

APPROVED

Budget Committee
Public Hearing
Meeting Minutes
February 10, 2014

Present:

Chair-Kerrin Rounds, Ron Preble, Dave Carr, Paul Manganiello, Tom Keegan, Ernie Richards, Carol Huber, William Cote, Barbara Greenwood, Ashley Dolloff, Kevin MacCaffrie, and Betsy Schneider.

Absent: Mark Chevalier

Others Present:

Michael Capone- Town Administrator

Call to Order:

Committee Chair Kerrin Rounds called the meeting to order at 7:00pm.

Review of Minutes:

Kerrin Rounds asked the members to review the minutes from February 3, 2014. Ron Preble made a motion to accept the minutes as written, seconded by Ashley Dolloff. Carol Huber made a motion to amend the February 3rd minutes to include her comment that she is not happy with the amount of the overall budget and that she does not think that the budget committee is doing their job, seconded by Kerrin Rounds. The amendment passed with 11 In Favor and 1 Opposed. The amended February 3rd minutes passed with all In Favor.

Correspondence:

None

Old Business:

None

New Business: Chair Kerrin Rounds opened the meeting to public comments regarding the proposed budget and warrant articles.

- David Hill asked why the public hearing is at the end of the budget process and that public input should be sooner. Town Administrator Capone explained that the date of the public hearing is statutorily set up this way. Susan Duncan commented that the budget Committee has to notice meetings in advance and that this is structured to allow participation. Archie Auger commented that in his experience the budget committee would vote on the figure presented to the public and then deliberate after the public hearing to finalize the figure presented at town meeting. Chair Kerrin Rounds commented that in next year's Budget Cycle, if she is still Chair, she will allow for more public comment.
- Chair Kerrin Rounds commented that the Budget Committee vote to include a \$0.38 per hour raise for employees. Boake Morrison asked why the raise wasn't based on the CPI. Kevin MacCaffrie explained that the decision was based upon the CPI which figured out to 38 cents.

Kerrin Rounds suggested to the Select Board to include an across the board cent raise. The Select Board recommended a 50 cent raise and the Budget Committee amended that to the 38 cents.

- Archie Auger wanted to know the approximate amount of money to pay salaries and benefits and that he feels that it is close to over 3 million dollars. Mr. Auger feels that to reduce the budget in a significant way, personnel have to be looked at. Chair Kerrin Rounds stated that the funding can be cut only by the Budget Committee but the position can only be cut by the Select Board.
- Susan Duncan asked if the part-time employees would receive the wage increase. Chair Kerrin Rounds stated that the part-time employees would receive the wage increase.
- Boake Morrison commented that he feels that if a member of the Select Board goes on vacation they should not get paid or that there needs to be five of them.
- Eric Rottenecker asked if there was a reason for the \$750,000 in uncollected taxes. Mr. Rottenecker feels that raising the budget will cause more taxpayers to not meet their obligations and that raising taxes hurts taxpayers.
- Keith Rounds commented that cutting the budget cuts emergency services which hurts the town because the town becomes an undesirable place to live.
- Boake Morrison commented that emergency services go to other towns all the time under mutual aid. Mr. Morrison feels that the money needs to stay in town and that other towns need to pay.
- Archie Auger asked if the Budget Committee asked for CIP recommendations. Chair Kerrin Rounds stated that the Budget Committee and the Select Board considered the CIP recommendations. David Hill from the CIP commented that the CIP made 8 significant recommendations and only 3 were accepted. Six of the warrant articles exceeded \$10,000 which falls under CPI and this was done outside the purview of the CIP.

