Town of Farmington
Budget Committee Meeting
Tuesday, February 9, 2016

**Committee Members Present:**Ann Titus, Chairman
Sylvia Arcouette, Vice Chairman
Neil Johnson, Selectmen’s Rep.
Stan Freeda, School Board Rep. (7:25 p.m.)
Stephen Henry
Jodi Connolly

**Committee Members Absent:**Sam Cataldo

**Others Present:**
Town Administrator Arthur Capello
Recreation Dept. Director Rick Conway
Library Director Laura England, Trustees Carol O’Connell, Linda McElhinney
Resident Linda Anstice

**Call to Order:**Chairman Titus called the meeting to order at 7 p.m.

 **Pledge of Allegiance:**All present stood for the Pledge of Allegiance.

 **Public Comment:**Chairman Titus advised the public comment portion of the meeting would be open for 30 minutes. Following the public comment the committee will review and vote on the budget and warrant articles. Town Administrator Arthur Capello did not have an opening statement as he had previously presented the town budget to the committee. **Motion:** (Henry, second Arcouette) to open the Public Hearing on the Town budget passed 5-0 at 7:05 p.m. Copies of the Warrant were available to the public. Discussion included:
Linda McElhinney asked if copies of the proposed budget could be made available to the public.
Carol O’Connell asked about the status of the TIF District.
Chairman Titus advised this is more of a question for Selectmen as it is not a money question.
Selectman Neil Johnson said there are two warrant articles seeking to set up the advisory board and approve the management plan for the TIF District.
Steve Henry asked if any money has been deposited in the TIF account. Mr. Capello said that is not possible until the management plan and advisory board are approved and set up.
Chairman Titus said the Economic Development Committee has spoken with some businesses that would like to expand and there is one that is in the process of moving to Route 11.
Ms. O’Connell asked if the town has a full or part time person dedicated to economic development.

Selectman Johnson said a part time position was extended to full time and includes economic development duties. Capello said the town also has an interim Planner that was hired last year.
Ms. O’Connell asked if the town is still using 2005 Master Plan.
Selectman Johnson said the town is still using that plan as the Planning Board has not yet updated it.
She then asked if the committee was using the plan to make budget decisions. Capello said some budget decisions are based on the Capital Improvements Plan which will be available at Town Meeting.
Mr. Henry asked if there were any particular budget cuts Ms. O’Connell was concerned about.
Ms. O’Connell said it seems like decisions were based on the “bottom line” of the budget and asked if there are any priorities to the cuts.
Mr. Capello explained the CIP is a tool to help keep tax rate level over the six year plan. The dept. heads give a breakdown of expected needs for their depts. and the plan is updated yearly. Controlling what business comes to town is a Planning Board function he said.
Ms. O’Connell said she thought about looking at the bottom line that is always based on resident taxes. She suggested finding other sources of revenue and look at investing to make this a healthier town.
Mr. Capello said Selectmen are always looking for ways to bring in revenue such as selling town owned property.
Chairman Titus then turned to reviewing the warrant articles while waiting for the budget copies to finish printing.

