



Town of Plaistow ♦ Budget Committee

145 Main Street ♦ Plaistow ♦ NH ♦ 03865

BUDGET COMMITTEE MEETING

November 14, 2017

Call to Order: 6:31 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, *excused*
Jay DeRoche
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 D. Heffernan

REVIEW/APPROVAL OF MINUTES

All outstanding minutes will be reviewed at the November 28, 2017 meeting.

Budget Review

M. Pearson explained his letter to the Budget Committee (BudCom) outlining the continuing process to bring the Operating Budget and Warrant Articles down to a 3% or less increase. It was noted that the Board of Selectmen (BOS) had restored \$51,500 to the Operating Budget presented to them by the Town Manager. M. Pearson explained that provided there were no restorations past a total of \$90,000 and no unexpected Warrant Articles were brought in, the increase would be less than 3%.

There was discussion about what amount the 2017 budget was, which established a starting point for the 3% cap. It was noted that the proposed budget assumes a fully funded Library budget as well as a place holder of \$25,000 for a Police CBA (Collective Bargaining Agreement) if agreement can be met. It was noted that Perpetual Care was still an outlier in the process. It was noted that there could still be some Warrant Articles that don't move forward this year. It was also noted that the increase would come down if Warrant Articles are defeated at Town Meeting.

There was discussion about the Highway Block Grant: acceptance was formerly proposed to the voters as a Warrant Article. The grant is now incorporated into the Operating Budget and will be done consistently that way moving forward.

B. Hamilton noted that if the Operating Budget were to go before the voters on this night the bottom line total request would be for \$9,548,008, not including Warrant Articles. That was confirmed.

M. Pearson noted that the Operating Budget includes adjustments for water, but doesn't count on those adjustments.

G. Colby offered that the BOS did not act on the Library budget at their last meeting. He added that the numbers reported this evening assumed that the budget will be approved.

J. Sherman stated that M. Pearson and G. Colby had done a good job bringing in a budget under the 3% increase. He added that he hoped the BudCom would take into consideration the adjustments so that an agreed upon budget could be presented at Deliberative Session.

G. Colby further explained the process used to identify a 2017 starting point for estimating what a 3% cap would be. It was noted that the number used was \$9,197,887.13. It was noted that water fees were backed out.

D. Heffernan asked how much was collected in water (fire suppression line) fees last year.

M. Pearson replied that it was \$117,000.

The BudCom reviewed the proposed Operating Budget and voted on each.

Executive

★S. Cafiso moved, second by D. Heffernan to approve the Executive Budget in the amount of \$347,817. There was no discussion on the motion. The vote was 8-0-0 U/A

Town Clerk

★D. Heffernan moved, second by J. DeRoche to approve the Town Clerk Budget in the amount of \$114,369. There was no discussion on the motion. The vote was 8-0-0 U/A

Elections

★S. Cafiso moved, second by B. Hamilton to approve the Elections Budget in the amount of \$18,330.

Discussion

There was discussion about the partitions that Town Moderator, Robert Harb, had requested in his original budget request and the BudCom had reduced in their previous review. It was noted that Mr. Harb expressed concern that there would be an issue if there was a spot audit done and there were sufficient partitions available. A compromise was reached to purchase ten (10) additional partitions this year, and the remaining twenty (20) over the next two (2) years.

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

Finance

★D. Heffernan moved, second by S. Cafiso to approve the Finance Budget in the amount of \$169,280.

Discussion:

F. Hart suggested that in the spirit of good will for all other departments who had made sacrifices that the Budget Committee Expenses line (01-4150-90-880) be cut in half from \$500 to \$250.

It was then suggested that the adjustment be in the amount of \$280, which would make the bottom line amount an even \$169,000.

D. Heffernan rescinded his motion; S. Cafiso rescinded his second, so that a new motion could be made to include the suggested reduction.

