



Town of Plaistow ♦ Budget Committee

145 Main Street ♦ Plaistow ♦ NH ♦ 03865

BUDGET COMMITTEE MEETING

December 19, 2017

Call to Order: 6:33 p.m.

ROLL CALL

Present: Francine Hart, *Chair*
Bob Hamilton, *Vice Chair*
Sam Cafiso
Laurie Milette
Tricia Holt, *Leave of absence*
Dennis Heffernan
Lisa Lambert
Dean Nifakos
Jay DeRoche, *excused*
John Sherman, *Selectmen Ex-Officio*

Also Present: Mark Pearson, *Town Manager* and Greg Colby, *Finance Director/Assistant Town Manager*.

The Pledge of Allegiance was led by S. Cafiso.

REVIEW/APPROVAL OF MINUTES

November 28, 2017 Minutes

★D. Heffernan moved, second by B. Hamilton to approve the minutes of the November 28, 2017 meeting.

S. Cafiso noted that in the paragraph:

S. Cafiso noted that his response to a comment from J. Sherman was not recorded in the minutes, but he wanted it noted. The comment was that the Town is not a for profit business. Mr. Cafiso's response was that the profit is in savings to the tax payers.

The response was to a comment from M. Pearson, not J. Sherman.

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

December 05, 2017 Minutes

★D. Heffernan moved, second by S. Cafiso to approve the minutes of the December 05, 2017 meeting.

B. Hamilton noted that the in the paragraph where the HR/Personnel Department Budget was being discussed...

B. Hamilton suggested to eliminate the part-time Assessing Department position and restore the overtime line.

...that he didn't comment as a suggestion but as a recollection of previous discussions where a balance between adding a part-time person to the Assessing Department and/or overtime line for the HR/Personnel Department had been discussed.

There was no additional discussion on the motion. The vote was 7-0-1 (Nifakos abstaining).

WARRANT ARTICLES

It was noted as a point of order that the Budget Committee (BudCom) would only be considering monetary Warrant Articles and any motion/vote should be whether or not to recommend the Warrant Article.

Article P-18-01: To elect all necessary Town Officers for ensuing year. – Non-monetary

Operating Budget

Article P-18-02: Shall the Town raise and appropriate as an operating budget, not including appropriations by special warrant article and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling **\$DOLLARS?** Should this article be defeated, the operating budget shall be **\$DOLLARS** with certain adjustments required by previous action of the Town or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only.

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

Discussion:

Not voted on at this meeting at the final figures are not determined yet.

Article P-18-03: Leasing Town Property – Non-Monetary

Article P-18-04: Leasing Space on The Telecommunication/Cell Tower – Non-Monetary

Collective Bargaining Agreement (Police Union)

Article P-18-05: Shall the Town vote to raise and appropriate the sum of **\$?????** for the current fiscal year and to approve the items included in the **x**-year collective bargaining agreement reached between the Town of Plaistow and Teamsters Local 633 Union comprised of Police Officers, Dispatchers, and Administrative staff? The contract calls for the following increases in salaries and benefits at the current staffing level:

| Calendar Year | Increase % | Estimated Gross Payroll Cost | Estimated Health Insurance Savings | Estimated Net Contract Cost |
|---------------|------------|------------------------------|------------------------------------|-----------------------------|
| 2018 | % | \$ | \$ | \$ |
| 2019 | % | \$ | \$ | \$ |
| 2020 | % | \$ | \$ | \$ |

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

There was no vote/discussion on the proposed Warrant Article as union negotiations are ongoing.

Article P-18-06: Collective Bargaining Agreement Special Town Meeting (Police Union) – Non-Monetary

Establishment of a Contingency Fund

Article P-18-07: Shall the Town vote to establish a Contingency Fund for the current year for unanticipated expenses that may arise and further to raise and appropriate \$80,000 to go into the fund? This sum to come from the General Fund balance and no amount to be raised from taxation. Any appropriation left in the contingency fund at the end of the year will lapse to the General Fund. Use of these funds will be pursuant to RSA 31:98-a and RSA 32:11.

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

[Voter's Notes: Establishment of a Contingency Fund gives the Board of Selectmen another tool to manage the Town in an efficient manner. If unanticipated expenses arise, the Board of Selectmen would have a source of funds to pay for the unanticipated expense. The fund must be re-established each year and cannot accumulate funds from year to year.]

★D. Heffernan moved, second by S. Cafiso to recommend Article P-18-07 in the amount of \$80,000.

