

**MINUTES OF THE SELECT BOARD AND ADVISORY BOARD
COMMITTEE BUDGET WORKSHOP**

October 21, 2014

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Present: Chairman Cedarholm, Selectwoman Dennis, Selectman Bugbee, ABC Chairwoman Alice MacKinnon, Pat Barbour, Cary Brown, Bill Henze, Town Administrator Julie Glover, Finance Officer Joanne Clancy.

1. Chairman David Cedarholm calls the meeting to order.

The Select Board needs to first approve an updated version of the MS-535 that was revised by the Auditor today. TA Glover and Finance Officer Clancy review the changes with Board. The fund balance according to the Auditor is \$3,040,379. Chairman Cedarholm moves to accept the 2014 MS-535 as presented by the Town Auditors. Selectwoman Dennis, seconds. All in favor. **Motion Carries.**

Chairman Cedarholm announces the meeting as a workshop between the BOS and ABC. The first item will be the CIP discussion.

ABC Chairwoman MacKinnon moves to approve the minutes from October 8, 2014. Seconded. All in favor. **Motion Carries.**

Chairwoman MacKinnon introduces Bob Smith. There is some confusion as to what he is supposed to present. Bob Smith thought the CIP was going to get some guidance. Chairwoman MacKinnon turns this discussion over to the Board. Chairman Cedarholm proposes that the committee keeps the CIP at a minimum with no more than a 2% increase. Bob Smith says this is what he wanted to hear. He then says that they have a big problem. There is a new fire truck replacement that is due in this planning year. The Fire Department is going to be approximately \$150,000 short for the following reasons: The EPA has put new standards on diesel engines very similar to what they did on gasoline engines back in the 80's. The NFPA which is the governing body over the fire equipment and standards has made some very significant changes due to things such as 9/11 and death increases. The new (proposed) tanker needs to accommodate Mutual Aid. It needs to be able to shuttle water since many towns do not have hydrants. The Fire Truck manufacturers have increased 12% over the last 4 years. Mr. Smith states that they are pushing the Fire Chief to get the price of the truck down, but they are doubtful it will be a big enough savings for the CIP to handle. This is supposed to be a replacement for the 1995 tanker/pumper. Cary Brown asks what happens to the old truck. Mr. Smith states that it is either traded in or sold on consignment; whichever is the better deal. He adds that if it sells, the funds go into the general fund. Mr. Brown asks what is wrong with the current truck. Mr. Smith states that pumpers carry the highest rating for 20 years and once they pass the 20 year mark they decrease in the rating which affects fire insurance. For example, if the Town's rating were to go to 9 or 10 (which is the worst), how much would that affect someone's individual homeowner's insurance cost. Chairman Cedarholm would like to see proof that if we do not upgrade our truck then our rating will go to a 9. Mr. Smith indicates that they have an email that discusses the insurance rating issue. He further states that besides engine problems it lacks the adequate pumping capacity. Ed Banister adds that the tank itself is leaking. Caren Rossi states that if the truck is replaced then it must be replaced with a truck that is compliant with NFPA standards today. Ms. Rossi states that the Chief explained that it cannot go out to bid until November/December, and they are good for 90 days. Chairman Cedarholm asks if 12%

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applies to all the fire department trucks. Ms. Rossi says yes. Mr. Smith doesn't want to spend too much money on an old vehicle. Cary Brown says can't we just change the engine? Mr. Smith says yes if it met compliance and was the only thing wrong with the truck. That is not the case here. Mr. Brown asks what truck is due to get replaced next. Mr. Smith states that it is Engine 1 in 5 years. Selectman Bugbee states that the Town has been putting \$55-60k in each year. We will need to increase to \$100k to meet these future needs. Mr. Brown states that they need to account for the cost of allocation. Bill Henze asks how much money are 'you' looking for them to put in the budget. Mr. Smith states that he isn't looking for anything right now. He is just trying to tell everybody that they have a significant problem that they are working on. They will have a better report in the beginning of December.

Selectman Bugbee asks if Mr. Smith has talked to the Rec Commission yet. Mr. Smith says yes. They have essentially no changes. They are planning on going forward with a Pavilion but have held off on landscaping.

Cary Brown asks how many bids will there be on the Fire Truck. Ed Banister states that there are 7 companies.

Selectman Bugbee asks about the tennis court renovations. Mr. Smith states that the Rec Commission intends to turn the court since some of it is not on Town land right now. They are going to upgrade the nets and do something about lighting.

Mr. Smith answers a previous question about the police cruiser. The police cruiser will cost \$39,772 and this includes new lights, bars etc.