★D. Heffernan moved, second by J. DeRoche to amend line 01-4150-90-880, reducing it by \$280 and approve the Finance Budget in the amount of \$169,000. There was no discussion on the motion. The vote was 7-0-1 (Sherman abstaining).

J. Sherman noted that he would be abstaining from any vote that is different than what was approved by the BOS. He added that he would take any changes back to the BOS for their consideration.

Assessing

★S. Cafiso moved, second by L. Lambert to approve the Assessing Budget in the amount of \$150,307.

Discussion:

D. Heffernan noted a \$9,000 reduction which eliminates the request for part-time office staff to help the Assessing Office.

M. Pearson explained the request had been for assistance in the Assessing Office for twelve (12) hours a week. The \$9,000 represented a salary starting April 01, 2018. This was to assist Lori Sadewicz, who is balancing three (3) positions, Assessing, Human Resources and Human

Services. He added that having the part-time position would also form a transition plan to train someone in that office for the eventuality for replacement.

F. Hart recalled a lengthy discussion about the position and how Ms. Sadewicz frequently stays late and doesn't receive overtime. She suggested that the position be added back in and the overtime budget be reduced to compensate.

D. Heffernan rescinded his motion; L. Lambert rescinded the second, so that a new motion could be made to include an adjustment.

★J. DeRoche moved, second by S. Cafiso to amend line 01-4150-30-150 by restoring \$9,000 and approving the Assessing Budget in the amount of \$159,307.

B. Hamilton requested the BudCom consider reducing the Assessor's Contract line (01-4150-30-312) to hopefully prevent a Statistical Analysis being done in 2018. He noted that the BOS could still decide to have a Statistical Analysis update done, but the money would have to be found elsewhere.

It was noted that there was a pending motion on the floor that needed to be acted on before another motion could be posed.

There was no additional discussion on the motion. The vote was 6-0-2 (Sherman, Lambert abstaining).

★B. Hamilton moved, second by L. Milette to reduce line 01-4150-30-312 by \$10,000 and approve the Assessing Budget in the amount of \$149,307.

J. DeRoche asked J. Sherman if they anticipated doing a Statistical Analysis next year.

J. Sherman replied that decision is made each year after input from the Assessors who track the number of sales and suggest when they think its proper to do such. He offered that it typically occurs in July.

B. Hamilton offered that it was a "damned if you do, damned if you don't" situation. He offered that he understood adjusting values based on sales but reiterated his concerns that the Statistical Analysis only considered local sales, which he offered typically shifted burdens from commercial to residential tax payers. He reminded that a Value's Anew assessment considered regional sales, which typically included more commercial transactions. He suggested that no one had brought this analysis to the BOS previously and he offered that it would help the BOS evaluate the need for a Statistical Analysis in the future.

D. Heffernan expressed concern that if this reduction is made then it might jeopardize the part-time position being filled if the BOS decided to do a Statistical Analysis and there is no money in the budget to do so.

J. Sherman added that it was already a very tight budget and it would be difficult to predict where the money would come from if taken out of the budget.

B. Hamilton reminded that in a gross budget the money could be taken from anywhere so long as the overall bottom line is not exceeded.

There was no additional discussion on the motion. The vote was 5-2-1 (Heffernan, DeRoche dissenting, Sherman abstaining).

Tax Collector

★F. Hart moved, second by B. Hamilton to approve the Tax Collector Budget in the amount of \$49,563. There was no discussion on the motion. The vote was 8-0-0 U/A

Legal

★D. Heffernan moved, second by J. DeRoche to approve the Legal Budget in the amount of \$75,000.

Discussion:

It was noted that the BOS had restored \$25,000 to the Legal Budget. The BudCom had originally approved a \$100,000 request, which was reduced to \$50,000 in the Town Manager's recommended budget. \$75,000 was a compromise amount that will hopefully be sufficient to meet the Town's needs. It was reminded that all departmental legal lines had been combined into this centralized line item.

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

M. Pearson noted that while he was the one charged with finding reductions in the proposed budget he no longer considered this the "Town Manager's" budget. It is now the BOS budget.

