

Budget Committee
Special Meeting
Tuesday, January 14, 2020
Selectman Chambers

CALL TO ORDER

Chairman Thomas McDougall called the Budget Committee meeting back from recess at 7:59PM.

ROLL CALL -

Budget Committee - Mr. Thomas McDougall– Chairman, Ms. Tammy Smith, Ms. Peg Hurd, Mr. Andrew Rawson Mr. Dennis Woods, Mr. Larry Brown and Mr. Humphrey Williams.

PUBLIC PARTICIPATION

Richard and Rhonda Burke

Ms. Betsey Baker

Mr. Doug Shute

Chief Nick Marique

Mr. Al Goodwin

Mr. Travis Corriveau

Ms. Emily Terry

Ms. Jen Dupree

Ms. Laura Turgeon

Purpose of the meeting was for the committee to vote on School and Town Warrant Articles. The school articles were presented first.

The School Warrant Articles were finished at 7:50 PM. **Mr. Brown motioned for a 5-minute recess and seconded by Ms. Hurd. Motion passed 7/0.**

Members of the school district and school board left the meeting at 7:50PM.

Article 2: Operating Budget: To see if the Town will vote to raise and appropriate as an operating budget, **\$4,562,047 (Four Million Five Hundred Sixty-two Thousand Forty-seven Dollars)**, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein. Should this article be defeated, the default budget shall be \$4,511,798 (Four Million Five Hundred Eleven Thousand Seven Hundred Ninety-eight Dollars) which is the same as last year, with certain adjustments required by previous action of the Town or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. Majority Vote Required. -Estimated Tax Impact Town Proposed Operating Budget: \$7.68 (Seven Dollars and 68 cents) -Estimated Tax Impact Town Proposed Default Budget: \$7.58 (Seven Dollars and 58 cents) Recommended by the BOS (In Favor__ Against__ Abstained__) Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Mr. Brown to accept the warrant article as written. Seconded by Mr. Woods for discussion.** Mr. Woods asked what is the difference. Mr. Rawson – doesn't move it much. Mr. Williams – the wording should explain it is not adding \$7. Impact would be lower rather than higher. Mr. Brown – DRA has tax rate for NH and breaks down. Ms. Hurd – was this what we came up with for final number. **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – Y; Mr. Williams – Y; Ms. Smith – Y; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 7/0.**

Article 3: School Resource Officer: To see if the Town will vote to raise and appropriate the sum of **Eighty-Nine Thousand Seven Hundred Sixty Dollars (\$89,760.00)** to be added to the Milton Police Department General Operating Budget to Fund a School Resource Officer. This sum will be for half a year for 2020 and will then become a full year position in 2021 and will become a new line in the Police Department General Operating Budget. This sum will be for Salary, FICA, Retirement, Medicare, Workers Comp, and Insurance cost. Majority Vote Required. -Estimated tax impact is \$0.18 (Eighteen Cents) -Recommended by the BOS (In Favor__ Against__ Abstained__) -Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Ms. Hurd to accept the warrant article as written. Seconded by Mr. Brown for discussion.** This position is from the Town side not school side – when school in session the officer is then assigned to school and when school not in session it is assigned to town. Should have clarity of administrative control. **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – Y; Mr. Williams – Y; Ms. Smith – N; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 6/1.**

Article 4: Contingency Fund: 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 **Forty-one Thousand One Hundred Sixty-six Dollars (\$41,166.00)** to go into the fund, in accordance with RSA 31:98-a, which reads: *“Every town annually by an article separate from the budget and all other articles in the warrant may establish a contingency fund to meet the cost of unanticipated expenses that may arise during the year. Such fund shall not exceed on per cent of the amount appropriated by the town for town purposes during the preceding year excluding capital expenditures and the amortization of debt.”* A detailed report of all expenditures from the contingency fund shall be made annually by the selectmen and published with their report. Any appropriation left in the fund at the end of the year will lapse to the general fund. **This appropriation will be funded by transfer from the unassigned fund balance and no additional amount will be raised by taxation.** Majority vote required. Estimated tax impact is \$0.00 Recommended by the BOS (In Favor__ Against__ Abstained__) Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

The calculation is as follows: **\$4,563,423 adopted 2019 Operating Budget minus \$84,576 Sewer Budget minus \$362,240 (\$263,114 Principal + \$99,126 Interest) = \$4,116,607, then multiplied by 1% = \$41,166.07.**

