

Public Notice
Budget Committee
Milton, N.H. 03851
Special Meeting Minutes
Town Budget Presentations for 2016
Monday October 26, 2015

Meeting was called to order at 6:00PM

Roll Call seating members: Bob Carrier, Larry Brown, Lue Snyder, Tom Mc Dougall, Maureen Steer, John Katwick, Ann Walsh (School Board Rep), Stan Nadeau (Water District), Mike Beaulieu (Selectmen Rep) a Quorum was present. The Pledge of Allegiance was recited

The Selectmen opened their meeting at 6:00 pm a quorum was present

Public in Attendance: Town Administrator Liz Dionne, Police Chief Richard Krauss, Fire Chief Nick Marique, Pam Smith, Pat Smith(Highway, Government Buildings, Transfer Station) Luther Ellis PWD, Clarence Nason PWD, Gordy Mannese, Corporal Andre Magargee Officer. Tim Long, Joanne Smith Financial Director.

Joanne Smith: addressed the issue of long term lease/purchase agreements with a no funding clause for the trucks and grader. There is some questions about subsequent lease/payments for vehicles that was voted in the town meeting. It is a standard practice that has a standard department of revenue chart of accounts for principal and interest for that debt service. The T.A. received some advice from DRA, NHMA, and the auditors here in town. Lease agreements with escape clause are not long term debt. This agreement can be approved at town meetings as part of the operating budget showing a line of lease payment in subsequent years.

In subsequent years the lease payment would be included in the budget in the same manor. One thing you need to think about if these vehicles are not funded the vehicles have to go back. The Town of Milton is going to lose a substantial amount of money. You're going to have to sub contract all the work until you decide what you're going to do.

In my opinion it belongs in the operating budget. I solicited this person to confirm this as long as there's a separate line in the operating budget for each lease it does not need to be a separate warrant article.

Stan Nadeau: 1st this is hearsay because you won't divulge the person's name. 2, this board is not looking to deprive the town of anything. I want to make sure there done correctly.

Stan Nadeau: one of the opinion that the Town Administrator received from Steven Buckley from NHMA notes that DRA takes a position that in subsequent years a separate article should be placed on a warrant article to raise the annual payment NHMA disagrees with this position.

Joanne Smith: response you have legal counsel if something were to happen DRA will not defend you.

Stan Nadeau: DRA will come after us. Joanne Smith I have never seen that.

Bob Carrier: DRA will not put anything in writing. Stan Nadeau: DRA has null and voided warrants articles in the past.

Bob Carrier: the town can say no as well as the budget committee and even at the deliberative session the voters can zero fund that line.

Bob Carrier: the Selectmen will either put it in the Highway budget or debt service. We don't dictate policy we can only recommend or not recommend.

2, the lack of a written opinion from DRA would be Hearsay either way on the same standard applied to other people. 3, Joanne Smith: would you give your years of experience.

Joanne Smith: I've been working in municipalities for 30 years.

Larry Brown: we have 2 years we have left until the employee benefits tax becomes an issue. Will you be able to provide the same service? Joanne Smith: response I have already started with some other towns how are we going to by-pass the Cadillac tax? This will be difficult towns are being penalized for offering employees really great benefits. My job is what can we do to be legal if we have to offer them a lesser plan or a higher deductible what kind of savings plan can we offer?

Tom Mc. Dougall: give an example of debt that would be considered under the RSA 33:4-a? Joanne Smith: response lease and rental equipment you purchase land or purchase a fire truck and depending how it's written, a road bond.

Tom Mc. Dougall: is it a dollar amount or is it length of time that it's incurred or a combination of both? Joanne Smith: what's happening with the CIP now people are trying to get away from the debt service there trying to get away for paying interest you have your own money you can purchase what you need.

Tom Mc. Dougall: I need clarification the DRA would consider the equipment that lease/purchase included in the budget would be called as a line item in the budget that the DRA considers to be satisfied with the warrant article aspect of that. Joanne Smith: response if the warrant article is a line item there will always be an interpretation you can call 5 people and get 5 different answers. This is why you bring in your legal counsel, auditors these are legal documents the auditors will write you up and say you didn't do this right.

