library. He added that the meeting is open to the public and the minutes are posted online.

NEW BUSINESS

J. Sherman offered that he and D. Heffernan would be communicating with Dean Zanello regarding a cable program on the proposed budget.

D. Heffernan added that Thursday, January 12, 2017, was the Public Hearing for the School Board on their proposed budget. That is scheduled for 7:00 p.m. at the Timberlane Performing Arts Center.

OLD BUSINESS

Parking Lot

Resolved/Updated Items:

- Item #16 – Pollard/Congressional Drainage - Discussed at this meeting, plans are in design phase - resolved
- Item #45 – J. Sherman noted that he had forgotten to make the recommendation for the \$0.25/hour increase for Summer Recreation Staff. He will do so at the next BOS meeting
- Item #38 – J. Sherman noted he had been working with Jim Peck regarding a proper wording for terminology for un-audited financial information in the Town Report. He noted that he was not able to find clear language in other town reports. Words close to *“the numbers in this chart have not been approved by outside auditors.”*
- Item #47 – Approved CRA deposits not deposited until year’s end – It was explained that this has had to do with cash flow availability in the past.

New Items Added:

- Copy of Town Hall Unit CBA contract to be emailed to BudCom
- Copy of Default Budget to be emailed to BudCom
- Re-word intent statement for Cable Department CRF Warrant Article P-17-12 (J. Sherman)
- Copy of Main Street Traffic Calming Study emailed to BudCom

S. Fitzgerald noted that the town was approved for a \$1M grant related to the Westville Road bridge realignment, but the grant was not funded. If funds become available the Town would be in line for funding.

F. Hart asked if it was historically difficult to be reimbursed from the Federal Government through the grant process.

S. Fitzgerald noted the typical reimbursement was within 30-45 days of filing an expense.

L. Lambert noted that on the Comparative Statement provided at this meeting the Executive/Personnel budgets didn’t agree in the BudCom and BOS approved.

S. Fitzgerald explained the differences were for the \$2,400 reduction in the telephone line and the \$1000 reduction in supply line that were taken under consideration by the BudCom. He noted that he did not make those recommendations to the BOS. He noted that there would be additional costs in the telephone line and he felt that historical spending in the supply line justified the amount of the request. He noted that the \$20,000 adjustment for the retirement adjustment would be synced after this BudCom meeting.

There was discussion regarding what happens in the instance that the BOS and the BudCom proposed Budgets are not in sync. It was noted that the Budget that is proposed by the BudCom would be the one presented to the voters at Town Meeting. It was hoped that there could be agreement prior to the Public Hearing.

There was no additional business before the Committee and the meeting was adjourned at 8:38 p.m.

Respectfully Submitted:

Dee Voss
Recording Secretary