Human Resources/Personnel

★J. DeRoche moved, second by S. Cafiso to approve the Human Resources/Personnel Budget in the amount of \$2,009,674.

Discussion:

B. Hamilton the \$10,000 increase in the Health Insurance line (01-4155-20-210) and questioned the increase.

G. Colby explained that it was a bare bones calculation based on current employee census with a little wiggle room should an employee change plan status.

There was discussion about the opt-out plan for employees who have alternatives to the Town's insurance coverage. It was noted that open enrollment season has not yet started. It is estimated to be very close to a tipping point where the opt-out will start being a savings to the Town.

It was reminded that the part-time position line in the Assessor's budget had been restored so that the overtime line in this budget could be reduced or eliminated.

J. DeRoche rescinded his motion; S. Cafiso rescinded the second, so that a new motion could be made.

★F. Hart moved, second by L. Milette to reduce line 01-4155-11-110 by \$2,500 to \$0.0 and approve the Human Resources/Personnel Budget in the amount of \$2,007,174.

J. Sherman asked if the intent was to zero the line to eliminate all Human Resources overtime.

There was discussion about zeroing the line versus leaving a \$1 placeholder. It was noted that a placeholder was not necessary for individual line items.

D. Heffernan reiterated his concern about what would happen to the part-time position in the event the money for that was used elsewhere.

There was no additional discussion on the motion. The vote was 5-2-1 (Heffernan, DeRoche dissenting, Sherman abstaining).

Planning

★S. Cafiso moved, second by B. Hamilton to approve the Planning Budget in the amount of \$82,360. There was no discussion on the motion. The vote was 8-0-0 U/A

Zoning

★J. DeRoche moved, second by S. Cafiso to approve the Zoning Budget in the amount of \$4,125. There was no discussion on the motion. The vote was 8-0-0 U/A

General Government Buildings

★S. Cafiso moved, second by L. Lambert to approve the General Government Buildings Budget in the amount of \$249,999.

Discussion:

S. Cafiso questioned the reduction \$5,000 added to the Safety Complex Electric line (01-4194-20-410) and Safety Complex Heat line (01-4194-20-411) from the Department's request.

M. Pearson replied that there just isn't enough experiential information available yet for the new building to make any further adjustments. He added that the 2019 budget will be easier to estimate.

D. Heffernan added that there has been concern over cutting too much, too early for this budget. He noted that new systems would take some time to learn and gather usage data from.

M. Pearson expanded on Mr. Heffernan's comments noting it will be important to learn all the electronic components related to the new systems and their maintenance. He added that just because everything is new doesn't mean that there are not maintenance costs associated with the systems to keep them in peak working order.

There was no additional discussion on the motion. The vote was 5-1-2 (Heffernan dissenting, DeRoche, Hamilton abstaining).

★D. Heffernan moved, second by J. DeRoche to add \$5,000 to line 01-4194-20-320 (Safety Complex Maintenance) approve the General Government Buildings Budget in the amount of \$254,999. There was no discussion on the motion. The vote was 2-5-1 (Cafiso, Milette, Hart, Hamilton, Lambert dissenting. Sherman abstaining). The motion did not pass.

Insurance

★S. Cafiso moved, second by B. Hamilton to approve the Insurance Budget in the amount of \$124,798. There was no discussion on the motion. The vote was 8-0-0 U/A

Advertising/Regional Associations

★D. Heffernan moved, second by S. Cafiso to approve the Advertising/Regional Associations Budget in the amount of \$25,000. There was no discussion on the motion. The vote was 8-0-0 U/A

Cable Department

★B. Hamilton moved, second by L. Milette to approve the Cable Department Budget in the amount of \$26,900. There was no discussion on the motion. The vote was 8-0-0 U/A

Conflict of Interest

★D. Heffernan moved, second by B. Hamilton to approve the Conflict of Interest Budget in the amount of \$250. There was no discussion on the motion. The vote was 8-0-0 U/A

Police Department

Discussion:

J. DeRoche asked if the AFIS (Automated Fingerprint Identification System) line 01-4210-10-681 had been pulled in favor of making the request a Warrant Article.

