



*Town of Plaistow ♦ Budget Committee*  
*145 Main Street ♦ Plaistow ♦ NH ♦ 03865*

**BUDGET COMMITTEE MEETING MINUTES**

**MINUTES:**

**DATE:** Tuesday, December 30, 2008

**MEETING CALLED TO ORDER:** 6:33 pm

**PRESENT:** Jan Penta – Chairman, Ron Hayes - Vice Chairman,  
Bernadine Fitzgerald, Dan Hooper, Joyce Ingerson, John Sherman  
Kristin Lewis Savage, Martha Sumner, Catherine Willis

**ABSENT:** Normand Bouchard - excused, Michele Conte - excused

**MINUTES:**

*Motion by M. Sumner to approve Minutes of December 9, 2008 as amended on page 1.*

*2nd by R. Hayes.*

*Abstain B. Fitzgerald and K. Lewis-Savage.*

*Vote 7-0-2.*

**AGENDA:**

**QUESTIONS AND ANSWERS**

S. Fitzgerald discusses the previously asked questions in need of answers:

Hourly Rate for Emergency Management Director, references page 37 of the updated budget, is \$16.22 hourly (Total \$3,812.00).

Review of Warrant Article for Tax Collector due to a typographical error, references page 12 in the Warrant Article packet, the Salary Line for the Tax Collector is \$27,680 effective April 1.

J. Penta discusses Budget Summary for Financial Administration, page 13, is \$26,100 which is not in agreement and needs to be amended.

Board reviews previous Warrant Article for Tax Collector and hold discussion of dollar figures and how they came to this figure.

S. Fitzgerald discusses rollups that may not be shown in this figure and requests to go back to the Finance Director for review.

K. Lewis Savage requests to have Sean review and bring back to the Board.

Debt Service Schedule, he notes he has worked with Bernadine on this to come up with a number for the TAN. He notes the interest rate is 3.39% of 3 million for 90 days. He notes we do not have a Debt Service Schedule from TD Banknorth at the present time but it is estimated to be somewhere around \$25,000. He notes he has updated the Debt Service Schedule to \$25,077 and references page 58 of the Debt Service Schedule. He notes when we get the Debt Service Schedule the number may change slightly.

Election Budget, Dividers, he notes he was asked to delete dividers from this Budget and has done so.

Zeros in the Budget lines, he notes he was asked to delete all the line items that had all zeros and he has done such.

Regarding Main Street Corridor Transportation Improvement Grant that he was asked for more information about, he notes he has held a discussion with the Town Planners and the Financial Auditors and the agreement would be an inter governmental contract which would not be a grant. He notes we would actually contact for services and we would not have to gross appropriate.

Correct mileage in the Health Department, he notes he did correct the mileage in the entire budget and has equalized all lines to 58.5 for the budget.

J. Penta discusses that they may be liable for additional earned income on their taxes by using the 58.5 cents per mile.

M. Sumner notes she has not heard that they are changing the mileage amount and has just received a memo at work and noting they are continuing with the 58.5 cents for 2009.

D. Hooper notes he went to the IRS website and they have 55 cents per mile for 2009 which changed mid-November.

J. Penta notes if they use more than 55 cents then they would be liable for excess tax.

D. Hooper notes we can always put it in the budget as 58.5 cents and pay out less. He notes we are talking about pennies on the dollar.

S. Fitzgerald notes he will look into this to comply with Federal standards.

Regional purchase of road salt and highway supplies he notes that he was asked to look into and he spoke to the Director of Highway Department and notes that he has looked at a number of programs and will further examine those opportunities. He notes they currently purchase supplies through a State bid which is put out annually. He notes that he will work with the

Highway Director on these opportunities to get better bids. He holds a discussion regarding function of facility and notes no ability to store a lot of salt or other materials.

Fuel, research Highway Department use of diesel fuel for Fire and Water Departments, he notes it is past practice that the Highway Department buys in bulk because we have the ability to store in bulk and the Fire Department fills up at the Highway Garage and account charges are appropriated accordingly.

J. Penta inquires if the Fire and Water Departments both use diesel and then it is calculated into each of their budgets.

S. Fitzgerald notes yes.

Look into Gross Budget or Net Transfer Accounting for Library Funding. He notes they did look at RSA 32:5:3 which stipulated appropriations recommended shall be stipulated on a gross basis. He notes he did speak to the RSA on this matter and discussed with the Finance Director and this is consistent with standard practice for Library accounting.