Discussion:

B. Hamilton asked what that guidelines were for the use of the funds.

M. Pearson replied that the guidelines were established in the two (2) RSAs that are cited in the Warrant Article.

L. Milette questioned how the \$80,000 number is established.

M. Pearson explained the law allows up to 1% of the budget to be set aside in a contingency fund. He noted that while the final number has not yet been determined, the \$80,000 is well below 1% of the budget. He added that this is the first year for the contingency fund and it didn't seem necessary to push it to the limit. If it becomes necessary to use the fund then the amount can be adjusted accordingly next year.

B. Hamilton asked for additional clarification.

M. Pearson noted that it is still a bottom-line budget. The money in the contingency fund could be used if something major occurred and had not been considered in the budget. It was noted that snow/weather is very unpredictable. He added that another factor that could be considered would be if some of the cuts made this year turned out to be too deep.

S. Cafiso noted that there is a subsequent Warrant Article to provide for additional snow removal monies.

M. Pearson replied that Winter Maintenance Expendable Trust was exclusive to snow removal. The contingency fund is not. He added that the average costs to clean up a single storm is \$25,000.

D. Heffernan asked if the drainage issues on Chandler Ave. this year could have been paid for from a contingency fund.

M. Pearson replied that they could, but the contingency fund was best saved until the end of the year and used as a last resort.

D. Heffernan reminded that the budget approved at Town Meeting is the bottom line and cannot be overspent.

M. Pearson noted that the contingency fund is the exception.

D. Nifakos asked what would happen in the case of a block-buster winter and the designated monies are spent out.

M. Pearson explained that they would have to consider making cuts in other budgets to cover any shortfall.

F. Hart noted that the funding for the contingency fund it requested from the General Fund Balance, not new taxes.

J. Sherman reminded that there had been a discussion about the terminology to be used. It had been previously suggested that the term General Fund/Unassigned Fund Balance (GF/UFB) be used.

S. Cafiso asked if the contingency fund would always be funded from the GF/UFB.

M. Pearson replied that the Warrant Article would have to be re-voted on every year.

F. Hart added that the source of funding may change.

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

Winter Maintenance Expendable Trust Fund Creation and Deposit

Article P-18-08: Shall the Town vote to create a Winter Maintenance Expendable Trust Fund in accordance with RSA 31:19-a for the purpose of holding in reserve funds that may be used to purchase materials and/or provide operating expenses needed for winter maintenance of Town-maintained roads, sidewalks, parking lots, and other outside facilities when the amount of such winter maintenance in the annual budget of the Highway Department has been depleted and furthermore shall the Town vote to raise and appropriate the sum of \$25,000 for an initial deposit? The Board of Selectmen shall be the fiscal agent of the fund and the fund will be placed in an interest-bearing account.

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

[Voter's notes: It is impossible to predict the severity of the winter season, especially when it spans two (2) calendar years and two (2) budget years. Winter maintenance is a line item in the Highway Department's budget. The amount of the line item is just as difficult to predict as the severity of two (2) winter seasons. This trust fund will provide the necessary funds to cover winter maintenance, specifically plowing, regardless of the severity of the winter. The goal would be to cap this fund at 50% of the average cost of winter maintenance for the previous five (5) years.]

★D. Heffernan moved, second by L. Lambert to recommend Article P-18-08 in the amount of \$25,000.

Discussion:

J. Sherman offered that the Warrant Article did not speak to the key point of plowing.

There was discussion regarding whether or not there was enough emphasis on plowing.

G. Colby noted that it was specifically called out in the voter's notes.

J. Sherman suggested that it should be called out more in the Warrant Article text.

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

Fire Department Apparatus Capital Reserve Fund Deposit

CIP Reference: F1D.

Article P-18-09: Shall the Town vote to raise and appropriate the sum of \$81,000 to be added to the existing Fire Department Apparatus Capital Reserve Fund that was created in 1998?

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

[Voter's Notes: **The balance of this fund is \$53,664 as of November 30, 2017.** Timely deposits into the Fire Department Apparatus Capital Reserve Fund will allow for the orderly replacement

of fire department vehicles using only capital reserve money that helps to level the yearly tax impact. The next planned expense is \$170,000 for the replacement of the Rescue-2 vehicle. This reserve fund is invested in an interest-bearing account and funds can only be withdrawn by a vote at a future Town Meeting.]

★D. Heffernan moved, second by L. Lambert to recommend Article P-18-09 in the amount of \$81,000.

Discussion:

J. Sherman noted that when this fund was created the term “apparatus” was used, but it is for vehicles and that is why the voter’s notes stress “vehicles.”

F. Hart added that the amount had been reduced in the CIP (Capital Improvements Plan) as ways have been found to extend the life of current vehicles.

It was noted that the next vehicle replacement is planned for 2019.

