

Minutes
Nottingham Budget Committee Meeting
February 12, 2013

Members Present: Chair Donna Danis, Vice Chair Michael Koester, Chet Batchelder, Selectman Mark Carpenter, School Rep. Peter Perron, Korey Ferland, Barbara Scannell

Members Absent: Excused: Jason Marcotte, Gene Reed, Barbara Walder, Jeff Wheeler

Other in Attendance: Secretary Dawn Wirkkala, Charles A. Brown, Town Administrator, Selectman Chair Mary Bonser, Hal Rafter, Jackie Snow, Gary Anderson, Jaye Vilchuck, Thomas Sweeny, Laurie Legard, Rhoda Capron, Janet Horvath, Heidi Carlson, Sandra Vilchuck, Gunnar Foss, and others.

Chair Danis called the meeting to order and introductions were completed.

OUTSTANDING MINUTES:

Motion: Motion by Mr. Batchelder, second by Mr. Perron to approve the minutes of the January 10, 2013 meeting as amended.

Vote: 6 in favor, 1 abstained

Motion: Motion by Mr. Ferland, second by Mr. Perron to approve the minutes of the January 24, 2013 meeting as amended.

Vote: 5 in favor, 2 abstained.

Town Budget Hearing:

Chair Danis opened the hearing at 7:14 pm and reviewed the handouts, the hearing process, and the overall budget committee process and duties. Chair Danis stated there is a modest increase in the Town budget, but a lot of good work had been completed by the Town and employees to bring forward a good budget.

Chair Danis stated she would review each department line, including each overall total increase or decrease, and identify individual lines that had significant increases or decreases. It was stated there was a 2% cost of living (COLA) salary increase for most municipal employees.

Executive: Overall decrease in the amount of \$3,671.00. Salaries were increased but most other lines remained level funded.

Town Clerk: Overall decrease in the amount of \$4,347.00.

Voter Registration: Overall decrease in the amount of \$4,418.00.

Financial Administration: Overall increase in the amount of \$135.00. There were increases in salary for the Bookkeeper and Budget Committee Secretary, Mortgage Research, Equipment and minor increases in Registry of Deeds, Training/Support and Mileage. There were decreases in the Auditor and Dues/Conference and slight decrease in Office Supplies, which offset the increases.

Property Appraisal: Overall increase in the amount of \$5,499.00. There were increases in Salary, Equipment, and Software Support, but decreases in Postage, Dues/Conferences, and Office Supplies.

Legal Expenses: Overall increase in the amount of \$10,000.00 due to possible increased legal fees.

Personnel Administration: Overall increase in the amount of \$10,556.00. There were increases in areas uncontrolled by the Town, for State and Federal taxes and health insurance premiums.

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Planning Board: Overall decrease in the amount of \$4,240.00.

Zoning Board: Overall decrease in the amount of \$520.00

General Government Buildings: Overall increase in the amount of \$6,360.00. There were increases in Cleaning Salary, Materials/Equipment/Supplies, Mowing/Shoveling, maintenance for historical municipal buildings, some municipal building heating, and trash removal. There were decreases in electric and other less used municipal heating.

Mr. Brown reported an additional increase of \$5000.00 may be needed for the Town Office and Fire Department buildings to pay for roofs shoveling, due to the recent winter weather. He has not yet discussed the amount with the Selectmen, as it was only recently determined. This was only the second time in eleven years the roofs needed to be shoveled.

Cemeteries: Overall decrease in the amount of \$3,450.00.

Insurance Not Otherwise Allocated: Overall decrease in the amount of \$13,528.00. Mr. Brown reported this decrease is a one-time credit/refund from the LGC regarding the court repayment case.

Advertising and Regional Associations: Overall decrease in the amount of \$2,934.00. Mr. Brown reported that after review of the services received from Strafford Regional Planning, the Selectmen made the decision to discontinue the Town membership and pay for services on an hourly basis.

Police Department: Overall increase in the amount of \$32,855.00. There were increases, in some cases more than the 2% COLA, for department salaries, Service Contracts, Office Equipment, Gasoline, and Radio Repair. However, there will be a request for a highway safety grant for the radio repair with the hope of receiving offsetting revenue.

Fire Department: Overall decrease in the amount of \$11,306.00. Mr. Brown reported he decreased the full time salary line and increased the part time salary lines, per Budget Committee request for the lack of second full time staff member. Mr. Koester asked if the insurance amounts were also changed and Mr. Brown reported he did change the health insurance numbers but did not make changes to salary taxes because the change was relatively small; the amount budgeted might end up being over spent, depending on hiring dates.

Ambulance: Overall increase in the amount of \$3000.00. There were increases in Service Contract/Support and the new charges for payment of ALS emergency services. The Ambulance Account is supported financially with the Special Revenue Fund, raised by provided ambulance services, and not with tax raised funds.

Code Enforcement: Overall increase in the amount of \$1,051.00. There was an increase in Salary, Printing and Equipment. Decreases were seen in Publications, Training/Certifications and Mileage.

Emergency Management: Level funded with no increase or decrease.

Highway: Overall decrease in the amount of \$1,744.00. There were increases in salary but all other lines have a decrease or no change.

Construction/Reconstruction: Overall increase in the amount of \$2,310.00. The amount was increased for the estimated amount to complete the bridge to the Town sand pit and/or potentially any other road construction projects.

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Shim and Sealcoat: Increase in the amount of \$14,000.00. The increase is the estimated increased cost of road materials.

Solid Waste: Overall decrease in the amount of \$25,796.00. The decrease is due to the reduction of the number of days of department operation.

Animal Control: Level funded with no increase or decrease.

Health: Level funded with no increase or decrease.

General Assistance: Level funded with no increase or decrease.

Vendor Payments: Overall increase in the amount of \$2,050.00. There were increases with two new vendors, Women's Aid and Ready Rides and an increased amount requested from the Richie McFarland Children's Center.

Recreation: Overall increase in the amount of \$2,985.00. There were increases in Salaries, Dues/Conferences, Equipment/Supplies and Office Equipment.

Library: Overall increase in the amount of \$907.00. The increase is in the Salaries and regular Library operations. Mr. Brown reviewed the Library budget page, stating the Library expenses are grouped together in line 01-4550.10-100 for Town budgeting purposes. The chart at the bottom of the page listing specific expenses and revenue is information provided by the Library.

Historical Society: Level funded with no increase or decrease.

Conservation Commission: Overall decrease in the amount of \$55.00.

Other Financial Uses (Principal): Level funded with no increase or decrease in the principal amount of debt service.

Chair Danis reported that Mr. Brown provided specific information about each of the principal and interest payments for debt services, including ending years of each account payments.

Other Financial Uses (Interest): Overall decrease in the amount of \$6,104.00 with a reduction of interest due for debt service.

Chair Danis stated she completed the review of individual department budgets and any remaining budget amounts are from warrant articles.

Mr. Brown reported there are some warrant article amounts included in the individual department budget lines, such as Highway construction, giving the impression of a higher total budget. In order to eliminate duplication of amounts in the next budget cycle, the budget forms will group all warrant article items in the same section.

Discussion took place about adding additional funds back into the budget to cover the unanticipated costs to shovel the roof. The Selectmen, who all were in attendance, gave Mr. Brown approval to add \$1,250.00 to the TH Maintenance and \$1,250.00 to the FD Building Maintenance, in the General Government Buildings account lines.

Chair Danis reported the new total operating budget amount of \$3,365,439.00 for **Article 8**.

Chair Danis read and reviewed each of the individual Warrant Articles.

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Article 9 is for the purchase of a new 10-wheel truck in the amount of \$220,000.00 and stated it would be purchased from previously raised funds in the capital reserve account.

Article 10 is to raise and appropriate \$195,000.00 for the construction and engineering of the bridge crossing and other possible road construction.

Article 11 is to add \$50,000.00 to the highway truck capital reserve fund.

Chair Danis asked when the funds would be transferred into the capital reserve funds and Mr. Brown stated transfers take place at the end of the year.

Article 12 is to add \$50,000.00 to the fire department capital reserve fund.

Article 13 is to authorize the use of \$20,000.00 from the ambulance fund for ambulance supplies, equipment and maintenance.

Article 14 is for the purchase of a new ambulance in the amount of \$150,000.00 and would be purchased from previously collected fees in the Ambulance and Equipment Replacement Special Revenue Fund.

Article 15 is for the purchase of a new defibrillator unit in the amount of \$35,000.00 and would be purchased from previously collected fees in the Ambulance and Equipment Replacement Special Revenue Fund.

Article 16 is to raise and appropriate \$20,000.00 for the revaluation of property.

