

**BUDGET COMMITTEE MEETING**  
**January 05, 2016**

**Call to Order:** 6:32 p.m.

**ROLL CALL**

Present: Martha Sumner, *Chair*  
Dennis Heffernan, *Vice Chair*  
Tricia Holt  
David Gerns  
Dean Nifakos, *absent*  
Sam Cafiso  
Laurie Milette, *excused*  
Darrell Britton, *excused*  
John Sherman, *Selectmen Ex-Officio*

Also Present: Sean Fitzgerald, Town Manager

The Pledge of Allegiance was led by Dennis Heffernan

**APPROVAL OF MINUTES**

Review and approval of the minutes was deferred to the next meeting.

***D. Heffernan moved, second by D. Gerns, to approve the minutes of the December 01, 2015 meeting as amended. There was no discussion on the motion. 5-0-1 (Britton abstaining)***

**APPROVAL OF SAFETY COMPLEX WARRANT ARTICLE**

S. Fitzgerald noted that the Board of Selectmen (BOS) had taken into consideration the Budget Committee's comments regarding including language that notes what cost reductions had been taken in this Warrant Article Compared to the one presented last year. The updated language reads:

**PUBLIC SAFETY COMPLEX EXPANSION BOND ISSUE-**

**Article P-16-02:** Shall the Town vote to raise and appropriate the sum of \$8,500,000 for the expansion of the Public Safety Complex and to authorize the issuance of not more \$8,500,000 of bonds or notes in accordance with the provision of the Municipal Finance Act (RSA 33) and to authorize municipal officials to issue and negotiate such bonds or notes and to determine the rate of interest thereon? This expansion shall include all remaining design work, building construction and/or renovation, site work, permit fees, access road construction, and building interior equipage. This will be a non-lapsing warrant article under RSA 32:7, VI and will not lapse until the project is completed or by December 31, 2021, whichever is sooner. Passage of a bond warrant article requires a 60% majority.

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

**[Intent: To finance the construction of a new Police Station and improvements to the existing Public Safety Complex for the Fire Department. In 2015, the Board of Selectmen (BOS) engaged the services of an Owners Project Manager (OPM) to help reduce the scope and cost of the proposed project from \$11Million to \$8.5Million. The BOS also hired a General Contractor to help provide additional cost certainty and mitigate risk for the proposed project.**

**Additionally, there are currently many serious deficiencies with the existing Police Station that have been identified. Some examples are:**

- **Non-ADA compliant by Federal Standards**
- **No sight and sound separation for males, females, and juveniles as required by state and federal laws**
- **Holding cells pose undue safety hazard to detainees and police staff due to antiquated design;**
- **Detective/investigative function located in a trailer behind existing building**
- **Safety issues with prisoner separation from administrative staff and public**
- **Lack of storage – some evidence housed off site that poses safety and security risks**
- **Building does not meet standards to allow the granting of National Accreditation for Police Department Facilities.**
- **Through a series of additional meetings with the Town and Public Safety Departments, the space needs analysis and conceptual plans were pared down to four key projects:**
  - **Single Story 15,500 +/- sq ft Police Station that would include significant upgrade for the Fire Department;**
  - **Renovation to the existing Fire Station that would support future accommodation for 24/7 operations for the Fire Department;**
  - **Reduction in scope of an access road adjacent to the cemetery (which includes elimination of the drainage pond/attractive nuisance adjacent to the Safety Complex);**
- **A community meeting room and training hall.]**

J. Sherman offered that hiring of Trident as OPM (Owner's Property Manager) for the Town has offered a neutral perspective to the process and helped with a realistic cost estimate for the project. He added that the monies to pay for Trident came from Public Safety Impact Fees.

D. Heffernan added that it was important to highlight the fact that Trident was paid from Impact Fees, which is why they are collected and set aside.

S. Fitzgerald noted that there is specific language in the RSAs regarding how Impact Fees may be used. He noted that there is language that prevents the funds from going into the General Fund if they are not spent as well as language that requires it be refunded if not used within six (6) years.

J. Sherman added that there was information about Impact Fees in the Town Report.

There was discussion regarding the language for an “access road.” It was noted that there would be an access road, but not the one to the back cemetery as was in last year’s Warrant Article.

J. Sherman noted that the Public Safety Complex Expansion Committee (PSCEC) would be out at a number of open houses to help promote the project. He also spoke about other community outreach efforts including a logo design contest, a coloring contest, student tours and public information sessions.

It was noted that there will be a Public Hearing on January 11, 2016 at the BOS meeting.