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

Self-Contained Breathing Apparatus (SCBA) Capital Reserve Fund Deposit

CIP Reference: F2D.

Article P-18-10: Shall the Town vote to raise and appropriate the sum of \$42,400 to be added to the existing 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 Improvements Program as approved by the Planning Board.)

[Voter’s Notes: **Available balance of this Self- Contained Breathing Apparatus Capital Reserve Fund is \$104,722 as of November 30, 2017.**

★D. Heffernan moved, second by B. Hamilton to recommend Article P-18-10 in the amount of \$42,400.

Discussion:

F. Hart noted that this was a straightforward Warrant Article in year four (4) of the replacement program.

J. Sherman added that the voter’s notes still needed to be flushed out a little more.

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

Management Information Computer System Capital Reserve Fund Creation and Deposit

CIP Reference: P4D.

Article P-18-11: Shall the Town vote to establish a Management Information Computer System capital reserve fund pursuant to RSA 35:1, for the purpose of replacing the hardware, software, all peripheral device interfaces, and installation of a replacement for the existing Management Information Computer System used by the Police Department, and furthermore to raise and appropriate the sum of \$25,000 for an initial deposit into this Capital Reserve Fund? The Board of Selectmen shall be the fiscal agent of the fund and the fund will be placed in an interest-bearing account.

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

[Voter's Notes: Creation of this Capital Reserve Fund and all subsequent deposits will ensure the timely replacement of this computer system (hardware and software) with a new technology system used by a majority of NH police and sheriff departments. This reserve fund will be invested in an interest-bearing account. 2018 will be the first year of a proposed three-year project.]

★S. Cafiso moved, second by D. Heffernan to recommend Article P-18-11 in the amount of \$25,000.

Discussion:

F. Hart suggested that it should be clarified that this is a \$75,000 system, intended to be installed in three (3) years.

J. Sherman noted that the term of three (3) years is noted in the voter's notes.

M. Pearson explained that 90% of the police departments in New Hampshire are on the same, but a different system than Plaistow. He added that while the current system, serviced by a sole proprietor, is not yet obsolete, there are concerns what would happen if the one-man operation were to close.

J. Sherman offered that the CIP talked about doing the replacement in one (1) year. He added that contingency funds could be used in an instance of failure of the current system.

M. Pearson noted that there were no indications of eminent failure, but the logistics into the future could not be ignored.

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

Communications Radio Dispatching System Replacement

CIP Reference: P1E.1.

Article P-18-12: Shall the Town vote to raise and appropriate the sum of \$175,000 for Phase 2 of the replacement of the Communication Radio Dispatching System and to withdraw \$140,000 from the Communication Radio Dispatching Capital Reserve Fund that was created in 2014?

Appropriation: \$175,000
Withdrawal from the Communication Radio Dispatching Capital Reserve Fund: -\$140,000

Amount to be raised by 2018 taxation: \$35,000

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

[Voter's Notes: **The balance of this fund is \$146,812 as of November 30, 2017.** This appropriation will complete Phase 2 of the two-phase project by replacing the hardware and software of the data processing unit associated with the dispatching system. Phase 1 of this project (the dispatching components of the system) was completed as part of the Public Safety Complex expansion.]

★D. Heffernan moved, second by L. Lambert to recommend Article P-18-12 in the amount of \$175,000.

Discussion:

D. Heffernan questioned if this was the “guts” for the system that a grant was received for.

M. Pearson replied that there was no grant for the system. Some funding had been freed up in the Public Safety Complex Building fund and the system was replaced within the \$8.5M budget. He added that they had been able to acquire furniture for the Police and Fire Departments at no costs, which provided additional savings.

It was noted that the next steps include new antennas, new “brains” for the systems, a tower in the north end of town and upgrades to VOIP (Voice Over Internet Provider) technologies which will allow text and video to be sent from the road.

D. Heffernan questioned if the new improvements would allow for the possibility of reaching out to other towns to offer dispatch services.

M. Pearson replied that it would put the Town in a position to provide the services, which would provide another revenue source, all were part of the discussion.

There was discussion about leasing versus purchasing of police vehicles. It was noted that for years new purchases were proposed as Warrant Articles and they are now included in the Operating Budget. It was noted that there had been a recent Warrant Article for unmarked police vehicles which was defeated. It was noted that Fire Department Warrant Articles are frequently supported by the voters.

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

Article P-18-13: Conversion of Fire Suppression Water System to a Potable Water and Fire Suppression Water System – Non-Monetary

Article P-18-14: Fire Suppression Line Capital Reserve Discontinuance
CIP Reference: W1D. – Non-Monetary

Article P-18-15: Water Department Pump(s) & Pump House Capital Reserve Discontinuance
CIP Reference: W3D. – Non-Monetary

NOT VOTED ON BY BOS

Article P-18-16: Water Department Capital Reserve Fund Creation and Deposit
CIP Reference: W2D.