Mr. McDougall read the article. **Motion was made by Mr. Brown to accept the warrant article as written. Seconded by Ms. Hurd for discussion.** Ms. Hurd – the town can encumber at end of the year. Mr. Rawson - Encumbering something is anticipating funding for a bill or a contract. This is more for “unanticipated” funding. Mr. McDougall - Line in budget for unanticipated expenses – how is this used? Mr. Rawson – the Town Administrator may have lowered or taken it out. Mr. McDougall - Who is eligible to expend from this? Chief Marique – contingency and bonding. It was asked if it would be enough. This is for unanticipated? **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – Y; Mr. Williams – Y; Ms. Smith – Y; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 7/0.**

Article 5: Optional Tax Credit for Service-Connected Disability: Shall the Town vote to adopt RSA 72:35, I-a for an optional tax credit of \$2,500 on residential property for a service-connected total (100%) disability on residential property occupied as the principal place of abode by the disabled person or the surviving spouse? The optional tax credit for service-connected total disability shall replace the standard tax credit in its entirety and shall not be in addition thereto. Majority Vote Required. -Estimated tax impact is \$0.10 (Ten Cents) -Recommended by the BOS (In Favor__ Against__ Abstained__) -Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Mr. Williams to accept the warrant article as written. Seconded by Ms. Hurd for discussion.** Ms. Hurd - not knowing how many disabled residents are in the town where did the 10 cents come from. Mr. Rawson – based on the discounts given. Mr. McDougall – we don’t know. **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – Y; Mr. Williams – Y; Ms. Smith – Y; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 7/0.**

Article 6: Strafford Regional Planning Commission Membership Dues: To see if the Town will vote to raise and appropriate the sum of **Five Thousand Seven Hundred Sixty-four Dollars (\$5,764)** and to authorize the Town of Milton Selectmen/Administrator/Planner to pay said sum to the Strafford Regional Planning Commission as dues for its fiscal year July 1, 2020 through June 30, 2021 and thereafter to place the annual dues, as may be adjusted from time to time into to Town operating budget. Majority vote required. Estimated tax impact is \$0.01 (One Cent) Recommended by the BOS (In Favor__ Against__ Abstained__) Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Ms. Hurd to accept the warrant article as written. Seconded by Ms. Smith for discussion.** Mr. Woods noted that its not known if info is correct but assuming expenditure is correct. Mr. Rawson – was in the budget but removed. Mr. Williams – thought NH Municipal funds was going to cover this. **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – N; Mr. Williams – Y; Ms. Smith – Y; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 6/1.**

Article 7: Highway and Road Construction To see if the Town will vote to raise and appropriate the sum of **Three Hundred Fifty Thousand Dollars (\$350,000)** for the purpose of Highway and Road construction, maintenance, repairs, repaving, and reconstruction of class IV and V highways. Said amount will be partially offset by revenues from the N.H. Highway Block

Grant estimated to be One Hundred Thirty Four Thousand Dollars (\$134,000). This will be a non-lapsing appropriation per RSA 32:7, VI and will not lapse until the road work is completed for the 2020/2021 period as determined by Public Works Director or his designee, or by December 31, 2021 whichever occurs first. Majority vote required. Estimated tax impact is \$0.71 (Seventy-one Cents) Recommended by the BOS (In Favor__ Against__ Abstained__) Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Mr. Williams to accept the warrant article as written. Seconded by Ms. Hurd for discussion.** Mr. Woods – 71 cents represents the 350. It was noted that it is the difference. Unsure as to the information and would make more sense to provide more information. Mr. Williams noted that this is in the book provided by the town. **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – Y; Mr. Williams – Y; Ms. Smith – Y; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 7/0.**

Article 8: Fire Department Equipment and Apparatus Capital Reserve Fund: To see if the Town will vote to raise and appropriate the sum of **Forty Thousand Dollars (\$40,000)** to be added to the Milton Fire Department Equipment and Apparatus Capital Reserve Fund previously established for the purpose of funding future capital expenditures as described in the recommended 2020-2025 Capital Improvements Program, with adjustments made for capital items alternatively funded. Majority vote required. -Estimated tax impact is \$0.08 (8 cents) - Recommended by the BOS (In Favor__ Against__ Abstained__) -Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Mr. Williams to accept the warrant article as written. Seconded by Ms. Hurd for discussion.** Ms. Hurd – what is the balance as of now? Noted at \$80,000. Mr. Woods – any other funding source? Chief Marique - Taken from fund balance. Fund balance is being used too much. Mr. Rawson – all around the planning board, town administrator and BOS. Chief Marique – would get clarification. Voting on this as written. Mr. Rawson noted that these could be changed. Chief Marique – in funding the program should be to stick with the \$75,000. Mr. McDougall noted to recommend or not or abstain vote. **Call for vote. