

**TOWN OF TUFTONBORO
BUDGET COMMITTEE
P.O. Box 98, 240 Middle Road
Center Tuftonboro, NH 03816
Telephone: (603) 569-4539 Fax: (603) 569-4328**

BUDGET COMMITTEE MINUTES

**Tuesday, February 13, 2018
6:00 p.m. - Town House**

An official video of the public hearing portion of this meeting as well as other Town meetings can be found at the Town of Tuftonboro's YouTube at: <https://www.youtube.com/channel/UCCUmJqZvFTS23RMEFSDQzmw>.

Present: Chairman Lootens, Vice-Chairman Hunt, Bob Theve, Selectmen's Representative Albee, Helen Hartshorn, Guy Pike, John Libby and Karen Koch.

OPEN MEETING: After declaring a quorum, Chairman Lootens opened the meeting at 6:00 p.m. and led the Pledge of Allegiance.

CHAIRMAN'S COMMENTS: Chairman Lootens shared that the Committee will need to review a corrected Library addition warrant article and a new petition warrant article.

REVIEW/APPROVAL OF MINUTES: Chairman Lootens called for review and approval of the 2/6/18 minutes. Per Helen Hartshorn's request, Guy Pike explained the reasoning of his no vote regarding the Fire Truck Warrant article.

Motion: Helen Hartshorn moved to accept the minutes as written, seconded by Guy Pike. Vote passed 7-0.

NEW BUSINESS:

LIBRARY WARRANT ARTICLE:

Vice-Chairman Hunt explained that the Library warrant article needs to be amended as the amounts for the Capital Reserve Fund and Capital Donations Fund were transposed. The article should read as follows:

Article 04: To see if the Town will vote to raise and appropriate the sum of One Million, Nine Hundred Twenty Thousand Dollars (\$1,920,000.00) to renovate and expand the current Library and to authorize the issuance of not more than One Million Ninety Four Thousand Dollars (\$1,094,000.00) of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA Chapter 33); to authorize the selectmen to issue and negotiate such bonds and notes and to determine the rate of interest thereon and the maturity and other terms thereof. Furthermore, to authorize the withdrawal of Four Hundred Sixteen Thousand Dollars (\$416,000.00) from the existing Library Capital Reserve Fund and Four Hundred Ten Thousand Dollars (\$410,000.00) from the Library Capital Donations Fund. The first payment on the bond or note will not be made until year 2019.

(Two-Thirds (2/3) ballot vote required per RSA 33:8-a)

Motion: Vice-Chairman Hunt moved to recommend the revised warrant article, seconded by Helen Hartshorn. Vote passed 6-1. Guy Pike against.

PETITION WARRANT ARTICLE:

The Budget Committee and the Selectmen have been advised to vote against the article as written. Per the Department of Revenue Administration (DRA), the warrant article intent conflicts with RSAs involving Capital Reserve Funds and lease agreements. As too much time has gone by for the petitioner to revise the warrant article, it would need to be revised at Town Meeting.

Article 19 (by Petition): To see if the Town Meeting will vote to establish a Capital Reserve Fund for the purpose of purchasing or leasing vehicles and equipment for use in the Fire Department, Police Department, Code Enforcement Department, Transfer Station Department, and Highway Department, and further to appropriate the sum of \$50,000 to be deposited into said fund. The full amount (\$50,000) will come from the previously raised

unused funds in the Unassigned Fund Balance and not from additional taxation in 2018. No purchase or lease utilizing these funds will be made without express approval by Warrant Article submitted by the Select Board or by Petition.

(Majority vote required)

Motion: Vice-Chairman Hunt moved to not recommend the petition warrant article as written based on advice of DRA, seconded by Bob Theve. Vote passed 7-0.

An updated MS-737 was reviewed by the Committee. Helen Hartshorn will share updated graphs during the public hearing. Selectmen's Representative Albee didn't have any updates on behalf of the Selectmen.