Article 17 and 18 is to discontinue Class VI roads, Winter Street and Gravel Pit Road, per RSA 231:43. These warrant articles do not receive Budget Committee or Selectmen recommendations.

Article 19 is to support the group of selected social services in the amount of \$27,301.00.

Article 20 is to support boat inspections at the Fundy Boat Ramp and Pawtuckaway State Park in the amount of \$4,000.00 and was submitted by the Pawtuckaway Lake Improvement Association (PLIA).

Chair Danis and Vice Chair Koester recused themselves for the article with a conflict of interest. Mr. Batchelder read the warrant article language. Chair Danis reviewed the services provided and number of saves of potential removal of invasive plants to the lake and recommended support of the program for the boat inspections.

Article 21 establishes a new capital reserve fund for Tercentennial Birthday in the amount of \$5000.00. Selectman Chair Bonser reviewed that the purpose of the account was to start raising needed funds for the Town celebration of its 300th birthday.

Article 22 is to add the estimated tax impact on the warrant articles. Chair Bonser stated the action of including the tax impact has taken place in the past for warrant articles and will be a minor change in the budget process. This warrant article does not receive Budget Committee or Selectmen recommendation.

Chair Danis reviewed the revenue information from the NH DRA form MS-7 for Appropriated Budget Amounts and the Anticipated Revenues: to includes state tax payments the Town receives, license, permits and other state and local fees, other miscellaneous revenues, inter-fund operating transfers, and any other sources, for an estimated total of 1,789,035.00.

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Mr. Koester asked when the Town would receive the past due property taxes from USA Springs. Mr. Brown reported the answer isn't known because of the bankruptcy procedures; how the case proceeds is up to the court. Chair Bonser reported Article 23 discusses a suggested option for USA Springs and Mr. Brown stated the article is written in a way that legally does not allow the municipality to take action; however, an amendment could make it possible for the Selectmen to take action.

Chair Danis asked for public comments and there were no comments, questions or concerns expressed from the public.

Ms. Seaverns asked that the Budget Committee allow comments from Department Staff after the close of the public hearing to answer any additional questions committee members might have and there was agreement by committee members.

Chair Danis closed the hearing at 8:03 pm.

Motion: by Mr. Batchelder, second by Mr. Koester to recommend Article 8 for the total town operating budget in the amount of \$3,365,439.00.

There were minimal questions or comments regarding the Town Operating Budget.

Mr. Ferland asked about the warrant article amounts and if they were included in the total operating budget amount. Mr. Brown stated warrant article amounts are not included.

Mr. Perron proposed including a minimal amount to the account to the Historical Society.

Motion: by Mr. Perron, second by Mr. Batchelder to add \$10 to Historical Society account #01-4589.10-100.

Vote: 7 - 0 in favor.

Chair Danis requested a motion to recommend the amended total operating budget amount for Article 8.

Motion: by Mr. Perron, second by Ms. Scannell to recommend Article 8 with the amended total operating budget in the amount of \$3,365,449.00.

Vote: 7 - 0 in favor.

Motion: by Mr. Batchelder, second by Mr. Koester to recommend Warrant Article 9.

Vote: 7 - 0 in favor.

Motion: by Mr. Perron, second by Ms. Scannell to recommend Warrant Article 10.

Vote: 7 - 0 in favor.

Motion: by Mr. Perron, second by Mr. Koester to recommend Warrant Article 11.

Vote: 7 - 0 in favor.

Motion: by Mr. Batchelder, second by Mr. Ferland to recommend Warrant Article 12.

Vote: 7 - 0 in favor.

Motion: by Mr. Ferland, second by Ms. Scannell to recommend Warrant Article 13.

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Vote: 7 - 0 in favor.

Motion: by Ms. Scannell, second by Mr. Ferland to recommend Warrant Article 14.

Vote: 7 - 0 in favor.

Motion: by Mr. Carpenter, second by Mr. Batchelder to recommend Warrant Article 15.

Vote: 7 - 0 in favor.

Motion: by Ms. Scannell, second by Mr. Carpenter to recommend Warrant Article 16.

Mr. Ferland asked if the five year revaluation was mandated and it was stated it is state law.

Vote: 7 - 0 in favor.

Motion: by Mr. Koester, second by Mr. Batchelder to recommend Warrant Article 19.

Vote: 6 in favor – 1 abstained.

Motion: by Mr. Carpenter, second by Ms. Scannell to recommend Warrant Article 20.

