

**FREMONT BUDGET COMMITTEE MEETING****Fremont Town Hall****295 Main Street****Fremont, NH 03044****October 14, 2015****7:00 PM****I. CALL TO ORDER**

Chair Mary Anderson called the October 14, 2015 Budget Committee meeting to order at 7:00 PM in the basement/recording room of Fremont Town Hall.

Present were: Budget Committee Chair Mary Anderson, Vice Chair Mark Kidd, members Mike Nygren, Gene Cordes, Pat Martel, and Joe Miccile, School Board Representative Jennifer Brown, and Town Administrator Heidi Carlson.

**II. APPROVAL OF MINUTES****A. OCTOBER 7, 2015**

*Gene Cordes made a motion to approve as amended the minutes of October 7, 2015. Joe Miccile seconded the motion. Motion passed 7:0.*

**III. SCHOOL FOLLOW-UP**

Ms. Brown reported that Financial Administrator Susan Penny met with the forensic auditors on October 13<sup>th</sup> and a report will be made available when it is completed.

Regarding the Budget Committee's request on the amount of the refund/return that would go against taxes, Ms. Brown mentioned that after the audit, \$260.17 was added to the return and she clarified that the final DOE amount is \$374,158.26.

**IV. TOWN BUDGETS FOR REVIEW (WITH SELECTMEN'S RECOMMENDATIONS) WORKING LIST**4196 INSURANCE

This budget increased a bit. The insurance company is no longer doing liability insurance so it will be going out to bid. There was discussion about the unique nature of insurance for municipalities and the advantage of having a pool. Ms. Anderson advised to put this out to bid every 3 years or so.

*Jennifer Brown recommended the Board of Selectmen's budget recommendation of \$41,519 in line 4196 INSURANCE. Mark Kidd seconded the motion. Motion passed 7:0.*

4210 POLICE

The members discussed having residents voted for items such as an extra police officer using warrant articles. This would be to avoid losing the operating budget and having to use the default budget. Mr. Nygren wondered if the default budget would satisfy the needs (of the department/town) and he hypothetically asked how much the budget should realistically increase before doing warrants. Mr. Cordes felt that if voters understand the budget, they will take care of what they have. He said that roads are important (they are used by everyone), as well as fire trucks, police safety, etc. People might vote (on warrants) to defer items that are not deemed as high priority. Ms. Anderson spoke about the tax bill timing in relation to how people vote. Ms. Carlson noted that the tax rate might be available in November). The anticipated growth in town is about \$7 million, so the tax base has not changed substantially. Ms. Anderson said that it helps that the school department is turning back some money (every little bit helps). Mr. Nygren said that \$7 million would not pay for the increase for the fire truck and he hoped that taxpayers would

see the necessity of roadwork and safety; but he noted that it took a long time to get police cars without putting them on warrant articles and a lot of money was spent repairing the old vehicles. He agreed that perhaps big cost items should be on warrant articles and essentials should be in the operating budget so the operating budget would not be lost. Mr. Kidd had concern that there might not be enough turnout at the polls for warrant articles. Ms. Anderson noted that last year everything passed because the budget was reasonable. Mr. Miccile suggested looking at towns with the same demographics to judge if (budgets such as school, roads, etc.) are too high or low). Ms. Anderson said this was difficult to do since many towns have more commercial property to pick up the tax base.

There was discussion about longevity stipends, which are in the patrol wages for 2016 (new item) and the cost of getting a full time police officer on board. Ms. Anderson felt that the use of longevity stipends is a good idea but it should be done in all departments to be fair. Mr. Cordes spoke about the police department having its own pay matrix that solved some concern with wages, turnover, etc. There was discussion about the volatile nature of fuel cost and whether it was realistic to increase the fuel line.

*Mary Anderson made a motion to decrease the police department fuel line to \$13,500. Mark Kidd seconded the motion. Motion passed 5:2 (nay: J. Miccile and G. Cordes).*

*Mike Nygren made a motion to change the 2.5% clerical wage increase to 2% (from \$32,479 to \$32,354). Joe Miccile seconded the motion. Motion passed 7:0.*

*Joe Miccile recommended the amount of \$279,791 in line 4210301-Patrol Wages, accepting one new police officer for half a year in FY17 and leaving it in the budget. Gene Cordes seconded the motion. Motion passed 5:2 (nay: M. Kidd and P. Martel, who wanted to add the officer to a warrant later in the budget process).*

With the three changes, there is a \$3,716 reduction in the police budget.