Article #6:

- David Hill commented that the CIP recommended a cruiser but he does not see a line in the budget for a cruiser but that Article 6 puts \$5,000 in a fund that will pay for a cruiser. Mr. Hill is concerned that this will not cover the cost of a cruiser and that the town will fall behind in replacing cruisers. Chair Kerrin Rounds confirmed that there is no cruiser in the 2014 budget and that Chief Lewis said he could go without a cruiser this year and that the revolving fund will pay for new cruisers.
- David Hill noted that the budget committee did not recommend Article 6 and what is the reason for this. Paul Manganiello stated that he voted against recommending article 6 because he believes that the purchase of a cruiser should be on a warrant article every year and not a line in the operating budget or funded by outside details. Mr. Manganiello also felt that if the cruiser was a warrant article every year it could be stated in the article whether the cruiser is marked or unmarked.
- A couple of members of the public stated that it's been voted at Town Meeting that cruisers must be marked.
- Archie Auger feels that articles under RSA 31:95-h need to be looked at closely to see who has authority to handle the money. Mr. Auger feels that most of the funds should be kept in the general budget.
- Paul Simard commented that the revolving accounts are bad and takes control out of the voters' hands. Mr. Simard would like to see the budget system go just the way it is.

Article#7:

- David Hill feels that the scope is too narrow in only promoting recycling when there are other

projects at the Transfer Station that need to be done. Mr. Hill feels the wording should be broadened. Shaun Lagueux stated that other improvements at the Solid waste facility are included. Mark Bucklin stated that the money is coming back to use to re-do the transfer station. Administrator Capone stated that more efficient Transfer Station operations can be addressed with a redesign of the facility. The sand and salt sheds cannot be specifically addressed. The money that is received from the Co-op will be used to target improvements. The salt sheds need to be done separately.

- Eric Rottenecker commented that money keeps getting cut from the Highway Department each year and that several years ago \$25,000 was raised to replace the sheds but he is not sure what happened to the money.
- Archie Auger commented that Article 7 takes control of the money away from the legislative body.
- Susan Duncan asked what interest is paid on a revolving fund. Kerrin Rounds commented that the Treasurer or Trustees of the Trust Fund handle the investment of funds.
- Boake Morrison commented that the Budget Committee overwhelmingly supported Article 7. Kevin MacCaffrie voted to recommend the article because these funds are coming to the town as a onetime payment. If the funds go into the general fund, they can be used anywhere in the budget and that this is an easier way for the funds to come back to be used for solid waste improvements.
- Boake Morrison expressed concerns over loss of control of spending money. Kerrin Rounds stated that the Budget Committee has not control over expenditures and that the Select Board has the purview to decide how the budget is expended. The Budget Committee cannot decide how the money is expended.
- Paul Simard commented that the bottom line from last year had about \$368,000 in unexpended money and that the town is overtaxing taxpayers. Mr. Simard feels that the Budget Committee needs to take a better look at the budget lines. He feels that the \$50,000 cut to the Police Department need to be reconsidered.

Article #9:

- David Hill commented that there are higher priority projects than the Old Town Hall such as the pumper truck.
- Raymah Simpson commented that the town does not have a large enough place to gather or vote. Some voting requirements need special set up and not every hall that could be used will allow them.
- Paul Simard asked what the results from the Planning Board survey was and should the town buy a new building instead of putting money into the town hall. Administrator Capone stated that the initial results of the survey have been tabulated but they need to be reformatted for the website. The Planning Board is looking at making the results available before Town Meeting.
- Boake Morrison commented that the roof money approved at Town Meeting has not been spent and wants to know where the money has gone. Kerrin Rounds stated that the repairs voted on at Town Meeting next year are very specific and new repairs are needed so the decision was made to hold off on the roof.
- Rick Alpers commented the town overwhelmingly supported saving old Town Hall last year. Mr. Alpers feels the town needs to be prudent in doing the repairs the correct way.
- Boake Morrison asked what the full price of fixing the building is. Janet Cote stated that a study was done by a committee to look at repairs and the roof was selected to be funded first. The new total for all repairs is approximately \$160,000 which includes the \$84,933 encumbered from last year and the \$80,000 in this article. Kerrin stated that CCI gave the original estimate.

Administrator Capone commented that CCI added 3.5% to the original estimates to cover the work.

- Sue Putnam asked why the Planning Board survey was needed if the town voted to keep the town hall already. Jan Laferriere commented that the survey was needed for master plan updates.
- Eric Rottenecker asked how much was spent on the survey. Administrator Capone stated that about \$10,000 was spent on the survey.