Vote: 5 in favor – 2 abstained.

Motion: by Mr. Ferland, second by Mr. Batchelder to recommend Warrant Article 21.

Vote: 7 - 0 in favor.

Chair Danis asked for a motion to acknowledge the revenue estimates.

Motion: by Mr. Batchelder, second by Mr. Koester to accept the revenue estimates in the total amount of \$1,789,035.00.

Vote: 7 - 0 in favor.

Mr. Batchelder complimented the Town and Department Heads as he has never attended a Town Budget Hearing where there were no changes, and support for the amounts was unanimous. Mr. Brown stated the department heads were instrumental in putting together a great budget.

Chair Danis repeated the comments of Mr. Batchelder, stating it is a good budget.

Mr. Brown stated the Police and Fire Departments are active in seeking grants to help support “extra” services and equipment to complete desired specific tasks. The Fire Department also has a private trust fund that is used to help purchase equipment, which they donate to the Town.

Chair Danis distributed the budget committee forms for board member signature.

School Budget Questions: Chair Danis reviewed the School Deliberative Session for the school budget and questioned the proposed amendment to include the specific year of 2013 to warrant articles 8 and 9. There appeared to be some confusion about the correct wording and what budget year the funds were to actually come from. It was stated that the Budget Committee believed the warrant articles, as originally presented, were to subtract the funds from any 2014 fund balance, as that is the budget being reviewed and established. However, the wording change at the Deliberative Session impacts the current budget year, which was voted on in March 2012. Chair Danis asked how a deliberative session for one budget can make decisions that impact a prior year budget.

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Mr. Sweeney stated this type of action has been done in the past. Mr. Perron stated it was a learning experience for him as he also believed the funds would be removed from the 2013/2014 budget year under discussion and not the current 2012/2013 year budget; however agreement regarding the process was expressed from both the business administrator and school attorney; this is the way it was always done and it was the original intent for the funds to come from the 2012/2013 budget.

Mr. Batchelder stated it is possible the Budget Committee didn't understand the intent, or make the correction so that funds would come from the 2013/2014 budget, as they have done to warrant articles in the past. There was the intent to remove any remaining funds from the budget under discussion, even if the changed language is correct as written. While there isn't anything the committee can do about it now, it is a good learning lesson to make sure the warrant articles list the information during budget committee review.

Mr. Brown stated the warrant article wording should include a specific year. Chair Danis asked if the DRA would allow the transfer of funds in the current year budget.

Mr. Koester stated additional funds are being requested conditioning on funds being available at the end of the 2012/2013 budget year.

Chair Danis stated the purpose of the deliberative session is to review the proposed future budget and not the current year budget and is concerned.

Motion: by Mr. Batchelder, second by Ms. Scannell to request that the School Board request an opinion from the NH DRA regarding the warrant article language as amended and if it is valid and permissible.

Vote: 6 in favor - 0 against – 1 abstained

ROUNDTABLE / OTHER BUSINESS:

Ms. Scannell thanked the Town and Department Head for their great work in putting together a great budget and was thankful for the opportunity to work on the Budget Committee and with the members.

Mr. Carpenter stated he calls Nottingham home for reason, because of the people he has gotten to know. Mr. Carpenter stated he was glad for the opportunity to work with Ms. Scannell.

Mr. Perron thanked everyone for attending the school deliberative session, having all members at the front table put forward a positive front. Mr. Perron thanked the Town and Department heads; no late nights are phenomenal.

Chair Danis stated this has been a fantastic committee and process, thanked Ms. Scannell for her service to the Budget Committee, and stated she hoped Mr. Perron would come back as the School Board representative.

Mr. Koester thanked Chair Danis for great leadership.

Mr. Batchelder thanked Ms. Seaverns and Ms. Wirkkala for excellent work on the minutes.

Mr. Ferland stated he had a great first year on the Budget Committee and thanked the Selectmen, Town Department Heads and that he looks forward to serving another year.

Chair Danis reviewed the Town Voting and Town Meeting Dates.

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NEXT MEETING AGENDA: Chair Danis stated the next time the Budget Committee would be together would be at Town Meeting on Saturday, March 16, and requested that the committee members have a place at the front of the room with the Selectmen.

ADJOURNMENT: Having no further business,

8:40 PM **Motion:** by Mr. Ferland, second by Mr. Carpenter.

Vote: 7 - 0 in favor.

Respectfully Submitted,

Dawn Wirkkala