J. Penta and C. Willis discuss net and gross budgeting of the Library.

Look into the Zoning Budget regarding one of the Clerks for the Zoning Board is a Town employee. He notes we have several Town employees taking minutes for meetings and there is a practice in place where if you work more than 40 hours a week and you are clerking a board related to your job function then you have to be paid over time. He notes this was reviewed by RSA statutes several years ago and it is a standard practice. He also notes he has looked into it and it has existed for quite a while and he will continue to look at how we staff those boards but this is the process right now.

K. Lewis Savage notes she just wants to have it stay consistent.

S. Fitzgerald notes that he will be getting into the personnel policy shortly after the budget is completed for equity, consistency and for best practice. He notes he has many dedicated employees and notes there is inconsistency which needs a close look.

D. Hooper questions if the lessons he has learned will be documented into town policy so we can look back into.

S. Fitzgerald notes he has running list of policy recommendations to make to a personnel committee that is established and hopes to do that in short order.

Make adjustments for electrical utility rate consistent throughout the budget. He notes he took an estimate of 10%. He looked at Unitil's rates which they are projecting an estimated 6% bi-annual increase over the next year which he notes will equalize out over the year to 9.18% which is a bi-annual. He notes by taking 10% we will build a little cushion. He notes this is our best estimate and discusses other communities which some are using 6%, 5%, 9% and 20%. He notes that this change has been reflected throughout the budget along with gas.

Make adjustments for gas. He notes he has used the Energy Emission Short Term Fuel Outlook which is produced annually. He discusses the earlier \$4.00 per gallon estimate and notes he has currently calculated Diesel Fuel at \$3.56 per gallon and Regular Gasoline at \$3.35 per gallon. He notes this is consistently reflected throughout the budget.

K. Lewis Savage inquires about the Emergency Management and the ballpark amount.

S. Fitzgerald notes there will be meeting next Tuesday for After Action and he has preliminary numbers of \$34,000 which are direct expenditures sent to FEMA. He notes this number maybe adjusted higher as we do further forensics and discusses the Federal Declaration that Rockingham County may receive if they meet the threshold then they would receive 75% of the reimbursement cost.

K. Lewis Savage discusses that we may potentially see some changes to generators or something.

Board discusses past storm and the effects on the community.

S. Fitzgerald discusses how he has invited Unitil to come and speak at a public meeting to discuss how they handle emergencies.

K. Lewis Savage thanks Sean for his efforts and dedication during the storm.

J. Penta inquires if anyone has any additional questions.

J. Sherman notes just to be clear, there are no outstanding questions on the operating budget.

J. Penta notes yes that's what she believes.

## **WARRANT ARTICLES TO APPROVE**

J. Penta notes next on our Agenda is Warrant Articles to approve that we have not approved.

M. Sumner notes the two outstanding items were Town Clerk and Safety Complex, everything else has a vote on it.

S. Fitzgerald notes some Warrant Articles have changed language and discusses the language change suggestions from DRA. He projects the Warrant Articles on the projection screen.

M. Sumner inquires if the dollar amounts have changed or just the wording.

S. Fitzgerald notes several Warrant Articles have dollar amount changes and discusses the Public Safety Complex being reduced by \$25,000.

J. Penta notes to start at the beginning. She discusses Page 1 noting we can't do anything because we do not have a bottom line yet. Page 2 Patrol Officer Position.

J. Sherman notes we have assigned them numbers now. He notes there is no #8 and will reconcile at some time.

J. Penta notes they are not in numerical order and will go in page number order. She notes Article 13 is on Page 2 and inquires has anything changed.

J. Sherman notes there may be some clarification in the Intent.

S. Fitzgerald notes we did adjust the full time equivalency number slightly by removing cents.

J. Penta notes there is no reason to revote this one. She notes the following Page is Article 14, Public Safety Complex Capital Reserve.

J. Sherman notes the wording and amount has changed so you would want to revote on this one.

J. Penta reads Article, Recommended and Intent.

J. Sherman suggests removing the word “department” and to add the words “into said fund” after \$25,000. In the sentence of future improvement to add the word “to” in front of “the safety complex” and to delete the sentence containing “HVAC system”.

Board discusses Intent and rewording the sentence “unsafe holding area for prisoners and staff”.

Consensus is to change to “holding area is unsafe for both prisoners and staff”.