School Resource Officer:

- Archie Auger asked if there are any funds that contribute to a School Resource Officer in the operating budget. Kerrin Rounds stated that there are no funds added or taken out for officers and that there are any funds included for a resource officer.
- Carol Huber commented that she heard Chief Lewis state that he could fill the resource officer position with one of his officers. Chief Lewis stated that he said rather than hire a full time officer for that \$51,000 that would be funded by the school district that at the purview of the Select Board the police chief could back fill the full time shift with part time officers.

Article #11:

- David Hill commented that he would like to endorse this article even though the Budget Committee narrowly defeated it because the sidewalk tractor is a reasonable investment.

Article #10:

- Dorcas Gordon commented that she is disappointed that the Budget Committee did not vote to recommend this article and asks that they reconsider. Ms. Gordon feels that the gross budgeting is confusing but that the town is only being asked to raise \$25,000 through taxation and \$30,000 is being raised through donations. The Kelley Park Equipment Fund is basically a trust fund to hold donations such as the \$1,000 received from Bristol Dunkin Donuts. There is also a \$15,000 grant that has been awarded for equipment that is not included in the \$55,000. The town received and audit from its insurance company that stated the town had to repair the playground equipment.
- William Cote asked if the \$70,000 total cost is a fixed number or is a new number coming up. Ms. Gordon stated that the Playground Committee is in the process of soliciting bids from three playground equipment vendors and a firm number will be available by Town Meeting.
- Dorcas Gordon expressed confusion over Article #15 being on the warrant as this money was appropriated for this year and the \$13,500 was already raised last year. Kerrin Rounds commented that it was the Select Board's purview to not encumber the money and they felt it should be on a warrant article. Janet Cote stated that the encumbrance had to take place in the year of the appropriation and that the Select Board had to vote by December 31, 2013 in order to encumber the funds. This did not happen so the remedy that the Select Board decided on was to put the money on a warrant article.
- Les Dion clarified that she presented this to the Select Board four times and there was dissention among the board as to whether they could encumber the funds although the request was put in before December 31st. The 2013 funds were to be used for resurfacing, signage issues, and equipment repairs; there just was no exact figure at that time.
- Rick Alpers commented that the dollars were allotted in 2013 and regardless of the Select Board not having enough time to make the encumbrance; the request was put in well before 12/31/13.
- David Hill asked why the money wasn't spent in 2013. Les Dion answered that once they knew the large piece of equipment had to be pulled out for resurfacing and then replaced with a new piece of equipment, the committee decided to go to the Select Board to encumber the money until all the pieces were in place.

- Joe Denning commented that it was perfectly legal for the town to encumber the funds but the process was in question. Mr. Denning feels that the money could have and should have been encumbered.
- Janet Cote commented that the Board was aware of the changes and Les Dion came in October to ask about encumbering the money. Ms. Cote feels that the Select Board dropped the ball and that the warrant article is the remedy. She feels that voters need to decide.
- Paul Manganiello commented that the project transformed into a larger project later on and at that time learned that it was not cost effective to make the repairs.

Tax Rate:

- Paul Simard asked if all warrant articles pass what will be the effect on the tax rate. Kerrin Rounds commented that the Select Board makes that decision and that the process for setting the tax rate is a complicated process.
- Paul Simard asked what the total amount of all the warrant articles is. Dave Carr commented that the total of all warrant articles is \$607,923. Kerrin Rounds commented that this won't happen all in one year.
- Paul Simard stated that for every \$467,000 the tax rate increases by \$1. Kerrin Rounds commented that she feels that Mr. Simard is making an assumption.

Lakes Region Planning Commission:

- Steve Favorite asked if the LRPC is no longer in the budget. Administrator Capone stated that the LRPC is funded in the Executive section of the budget under line 01-4130-560.

Newfound Lake Region Association:

- Andrew Connelly commented that there is no funding for NLRA and asked if it was funded anywhere else in the budget. Mr. Connelly asked if it would be possible for the Budget Committee and Select Board reconsider funding the NLRA. Bristol would be the only lake town that does not contribute. Kerrin Rounds stated that the Select Board decided to not fund that line and no amendments were made by the Budget Committee.
- Rick Alpers commented that not funding NLRA is poor planning and that the lake is a gem for the town of Bristol.
- Kerrin Rounds commented that she agrees that it is important to fund NLRA and that milfoil prevention is important also.