**Warrant Articles:
Article 20**- to raise and appropriate $6,500 to decorate poles (by petition).
**Motion:** (Connolly, second Arcouette) to recommend Article 20
Mr. Henry said he planned to abstain from voting as the article will go on the ballot anyway. Discussion included the Decorating Committee asked for money last year, voters changed the request to $11,000 at Town Meeting, this money would be used for decorations, maintenance of light system, purchase banners and lights and Selectmen did not recommend it because there is no plan.
The motion failed 0-5. **Article 17**-to raise and appropriate $15,000 to be added to the Bridge and Road Capital Reserve Fund
**Motion:** (Johnson, second Arcouette) to recommend Article 17
Discussion included there is $75,621 in the fund now, the money will go to pay the Town’s portion of the NH Bridge Aid, the engineering is estimated to cost about 80,000, this will allow the Town to be “shovel ready” when the state aid becomes available, the first bridge scheduled for repair is the River Road Bridge.
The motion passed unanimously.
Copies of the budget were provided to the audience. Chairman Titus returned to the budget review and asked if there were any further questions/comments from the public. There were none.
Mr. Henry noted the town donation to the library was level funded to last year’s amount. Mr. Capello said they requested $278,000 which Selectmen reduced to $260,000. He added the Selectmen also level funded all of the outside agencies not just the library.
Chairman Titus asked if Selectmen received the additional budget information requested from the library. Mr. Capello said the additional information was received.
Members noted Selectmen “did a good job” and worked hard to keep the budget to a $14,000 increase. Mr. Capello added the $14,000 increase also includes the warrant articles.
**Motion:** (Johnson, second Connolly) to close Public Hearing.
Resident Linda Anstice said she has never attended a Public Hearing and asked if the committee planned to go over the entire budget and all of the warrant articles. Members explained that the motion was to close the public comment portion and then the members will discuss and vote on whether to recommend the articles.
Chairman Titus told the audience this is the time to ask questions if you have any.
Mr. Capello offered to explain the non-money warrant articles to Ms. Anstice.
Ms. Anstice asked if other non-money articles will be tabled. Mr. Capello replied that all of the articles will go forward and the Selectmen and the Bud. Com. must vote to recommend/not recommend money articles.
The motion to close the Public Hearing failed 0-6.
Ms. Anstice said she was new in town and has never attended a Town Meeting. Mr. Henry explained residents will vote for town and school officers on March 8 at the Town Hall and return there to discuss and vote on the budget and warrant articles at Town Meeting on March 9. He said the BudCom is going over the budget and can change the bottom line number that goes forward to Town Meeting. He added the committee can change the wording but not the intent of a warrant article. They can’t change the wording of a petitioned article he said.
Ms. O’Connell asked when the ballots will be available. Mr. Capello said the warrant must be posted by Feb. 22 but he was not sure when the actual ballot would be ready.
Chairman Titus then asked if any more comments or questions. There were none.
**Motion:** (Johnson, second Connelly) to close the Public Hearing passed 4-2.