Building/Building Systems Capital Reserve Fund Deposit
CIP Reference: MB1D.1

Article P-18-17: Shall the Town vote to raise and appropriate the sum of \$10,000 to deposit into the existing Building/Building Systems Capital Reserve Fund that was created in 2007?

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

[Voter's Notes: **Available balance of the Building/Building System Capital Reserve Fund is \$20,610 as of November 30, 2017.**

★S. Cafiso moved, second by L. Lambert to recommend Article P-18-17 in the amount of \$10,000.

Discussion:

It was noted that this does not cover things like routine maintenance of systems, which are included in the department budget. This is designated for unanticipated equipment or system failures.

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

Library Capital Reserve Fund Deposit
CIP Reference: MB3D.

Article P-18-18: Shall the Town vote to raise and appropriate \$50,000 to be deposited into the existing Library Capital Reserve Fund that was created in 2016?

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

[Voter's Notes: **The balance of this fund is \$103,703 as of November 30, 2017.** The use of this capital reserve fund will allow for level funding of Library Capital Improvements documented in the Infrastructure Evaluation Study for Plaistow Public Library prepared by the Castanga Group and accepted by the Library Board of Trustees. The projects planned this year (2018) are the

purchase and installation of an emergency backup generator, some interior renovations to the public and staff areas, and continued improvements to the remote cable broadcasting equipment. Additionally, LED lighting fixture replacement project and the repair of the interior fire sprinkler system will continue into 2018. Depositing funds each year into a Capital Reserve Fund will allow for orderly repairs, renovations and improvements to the Library's capital assets while leveling the yearly tax impact. The Board of Selectmen is the fiscal agent of this fund. The money in this fund is invested in an interest-bearing account.]

★S. Cafiso moved, second by D. Heffernan to recommend Article P-18-18 in the amount of \$50,000.

Discussion:

J. Sherman explained that there is a plan for spending funds in this account. It is based on a report completed by the Castanga Group. It was agreed that the plan makes good sense for the Library and for the Town.

F. Hart noted that in hindsight the Library waited too long to begin appropriating money for maintenance of the building and they are now playing catch-up. She added that hopefully it is a lesson learned for the new Public Safety Complex.

B. Hamilton added that the Library had originally requested \$65,000 and shaved it back to \$50,000.

F. Hart offered that the Library is a cultural and educational center and an important nexus in Town.

J. Sherman noted that he had read some of the items on the plan and they will be looking for \$50,000-\$55,000 for the next few years and were looking at replacing the roof in 2022 at an estimated cost of \$100,000.

There was additional discussion of how things could be done differently and making sure that there is a plan in place for maintaining the Public Safety Complex buildings.

F. Hart added that the CIP is a brilliant plan.

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

Records Management Capital Reserve Fund Creation and Deposit
CIP Reference: MS1.3.1.

Article P-18-20: Shall the Town vote to create a Records Management Capital Reserve Fund for the purpose of funding proper records management, storage, and archival pursuant to the provisions in RSA 35:1 and with the Board of Selectmen to act as the fiscal agents of the fund? Furthermore, shall the Town raise and appropriate \$10,000 to be deposited into the Records Management Capital Reserve Fund? The capital reserve fund will be used for purchase of any hardware and software, both on-site and off-site, to provide for proper records management.

(Recommended by the Board of Selectmen (3-1-1) and the Budget Committee (0-0-0). This expense is in the Capital Improvements Program as approved by the Planning Board.)

[Voter's Notes: The current records at the Town Hall are very difficult to find and access with few of them existing in some type of digital format. They are also not protected from some type natural disaster such as flooding or fire. This project will correct these deficiencies.]

★S. Cafiso moved, second by D. Heffernan to recommend Article P-18-20 in the amount of \$10,000.

Discussion:

F. Hart asked if the proposed system would be cloud capable.

M. Pearson replied that it would depend on the service that was contracted at the time the money was available.

There was discussion regarding a records management system. It was noted that some departments, the building department was the example, are required to keep all documents in perpetuity. The plan would be to digitize the records, which would allow the paper documents to be stored, perhaps even offsite. A public computer could be set up to give access to the digital records. It was noted that it would be labor intensive to set up and capture all the records, scan and set up the system. Suggestions, such as an intern, were made for handling the project.

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

Public Works Facility

CIP Reference: MB4.E.

