

**TOWN OF TUFTONBORO  
BUDGET COMMITTEE  
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**BUDGET COMMITTEE MINUTES**

**Tuesday, January 22, 2019  
6:30 p.m. - Town Offices**

**Present:** Chairman Gordon Hunt, Vice-Chairman Helen Hartshorn, Bob Theve, Guy Pike, Thomas Young, Selectmen's Representative Albee and Karen Koch. John Libby arrived at 6:45 pm and was unable to vote on the January 2, 2019 minutes, 4324 budget and 4415 budget.

**OPEN MEETING:** After declaring a quorum, Chairman Hunt opened the meeting at 6:30 p.m. and led the Pledge of Allegiance.

**PUBLIC INPUT:** None.

**REVIEW/APPROVAL OF MINUTES:** Bob Theve moved to approve the January 2, 2019 minutes as written, seconded by Tom Young. Vote passed 6-0.

**CHAIRMAN COMMENTS:** None.

**BUDGET REVIEWS:**

**4324 TRANSFER STATION (revisit)**

Clay Gallagher met with the Committee to review the recent changes made to this budget.

**01-4324-20-390 C&D Disposal:** 2018 expenditures totaled \$100,192.37 (about 25% over budget versus the anticipated 20% overage). The Selectmen revisited this budget and increased this budget line for 2019 from \$93,000 to \$100,000. New fee structuring for C/D disposal was tested from September to December. This revenue seems to have proven to be successful in offsetting expenditures.

**01-4324-30-635 Fuel:** Final off road diesel fuel deliveries are done in December, bringing 2018 total expenditures to \$919.23 (a \$105.08 overage). Additionally, Mr. Gallagher expects additional use in 2019 for the new pusher box and backhoe. The Selectmen increased this budget line from \$800 to \$1000.

**MSW Disposal:** 2018 expenditures were over the budgeted amount (\$105,398.35 vs. \$99,000). The biggest reason for this overage is because mixed paper is now included with MSW. To account for this in 2019, this line was increased from \$99,000 to \$104,000. If the price for mixed paper recycling comes back, expenditures for MSW will decrease.

**Motion:** Tom Young moved to accept budget 4324 in the amount of \$418,376, seconded by Bob Theve. Vote passed 5-0. Guy Pike abstained as he feels that weight scales would be the appropriate resolution to offset C/D expenses.

**4415 HEALTH AGENCIES**

Selectmen's Representative Albee confirmed that the Wolfeboro Senior Center did not request funds for 2019. Tri-County Action increased their request from \$5,300 to \$5,500. End 68 Hours of Hunger decreased their request from \$3,420 to \$1,440. White Horse Addition Center was a warrant article last year and is now part of this budget.

**Motion:** Chairman Hunt moved to accept budget 4415 in the amount of \$40,001, seconded by Bob Theve. Vote passed 6-0.

#### 4194 GENERAL GOVERNMENT BUILDINGS

The Fire Department and Transfer Station portions of this budget were previously approved. This budget decreased from \$150,661 to \$111,425. Selectmen's Representative Albee recapped portions of this budget for the Committee.

**01-4194-01-410 Town Office Electric:** Selectmen's Representative Albee believes that the amount budgeted is a calculated rate.

**01-4194-01-410 01-4194-01-630 Town Office Maintenance:** Decreased from \$6875 to \$4800. This includes \$1000 for outside rot maintenance.

**01-4194-01-650 Town Office Grounds Maintenance:** Decreased from \$7500 to \$7000. Vendor fees are not expected to increase.

**01-4194-01-730 Town Office Improvements:** The request decreased from \$20,723 to \$2000 (mainly because funds were carried over from 2017 to 2018 for the air conditioning/heating units. The Selectmen encumbered \$15,000 from 2018 to be transferred to this line for the Police Department and Town Offices interior doors in 2019.) The \$2000 budgeted is for window replacement and any unforeseen issues.