Stan Nadeau: what would be the logic to have the escape clause if it goes in the budget? Joanne Smith: response the escape clause is not binding to future town meetings. You're don't have to fund it.

What is the debt that the town can have? Joanne Smith: I don't know.

The Town Administrator will provide the answer and submit it to the Chairman of the Budget Committee.

Highway Department: Pat Smith the Full Time Salary has decreased by \$2,777 that is due to a turnover in personnel. The Part Time Salary Line increased from \$1,448 this is for 25 hrs. a week.

Salary Elected increased by \$2,681 FICA & Medicare have increased due to the 2% merit raise and a 1.7% COLA that includes the salary above.

Electric increased 6% \$306, Operating Supplies increased due to salt prices from \$4,854 to \$5,081 per ton sand increase from \$4.50 a yard to \$5.25 per ton. This is an increase of \$11,960. Total budget increase \$13,423 this is an increase of 2.1%

Stan Nadeau: had questions for himself and Eric Knapp who could not attend. Stan Nadeau: question did everybody get a 2% raise and COLA. Pat response yes they did. Erick had a question about the bidding process for sand and salt.

Pat Smith: response the salt is a State bid. The State goes out and get bids from companies and municipalities rides on that bid so we get the State bid the Town can benefit from. The sand we got several quotes from three different companies Ossipee Aggregates was the cheapest. Eric can come in to my office and request to see anything he wants to see.

Larry Brown: a question the \$5.25 a ton what is the moisture content? Pat Smith: response I don't know. Stan responded he used to deliver salt to the State. They will not take a delivery of salt when it's raining they take samples to the lab and get the moisture content and they will not accept it if it's over above a certain weight per State spec. Selectmen Andrew Rawson added when the trucks come in there covered no matter if it's raining or not.

Stan Nadeau: would like to know how the 4 day work week works and how it's working when there's a holiday involved in it. Pat Smith: response I believe that is department policy and I'm not here to talk policy. Stan Nadeau: disagrees what I can see it looks like when there's a holiday they paid for a 10hr day. Pat Smith: response it doesn't change our budget.

There's no change in the budget over a holiday or a 40 hr work week. In the winter they work on a holiday they get the holiday pay for 8 hrs. and they get their overtime for the time they work.

In the summer time they work 10hr days for 4 days they get a 40hr work week whether there's a holiday in it or not. If a holiday falls on a Monday they get a 10hr holiday pay. It does not change the amount of money that the people pay employees.

Government Buildings: Pat Smith Salary Full Time and Part Time line increased \$5,574 due to the 2% merit & 1.7% COLA as well as FICA & Medicare have increased. Contracted Services increased \$1,483, this is due to the elevator certificate/testing at the Milton Free Library and boiler maintenance our heating systems.

Electric has increased by 6% \$516, Water increased 15% \$750 Total budget \$175,747 increase of \$ 5,706 3.2% Stan did all the employees get the merit and COLA. Pat Smith: response Yes.

Solid Waste Department: Pat Smith Salary Full Time increased \$1,055 Part Time Line Part Time Line increased \$1,355 FICA \$178 & Medicare increase \$39 due to the 2% merit & 1.7% COLA.

Contract Services increase \$210 Barron Bros. leaves and yard waste. Electric a rate hike of 6% \$72.

Telephone increase by \$85 due to the usage of the square credit card.

budget increase \$3,385 which is 1.75% Total budget \$187,924

Stan Nadeau: this is Erik Knapp question Go Pro. Pat Smith: response the cameras were not taken out of the budget they were taken out of the revues from the revolving fund. Stan Nadeau: did all employees get merit and COLA. Pat Smith: response Yes.

