

Minutes
Nottingham Budget Committee Meeting
January 24, 2013

Members Present: Chet Batchelder, Selectman Mark Carpenter, School Rep. Peter Perron, Korey Ferland, Vice Chair Michael Koester, Barbara Walder, Gene Reed and Jeff Wheeler

Members Excused: Chair Donna Danis, Jay Marcotte and Barb Scannell.

Other in Attendance: Charles Brown-Town Administrator, Mary Bonser-Chairman Board of Selectmen-Hal Rafter-Selectman, Sam Demeritt and Heidi Seaverns.

Vice Chairman Koester called the meeting to order at 7:02PM. Introductions were made.

Outstanding Minutes:

Motion: Mr. Batchelder, second by Mr. Wheeler to approve the minutes of the January 3, 2013 meeting as written.

Vote: 8-0 in favor.

Town Budget Review: Mr. Brown began the review of the Town budget. Each member had been provided a copy of the draft Warrant, the Budget spreadsheets, the 2012 Revenue Sheet & the estimated Tax Impact Sheet. Review began with the budget spreadsheets. Mr. Brown stated he would highlight any changes since the last presentation rather than a line by line review of the budget. The Executive, Town Clerk, Elections, Financial Administration, Property Appraisal & Legal budgets had no changes since the last presentation. The Personnel Administration budget has been changed to reflect changes on lines calculated by using salaries-social security, FICA, long term & short term disability etc. The health insurance line has been calculated to reflect the 2 Fire Department full time hires that are proposed for this year. Mr. Brown explained that the Town is very close to hiring one of those individuals. The person is currently working as a per diem employee and once he passes the CPAT course, it is anticipated he will be hired full time. It is hoped that the second new hire will start in June/July of this year. This line reflects 16 fulltime employees which is down from the 2012 count of 18. The two part time employees at the Recycling Center that were full time no longer qualify for health insurance. Mr. Koester suggested reducing the health insurance line by a month or two since the full time person has not been hired by the Fire Department. Mr. Brown will ask the Selectmen to consider that suggestion. Discussion then focused on the retirement costs. Mr. Brown explained that the retirement rates are increasing in July. These rates reflect increases in both employer & employee contribution rates. Mr. Reed asked if these increases are due to the fact that the State has stopped contributions to the fund. Mr. Perron added that he had attended a meeting earlier in the week in regard to this topic. It was explained at the meeting that in order to try to make this fund solvent using new methodology which has led to the increased rates for employers & employees. Ms. Bonser commented on the State placing additional burden on the Town by eliminating the State contributions to the retirement system. Continuing the review, Mr. Brown stated that there had been no changes in the Planning & Zoning budgets since the last presentation. Mr. Brown explained that Line 203 Grange Building maintenance in the General Government budget will be increased to \$19,000. This increase is for extermination services needed for the building (powder post beetle). Otherwise, there were no changes in this budget. The Cemetery budget and the Insurance otherwise allocated budget are unchanged. A short discussion followed about the services received for the Regional Planning Association dues. The Police Department had two lines with changes. The Cruiser line reflects the price for the new vehicle after the trade in of the Expedition. The Salary line now includes the holiday pay as well as 2 officer salary increases over the standard 2%. Regarding the Fire/Rescue budget, it was suggested to reduce the second full time fire fighter salary by 2 months given the fact that the individual has

Minutes
Nottingham Budget Committee Meeting
January 24, 2013

not been hired as of yet. Mr. Perron suggested that the Stipend line be reduced as a result of the new full time hires. There was some confusion about the number of full time employees. The department has 1 full time employee & 1 individual that works per diem. The second full time position created last year was only filled for 4 weeks. Discussion centered on the premise that if full time people were on staff, volunteer hours should be less, therefore the stipend amount could be lowered. It was explained that the Stipend payments are based on a point system where a specific number of points are awarded for attending trainings and calls. The total points are calculated at the end of the year and a per point value is established. Members would like to review the per point value for the last 4 years. A couple members commented on the fact that the Chief's stipend had not been increased in the last couple years. The Ambulance budget has a new line ALS Services. Up until last summer, Exeter Hospital had never billed the Town for ALS services. There is now a billing anytime ALS is used and there are different levels of services with associated costs. The Town will now be billed and in turn will bill either Medicare or private insurance for those ALS services. The \$2800 reflected in the line is just a guesstimate. It is expected that the amount may be changed on the floor based on approximately 6 months of experience with the new system. Mr. Reed asked if the staff was paid from the Special Revenue fund. It was stated they were paid from the Fire Department budget. The Code Enforcement and the Emergency Management budget are unchanged from the last presentation. The Highway budget is unchanged. Several members suggested that the Full Time Overtime line be decreased since the line has been under spent the last few years. Mr. Brown reminded the members this budget is weather dependent as well as the fact that one line may be under spent to prevent over spending the bottom line of the budget. The Construction/Reconstruction line is a warrant article. The Shim & Sealcoat budget was increased this year. The original plan was to increase this budget by 5% per year but this has not been the case. The Solid Waste budget is unchanged. Mr. Brown stated that we are working out staffing issues in the 3 day week. At present, there are 4 people working on Thursdays, 2 on Fridays and 4 on Saturdays. The schedule may be changed to have 3 people working on Friday, which would increase the budget by \$5300. Mr. Reed asked if this was a permanent schedule. Mr. Brown stated it was, and that Thursday would be the long day (11AM-7PM) for the summer schedule. The Animal Control Officer & Health Officer budgets were unchanged. There was a discussion about the history of under spending of the General Assistance budget. Mr. Brown explained that the Coordinator does an excellent job in helping people utilize other resources before using Town funds. Mr. Batchelder stated that this budget may be an appropriate place for a cushion given the downshifting of costs at the state & federal level for these programs. A couple members asked if it would be appropriate to advertise that the money is available. Mr. Brown stated that enough people know that there is help available and it would not be appropriate to advertise. The Recreation budget is unchanged. The salary line reflects a 2% increase for the Assistant and a 5% increase for the Director. The Library budget is unchanged. Ms. Wirkkala has added a breakdown of expenditures provided by the Library Trustees in the budget worksheet for the Library. There was no request for funds from the Historical Society. The Conservation budget is decreased from last year. Mr. Brown stated that when you remove the land purchases from last years budget, the total budget is approximately \$690. Mr. Batchelder stated that he thought it was a great idea to have the debt service page. The Revenue sheet was self explanatory. The Tax Impact sheet estimated a overall decrease in the Town Tax Rate. The Warrant is unchanged from the last presentation with the exception of the change in the type of fund that the BOS are proposing to create for the Tricentennial celebration. It was suggested by DRA that the BOS create a Non Capital Reserve Fund. Ms. Seaverns provided members a copy of the statute that governs this type of fund (RSA 35:1-c).

Minutes
Nottingham Budget Committee Meeting
January 24, 2013

Mr. Brown ended his presentation by stating he was very proud of this budget. Mr. Batchelder said it was an excellent budget. Acting Chair Koester stated that the Public Hearing for the Town Budget was February 12 with a snow date of February 14. Acting Chair Koester asked if there were any questions about the Town budget. There were none so the members moved on to the next agenda item.

CIP Update: Ms. Walder deferred to Mr. Perron who had attended the last couple of CIP meetings. Mr. Perron reported that the CIP Report & Spreadsheet had been voted on. He had a couple items to change and once those had been completed, he would email the Report & Spreadsheet to the members. Part of the CIP is to identify funding sources for items in the plan. There was a brief discussion about the CIP and its part in the Master Plan.

School Update: Mr. Perron informed the members that the School Board (SB) had removed warrant article # 7 (2.5% contingency) from the warrant. The Board felt they did not have enough information about the article. They will also see how other Boards utilize this money before requesting the authority to create the fund. Mr. Perron said that the SB had received the first half financials at their meeting last night. He has not had a chance to completely review them. He said that the overall budget was at -\$1000. Special Education costs have been very high. The SB instituted a spending freeze-only essential items in the budget will be purchased. The Principal will submit a purchase order to the Business Administrator for his approval before any expenditures. The SB will receive monthly reports on expenditures and denials and make adjustments to the policy as needed. Acting Chair Koester asked what the balances were in the high school tuition lines. Mr. Perron stated that the Dover High line had \$246,000 and Coe Brown line had \$12,000 remaining. Acting Chair Koester stated that the formula used to calculate the tuition line is flawed and the SB should address this. Mr. Perron stated the SB is trying to get a better handle on what happens to Nottingham's High School students. Discussion then turned to the Committee's review of the school's financials. Mr. Batchelder reminded the committee that their work with the School budget was done for the year. The SB2 process is on such an accelerated schedule that the Committee is done before the half year actual financials are available. There was a brief discussion about having another meeting on January 31. As a result,

Motion: Mr. Batchelder, second Mr. Carpenter not to meet on January 31.

Vote: 8-0 in favor.

Mr. Perron will email the financials to the members. Mr. Perron then informed the members that the SB had discussed having the Committee sit at the head table during the Deliberative Session. The SB would like the Committee to sit at the head table. They are aware that this has not always been the practice at the Deliberative Session but they would like the Committee to sit there if they would like to. Members would like to sit at the table.

Acting Chair Koester reminded members that signups for the election have started. Mr. Perron stated that there were 3 positions open on the School Board as well.

Roundtable Discussion: Ms. Walder apologized for not making the CIP meetings. Mr. Perron assured her this was not an issue. Both Mr. Perron & Ms. Walder stated the Town had done a fantastic job on the budget. Mr. Brown said it was a team effort. Mr. Carpenter echoed Mr. Brown's comments and commended everyone on their hard work & professionalism.

Action Items:

Minutes
Nottingham Budget Committee Meeting
January 24, 2013

- 137 1. Peter Perron-email completed CIP spreadsheet & report to members.
- 138 2. Peter Perron- email School to date financials to members
- 139 3. Town-point value for last 4 years for Fire/Rescue stipend payments.
- 140 Having no further business,
- 141 9:00 PM **Motion:** by Mr. Carpenter, second by Mr. Wheeler
- 142 **Vote:** 8-0 in favor.
- 143 Respectfully Submitted,
- 144 Heidi Seaverns