*Joe Miccile recommended \$534,496 in the Police Department Budget (4210). Pat Martel seconded the motion. Motion passed 6:1 (nay, M. Kidd).*

There was a discussion about the cost of police vehicles at around \$28,000 each plus \$8-9,000 for outfitting. Mr. Nygren noted that every four years there is \$100,000 in the budget to buy vehicles so maybe the budget should be \$20,000 instead of \$25,000 for vehicles (this would be a lease payment each year). Mr. Cordes explained how they got into the vehicle purchase, doing a two-year lease of \$25,000/year per vehicle. Two vehicles were lease purchased for \$50,000 but were not fitted. He said they were in a "catchup mode". Now, the department needs two more vehicles before getting into a routine cycle. Mr. Nygren suggested using the \$25,000 for the lease agreement instead of for equipment. Ms. Carlson mentioned that the money still in the line will be used to buy outfitting equipment by the end of the year. Mr. Cordes will ask the Chief about this and bring this back to the Committee.

#### 4312 HIGHWAY

There was discussion about having warrant articles for the smaller roadwork (\$41,000 and \$125,000) and keeping the larger road (Whittier, \$163,500) in the operating budget. This would result in half the highway budget being in warrant articles and half in the operating budget. There is an increase of \$114,000 over this year's budget. The concern was having to go with a default budget and not being able to do any roadwork. Mr. Cordes said that roads do not get better and he felt it was important to let voters know they need to be done. Ms. Anderson noted that the block grant is up \$13,000; this was revenue to offset the budget and helped a little. Ms. Carlson noted that the warrant article states "winter maintenance operation", so it can include salt, sand, etc.

There was discussion about creating an expendable trust for winter equipment hire balance that would remain there for the next year in case there is a bad winter. Ms. Carlson would inquire as to whether leftover money can be put into an expendable trust from year to year like the School Department does. A vote on the Highway budget was deferred until this question is answered.

4520 PARKS & RECREATION

There was a restructuring in the Activities Director Wages line to include two people in that line. Increases include benches, net replacement, camp and playgroup. A vote on the Parks & Recreation budget was deferred until the amount of \$8,500 was clarified in the Facilities & Grounds line (4520450).

4550 LIBRARY

Mr. Cordes said that the Selectmen made decisions, including reducing the labor/mileage line as the "bookmobile" was a new service and not something to put in the operating budget now. The Books & Media line was low for a while but the Selectmen recommended \$15,000 instead of the requested \$18,000. The department's proposed 5% wage increase was reduced to 2% and the 2 hours/week and mileage (for the bookmobile) was pulled. There was discussion about maintenance hours. Mr. Nygren suggested the idea of having one full time person do maintenance supervision in town. Though he agreed this would make management easier, Mr. Cordes was concerned about the budgetary impact. Ms. Carlson said that the town had a few good people now for maintenance. She noted that the necessary roof work was done with encumbered money since it was in the budget this year. There was discussion about how the \$71,008 was figured in line 4550100 Wages. The Board of Selectmen will go through the budget again. A vote on the Library budget (4550) was deferred until there is clarification on the exact wage increase in line 4550100.

4711 & 4721 INTEREST AND PRINCIPAL PAYMENTS ON BONDS & NOTES

*Pat Martel recommended the Board of Selectmen's budget recommendation of \$169,976 in line 4711 & 4721 INTEREST AND PRINCIPAL PAYMENTS ON BONDS AND NOTES. Gene Cordes seconded the motion. Motion passed 7:0.*

4723 INTEREST ON TAX ANTICIPATION NOTES

*Pat Martel recommended the Board of Selectmen's budget recommendation of \$1,500 in line 4723 INTEREST ON TAX ANTICIPATION NOTES. Jennifer Brown seconded the motion. Motion passed 7:0.*

**V. PENDING SELECTMEN'S RECOMMENDATION (AND REMAINING BUDGETS FOR NEXT TIME)**

4155 PERSONNEL ADMINISTRATION, 4194 GOVERNMENT BUILDINGS, SOCIAL SERVICE AGENCIES, DIRECT ASSISTANCE

**VI. NEXT MEETING DATE: OCTOBER 21, 2105 AT 7 PM**

The Budget Committee is invited to tour Ellis School at 6:30 before the Budget Committee meeting on November 9<sup>th</sup>.

Ms. Carlson said she misspoke at the last meeting about the Conservation Commission's land use change tax fund; the Chair had clarified to her that it is used for conserving (to purchase land, rights, etc.) and not for operations.

**VII. ADJOURNMENT**

*At 8:50 PM, Gene Cordes made a motion to adjourn. Joe Miccile seconded the motion. Motion passed 7:0.*

*Respectfully submitted by,*

*Susan Perry, Secretary*