**Warrant Articles**:
**Article 3**-to raise and appropriate $2.363 million for a bond to construct a Public Safety Building.
Discussion included the interest rate for bonds, the rate is not guaranteed until we apply, the building will be ready by Jan. 2017, there will be a second Public Hearing on Feb. 22 at 6 p.m. at the Town Hall, and it will take 6 weeks for permitting and to line up subcontractors.
**Motion:** (Johnson, second Arcouette) to recommend Article 3 passed unanimously.
**Article 4**-to raise and appropriate $6,524,613 for general municipal operations
**Motion:** (Johnson, second Titus) to recommend Article 4.
Discussion included the budget includes two Enterprise Funds from water and sewer budgets which don’t affect tax dollars, revenues in the operating budget include motor vehicle registrations and other fees, planning for future retirements, no financial information with donation requests from outside agencies, if the town submitted a formal request for information to the agencies, putting each agency in its own warrant article, the town must provide a reasonable amount to the library, how many outside agencies request donations, past Selectmen have cut by a percentage/leveled funded agency requests, getting 90% of the library budget from the town is not reasonable and level funding by Selectmen to $260K to the library is still a lot of money in this economy.
**Motion:** (Titus, second Henry) to cut the town contribution to the library budget by $10,000.
Additional discussion with the Library Director and Trustees included the library still gives free services to Middleton students, as they withdraw there will be less demand for services, Middleton does not contribute and has never been asked to make a contribution, the cost of out of town students, the cost of non-resident library cards, the number of part time staff and hours worked, the Director is the only full time employee, part time employees receive a small stipend for insurance but no other benefits, fundraising, Community Room use, charge non-residents a fee for services, patrons only have to show a card to check out books/materials, they can’t stop the use of a public building, total amount in the Trust funds, money in Trust funds is to protect library not to defray taxes, if the library has a “hybrid” tax status, Trustees are working with a lawyer and the Attorney General’s Office to determine their status.
The motion passed 3-2-1. The total for Article 4 is now $6,514,613.
**Motion:** (Connolly, second Henry) to cut the Coast Bus contribution by $5,000.
Discussion included Selectmen/Bud Com get no budget information from Coast, they are a co-operative funded by the towns they serve, we are providing a service to townspeople, we haven’t asked Coast for information, we have to fund them or say we don’t want bus service in Farmington, Coast is also funded by the Feds and the users, all of the agencies send a contribution request letter, if a business sends a bill they send an itemization with it, this is an increase from the previous request, some members favored a reduction as fuel costs have gone down and Selectmen level funded the contribution to last year’s level.
The motion failed by a 1-5.
**Motion:** (Henry, second Johnson) to reduce the total contribution to Coast Bus by $1,379 to $20,000.
Some members felt the bus company may be trying to hold the town “hostage” by implementing a new service for free and then later there is a cost for that service and If the town doesn’t pay it they will start cutting service. Additional discussion included no recent fare increases, one way fare to Rochester is $1.50, unfair burden on taxpayers to subsidize riders, the bus takes people away from local business and Selectmen have denied some agencies’ contribution requests.
The motion passed 5-1. The total for Article 4 is now $6,513,234.
Mr. Henry asked if there was money included in the economic development line for the Christmas lights. Mr. Capello there was a minimal amount in that line item for the lights but it was removed a few years ago. The money for the lights is now taken from the general budget he said.
**Article 4-** to raise and appropriate $6,513,234 for general municipal operations.
**Motion:** (Henry, second Connolly) to recommend Article 4 passed 5-1.
**Article 6** – to add $25,000 to the Highway Equipment Capital Reserve Fund.
**Motion:** (Arcouette, second Henry) to recommend Article 6.
Members discussed the fund contains $26,316, the first scheduled replacement would be the 1996 grader at a cost of $280,000, DPW Director Dale Sprague has a replacement plan but would like to have funds in case something were to go down unexpectedly, the plan is included in the CIP, money from highway equipment that is sold goes into the general fund, Selectmen can direct it into the fund.
The motion passed unanimously.
**Article 7**- to add $4,000 to the Recreation Equipment CRF.
**Motion:** (Arcouette, second Henry) to recommend Article 6.
Discussion included there is $7,954 in the fund now, the fund can be used to purchase vehicles or equipment, a new vehicle has been purchased, there may be a small amount added again next year to start saving to replace that vehicle in 10 years, it seems like a small amount to set aside for a dept. that has $160,000 budget, that budget figure doesn’t include revenue from programs and Town has not replenished the fund in recent years.
The motion passed 6-0.
**Article 8-** to establish a CRF for Self Contained Breathing Apparatus and add $15,000 to the fund.
**Motion:** (Arcouette, second, Henry) to recommend Article 8.
Mr. Capello said the Scott packs for the Fire Dept. are good for 15 years and will need to be replaced in next two years. The Fire Chief applied for a 95%/5 % grant. All of the air packs will need to be replaced at the same time at a cost of about $300,000. The $15,000 is to cover the town’s portion of the cost. We won’t know until next year if we will receive the grant he said.
The motion passed unanimously.
**Article 9-** to raise and appropriate $80,000 to pay Police Officers’ salaries and equipment with funds from the Police Outside Detail Special Revenue Fund.
**Motion:** (Arcouette, second Freeda) to recommend Article 9.
Discussion included this is the same amount as last year, the amount was chosen randomly and is up to that amount, if the dept. takes in more than $80,000 no more than $80,000 can be spent, Police Chief Drury hopes to purchase cruisers from this fund and not by taxation, the CIP may change if there is not enough revenue taken in to replace cruisers.
The motion passed unanimously.
**Article 11-** to add $40,000 to the Emergency Motorized Equipment CRF through $25,000 in ambulance billing revenue and $15,000 from general taxation.
**Motion:** (Arcouette, second Johnson) to recommend Article 11.
Discussion included additional revenue over $25,000 would go into the general fund, the billing currently brings in about $250,000 a year, take the entire $40,000 from the billing revenue, Bud Com can change the amount, Selectmen “own” the warrant and will have to consider whether to recommend changes made to the article by the committee.
**Motion:** (Henry, second Connolly) to fund $40,000 to the Emergency Motorized Equipment Fund by revenues from ambulance billing and zero dollars from general taxation passed 5-1.
**Article 12**- to raise and appropriate $60,000 to fund payroll, programming and renegotiate the cable franchise agreement with funds from the Community Television Special Revenue Fund.
**Motion:** (Arcouette, second Johnson) to recommend Article 12 passed 6-0.
**Article 15-** to raise and appropriate $51,407 to add to the Landfill Closure Fund from the DES grant program
**Motion:** (Connolly, second Henry) to recommend Article 15 passed 6-0.
**Article 16**- to raise and appropriate $20,000 for purposes related to the closure of the landfill from the Special Revenue Fund previously established.
**Motion:** (Johnson, second Connolly) to recommend Article 16 passed unanimously.

**Adjournment:**

**Motion:** (Arcouette, second Connolly) adjourn the meeting passed unanimously at 9 p.m.

Respectively submitted
Kathleen Magoon
Recording Secretary