Article P-18-19: Shall the Town vote to raise and appropriate \$600,000 as a non-lapsing appropriation that will be used to design, engineer, and construct of an 80 ft. x 100 ft. (8000 sq. ft.) Public Works Facility that would include garage and office space for the Highway and Water Departments. Located at the former Penn Box site, Map 41 Lot 11, 144 Main Street.

| | |
|--|------------|
| Total Appropriation: | \$600,000 |
| Withdrawal from the Unassigned Fund Balance: | -\$600,000 |

| | |
|---|------------|
| No amount to be raised by 2018 taxation: | \$0 |
|---|------------|

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

[Voter's Notes: This non-lapsing appropriation is being established for the short-term use of collecting and expending funds that will be used to design and construct a new Public Works Complex on the former Penn Box site adjacent to the Pan Am railroad tracks with access only onto Main Street. The intent is to pay for the facility with funds already collected or to be

collected throughout 2018 and 2019. In 2018, design and site work would be started as well as a building a prefabricated metal garage and office space. The project would be completed in 2019 if future funding is approved. The appropriation will be placed in an interest-bearing account.]

★S. Cafiso moved, second by L. Lambert to recommend Article P-18-19 in the amount of \$600,000.

F. Hart questioned if the current Highway Garage would be razed once a new one was built and occupied.

M. Pearson replied that there was no plan to use it for any other purpose so it should be taken down. He reminded that the building was not supposed to be habited because of methane gas leaking into it. He added that it may not be taken down until Phase 2 of the new Highway Garage was completed.

D. Heffernan offered that people may have questions about what will be completed as Phase 1 and what will be Phase 2 of a new Highway Garage.

M. Pearson offered that he hoped to have more reliable preliminary design and engineering costs by Deliberative Session. He added that the intent was to do a fast-track “design-build” construction of the new Highway Garage, which would be overseen by staff and a local engineer. This would save the costs of a project manager. It was also noted that the Warrant Article was non-lapsing so funds could roll over to the second year.

S. Cafiso suggested that it be included in the voter’s notes that this was just to get an inhabitable building and didn’t include curtains and paint.

J. Sherman offered that the Board of Selectmen (BOS) had discussed that the voter’s notes needed to be a little cleaner and include information about a Phase 2. In the interest of transparency, it was also suggested that there be language in the voter’s notes that the salt shed is not part of the Phase 1 plan.

B. Hamilton added that it was also important to note the costs of making the existing building safe versus the construction of a new one.

D. Heffernan noted that there were no other major projects in the works, and hopefully this will be the last one.

F. Hart reminded that the Town is working on potable water.

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

Energy Capital Reserve Fund Deposit
CIP Reference: MS5D.

Article P-18-21: Shall the Town vote to raise and appropriate the sum of \$25,000 to deposit into the existing Energy Capital Reserve Fund that was created in 2016?

[Voter's Notes: **The balance of the impact fee account is \$DOLLAR as of October 31, 2017.** This is the final phase of the Westville Road Bridge replacement, the engineering and construction costs. The State Bridge Aid program will fund 80% of the costs leaving a 20% match for municipalities to raise. The SB38 Highway Aid fund is a one-time fund created by the State Legislature from a budget surplus. It was allocated to municipalities using the same formula of town-owned miles of roads and population that is used in the annual awarding of Highway Block grants. The final amount of the 20% match is made of withdrawals from the fire suppression capital reserve and impact fee funds.]

★D. Heffernan moved, second by D. Nifakos to recommend Article P-18-22 in the amount of \$586,089.

Discussion:

There was discussion regarding the funding of this Warrant Article. It was noted that \$129,000 of a supplemental Highway Block Grant would be used for the Town's 20% match for the Bridge Aid Grant. The match has been cleared through DRA (Department of Revenue Administration) as an appropriate way to use the SB38 money. It was noted that the funding for this third and final phase of the project was structured in a way that it would hopefully be passed. If it is not passed all the money previously spent on engineering, design and permitting would be for nothing.

It was again reiterated that the language regarding the GF/UFB would be made consistent throughout all the Warrant Articles.

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

Cemetery Special Maintenance Expendable Trust Fund Creation and Deposit

Article P-18-23: Shall the town vote to establish a Cemetery Special Maintenance Expendable Trust Fund per RSA 31:19-a, including but not limited to the surveying and maintenance of the town cemetery's lots, open space, and all infrastructure necessary for keeping the cemetery in a state of good repair. Furthermore, shall the Town raise and appropriate the sum of \$40,000.00 to make an initial deposit into this fund with said amount to come from the General Fund, Unassigned Fund balance? The Board of Selectmen shall act as the fiscal agent for this fund. The fund shall be placed in an interest-bearing account.

| | |
|--|-----------|
| Total Appropriation: | \$40,000 |
| Withdrawal from the General Fund, Unassigned Fund Balance: | -\$40,000 |

No amount to be raised by 2018 taxation: \$0

(Recommended by the Board of Selectmen (4-1-0) and the Budget Committee (0-0-0).)