Mr. Smith states that he has not received an updated plan from the Library. Selectman Bugbee says that is because they do not have one yet. The latest figure is \$2.4 million. The Board of Selectmen told them \$1.7 million. Mr. Smith says that right now the CIP Committee is 'playing games,' i.e. what happens if they take the extra funds going into other trust funds for 2 years and put them into Fire Equipment?

Mr. Smith states that the Highway Dept. has a new plow truck in the CIP but the HW Supervisor said that he might be able to get a used one so that will save the Town money.

CIP Committee has met with everyone.

Selectman Bugbee points out that on the last page of last year's CIP plan there is a line item for the old town hall renovation bond \$1.7 million in 2019. Mr. Smith explains that this was a plan put into play at least 8-9 years ago and this is still there as a 'placeholder'. They are not really putting any money in there. It is there to remind them that there is a problem that they are going to have to address at some point. This is always kept out past the 5 year mark for their eyes only.

Selectwoman Dennis asks if the Fire Chief puts together the specs for the fire pumper. Is it based on what NFPA is required? Mr. Smith states it is a mixed bag of what the needs

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are for the Town, exposures, what he has for equipment, and the NFPA. There is no official mutual aid. Cary Brown and Bob Smith have a discussion regarding the Town's cistern program. They disagree on how aggressive the program is. There is a plan to put one in between the church and the (Town Hall) Annex. Scott Nemet is going an excellent job and is on top of the CIP issues according to Mr. Smith.

The Planning and Zoning budget is presented by Caren Rossi. Strafford Regional Planning increased by \$103. This is the first year of the combined budget for Code Enforcement and Planning & Zoning. Last year was a record number of Planning and Zoning Board applications. The Town can get reimbursed for legal notices and postage. Ms. Rossi goes through her items by line. The legal budget is the same at \$5000 but should be increased since the legal bills are way up. A portion of the legal fees can be billed to the applicants, but not all of them. A reasonable request would be \$10,000. Chairwoman MacKinnon asks how much of the \$5000 budget has been spent so far this year. Ms. Rossi thinks that she has spent \$2200. TA Glover indicates that she is over budget already. Pat Barbour asks for an update on the Building Inspector. Ms. Rossi states that the Town issued a record number of building permits last year along with two recently approved subdivisions at Kelsey Road (13 lots) and Hayes Road (28 lots). In FY14 there were 222 building permits, \$17,219 collected in fees and \$4,687,835 in estimated costs of construction. In FY15 to date there are 56 building permits, \$980,805 in estimated costs of construction and \$3447 in permits. Chairman MacKinnon asks for Ms. Rossi to send these figures out to the ABC. Ms. Rossi states that there are a number of commercial sites going in at the Circle. Noble Farm is finishing their first building and ready to start the next building. Bobby Callioris wants to sell the front portion of his lot (trailer and antique shop) and build on the back portion.

Katrinka Pellecchia, Annie Gasowski and Peg Dolan present the Library budget. Annie Gasowski states that the Trustees have really analyzed their income and expenditures from last year and looked at trying to keep the budget level, but there are certain things that they thought that they needed to improve or raise. Katrinka goes through the numbers. Finance Officer Clancy confirms that heat, water, and property liability insurance are not included in the quarterly payment. Chairman Cedarholm asks what the actual revenues are for the previous year. Ms. Pellecchia states the actual amount is \$7701.44. This includes donations and reimbursements. They do not anticipate an increase in revenue. They want to increase the salary of the Library Director by \$2.20/hr to make it more competitive. They want to increase the hours of the Assistant Circulation Librarian to 35hrs to enable that position to participate in NHRS.

Ms. Clancy confirms that there is an increase in NHRS but did not increase insurance, health, STD, LTD, and Life Insurance.

Michelle Stevens is the interim Director. Ms. Gasowski states that it is time to offer NHRS to the Assistant Director who has been with the Library for about 20 years. Ms. Stevens is being compensated as interim Director. Selectman Bugbee clarifies who pays what. Salary and benefits are not part of the quarterly payment.

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Selectman Bugbee asks Ms. Pellecchia if they will be asking for any other warrant articles. Ms. Gasowski says that they met with the CIP recently and told them that they would definitely be going for a \$100,000 warrant article along with a warrant article for financing a new library community center. The CIP also has a regular \$7000 contribution to the Capital Reserve account. The Building Committee has been working on the budget. TA Glover asks if the original plan had a time limit on the \$100,000 contributions. Ms. Pellecchia states that the plan allowed for five years of CIP contributions and they have done it for four and so there would be one more.

2. Chairman Cedarholm motions to adjourn at 8:40pm. Cary Brown seconds.

Minutes transcribed by:

Denise Duval, Town Secretary

Minutes accepted by:



David Cedarholm, BOS Chairman



Alice MacKinnon, ABC Chairwoman

NOVEMBER 18, 2014
Date