**01-4194-02-730 Town House Improvements:** \$1300 is for outside safety lighting.

**01-4194-02-650 Town House Outside Maintenance:** Decreased from \$2500 to \$2200. Includes \$1200 for leveling the walkway and clapboard replacement.

**01-4194-03-650 Library Outside Maintenance:** Original 2019 request was reduced from \$5500 to \$4500. The Selectmen reduced this line further to \$3000 as septic service will not be required in 2019.

**01-4194-05-630 Transfer Station Maintenance:** Line reduced from \$10,500 to \$4,500 as the Quonset Hut was painted in 2018. (This line was voted upon in a previous meeting.)

**Motion:** Vice-Chairman Hartshorn moved to accept revised budget 4194 in the amount of \$111,425, seconded by Bob Theve. Vote passed 7-0.

#### REVENUE

Selectmen's Representative Albee reviewed 2018 Actual Revenue totaling \$1,404,234.90.

**01-3401-12-110 Medical Rescue Insurance Claims:** The Town subscribed to a billing program for ambulance service in 2018. These insurance reimbursements were not previously broken down within revenues so there is no historical information. Selectmen's Representative Albee doesn't believe that revenues collected for 2018 (\$9008.30) were for a full year. The Selectmen discussed establishing a Capital Reserve with these funds to help offset the ambulance expense but it was agreed to keep the money collected accounted for under revenue instead.

**01-3186-01-110 Payments in Lieu of Taxes:** Payments received from camps (in lieu of taxes) were more than estimated (\$13,220.46 versus \$9,220).

**01-3190-01-110 Penalties and Interest:** Slightly less received than estimated (\$44,260.70 versus \$50,000). The Legislature dropped the interest rate on penalties so this amount will reduce greatly in 2019.

**01-3230-01-110 Building Permit Fees:** More received than estimated (\$33,242 versus \$30,000).

**01-3220-Motor Vehicle Permit Fees:** More received than estimated (\$644,044 versus \$610,000).

**01-3401-03-110 Recycling Fees/Permits:** Construction Debris (C/D) is a big factor for this revenue line. The amount collected for this line was much greater than anticipated (\$81,430.20 versus \$48,450) and should be a little higher figure in 2019.

**01-3401-04-110 Recycling Income:** Less than estimated (\$13,716.89 versus \$25,400).

**01-3410-21-110 Library:** Revenue estimated at \$18,450 will be accounted for later due to Library accounting procedures.

**01-3509-01-110 Other Miscellaneous Revenue:** \$5851.30 received (versus estimated \$5738) for NHEC and Home energy rebates.

Selectmen's Representative Albee reviewed 2019 Estimated Revenue.

**3120 LUCT:** Estimated revenue decreased from \$50,030 (2018 actual) to \$10,000 as there were some larger property pieces that came out of current use in 2018. Not as many are expected in 2019.

**3185 Yield Taxes/Timber:** Estimated revenue increased from \$19,911.55 (2018 actual) to \$20,000 as there is outstanding timber activity that has not been billed yet. (The Tax Year is April-March).

**3189 Betterment:** 2018 was the last year for the Zadedda betterment tax so this has been removed for 2019.

**3190 Penalties-Interest:** Estimated revenue decreased from \$44,260.70 (2018 actual) to \$25,000. As mentioned above, the Legislature dropped the interest rate on penalties so this amount will reduce greatly in 2019.

**3352 Meals & Rooms:** This is a percentage of the State's revenue based on gross collections.

**3501 Sale of Municipal Property:** The Selectmen are considering selling one house by auction.

The operating budget revenue offset subtotal is \$1,188,166. The warrant article revenue offset subtotal is \$1,534,000, bringing the grand total of estimated revenues to \$2,722,166. The remaining balance in the unreserved fund balance is \$857,710.

### 2018 YTD EXPENDITURES

A 2018 YTD expenditure report was reviewed. Vice-Chairman Hartshorn shared charts that she created showing a 5 year operating actual budget history and 2018 department operating budget detail. Guy Pike confirmed for Chairman Hunt that a line item in the Cemetery budget was over by \$3500 (01-4195-01-730) for tree removal and the purchase of a fire proof safe. Selectman Wood confirmed that the Fire Department Officers Salary budget line was underspent as there were 100 less calls in 2018. On call personnel are only paid if called out.