[Voter's Notes: The current method of financing the maintenance of the cemetery by the Perpetual Care Fund is not adequate. The creation of this expendable trust fund will allow the proper cemetery maintenance to be performed. The cemetery maintenance would shift from the sole source of the Perpetual Care Fund to three sources of funding – the interest from the

Perpetual Care Fund, the sale of cemetery lots (see Article P-18-27), and taxpayer deposits into this trust fund. A well-maintained cemetery is a valuable asset to the Town.]

Discussion:

It was noted that the current wording of the cemetery perpetual care agreement allows only for mowing of the grass, no additional maintenance. The Expendable Trust Fund (ETF) would cover other things such as survey and mapping of new plots and repair of the cemetery. The BudCom had many questions about this and the following Warrant Article. It was questioned if this could make the Cemetery self-sustaining and allow it to be removed from the Highway Department budget. It was decided to table the vote on both Warrant Articles and invite Jill Senter in to explain and answer questions. PARKING LOT ITEM: D. Voss was requested to invite J. Senter to the January 09, 2018 meeting.

Cemetery Special Revenue Fund Creation

Article P-18-24: Shall the Town vote to adopt the provisions of RSA 31:95-c to restrict 100% of the revenues from the sale of cemetery lots for the expenditures for the purpose of the town cemetery maintenance. Such fund revenues and expenditures shall be accounted for in a special revenue fund to be known as the Cemetery Special Revenue Fund, separate from the general fund. Any surplus in said fund shall not be deemed part of the general fund accumulated surplus and shall be expended only after a vote of the legislative body to appropriate a specific amount from said fund for a specific purpose related to the purpose of the fund or source of revenue.

(Recommended by the Board of Selectmen (5-0-0) and the Budget Committee (0-0-0).)
[Voter's Notes: This warrant article restricts 100% of the revenues from the sale of cemetery lots to only be placed in the Cemetery Special Revenue Fund, that is, all of the sales are to be placed in this fund. The revenues accumulate from year to year and can only be expended by a vote at a future town meeting.]

Discussion:

The vote was tabled until after discussion with J. Senter

Article P-18-25: Town Hall Expendable Trust Fund Discontinuance – Non-Monetary

Article P-18-26: Recreation Commission Capital Reserve Fund Discontinuance – Non-Monetary

Article P-18-27: PEG Cable Access Fund Discontinuance – Non-Monetary

Article P-18-28: Internet Capital Reserve Fund Discontinuance – Non-Monetary

Mosquito Control Expendable Trust Fund Creation and Deposit

Article P-18-29: Shall the Town vote to create a Mosquito Control Expendable Trust Fund in accordance with RSA 31:19-a for the purpose of holding in reserve, funds that may be used to eradicate mosquitos and other insects in accordance with the Town's Mosquito Control Plan as

directed by the Town Health Officer and furthermore shall the Town vote to raise and appropriate \$7,000 into this fund? The Board of Selectmen shall be the fiscal agent of the fund and the fund will be placed in an interest-bearing account. A no vote on this warrant article would not preclude the Town from spraying, should an emergency arise during 2018.

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

[Voter's notes:

★F. Hart moved, second by B. Hamilton to recommend Article P-18-29 in the amount of \$7,000.

Discussion:

L. Lambert asked if the BOS had voted to put the \$7,000 in the Health Department budget as well as propose the Warrant Article.

F. Hart reminded that it would be the final budget approved by the BudCom, not the BOS that goes before the voters.

L. Lambert added that it also depended on what happens at Deliberative Session.

There was discussion regarding a no vote on the Warrant Article and if the money would be available in the case of the need to adulticide for mosquitos. It was noted that NHMA (New Hampshire Municipal Association) had been consulted and there were go arounds for the "no means no" failure of a Warrant Article. It was also noted that Atkinson had successfully used an EFT for mosquito control for years.

D. Heffernan reminded that the BudCom would have the opportunity to re-vote whether or not to still recommend any item that is changed at Deliberative Session.

There was discussion if it would be possible for the money (for mosquito adulticiding) to be included twice, once in the Operating Budget and as a Warrant Article, which is it. It is also possible that it could not be included at all. It was noted that the Warrant Article would be non-lapsing and, if spent, would take another Warrant Article to replenish.