Motion: At approximately 6:20 pm, Guy Pike moved to suspend the Budget Committee meeting, seconded by Bob Theve. Vote passed 7-0.

The meeting reconvened with the opening of the public hearing at 6:30 pm. Chairman Lootens summarized that the following items would be reviewed at tonight's public hearing: 2018 budget, warrant articles, graphs and anticipated revenue. Members of the public were provided copies of the material to follow along.

The chart below summarizes Chairman Lootens review of each individual budget line.

Budget Line	Selectmen Request	Budget Committee Request	Budget Committee Vote and Highlights	Responses to members of the public
4130 Executive	\$99,630	\$99,630	Vote 6-1 Includes Clerical Assistant for cross training & Right to Know requests and Moderator expenses for 3 elections.	
4140 Election, Registration, Vital Statistics	\$84,528	\$84,528	Vote 5-1 as one member was absent	
4150 Financial Administration	\$137,015	\$137,015	Vote 7-0 Includes mapping from mylar to digital and online public access to tax cards.	The purpose of the Selectmen's allowance was clarified.
4152 Revaluation of Property	\$46,372	\$46,372	Vote 7-0 In the middle of a contract with our assessor. It was noted that he takes appointments.	
4153 Legal Expenses	\$42,800	\$42,800	Vote 5-2 2018 budget now shows a departmental breakdown.	

Budget Line	Selectmen Request	Budget Committee Request	Budget Committee Vote and Highlights	Responses to members of the public
4155 Personnel Administration	\$588,545	\$588,545	Vote 5-1 as one member was late. Selectmen's Representative Albee spoke regarding healthcare premium savings, increase in the Town's participation in employee healthcare and consideration of a \$50,000 healthcare capital reserve fund.	
4191 Planning and Zoning	\$23,188	\$23,188	Vote 6-0 as one person was late. Main increase is due to not encumbering 2017 funds for the Master Plan.	
4194 General Gov't Buildings	\$133,013	\$133,013	Vote 6-1 as one member felt that mowing should go out to bid more often.	
4195 Cemeteries	\$21,300	\$21,300	Vote 7-0 Includes fire proof file cabinet. Chairman Lootens complimented the Cemetery for the receipt of a recent anonymous donation.	
4196 Insurance	\$62,708	\$62,708	Vote 7-0 Includes workers comprehensive and casualty insurance.	
4199 Other General Government	\$500	\$500	Vote 7-0 Includes Safety Committee & Capital Improvement Committee	
4210 Police Department	\$391,844	\$391,844	Vote 6-1 Increase due to salaries and equipment, (rifles, solar speed sign, computer and server).	
4215 Ambulance	\$188,036	\$188,036	Vote 5-1 This is for the Town's Ambulance Contract (3 rd year of a 3 year contract). Next year this service will go out to bid.	

Budget Line	Selectmen Request	Budget Committee Request	Budget Committee Vote and Highlights	Responses to members of the public
4220 Fire	\$437,617.24	\$437,617.24	Vote 5-1	Chief Thompson clarified the Officer's Salary and Shift Coverage portions of the budget.
4240 Building Inspection	\$62,597	\$62,597	Vote 7-0 There was an increase in Vehicle Maintenance as there were significant problems with the Code Officer's truck.	The increase in the Selectmen's request (vs. the Dept. Head request) for Vehicle Maintenance was clarified.
4290 Emergency Management	\$15,630	\$15,630	Vote 6-0 as one member was absent	
4312 Highways & Streets	\$452,600	\$452,600	Vote 5-2 as one member felt there was waste of departmental spending. Another thought the increase was too large. Includes additional funds for spring, fall and summer maintenance, crack sealing and refurbishing the new dump truck body.	Details about the dump truck body repairs were clarified.
4313 Other Highway & Streets	\$13,000	\$13,000	Vote 7-0 Includes funds for bidding the repair of the Sodom Road Bridge.	
4324 Solid Waste Disposal	\$375,522	\$375,522	Vote 7-0 Includes a new snow box pusher and significant increase in MSW, C&D and Closure Monitoring. 2017 avoided costs (\$33,987) and 2017 Revenue (\$101,690) total \$135,677.	Avoided cost detail was clarified.
4414 Animal Control	\$1,750	\$1,750	Vote 7-0 This amount is a slight decrease from 2017.	