M. Pearson noted that was correct. He added that the Police Chief is looking into the possibility of using Asset Forfeiture funds to purchase the AFIS equipment.

F. Hart added that this equipment is a capital asset and should not be in the Operating Budget. She asked if it could be a Warrant Article with the monies coming from the Unassigned Fund Balance (UFB).

There was discussion about what Asset Forfeiture was. It was noted that the funds are from assets that are seized related to drugs and other criminal activity. It was also noted that spending those funds are under the purview of the Chief of Police and the Treasurer, following specific regulations. The Town Manager and BOS have no input as to how they are spent.

G. Colby noted the year-end 2016 balance in the Asset Forfeiture account is \$75,000.

★J. DeRoche moved, second by L. Lambert to approve the Police Department Budget in the amount of \$2,045,880.32. There was no discussion on the motion. The vote was 8-0-0 U/A

Fire Department

Discussion:

D. Heffernan noted that the Chief's request for part-time administrative help was reduced.

G. Colby noted that it was cut to a twenty (20) hour a week position. He noted that \$14,400 does not include any benefits and that the position would not be required to pay into the New Hampshire Retirement System (NHRS).

It was noted that by the time the budget is approved, the position posted and a person hired that it will only be filled for approximately thirty-four (34) weeks. There was additional discussion about job sharing for this position. But it was noted that the jobs would need to be compatible in nature to find the right person. It was suggested that the position be filled by two (2) people with twenty (20) hours each to avoid having to pay benefits. It was noted that it's against the law to not hire a full-time person just to avoid paying benefits. There was also discussion about sharing staff with the Water Department and having costs offset through that budget.

★S. Cafiso moved, second by D. Heffernan to approve the Fire Department Budget in the amount of \$652,985. There was no discussion on the motion. The vote was 8-0-0 U/A

Building Inspections

★S. Cafiso moved, second by D. Heffernan to approve the Building Inspections Department Budget in the amount of \$131,166. There was no discussion on the motion. The vote was 8-0-0 U/A

Emergency Management

★D. Heffernan moved, second by J. DeRoche to approve the Emergency Management Budget in the amount of \$17,800. There was no discussion on the motion. The vote was 8-0-0 U/A

Highway Department

Discussion:

F. Hart suggested that the Drainage Improvements line (01-4312-10-730) be further reduced and the money in the Transportation Infrastructure Capital Reserve Fund (CRF) be used. She asked if anything had been done to resolve the issue of obtaining permits.

G. Colby offered that Highway Supervisor, Dan Garlington, had two (2) specific projects earmarked for the money requested in this budget.

There was discussion if the funds in the CRF could be used for replacement or if they were there for a failure of a culvert or other drainage structure. It was noted that the amount was not enough for design/engineering and to do the actual work. It was noted that there was the potential for a Warrant Article to add to the funds.

D. Heffernan noted that the Cemetery Sexton's stipend had been reduced by \$6,600.

M. Pearson offered that was based on trying to find reductions in the budget. He was hopeful to still find someone to accept the position.

J. Sherman explained the BOS was waiting to decide on the pavement line until they get to review the Road Surface Maintenance System (RSMS) reports.

★D. Heffernan moved, second by J. DeRoche to add \$15,000 to the Pavement Management line (01-4312-10-731) and approve the Highway Department Budget in the amount of \$844,045. There was no discussion on the motion. The vote was 2-5-1 (Cafiso, Milette, Hart, Hamilton, Lambert dissenting. Sherman abstaining) and the motion did not pass.

★B. Hamilton moved, second by L. Lambert to approve the Highway Department Budget in the amount of \$829,045. There was no discussion on the motion. The vote was a 5-2-1 (Heffernan, DeRoche dissenting, Cafiso abstaining).