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

Accrued Leave Time Expendable Trust Fund Deposit

Article P-18-30: Shall the Town vote to raise and appropriate \$25,000 to be deposited into the existing Accrued Leave Time Expendable Trust Fund that was created in 20XX?

(Recommended by the Board of Selectmen (4-1-0) and the Budget Committee (0-0-0)).

[Voter's Notes: **The balance of this fund is \$13,386 as of November 30, 2017. This fund is used to offset the costs of payments to long-term town employees upon separation or**

retirement from Town Service. Currently the Town has an approximate liability in excess of \$100,000 as of year-end. This transfer would help offset the cost of further retirements.

★D. Heffernan moved, second by B. Hamilton to recommend Article P-18-30 in the amount of \$25,000.

Discussion:

M. Pearson explained that this EFT would be to pay employees, who separate from the town, for any accrued leave time that they may be entitled to at the time of separation. He noted that there were several long-time employees who could be reaching the age of retirement and this EFT would protect the Town from the liability of a large payout.

G. Colby added that if the five (5) employees who have been with the Town the longest were all to leave the cost would exceed \$100,000 for accrued leave time pay-out and the funds are not available to pay that liability at this time.

M. Pearson noted that it could mean leaving the position vacant until the monies have been made up, which is not the best approach. He added that the proposed \$25,000 would not solve the entire problem, but it would be a good start and bring the account to 38% of the goal.

D. Nifakos asked if there was a limit on the amount of time that could be accrued by any employee.

M. Pearson replied that the five (5) employees closest to retirement are at the maximum accrual.

D. Heffernan asked how many employees the Town employs.

M. Pearson responded that there are forty-six (46) full-time and thirty-four (34) part-time employees.

J. Sherman offered that he was trying to think of a mathematic way to figure out the costs, much like a CIP would do.

M. Pearson offered that doing nothing is not a good option.

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

L. Lambert asked about the Default Budget number for Warrant Article P-18-02 if the Operating Budget does not pass.

G. Colby noted that the Default Budget is the approved 2017 Operating Budget with certain adjustments, for example CBA agreements and debt service, as well as one-time purchases made in 2017 that were included in the budget.

J. Sherman offered that it was on the January 08, 2018 BOS meeting agenda to set the Default Budget number.

D. Heffernan suggested that the reading of the Warrant Articles at the BudCom Public Hearing be split up. He offered to assist with the reading.

F. Hart asked if the text of all Warrant Articles, including non-monetary, had to be read at the Public Hearing.

J. Sherman offered to look up what the RSAs call for.

BUDGET REVIEW

New Line (TBD) – Elder Affairs - \$1,600 (will be included in the Executive Budget)

F. Hart explained that this would be to cover their quarterly newsletter and other projects. She offered that it was a worthwhile addition to the budget.

B. Hamilton asked if it had been previously funded.

It was noted that Elder Affairs was noted in the Recreation budget.

M. Pearson noted that it made more sense to be in the Executive Budget. He added that people are currently using their own money to pay for some things.

★D. Heffernan moved, second by B. Hamilton to approve adding \$1,600 to be added to the Executive Budget, in a line number to be assigned, for Elder Affairs.

Discussion:

B. Hamilton asked if the money would be primarily for *The Sizzler* (the senior newsletter).

F. Hart replied that it would be primarily for that, but would also include senior teas and other projects and events.

B. Hamilton asked how many copies of the newsletter were sent out and if it was available at Town Hall and the Library.

M. Pearson offered that the postage had previous come from member's pockets. He added that the Elder Affairs Committee (EAC) was working on how to get the newsletter out better, noting the money would help.

There was discussion about how to get word out to more seniors. Using publications such as the Carriage Towne News were suggested. It was noted that the EAC was considering many options.

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

It was noted that the BudCom would also have to re-vote the bottom line for the Executive Budget.

Health Insurance/New Hampshire Retirement System (\$16,476/\$8,929 increases)

G. Colby noted the increases in these lines were for eight-month roll-up costs associated with the proposed new position for the Fire Department.

PD Prosecutor (\$3,927.27 decrease)

It was noted that there was another change in the Police Department Prosecutor. A different attorney will be assigned, at a lower cost.

★D. Heffernan moved, second by L. Lambert to approve an amendment to line item 01-4210-10-120, decreasing it by \$3,927.27 to \$64,148.75. There was no discussion on the motion. The vote was 8-0-0 U/A.

FD – Permanent Position – FF (\$28,400 increase)

F. Hart explained that the Fire Chief had presented a proposed Warrant Article to the BOS for a new full-time Fire Fighter position at the Fire Department. She noted that precedent had been set that when a new position, not just for the Fire Department, is proposed that it is done as a Warrant Article and then included in the following year's Operating Budget if approved. She continued that the BOS had decided to propose that the new position be included in the Fire Department Operating Budget, which would also mean increases in the HR/Personnel Budget for the roll-up costs. Ms. Hart offered that the new position should be a Warrant Article as previously proposed by the Chief.