Contingency Fund:

- Rick Alpers asked why the contingency fund is zeroed out. Kerrin Rounds stated that the contingency fund is now Article #16 per a new RSA.
- David Hill asked if all the funds in the contingency fund line are not expended why it goes to the general fund. Administrator Capone commented that the law is written that way and the language comes from the RSA.

Surplus:

- Archie Auger asked if any of the \$147,000 general fund balance in the budget goes to the surplus and what is the balance of the fund balance. Administrator Capone explained that some will be encumbered and the fund balance is currently \$573,443. This amount is at about 7% which is within the state recommended levels.

Revenues:

- Archie Auger asked if the town shot low on the revenues. Administrator Capone stated that his original estimate was 99.47% accurate. The estimates were lowered in the fall for the MS4. Revenues came in a little over the target. The town does its best not to overestimate revenues.

Tax Bill:

- Paul Simard commented that many of the public were surprised by the large increase in the

second half bill and would like to know why the big fluctuation. Kerrin Rounds stated that the question should be directed to the Select Board and that it is not pertinent to the budget presented tonight.

- Paul Simard asked if the taxes went up based on the town portion. Raymah Simpson stated that the town portion went up 21 cents, the school portion went up 99 cents, and the county went up by 1 cent.

Archie Auger stated that the Budget Committee worked hard this year and asked that they look carefully at the budget to find reductions without destroying programs already set up. Mr. Auger thanked the Budget Committee for their work.

Public Hearing ended at 9:09 pm.

Deliberations:

Chair Kerrin Rounds commented that Article #20 is a petitioned article that has been added and the committee needs to vote to recommend or not recommend. The wording cannot be changed on a petitioned article.

Article 20: By Petition: To see if the Town will authorize Four Hundred and Fifty Thousand Dollars (\$450,000) for the purchase of a Pumper/Tanker truck for the Fire Department, and to authorize the Selectmen to enter into a long term lease/purchase agreement payable over seven years beginning in the year 2015. This lease agreement is subject to a non-appropriation clause which means the lease purchase agreement may be terminated if a future Town Meeting fails to approve funding. There will be no tax impact to the 2014 budget. (Majority vote required)

The Select Board Does Not Recommend this Article 0-5

- William Cote asked if this is a petitioned article. Chief Yannuzzi stated that it is and did not come from him.
- Ron Preble asked what the time line is. Chief Yannuzzi explained that the last payment on the ladder truck is on September 2015 and this is written so that the first payment on the new truck starts in 2015. There is a 1 year build time for this truck.
- Paul Manganiello asked if the truck being replaced is the truck that is having repairs done to it. Chief Yannuzzi stated that Engine 2 needs a pump rebuild not Engine 4.
- Carol Huber asked if the town could buy a used engine from a closed fire station. Chief Yannuzzi explained that a truck committee was formed to look at the cost of new, used, and refurbished trucks. Used trucks are not the most ideal way to go. There are size constraints at the station. A refurbished truck would have to go away for 7-9 months and the town wouldn't have use of the truck for that amount of time.
- Betsy Schneider asked what the difference is between a new and refurbished truck. Chief Yannuzzi stated that a refurbished truck came in around \$380,000 and it would not be worth the hassle as you would still have the old body.
- Dave Carr asked if there is the option to cancel the order at any time. Chief Yannuzzi explained that the town could cancel the lease, but that it would be almost impossible to get another lease in the future. The new 7 year lease would just continue from the end of the existing lease.

- William Cote asked what the cost of a used truck is. Chief Yannuzzi commented that the committee did not have any numbers for a used truck as there are not many out there for sale.
- Paul Manganiello recognizes the need for a new truck but likes the idea of a capital fund to raise the cost as other departments are looking for funding. Chief Yannuzzi stated that a capital fund wouldn't raise enough money until 2018 or 2019 and the existing truck wouldn't be running by then.

Vote: 8 In Favor 3 Opposed 1 Abstention. Article is recommended.

Ernie Richards asked why there is a dash in line 01-4210-664 when in the January 6th minutes that line was zeroed out. Administrator Capone will fix the spreadsheet and make all dashes zeroes.

