

Minutes
Nottingham Budget Committee Meeting
January 23, 2014

Members Present: Chet Batchelder, Donna Danis, Anthony Dumas, Korey Ferland, Michael Koester, Jason Marcotte, James O'Brien, Jackie Snow, Jeff Wheeler, Mary Bonser for Mark Carpenter – BOS Representative, Peter Perron – School Board Representative

Excused Absences: Mark Carpenter, Korey Ferland

Other in Attendance: Secretary Dawn Wirkkala, Town Administrator Charles Brown, Selectman Hal Rafter

Chair Batchelder called the meeting to order and introductions were completed. Chair Batchelder offered condolences to former member Gene Reed, as his wife passed away.

Approval of Minutes:

Motion: by Ms. Danis, second by Mr. Marcotte to approve the January 9, 2014 minutes as written.

Vote: 7 in favor / 1 abstained

TOWN FINAL DRAFT: Mr. Brown reviewed the town budget on a line by line basis.

The Town Administrator salary increased by the 2% COLA and an additional 1% performance merit. Chair Batchelder asked if there were criteria on when merit increases were awarded to personnel. Mr. Rafter and Ms. Bonser indicated increases could include both a COLA and the criteria for merit increases are based on the performance reviews.

Mr. Dumas asked about Performance Awards and how it differed from merit increases. Mr. Brown stated merit increases are included with salary and the Performance Awards were a one time award to individuals deserving of extra recognition.

Mr. Brown stated postage accounts increased for all departments because of increases in mailing rates.

Mr. Brown stated there were only a few changes to the budget after the prior version was presented to the committee, many accounts remained level funded, and the major changes were reviewed.

Mr. Brown stated the Town Clerk will start to process Boat Registration Fees and the amount is only an estimate and the expenditure may go over.

Mr. Brown stated Town Clerk postage did decrease slightly, as more people are using the electronic registration option to register vehicles and they print their own registrations. There are three elections and mailing absentee ballots must be done by certified mail at a cost of \$6.00 each.

Mr. Brown indicated the Selectmen determined the stipend amount for the Moderator will not change despite her request and the Moderator is free to ask for an increase during Town Meeting. The salary line for the Supervisors of the Checklist and Election workers has increased due to an increase in the hourly wage, as well as providing services for three elections.

Mr. Brown stated the Elections printing expense is always a best guess, because it is based upon the total number of pages needed for the ballot and warrant articles, which is always an unknown.

Ms. Danis asked about the requested Deputy (Assistant) Moderator asked for by the Moderator.

Mr. Brown stated the Selectmen determined the deputy/assistant position was not needed and it is

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37 recommended only when you have multiple polling places. Mr. Perron stated the Moderator can
38 appoint anyone to be a Moderator *pro tem* as needed.

39 Mr. Brown stated the overtime amount for the Bookkeeper has been decreased, but the funds are
40 available when the time is provided.

41 The Tax Collector has requested an increase to the annual stipend; he did not ask for an increase
42 during his prior term.

43 Mr. Brown stated every three years the Town completes the GASB 45 audit process, which requires
44 hiring another auditing firm for an approximate \$3000.00. The attorney also charges for letters
45 regarding the audit process.

46 Mr. Marcotte asked if the GASB 45 audit was put out to bid. Mr. Brown stated the Town did not,
47 but went with an auditor recommended by the regular Town auditor.

48 Mr. Brown stated the Financial Equipment account was decreased; the prior year includes the
49 purchase of a new PC for the bookkeeper.

50 Mr. Brown stated the Assessing Coordinator Salary line has decreased slightly, despite changing the
51 position from part-time to full time, but it has a decrease in the hourly salary amount.

52 The Assessing Coordinator will be attending assessing classes and conferences and the account
53 amount doubled.

54 Mr. Brown stated the Assessing maps account did increase because of an increase in map changes
55 and updates.

56 Mr. Brown stated there was an approximate \$30,000.00 not spent in 2013 for the Legal Expenses
57 accounts; however the account will remain level funded because of possible concerns. Chair
58 Batchelder asked about the USA Springs property and legal needs. Mr. Brown stated the property
59 is for sale, there has been some new activity at the Bankruptcy Court and it is possible there may be
60 more legal work needed. Discussion took place about the amount of back taxes due for USA
61 Springs, approximately \$500,000.00, but nothing can be collected until the property is sold or the
62 bankruptcy cases is closed.

63 Mr. Brown stated for Personnel Administration he has requested proposals for new health insurance
64 companies and while an alternate proposal received was less than the existing, the offsetting
65 payment holiday from LGC/NHMA meant the town actually pays less by keeping the same
66 insurance. The payment holiday is a forced return payment ordered by the courts; the town does not
67 get the payment holiday if they change insurance companies.

68 Chair Batchelder asked if the off setting revenues will account for the payment holiday and Mr.
69 Brown stated the expense amount includes a reduction from the expected approximate \$12,000.00.

70 Mr. Brown stated the Fire Department and Police Department retirement contributions has
71 increased according to the NH Retirement calculations and less state funding is being contributed;
72 causing an unfunded mandate.

73 Mr. Brown stated the Planning Board Secretary salary amount has increased slightly. Chair
74 Batchelder asked about the excess amount remaining from 2013. Mr. Brown stated the position had

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75 a significant number of hours unused due to staff illness; the new staff secretary is expected to use
76 all the hours. Mr. Brown stated the same applies to the Zoning Board Secretary account.

77 Mr. Brown stated the Cleaning Salary has increased as additional work hours have been requested
78 for both the Police and Fire Department.

79 The Town Hall Equipment account increased with the purchase of a new requirement for an AED
80 unit for the Town Hall.

81 Mr. Brown stated mowing and shoveling for the buildings has increased, but the services provided
82 are better quality and are being completed with more consistency.

83 Mr. Brown stated the Recycle Center will receive a new roof but the funds were encumbered from
84 2013.

85 The Grange needs additional pest control but the account has decreased by \$16,000.00.

86 The Community Center has an increase for additional regular maintenance and some requested
87 painting and ceiling tile replacement.

88 The Old Town Hall had some building maintenance and the top portion of the chimney collapsed,
89 which will now need to be replaced.

90 The Old Town Hall electric has been reduced, however, the new Fire Station electric has increased.
91 There is an unknown reason for the increasing electric costs at the new Fire Station, despite electric
92 audits and some lighting upgrades. The Community center electric has been decreased, with an
93 upgrade to ballasts and bulbs completed, as well as a change to changing to ENH Power as the
94 energy supplier.

95 Ms. Danis asked about the decrease expected in the heating expenses. Mr. Brown stated he was
96 able to lock in a decreased cost for propane at \$1.74 per gallon.

97 Mr. Brown stated he went with a new HVAC company for boiler maintenance and they have
98 provided better and more consistent results with maintenance and repairs.

99 Mr. Brown stated the expenses for the dumpster at the Community Center has been increasing
100 significantly. Waste Management has been contacted for possible changes to the rate charged.

101 Mr. Brown stated there is an increase for the Cemetery maintenance, but better landscaping services
102 has been seen and the expenses are paid for from the Cemetery Trust Fund, not taxation.

103 Mr. Brown stated for the Insurance Coverage accounts Workers Compensation has decreased due to
104 fewer claims. However Property Liability Insurance has seen an increase because of a change in
105 calculation methods; the LGC now uses work experience as part of the calculations for determining
106 the cost of the insurance.

107 Mr. Brown stated Stafford Regional Planning Association remains level funded and the Town will
108 only pay for the possible services needed. This method is approximately half the cost of being a
109 regular member of the association; the town pays for services on an as needed hourly basis.

110 Mr. Brown stated the Police account salary amounts increase for both the Full time and Part time
111 accounts, providing the 2% recommended COLA and merit increases, and includes the request for a

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112 new part-time officer. The Police Chief has also requested hiring a fill-in administrative assistant
113 covering the front desk while regular staff is on vacation.

114 Mr. Brown stated the Rockingham County Attorney has requested an additional \$6,000.00 to pay
115 for administrative and mileage expenses. However, the Police Chief is looking to hire an
116 independent attorney to prosecute cases with other municipalities, at what will hopefully reduced
117 costs. Rockingham County has not been able to provide any supporting documentation for the
118 amount requested.