Budget Line	Selectmen Request	Budget Committee Request	Budget Committee Vote and Highlights	Responses to members of the public
4415 Health Agencies	\$39,706	\$39,706	Vote 6-1 as one member felt that more documentation was needed.	Reasoning for a no vote from a member was explained as well as the procedure that is used when a new agency request is received.
4442 Direct Assistance	\$25,000	\$25,000	Vote 5-2 as one member felt the amount was too high. Another doesn't believe in government assistance.	
4520 Parks and Recreation	\$43,761	\$43,761	Vote 7-0 Includes engineering work to be done at the beach. It doesn't include permitting or the work itself.	
4550 Library	\$212,328	\$212,328	Vote 6-1 Includes a \$500 contingency fund for interior maintenance and funds for a copy machine. The failed septic system is paid for by the Town, not the Library. 2017 revenue was \$16,555. 2018 Revenue is estimated at 18,450.	Ms. Sarles clarified how the Town's portion of the 2018 Library budget is derived in accordance with the municipal budget act. The Library's 2018 request from the Town is \$40,228 in 2018 (vs \$38,199 in 2017).
4583 Patriotic Purposes	\$1500	\$1500	Vote 7-0 This line is for the American Legion as they provide flags for the cemeteries.	
4589 Gifts & Donations	\$500	\$250	Vote 7-0 This is the only place in the budget that the Budget Committee voted on a different amount than the Selectmen. Selectmen's Representative Albee shared that the Selectmen feel it's important to recognize people that give to the Town (passing of Town Sexton, Town Clerk, etc.)	

Budget Line	Selectmen Request	Budget Committee Request	Budget Committee Vote and Highlights	Responses to members of the public
4612 Conservation	\$20,580	\$20,580	Voted 6-1 as one member thought the amount was too high.	The budget increase was clarified to be for additional clerical assistance, well testing monitoring, and grant writing.
4619 Other Conservation	\$28,750	\$28,750	Vote 6-1 as one member doesn't believe in milfoil treatment. Includes increase for a herbicide treatment that is on a 3 year cycle.	
4711 Long Term Bond & Notes	\$153,711	\$153,711	Vote 7-0 The Ambulance & Rescue Vehicle Lease was removed from the budget as agreements with an escape clause should a warrant article each year.	
4721 Interest –Long Term Bonds & Notes	\$38,274	\$38,274 Same as above	Vote 7-0 The Ambulance & Rescue Vehicle Lease was removed from the budget as agreements with an escape clause should a warrant article each year.	
Total Requested Budget	\$3,724,305.24	\$3,742,055.24		

WARRANT ARTICLES

Chairman Lootens explained that the Budget Committee only votes on money-related warrant articles and proceeded to review each of the articles that were reviewed for 2018:

- **Article 04 Library Addition Warrant Article:** It was clarified that the amounts for the Capital Reserve Fund and Capital Donations Fund were transposed and have been corrected. How pledges are included as part of the donation total was clarified for a member of the public.
- **Article 05 Library Septic System:** There were no questions from the public.
- **Article 06 Fire Truck:** Chief Thompson spoke about the condition of the current vehicle and the 20 year fire truck replacement cycle. There were no questions from the public.
- **Article 08 SCBA Equipment:** There were no questions from the public.
- **Article 09 Police Facility Study and Design:** This will be for preliminary design plans only.
- **Article 10 Preparation and paving of Town Roads:** Increased to \$260,000. The increase includes a professional paving study. It was clarified for a member of the public that the amount of the warrant article was increased from \$235,000. Another member of the public spoke to the importance of not taking the lowest bidder for road paving.