S. Fitzgerald discusses the decrease in the amount of this Warrant Article.

R. Hayes questions inconsistency of capitalizing words in the Intent.

J. Penta notes they should not be capitalized.

R. Hayes suggests changing the wording “overgrown” locker rooms to “inadequate”.

D. Hooper holds a discussion of where the source of funding is coming from.

J. Penta inquires if the Board would like to make a motion on this one.

***Motion by B. Fitzgerald to table this until next week.***

***2nd by D. Hooper.***

***Abstain J. Sherman and K. Lewis Savage.***

K. Lewis Savage discusses approval of Warrant Articles and Selectmen requesting Sean to makes cuts to budgets and discusses voting tonight and next week. She discusses the Selectmen’s meeting that she viewed regarding their discussion on the reduction of the requested

proposal for reduction of \$350,000. She notes she is nervous about where the \$350,000 figure came from and discusses the default budget and the 2% decrease. She discusses consistency economically and cutting to the bone.

J. Penta asks John if he has any ideas as to where that number came from.

J. Sherman notes yes, it was estimated that that would be a 2% increase. He discusses the 2% increase factoring the potential revenue decrease as well.

R. Hayes inquires as to when we might have an idea that the \$350,000 is doable.

J. Sherman notes you would see results next Tuesday. The Board of Selectmen made a motion to direct the Town Manager to come back with a proposal of how he, utilizing the Staff, could come back with a total expenditure including Operating Budget and Warrant Articles a reduction in the total of those two, a reduction of \$350,000. He discusses the estimate would be that we would be looking at a 2% increase. The overall status in round numbers is noted in Sean's packet.

K. Lewis Savage inquires if we are using gross appropriate number for the Library and we previously used net, isn't that technically a \$33,000 difference.

J. Sherman notes that he circled this on his copy to suggest at the next Board of Selectmen's meeting that this be the number we use for consistency purposes. He discusses comparisons which should be the same and using the net number.

J. Penta discusses she used the net at the Public Hearing last year.

K. Lewis Savage notes that we have used the gross in there this year.

J. Sherman notes to vote on the gross and for us to use the net for consistency analysis.

M. Sumner questions what is the general consensus.

J. Penta indicates to hold off on voting on final approvals of each budget and to hold off on approvals of Warrant Articles until next week which is Tuesday night. She notes the Public hearing is Wednesday.

M. Sumner agrees.

J. Penta notes we are not approving Warrant Articles and we are not approving Budgets tonight.

#### **NEW BUSINESS:**

J. Penta discusses there are three people who are due in their terms this year: Catherine Willis, Normand Bouchard and Michele Conte.

J. Penta inquires if anyone has any more New Business or Old Business to discuss.

K. Lewis Savage inquires if there is anything significant that they need to know about budgets.

S. Fitzgerald notes significant change. He discusses some rollups that were not included in the tally sheet, roughly \$25,000 for the 53rd week payroll that will be included for Police Department. He notes he will continue to go through the Budget line by line and notes this past weekend he was looking for \$302.00 and he is still looking for it. He notes he has been discussing with Bernadine the Town's ability to meet obligations throughout the next fiscal year and notes he may be going to the Board of Selectmen next Monday night for additional amount of money for Tax Anticipation Note in the amount of \$25,000 – \$26,000.

J. Penta inquires if his is in addition to the current.

S. Fitzgerald notes that in February we will be paying interest on a TAN and discusses the preliminary cash flow analysis and that he will be speaking to Finance Director and Treasurer.

B. Fitzgerald inquires if the Board of Selectmen has made any decisions on the Library loan with paying just the interest this January and waiting until July to do the \$105.

S. Fitzgerald notes the Board of Selectmen discussed this regarding how they might look at paying it earlier however it was not clear.

B. Fitzgerald notes she needs to know what to take out from the bank.

S. Fitzgerald notes he will happily bring this back to the Board of Selectmen on Monday night.

B. Fitzgerald notes she will do just the \$2,300 tomorrow.

J. Sherman notes BOS was only inquiring on how much would be saved, no decision was made.

S. Fitzgerald notes he will discuss with Bernadine tomorrow.

K. Lewis Savage notes that Michele Conte, Catherine Willis and Normand Bouchard ran for One-Year Positions last year and there was one vacant position but Bob Gray became a Selectman. She notes we will have 4 – Three-Year Positions and 1 – One-Year Position, so there is a total of 5 opportunities for new members.

J. Penta notes that Warrant Articles and Budgets will be next Tuesday Night.

Meeting adjourned at 8:05 pm.

Respectfully Submitted,  
Audrey Michaud