There was discussion about past history and practice and the Chief's initial action to propose the position as a Warrant Article. It was suggested that the voters should be trusted to make the right decision.

J. Sherman offered that the BOS thought it to be an operating expense. They were reluctant to propose yet another Warrant Article considering the many already being proposed.

L. Lambert asked if it is proposed as a Warrant Article, would the language include the roll-up costs. It was confirmed that it would.

Many BudCom members voiced the opinion that based on past history and practice, and so as not to circumvent the voters, it would be best to propose the new Fire Department position as a Warrant Article. It was questioned why this proposal was being made so late in the process. It was noted that the proposed \$53,805 was for eight (8) months.

J. Sherman noted that he would take the consensus of the BudCom back to the BOS.

B. Hamilton distributed a memo to the BudCom that presented a ten-year history of the Town's Operating Budget. He noted that over the ten (10) years the Operating Budget has been escalating. He added that the BudCom has been sensitive to the needs of the Town and they care about the increases to the taxpayers. He noted that the Town is growing and adding employees with associated roll-up costs. Mr. Hamilton offered that there weren't enough new residences to pay the escalating costs and that there needed to be ways found to fund these costs other than the residential taxpayers.

D. Heffernan noted that some of the increases are due to rising insurance costs and costs that used to be paid by the State, such as retirement, that have now been passed down to the communities. He quoted numbers from his own tax bills to show that the Town portion of the real estate tax has remained relatively level. He offered that he was glad to see that people were starting to pay attention to where their tax money is being spent. Mr. Heffernan added that the State and Schools have much greater increases.

B. Hamilton offered that there isn't a lot of land left to be developed to support increases in costs.

F. Hart noted that there was a reason that private sector businesses did away with pensions and unions, because they are not financially sustainable.

J. Sherman stated that he would like to have time to look at the analysis present by B. Hamilton. He added that there was no reason to mention the name of a specific Selectmen and he felt that was inappropriate.

B. Hamilton offered that the animosity between the BudCom and BOS was not good.

J. Sherman noted that he didn't think there was animosity between the boards.

F. Hart suggested that the discussion be put on the agenda for January 9.

J. Sherman offered that B. Hamilton's memo should have not have been distributed without being on the agenda and advance copies should have been provided for review before discussion. He reiterated that no Selectmen should have been named in the memo.

B. Hamilton apologized for naming a Selectman in his memo to the BudCom.

L. Lambert offered that she felt the need to speak up to the BOS based on comments that she was hearing.

COMMITTEE REPORTS

Public Safety Complex Building Committee (PSCBC)

D. Heffernan reported that there will be a grand opening for the Public Safety Complex on March 10, 2018 with a snow date of March 17, 2018. He noted that the Fire Department side

renovations were expected to be complete by the end of January. He added that the budget for the project was in good shape.

J. Sherman added that there were concerns that some things on the Fire Department side would not get done, but they have been able to be done with good management of the budget.

Highway Garage Committee

No report

Capital Improvements Plan (CIP)

No report

Town Report Committee (TRC)

L. Lambert noted that some reports were coming in and being proofread. The next meeting for the Town Report Committee will be on January 8, 2018.

OLD BUSINESS

Parking Lot

Additional Parking Lot Item added to invite Jill Senter to attend the January 09, 2018 meeting to discuss the perpetual care/cemetery related Warrant Article(s).

NEW BUSINESS

The BudCom will be meeting next on January 9, 2018. The Public Hearing is scheduled for January 16, 2018. The BudCom will be meeting at 6:00 to take care of any last-minute items before the Public Hearing.

It was noted that the BudCom had received a couple of emails from residents regarding cuts made to the Old Home Day budget.

F. Hart noted that she had responded to both people to explain the BudCom's position. She added the Old Home Day Committee chair did not understand that she needed to present her budget request to the BudCom and hopefully everything will be better next year.

D. Heffernan offered that he too had responded to the emails. He thanked the residents for their input and noted that many departments had experienced cuts to their budgets.

S. Cafiso added that he had responded to the original Facebook posting about the cut to the Old Home Day budget in hopes of stopping the misinformation. He noted that he invited residents to attend meetings to hear the discussion.

All agreed that better communication between all departments, boards and committees would be beneficial to all and to the process.

There was no additional business before the Committee and the meeting was adjourned at 9:05 p.m.

Respectfully Submitted:

Dee Voss
Recording Secretary