119 Mr. Brown stated the Cruiser line has increased with the request for another Ford Explorer versus a
120 car. The police staff is happier with the quality provided with the Explorer, and it is much more
121 user friendly than the smaller Taurus.

122 Mr. Brown stated funds are not being requested for the Highway Safety Grant as grants will not be
123 available.

124 Mr. Brown stated the Fire Department is requesting a 2% COLA, as well as an additional 1% merit
125 increase for all the full time staff. An increase in the Stipend amount for volunteers has also been
126 included.

127 A slight increase is included to upgrade computer contracting services, providing for better software
128 services for department staff.

129 Additional testing and replacements are needed for Breathing Apparatus equipment, as well as an
130 increase in tax amount due.

131 The Fire Chief has already received permission to order new water suits for required training being
132 completed early in 2014.

133 Mr. Brown stated Vehicle Maintenance has increased to hire a private company to complete hose
134 testing. It previously has not been done because of the length of time and number of staff needed to
135 complete the process which meant the truck was out of service too long.

136 Hydrant Maintenance is needed, but will be completed by Highway Department staff, however the
137 parts needed remain expensive.

138 There is an increase for Radio Maintenance that was not seen in prior versions, the repairs were not
139 completed timely for 2013 and the funds could not be encumbered.

140 Mr. Brown stated there was only a shift of budgeted amounts between the Telephone and Internet
141 lines.

142 Mr. Brown stated the Building/Code Enforcement salary increased, but the Part-time Salary has
143 decreased with fewer hours provided. The majority of the account remains level funded; equipment
144 decreased and telephone increased with the purchase and use of a new smartphone cell plan.

145 Mr. Brown stated the Emergency Management account remains level funded.

146 Mr. Brown stated Highway Salaries have increased by the 2% COLA as well as an additional 1%
147 merit increase for the Road Agent. Part-time salaries have also increased by the 2% COLA.

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148 Mr. Marcotte asked if the increase in Part-time salary was enough given the \$6,000.00 over budget
149 expenses in 2013. Mr. Brown stated a lot of the overage had to do with the recent bad weather
150 seen; it is a best guess estimate about what might be needed.

151 Highway Equipment Parts has increased because of a higher number of need repairs.

152 Mr. Brown stated the Salt account has been decreased due to an anticipated decrease in cost of the
153 salt. Mr. Brown stated the Road Agent has been registered to attend a Snow-Pro course with UNH,
154 providing additional information about methods to reduce the amount of salt used for roads.

155 Mr. Brown stated Shim and Sealcoat materials expenses has increased, and will continue to increase
156 over the next several years. The Road Agent has a schedule for the number and road length needing
157 repair.

158 Mr. Brown stated The Recycle Center salary increased with the COLA and possible additional help
159 when needed.

160 Mr. Brown stated Safety Equipment has increased to purchase new safety vests.

161 Mr. Brown stated Construction has increased with the building of a cement pad for dumpsters to
162 reduce road damage and makes it easier to clean up spilled waste debris. Equipment is also
163 increasing with the purchase of two used storage trailers.

164 Mr. Brown stated additional signage has also been requested based on the recommendations from
165 the Recycling Committee. There is hope the recommended budget changes will help increase the
166 Recycle Center income to reduce their budget in the future.

167 Mr. Brown stated there is an increase in the Recreation Salary and after review it was determined a
168 higher starting salary was needed for the Recreation Assistant providing a more reasonable rate and
169 the hope that they will stay for a longer period of time.

170 Mr. Brown stated the Library Appropriations has increased for salaries and other needs, including
171 additional weed eradication. Ms. Snow stated she believed the increase is also for the new part-time
172 Children's Library Assistance.

173 Mr. Brown reviewed the warrant articles and the Warrant, stating there will not be any Planning or
174 Zoning ordinance changes for 2014.

175 Mr. Brown stated the Revenue's have not been prepared, information is outstanding and the
176 Bookkeeper is waiting for responses.

177 Warrant Article #2 is the total Operating Budget in the amount of \$3,527,486.00

178 Warrant Article #3 is the standard annual Highway Construction/Reconstruction is included, with
179 the higher rate for increased costs in materials.