### 2019 PROPOSED BUDGET

The full 2019 proposed budget was reviewed. Vice-Chairman Hartshorn calculated that the Budget Committee approved approximately \$4,010,000 with tonight's budget approvals. The 2019 proposed budget will be approximately a 10% increase compared to 2018 expenditures thus far. However, all 2018 expenses are not in yet. Particular increases noted for 2019 were the 53 pay periods and the property revaluation.

### 2019 WARRANT ARTICLES

Articles were reviewed at this meeting and will be voted upon at the next Budget Committee meeting. Selectmen's Representative Albee summarized the articles that the Selectmen removed from the warrant (new police cruiser, six-wheeled dump/plow truck, heating system upgrade at the Town Garage, Union Wharf Bulkhead Reconstruction, SCBA (Self Contained Breathing Apparatus) Equipment, and the Police Facility Capital Reserve Fund).

**Article A:** To see if the Town will vote to raise and appropriate the sum of One Million, Eight Hundred Sixty-Two Thousand Dollars (\$1,862,000.00) to renovate and expand the current library. Furthermore, to authorize the withdrawal of Three Hundred Fifty-Five Thousand Five Hundred Dollars (\$355,500.00) from the existing Library Capital Reserve Fund, One Million, One Hundred Seventy-Three Thousand Five Hundred Dollars (\$1,173,500.00) from the Library Capital Donations Funds and pledges, with Three Hundred Thirty-Three Thousand Dollars (\$333,000.00) to be raised from current taxes. This article is non-lapsing.

(Majority vote required)

(Recommended by the Board of Selectmen 3-0 and the Budget Committee )

Chairman Hunt shared that the Library Trustees and Selectmen feel that paying for the addition in one year is the right decision, saving \$45,000-\$50,000 in interest. Amounts may change if additional donations are received. The overall project amount was reduced to \$1,862,000 as design plan costs of \$130,000 will be paid for now to get the process started. One half of the Capital Reserve Funds will pay for this expense. The other half will be paid for by the Library. Chairman Hunt confirmed for John Libby that approximately \$245,000 was committed in pledges as of December. Although unlikely, if all pledges don't come through the building size would need to be reduced. Guy Pike shared his discontent with Bauen acting as the construction manager for this project.

**Article B:** To see if the Town will vote to raise and appropriate the sum of Sixteen Thousand Six Hundred and Sixty dollars (\$16,660.00) to update tax maps and add GIS mapping.

(Majority vote required)

(Recommended by the Board of Selectmen 3-0 and the Budget Committee )

Selectmen's Representative Albee summarized the improvements that will be included with updating the tax maps and GIS mapping.

**Article C:** To see if the Town will vote to raise and appropriate the sum of Two Hundred Eighty-Five Thousand Dollars (\$285,000.00) for the preparation and paving of Town Roads.

(Majority vote required)

(Recommended by the Board of Selectmen 3-0 and the Budget Committee )

Selectmen's Representative Albee shared that this number reflects the amount suggested by Lakes Region Planning Commission's paving study.

**Article D:** To see if the Town will vote to raise and appropriate the sum Fifteen Thousand Dollars (\$15,000.00) for the preparation of Sawyer Road for paving.

(Majority vote required)

(Recommended by the Board of Selectmen 3-0 and the Budget Committee )

Selectmen's Representative Albee shared that since there was a past Town Meeting vote to eliminate Sawyer Road in the paving schedule this article was added to the warrant in order to help the Town revisit their previous vote. Vice-Chairman Hartshorn shared that CIP pushed this article out to 2022. Selectmen's Representative Albee will confirm for Guy Pike if this could be made a non-lapsing article.

**Article E:** To see if the Town will vote to raise and appropriate the sum of Forty Thousand Five Hundred Fifty-One Dollars (\$40,551.00) for the 19 Mile Bay Beach Improvement Project.