Larry Brown: rather than a merit raise use the phrase performance, assessment revue which is what I think is the town trying to say what the purpose of the merit raise given salaries at town level a performance appraisal revue and if satisfactory. Pat Smith: response in the past I have not always given a 2% merit that was in the budget. There have been times that employees haven't met or exceed the requirements of the job and they got a lesser raise if any at all. I sent this to the Town Administrator and Selectmen and they question me on the way I turned it in. The employees needs to meet or exceed in every area to get the 2% raise.

Tom Mc Dougall: how do the maintenance of the scale work I don't see anything in your equipment maintenance line.

Pat Smith: response the scale is funded completely out of revenues of the transfer station. We have a contract with the company that installed the scales. They come in on an annual basis they maintain the scales and we have them certified.

You have an \$187,000 budget we use at least \$100,000 out of the revolving account to finish paying the operation of the transfer station. The purpose of the revolving account the scales and the fees was to reduce the money we raise in taxes and have user fees so that people that were using it are paying for it and not the people who are not.

Town Administrator: Liz Dionne the Salary line increased there are 2 positions in this line the T.A. contract and the Bookkeeper 2% merit & 1.7% COLA. The Part Time increased 2% merit & 1.7% COLA.

FICA & Medicare increased because of the raises. Training has decreased I took 2 conferences that I normally go to out of that line. Legal Services was reduced by the Selectmen from \$40,000 to \$37,000. The reason for the increase it's lower than it should be. In 2014 it was over expended.

Contracted Services have decreased we switched payroll company earlier in the year from ADP to Muni Smart. Professional Services increased the web site and the internet service. There was a decrease in the audit line instead of 2 the Selectmen reduced it to one saving \$2,500. Street lighting increased 6% Supplies increased due to addition of the AED pad. Postage line increased \$20. Equipment Purchase increased \$1,000 due to recommendation from the IT Company to replace one hard drive per year. Mileage decreased by \$250 because of the Town vehicle. Line 850 Membership/Dues waiting to see what the cost will be form NHMA.

Employee Functions decreased \$100

Stan Nadeau: electric the deal that was made with the solar panels was there a clause in there that the rates remain the same. Liz Dionne: response that is part of the contract you pay your normal electric bill and at the

end of the year you receive a rebate check there are 2 other forms of revenue associated with that solar garden. Stan Nadeau: shouldn't the lease of the property kind of like wash off some of the electric bill or are going to put it in the general fund. Liz Dionne: response yes. Stan Nadeau: I would like to have a line in the budget that would say offsetting to show that there is something coming back. Liz Dionne: you would see that in the Revenue Report.

John Katwick: the water bill has gone up 15% the question I have does that mean the public pays extra taxes for water that have water do they pay the town what we use and on top of that they pay 15% on what they use. Stan Nadeau: response the people in the water district itself there paying for their water and by way of taxation being paying more for what the town uses. John this is big hit for the taxpayers. Stan speaking as a rep for the water district we lost over \$12,000 on a piece of property this is the reason for the rate increase. We can't support the budget.

NOTE: This budget has not been approved by the Selectmen.

Professional Services Recording Clerk for Budget Committee: Bob Carrier: Recording Clerk Fee \$65 per mtg X 21 mtgs

Total \$1,365 Three public hearings notices to be published in Fosters \$175 each total \$525 Total Budget \$1,890

The Chairman of the Selectmen Tom Gray asked if the Selectmen could approve the Police budget because there have been changes made to the budget since they approved it. Mr. Gray the SRO grant was denied that affects the wage, Medicare lines and NHRS and the lease cruisers are going back in the budget. The reduction is \$17,570 for the new total \$904,776.59. A motion was made and seconded to approve the new total for the Police budget. Motion passed 3-0

This concludes the budget presentations I would ask the Committee to review the budgets that have been approved and decide if they need to be increased or decreased or make no changes. This will be done at the next meeting November 10th 2015.

Approval of Minutes: The chair would like a motion to reconsider the October 13th 2015 minutes.