180 Warrant Article #4 is the regular \$50,000.00 for the Highway Truck Capital Reserve Fund.

181 Warrant Article # 5 is the \$50,000.00 for the Fire Department Vehicle Capital Reserve Fund.

182 Warrant Article #6 is \$24,850.00 for Ambulance operations, which is paid for by the off setting
183 revenues and not by taxation.

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184 Mr. Brown stated Warrant Article #7 is a Fire Department request of \$20,000.00 for a replacement
185 rescue boat, motor and trailer for water rescue; the old boat leaks water.

186 Mr. Brown reviewed Warrant Articles #9, #10 and #11 were changes to the Elderly Exemption,
187 Disabled Exemption, and Blind Exemption amounts offered. Ms. Bonser indicated the amounts
188 have increased to address the changes with inflation and reviewed the number people who were
189 receiving the exemptions and credits.

190 Discussion took place about the changes to the exemptions process, and who is responsible for
191 gathering, processing and reviewing the exemption and credit information. Mr. Brown stated it is
192 unknown how many new people might qualify and the change in exemption amounts provided and
193 it is the responsibility of the Assessing Coordinator to manage the exemption and credit
194 information.

195 Warrant Article #12 is the Tri-Centennial Non-Capital Reserve fund for \$5000.00.

196 Warrant Article #13 is for the Marston property building demolition in the amount of \$25,000.00.

197 Warrant Article #14 is \$3000.00 for a heating, ventilation, and electrical (HVAC) Expendable Trust
198 Fund for possible future maintenance or replacement.

199 Warrant Article #15 is for \$26,966.00 for Social Services payments.

200 Warrant Article #16 is the boat launch inspections for \$4000.00.

201 Warrant Article #17 and #18 are by citizen petition.

202 Mr. Brown reviewed the overall total budget changes. The 2014 Operating Budget is
203 \$3,527,486.00, which is a \$165,977.00 or 4.93%.

204 Mr. Brown stated he had an approximate \$200,000.00 surplus from the 2013 budget. While he does
205 not like to have such a large amount, it will help to bolster the Unreserved Fund Balance which has
206 been used to help off set the tax rate in the prior two years. A spending freeze was implemented in
207 October because of concern with the trending of expenses because of concerns, and the expenses
208 were then not seen.

209 Mr. Dumas and Mr. Wheeler asked to have the Town review phone and internet services to try and
210 consolidate expenses, which could be provided at much lower costs. Mr. Brown stated the contract
211 with the current company is expiring and a review of the services and methods provided could take
212 place.

213 Chair Batchelder reminded committee members of the Town Budget Public Hearing that will be on
214 Thursday, February 6 at 7:00 pm.

215 **SCHOOL REVIEW:** Committee Members signed the school form MS-27 for the School Budget.
216 Chair Batchelder reviewed the MS-27 is the required form posting the School Budget and Warrant
217 prior to the Deliberative Session.

218 Mr. Perron stated the December expenses have not been reviewed by the School Board, but he
219 should be able to provide the year-to-date expenses soon. The School Board had additional
220 questions and they are seeking clarifications.

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221 Chair Batchelder reminded everyone about the Deliberative Session process stating it will take
222 place at the Nottingham School Gym on Wednesday, February 5 at 6:30 pm.

223 **OTHER BUSINESS:** Chair Batchelder reviewed the Budget Committee annual report for the
224 Town Report, stating it is almost identical to what Ms. Danis provided in the past year. Any
225 suggested

226 **ROUNDTABLE:** Mr. Perron reminded those with expiring terms to register for open positions.

227 Mr. Koester reviewed the accounts that were underspent in 2013 and asked if the Town can possibly
228 reduce some of the 2014 expenses to match what was unspent. Mr. Koester stated he has also been
229 requested to submit an article to the Forum newspaper regarding the duties of the Budget
230 Committee and asked member to review the information and to provide suggestions for the article.

231 Mr. Dumas suggested including information from a first year member perspective for the article.

232 **ADJOURNMENT:** Having no further business,

233 9:16 PM **Motion:** by Mr. Marcott, second by Mr. O'Brien.

234 **Vote:** 9 – 0 in favor.

235 Respectfully Submitted,

236 Dawn Wirkkala