***D. Heffernan moved, second by T. Holt, to recommend Article P-16-02 Public Safety Complex Expansion Bond in the amount of \$8.5M. There was no discussion on the motion. The vote was 6-0-0 U/A.***

J. Sherman offered an analysis of the 2015 Budget and Warrant Articles versus the 2016 Budget Request and Warrant Articles. The chart showed requested amounts for the Operating Budget and all Warrant Articles as well as any offsetting revenues. He explained that there are less Warrant Article requests for funding in the 2016 Budget, but the Operating Budget request is higher in 2016 than in 2015. The chart showed that if the Public Safety Expansion Bond Warrant Article is not considered then the overall financial request is for \$85,637 less for 2016 than it was in 2015.

It was noted that the overall budget increase is 2.8%.

M. Sumner asked if it was known how much of 2015 monies might be returned to the Unexpended Fund Balance (UFB).

S. Fitzgerald noted that not all December invoices had yet been paid so he did not have that number as yet. He estimated it would be in the \$200,000 to \$300,000 range. He added that the current balance in the UFB account was approximately \$2M.

J. Sherman references page 79 of the Town Report for information on department by department expenditures.

S. Fitzgerald noted that some budget by if we don’t spend it this year we won’t get it back next year theory. He added that a budget is not a contract; it’s a plan that gets shaped with time.

M. Sumner added that the budget is reviewed line-by-line; however it is the bottom line that is the determinant factor.

There was discussion regarding how unspent monies are returned to the taxpayer in the UFB, which can be used to reduce taxes.

## **ACTION ITEMS**

### **Pending Items:**

#### WalMart Contract – Action Item #20

The Committee was provided a copy of the contract that provides funding for a police officer related to Pentucket Plaza (58 Plaistow Rd)

S. Fitzgerald noted that the agreement is binding on all heirs and successors. He added that he was going to review the contract and renegotiate if necessary to make sure that all roll up costs are considered.

There was discussion as to how much was being paid to the Town and whether or not it is adequate for the actual costs.

#### Highway Department Front End Loader – Action Item #22

S. Fitzgerald noted that he received a six (6) page report from Milton-Cat regarding the life cycle of Highway Department Front End Loader (Action Item 22). He offered that it's difficult to estimate how repairs would lengthen the life expectancy of the machine. He added that it's more complicated as there are third party insurance risks as well as public safety responsibilities involved.

There was discussion as to whether or not variables such as trade in value versus repair value versus selling the used machine outright had been considered when putting the Warrant Article was being crafted. It was noted that the way this equipment was used could not be equated to the way a car is used or to other commercial uses because of the greater public safety responsibilities involved.

#### Survey of Other Towns' Cable Negotiating Costs – Action Item #11

S. Fitzgerald noted that it has been difficult to get a good comparison as some towns are paying nothing to very little and others are paying a great deal in costs associated with cable franchise negotiations.

J. Sherman added that he has asked that this be brought up at a Regional Selectmen's Meeting, which will hopefully be scheduled in the near future.

Remaining Pending Item(s):

#### Explanation of New Phone System and Costs – Action Item #3

S. Fitzgerald noted that he was still working on this information.

There was brief discussion regarding the three (3) town-paid cell phones being used by members of the BOS. It was reported that the BOS does not plan to change this practice despite the availability of an email/voicemail option with the VOIP system. There was discussion as to how that particular feature of the phone system works.

No new Action Items were added at this meeting.

J. Sherman noted that some of the Warrant Articles were re-voted by the BOS with all five (5) members present. He noted the following:

P-16-07 – Unmarked Cruiser Capital Reserve Fund and Deposit

- Vote changed from 3-0-2 to 3-2-0

P-16-14 – Highway Department Front End Loader Replacement

- Vote changed from 5-0-0 to 3-2-0

P-16-15 – Raise for the Town Clerk

- Vote remained 4-1-0, but is now a different person dissenting

P-16-16 – Establishment of a Solar Energy Systems Exemption (non-monetary item)

- Vote went from 4-0-0 to 5-0-0

There was discussion regarding re-voting the Operating Budget and the Warrant Articles at the meeting on January 12, 2016, if there are more members attending that would raise the six-member vote counts.

There was discussion regarding the Citizen's Petition Warrant Article that would require employees making more than \$60,000 annually to live in Town. It was noted that even if it were voted in it would be unenforceable. It was also noted that it would appear on the ballot as is required under RSA for all Citizen's Petitions. It was noted that this would be shown on the ballot as not being recommended by the BOS. There was discussion regarding the wording of recommendation. There was discussion regarding how to make the intent of the vote clear while keeping the language used consistent.

**COMMITTEE REPORTS**

It was reminded that there was outreach work being done by the PSCEC.

**OLD BUSINESS**

There was no old business discussed at this meeting

**NEW BUSINESS**

It was noted that there are five (5) open seats on the Budget Committee for next year. Three (3) openings are 3-year terms and two (2) are 1-Year terms. Registration for elections runs from January 20 to January 29, 2016.

The meeting was adjourned at 7:31 p.m.

Respectfully Submitted:

Dee Voss  
Recording Secretary