Stan Nadeau: made the motion to reconsider second by Lue Snyder: discussion the chair explained that there 2 members were not here and 2 have not read them it should have been tabled. He wanted to make sure that they would have the opportunity to make changes if any. Stan Nadeau: this why they abstain I withdraw my motion Lue Snyder: withdrew her second. The minutes will be posted with the corrections

The Chair would like a motion to approve the minutes of October 20th 2015 if there no corrections, omissions Ann Walsh: in the approval of the minutes page 3 it should be motion passed 5-0-2 and not 5-4. Stan Nadeau: on page 4 last sentence were using tax money for 47 streets not 37. Tom Mc Dougall: on page 4 municipal finance line 3 should not be treated as Dept. change Dept to debt.

A motion was made by Larry Brown: to accept the minutes with corrections Stan Nadeau: second motion passed 7-0-2

Members Comment: Larry Brown: did you read fosters? There was a house fire in Somersworth in which the husband and friend escaped and the wife burned to death on the second floor. There were mutual aid fire depts on the scene and covering fire stations.

Larry Brown: When Oliver Hill the last of the civil rights giant who made Brown vs Board of Education possible died August 5th 2007 in Richmond VA. At the age of 100. Governor Douglas Wilder the first African American to hold that office said. "I remember one time that after I've written something that was very critical of something in the community. He wrote back saying "my words tend to trigger defensive mechanism in some people" that was not my intent and said" I would work on changing that if I were you". Douglas Wilder Governor of VA. Speaking in 2007 on the death of one of the civil rights giant.

Stan Nadeau: 1, handed out an article of the Cadillac Tax so people can read about it. I don't know how it will affect us but will find out at a later date.

Stan Nadeau: 2, I would like to talk to the Fire Chief in reference to the Lebanon mutual aid agreement and what I read on facebook that were going to cover 47 streets no mention that they were going to cover for us or any monetary value or anything is that correct . Chief Nick Marique: response they are covering the entire Town of Milton when we need them. I watched the video I understand that a few people on facebook and you mainly who had an issue with it. The 47 streets are mostly driveways and it's in the immediate area around the lake. I pulled the previous mutual aid agreement that we had with the Town of Lebanon and Milton fire dept. and that was 54 streets so it included a lot more incidence that we are currently going through now. We have the same agreements with the Town of Farmington they cover west Milton for a serious call. There's no issue with the Town of Farmington covering that. I don't understand why there's an issue with West Lebanon. Stan Nadeau: this tax money supports part of the ambulance a 100%. Chief Nick Marique the ambulance itself is self-supporting 100% but there's some staff that comes out of the Fire Dept budget. I don't feel without showing that were going to get mutual service agreement I read that are tax money should be paying for support another town in another state.

I want to see the tax money being used you're going to say you can go get your bill for the transport we don't go for nothing Chief Nick Marique: response correct. Stan Nadeau: where's the tax that supported that call? Chief Nick Marique: response the revolving account supported that call. Stan Nadeau: let me rephrase that some tax money supported that call and we know it's not self-supporting. There's tax money involved that's my issue. Chief Nick Marique: response there's tax payer's money involved when Farminton responds to West Milton. I don't understand what State line has to do with this. If there's a serious fire in Milton Lebanon would respond automatically I don't have to request it and Milton will respond to Lebanon if there's a serious fire. The Chair put an end to the comments. Stan made his point.

Selectmen Mike Beaulieu: disagreed with Stan he's working off facebook Chief Nick Marique is working off a contract. If he wants the facts he can go down and talk to the Chief. Chief Nick Marique: for the record there's been several people that discussed this issue on facebook not one of them have come to me in person in my office. I did talk to the former Fire chief we've been going automatic to that area of Lebanon since he's been on the Fire Dept which is forty years. The only reason this is an issue is because we made it an issue. Bob C.: Chief this is your job and I'm satisfied with how you run you're Dept.

Public Comments: None

Next Meeting: Tues November 10th 2015

Any new business that comes across the board: None

Adjourn: Chair would like a motion to adjourn Mike Beaulieu made the motion second by Larry Brown motion passed 8-0 at 7:03 pm

Submitted By Chairman of the Budget Committee Bob Carrier

Date Approved _____