- **Article 11 White Horse Addiction Center:** This is a new organization in Ossipee, NH that helps individuals with addiction problems. It was explained to a member of the public that when a new health agency comes to the Town for funding it is typically listed as a warrant article before it becomes part of the regular budget.
- **Article 12 Contingency Fund:** This is part of the warrant articles every year. There were no questions from the public.
- **Article 13 Code Enforcement Officer Vehicle:** Vehicle is up for replacement this year. Necessary repairs have exceeded the current vehicle maintenance budget. There were no questions from the public.
- **Article 14 Town Offices Main Entrance Doors:** Selectmen's Representative Albee clarified details of the project for members of the public.
- **Article 15 Sodom Road Bridge Repair:** This is to restore the bridge to full load carrying capacity. It is not a full replacement and will not affect our place in line with the State's replacement schedule. This is currently being put out to bid in order to have a firm cost in time for Town Meeting. It was clarified for a member of the public that the cost to put the project out to bid is included in the operating budget.
- **Article 17 Ambulance Vehicle and Rescue Truck:** This a warrant article to pay the third installment toward the ambulance vehicle and rescue truck acquired by a Town Meeting vote in March of 2016. Per DRA, as this lease agreement contains an escape clause each year's payment should be a warrant article, not part of the operating budget. Chief Thompson responded to a member of the Budget Committee that even though the ambulance and rescue truck were two warrant articles, one warrant article can be used to authorize the third payment since both vehicles are part of one lease agreement. (One payment for both vehicles reduced the lease cost.) Selectmen's Representative Albee clarified the escape clause for a member of the public. Another member of the public read aloud RSA 35:15 III (a) regarding Capital Reserve Funds.
- **Article 18 Operating Budget:** The Budget Committee's recommended budget is \$3,742,055.24. The Selectmen recommended \$3,742,305.24.
- **Article 19 (by Petition) Town Vehicles Capital Reserve Fund:** DRA responded that there is an issue with the wording. The Budget Committee votes against the article are strictly due to the wording. As it is a petition warrant article, the Selectmen can't modify the language but it can be modified at Town Meeting. Selectmen's Representative Albee and Chairman Lootens responded to a member of the public about the Capital Reserve Fund RSA and DRA's response to this article.

Selectmen's Representative Albee and Chairman Lootens also responded to a member of the public regarding the order of the library warrant articles on the warrant.

5 YEAR OPERATING ACTUAL/BUDGET HISTORY GRAPHS

Helen Hartshorn shared graphs to show how money is spent by department and by expense type as well as a 5 year graph comparing the 2018 budget to previous years' expenditures.

ANTICIPATED 2018 REVENUE

There is an unaudited amount of \$899,245 remaining in the unassigned fund balance. 2018 revenue is estimated at \$3,144,875. Selectmen's Representative Albee clarified boat revenue for a member of the public. Revenue for the sale of the Code Officer vehicle was added for 2018. The sale of the Fire truck was not added for 2018 as revenue won't be received until 2019. Selectmen's Representative Albee responded to members of the public regarding the balance and use of the undesignated fund balance.

ADJOURNMENT:

Motion: On a motion made by Vice-Chairman Hunt, seconded by Helen Hartshorn. Vote passed 7-0. Meeting adjourned at approximately 8:05 pm. The meeting reconvened to vote on the total budget/article 18. Helen Hartshorn moved to approve article 18 in the amount of \$3,742,055.24, seconded by Vice-Chairman Hunt. Vote passed 5-1-1. Guy Pike opposed. Selectmen's Representative Albee abstained. Guy Pike moved to adjourn, seconded by Chairman Lootens. Vote passed 7-0. Meeting adjourned at approximately 8:09 pm.

Prepared and submitted by: Karen Koch