(Majority vote required)

(Recommended by the Board of Selectmen 3-0 and the Budget Committee )

The project design is done and is currently in the bidding stages so this number could change. Vice-Chairman Hartshorn shared that CIP pushed this out to 2020.

**Article F:** To see if the Town will vote to raise and appropriate the sum of Forty-One Thousand Two Hundred Fifty-Five Dollars (\$41,255.00) for a 19-Mile Brook Updated Baseline Study.

(Majority vote required)

(Recommended by the Board of Selectmen 3-0 and the Budget Committee )

\$41,255 is the first initial estimate. The company is in process of a file review for a better estimate.

**Article H:** To see if the Town will vote to raise and appropriate the sum of One Hundred Twenty-Four Thousand Six Hundred Twenty-Six Dollars (\$124,626.00) to pay a second installment toward the new fire truck acquired by a Town Meeting vote in March of 2018. The principal amount is \$107,881.00 and the interest is \$16,745.00. This lease agreement contains an escape clause.

(Majority vote required)

(Recommended by the Board of Selectmen 3-0 and the Budget Committee )

**Article I:** To see if the Town will vote to raise and appropriate the sum of Eighty-Nine Thousand Three Hundred Eighteen Dollars (\$89,318.00) to pay a fourth installment toward the ambulance vehicle and rescue truck acquired by a Town Meeting vote in March of 2016. The principal amount is \$84,947.00 and the interest is \$4,371.00. This lease agreement contains an escape clause.

(Majority vote required)

(Recommended by the Board of Selectmen 3-0 and the Budget Committee )

Although it is unclear if articles H & I need to be on the warrant, Selectmen's Representative Albee responded to Vice-Chairman Hartshorn that they were included as a precautionary measure.

**Article P:** To see if the town will vote to establish a contingency fund for the current year for unanticipated expenses that may arise and further to raise and appropriate Five Thousand Dollars (\$5,000.00) for said purpose. Said sum to come from the Unassigned Fund Balance. Any appropriation left in the fund at year end will lapse into the general fund.

(Majority vote required)

(Recommended by the Board of Selectmen 3-0 and the Budget Committee )

**Article Z:** To see if the Town will vote to raise and appropriate the Budget Committee recommended sum of Three Million xxx xxxxxxxx Thousand Dollars (\$3,XXX,000.00) for general Town Operations. The Selectmen recommended Three Million yyy yyyyyyy Thousand Dollars (\$3,YYY,000.00). This article does not include any special or individual warrant articles addressed separately.

(Majority vote required)

The correct dollar amounts will be included for the next meeting.

Selectmen's Representative Albee hopes to be able to supply information as to how taxes will be affected by completing the Library addition in one year.

**CORRESPONDENCE:** None.

**NEW BUSINESS:** Guy Pike moved to have the Committee consider having meetings opened to public input at any time during the meeting as long as it's pertaining to the subject at hand. He would like the group to consider this and revisit it at their next meeting. Chairman Hunt shared that he would not be in favor of this and will vote against it. Selectmen's Representative Albee shared his opinion that there may be times that public input can be helpful if someone has additional information but is not in support of it at any time.

**OLD BUSINESS:** None.

**NEW BUSINESS:**

BOS UPDATE:

Selectmen's Representative Albee shared that the Selectmen will review the full 2019 proposed budget at their next meeting.

**NEXT MEETING DATE:** February 5, 2019 at the Town Offices. The public hearing is 2/12/19 at the Town House.

**PUBLIC INPUT:** Selectman Wood shared that he is working with Jim Bean regarding the estimate for preparing Sawyer Road. Sawyer Road paving is planned to come out of the paving article and if done with paving projects in the area it saves the Town approximately \$12,000.

**ADJOURNMENT: Motion:** At 7:45 pm, John Libby moved to adjourn, seconded by Guy Pike. Vote passed 7-0.

Prepared and submitted by: Karen Koch