Street Lighting

It was noted that this budget was previously voted as approved by the BudCom. There are no changes proposed so no additional action is necessary.

Solid Waste Collection

It was noted that there was a \$7,500 reduction in the Hazardous Household Waste line (01-4323-10-580), which is noted to only be the Town's portion of the costs.

★J. DeRoche moved, second by S. Cafiso to approve the Solid Waste Collection Budget in the amount of \$663,570. There was no discussion on the motion. The vote was 8-0-0 U/A

Solid Waste Disposal

★D. Heffernan moved, second by J. DeRoche to approve the Solid Waste Disposal Budget in the amount of \$47,000. There was no discussion on the motion. The vote was 3-4-1 (Cafiso, Milette, Hart, Hamilton dissenting. Lambert abstaining) and the motion did not pass.

★F. Hart moved, second by B. Hamilton to approve the Solid Waste Disposal Budget in the amount of \$44,000. There was no discussion on the motion. The vote was 5-2-1 (Heffernan, DeRoche dissenting, Sherman abstaining)

Note: The difference between the budget requests were in what the Town Manager proposed (\$44,000) and what the BOS approved (\$47,000).

Water Department

Discussion:

There was discussion about the possibility of potable water coming into Town. It would reuse the fire suppression infrastructure and be financed through grant monies. It was also noted that this budget would eventually be supported by user fees. The Water Superintendent would oversee the construction of the project. This would be a significant cost savings over hiring an engineer to be onsite all the time. Whether or not the current Water Department personnel structure would be the same as when there is potable water was said to be a higher-level personnel decision. It was also noted that there was the possibility of subcontracting day-to-day operations and oversight to a water agency.

M. Pearson noted that the (potable) Water Department would be an enterprise fund that would not be included in the Operating Budget, and would be financed by user fees with zero tax impact. He added that this is how it must be by law.

D. Heffernan asked who prepares the current water (fire suppression line) bills.

M. Pearson replied that the Tax Collector prepares that Warrant for the fire suppression line billing.

J. DeRoche asked if it would be possible to see the BOS vote tally for each department.

★S. Cafiso moved, second by D. Heffernan to approve the Water Department Budget in the amount of \$58,600. There was no discussion on the motion. The vote was 8-0-0 U/A

Health Department

Discussion:

F. Hart noted there had been discussion about creating an Expendable Trust Fund (ETF) for mosquito control. The \$7,000 that is requested annually for adulticiding could be placed in that account, with the BOS as the spending agents. This would mean that the money wouldn't have to be requested in the Operating Budget each year and would only need to be replenished if spent.

★F. Hart moved, second by S. Cafiso to reduce line 01-4411-30-501 (Mosquito Control) by \$7,000 and to suggest to the Board of Selectmen that money be placed in an Expendable Trust Fund for mosquito control, and to approve the Health Department Budget in the amount of \$81,749.

L. Lambert asked what an ETF was.

J. Sherman explained that it was like a CRF and can be withdrawn as needed, but it usually only put away one time.

It was noted that a ETF can be replenished.

L. Lambert asked a separate vote was needed to create an ETF.

J. Sherman answered that it was a similar process to creating a Warrant Article.

L. Lambert noted that like all Warrant Articles there was a gamble that it may not pass.

J. Sherman offered that he has discussed the idea with Health Officer, Dennise Horrocks, and she thinks it's a good idea.

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

Human Services

It was noted the reductions in the Town's contributions to the listed agencies was based on the amount of documented assistance provided to Plaistow residents. It was also noted that the BOS voted to restore the cut to the Vic Geary Center (01-4419-93-390) that was recommended by the Town Manager.

★J. DeRoche moved, second by D. Heffernan to approve the Human Services Budget in the amount of \$53,010. There was no discussion on the motion. The vote was 8-0-0 U/A

Welfare Administration & Assistance

L. Lambert asked if this was the budget where they were waiting for additional information.

J. Sherman noted that CART (Co-op Alliance for Regional Trans) would be a new agency. He added that traditionally new agencies are first added by Warrant Article and then they are put into the Operating Budget the next year if approved.