Carol Huber made a motion to reduce the bottom line by \$200,000, seconded by William Cote. The new bottom line would be \$5,266,274.

- William Cote commented that the town has had a surplus of over \$200,000 for the past two years.
- Kevin MacCaffrie commented that the department heads don't spend all their money and that is reason for the surpluses. But if things don't work out they will be short money. Select Board has the purview to take the surplus and reduce the tax rate with it.
- William Cote commented that the unreserved fund balance would cover any over spending. Kerrin Rounds commented that a special town meeting would be required to use the fund balance to cover any overspending.

Vote: 5 In Favor 6 Opposed 1 Abstention. Motion Fails.

Carol Huber made a motion to reduce the bottom line by \$100,000, seconded by William Cote. The new budget total would be \$5,366,274.

- Kerrin Rounds commented that she will continue to vote no because she does not like to budget that way. The committee should take responsibility and determine where the reductions are made.

Vote: 6 In Favor 6 Opposed. Motion Fails.

Carol Huber made a motion to reduce the police department budget by \$50,000, seconded by Paul Manganiello. The new total would be \$933,790.

- Paul Manganiello commented that he identified a line item in the police budget because the SRO can't be funded since the zero in the line at the school deliberative session passed. Mr. Manganiello felt that Chief Lewis mentioned that a SRO might be funded by an existing officer from within the police department.
- Ashley Dolloff commented that no one in the public session tonight wanted the budget cut by a significant amount.
- William Cote asked Chief Lewis if the SRO was dead. Chief Lewis stated that the hiring of an officer is under the purview of the Select Board and if given a check by the school district the

Select Board would decide what to do with the money. Chief Lewis stated that he does not have funding in the present budget to fund a SRO.

- Tom Keegan commented that this was already discussed during the public session and there was no need to discuss it any longer.
- Kerrin Rounds commented that she is personally uncomfortable about the police department budget and the number of supervisors as compared to the number of patrolmen. Ms. Rounds also feels more comfortable this year with the police department budget as it was explained better this year.

Vote: 5 In Favor 6 Opposed 1 Abstention. Motion Fails.

Carol Huber made a motion to reduce the Fire Department bottom line by \$40,000 because of Article #5, seconded by Ernie Richards. The new total would be \$846,466.

- Carol Huber commented that if the revolving fund passes, the bottom line should be reduced by \$40,000.
- Ashley Dolloff commented that the funds are coming from ambulance revenues not from the operating budget.
- Betsy Schneider commented that losing \$40,000 in revenue was concerning.

Motion and second were withdrawn.

Vote on Article #21: The total amount of the budget is \$5,466,274.

Vote: 6 In Favor 6 Opposed. Motion is not recommended.

- Kerrin Rounds asked if the wording needs to be changed in the article since the article is not recommended. Administrator Capone will look into this.

Member Comments:

Tom Keegan asked if the Select Board recommends the budget. Administrator Capone stated that the Select Board is meeting on Wednesday to vote on a recommendation. The Select Board had to wait until the Budget Committee came up with a final budget number.

Carol Huber commented that in regards to the overall budget discussion from Monday, Kerrin Rounds made a comment that the goal of the committee is to create a budget. Ms. Huber states that she respectfully disagrees. According to RSA 32:1, the purpose of the budget committee is to assist voters in the prudent appropriation of public funds. Ms. Huber does not believe that the board has done this. Kerrin Rounds commented that the definition of prudent is careful and she believes that the committee has been careful and prudent in preparing the budget.

Ron Preble thanked Chair Kerrin Rounds for a great job conducting the Public Hearing.

Ernie Richards commented that in the January 6th minutes, Dave Carr asked Police Chief Lewis to supply the committee with a spreadsheet outlining the cost per police vehicle. This has not been received yet. Kerrin Rounds asked Chief Lewis to email her the spreadsheet and she will forward it to the committee.

Administrator's Report:

None

Adjournment:

Ashley Dolloff made a motion to adjourn, seconded by Ron Preble, passed with all in favor. The meeting was adjourned at 10:07 pm.

Respectfully submitted,
Wendy Costigan, Secretary