L. Lambert asked if there was a Warrant Article under consideration to add CART.

M. Pearson replied that he was not aware of one.

★D. Heffernan moved, second by J. DeRoche to approve the Welfare Administration and Assistance Budget in the amount of \$37,287. There was no discussion on the motion. The vote was 8-0-0 U/A

Recreation

Discussion:

It was noted that the BOS had restored money to the Concerts line (01-4520-20-856). J. Sherman offered the Board felt that it is a popular service and nice to provide.

D. Heffernan noted that \$4,000 had been restored to the Senior Transportation (01-4520-20-859).

J. Sherman explained that it is thought that participation is down because of the costs to the seniors.

F. Hart offered that she didn't think this was going to be an incentive.

★S. Cafiso moved, second by L. Lambert to approve the Recreation Budget in the original amount requested by the department of \$187,220.

L. Lambert questioned the number of \$3,834.40 in the 2016 Actual for the Recreation Director's Salary (01-4520-10-110). It was noted to be a misprint and the accurate number was \$38,304.40.

There was discussion about the language of the motion. It was suggested that the reductions to the concert and senior transportation lines be called out in the motion to be consistent with other motions at this meeting. The motion was moved forward as originally stated.

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

Patriotic/Cultural

There was discussion about the BOS approved \$3,100 restoration to the Old Home Day line (01-4589-10-855). F. Hart offered that as a matter of principle it was difficult to accept the increase as the person in charge of Old Home Day was the only one not to appear before the BudCom for discussion. She added that it was patently unfair to all other Department Heads who had made compromises. Ms. Hart suggested that the difference (between what the BudCom had previously approved \$25,000 and the BOS approved amount of \$28,100) be split.

★F. Hart moved, second by B. Hamilton to amend the previously approved BudCom amount of \$20,000 for Events & Activities line (01-4589-10-855) by 2,500 to \$22,500 approve the Patriotic/Cultural Budget in the amount of \$23,000. There was no discussion on the motion. The vote was 7-0-1 (Sherman abstaining).

Conservation

★S. Cafiso moved, second by J. DeRoche to approve the Conservation Budget in the amount of \$11,600. There was no discussion on the motion. The vote was 8-0-0 U/A

Debt Service

★D. Heffernan moved, second by S. Cafiso to approve the Debt Service Budget in the amount of \$564,118. There was no discussion on the motion. The vote was 8-0-0 U/A

COMMITTEE REPORTS

Town Report Committee (TRC)

No report

Public Safety Complex Building Committee (PSCBC)

D. Heffernan noted that PSCBC had met and everything was progressing as expected and on budget.

Highway Garage Committee

No report

Capital Improvements Plan (CIP)

No report

Library

G. Colby noted that the BOS had not taken any action on the Library budget.

J. Sherman disagreed and offered that there was an approved budget on file.

B. Hamilton recalled that there was some confusion about the Insurance line and whether or not the offset had been included in the 3%.

★D. Heffernan moved, second by L. Lambert to approve the Library Budget in the amount of \$584,936. There was no discussion on the motion. The vote was 8-0-0 U/A

OLD BUSINESS

Parking Lot

It was noted that all Parking Lot items have been resolved.

NEW BUSINESS

D. Heffernan reported that the School Budget Committee would be meeting the next Saturday (November 18) 9:00AM to 12:00PM.

D. Voss reminded that there would be a Potable Water Meeting the next night (Wednesday, November 15) 6:30PM at Pollard School.

J. Sherman noted information provided in the member's packets regarding the setting of the tax rate.

It was reminded that there will not be a meeting next week (November 21). The next meeting will be November 28.

There was no additional business before the Committee and the meeting was adjourned at 8:57 p.m.

Respectfully Submitted:

Dee Voss
Recording Secretary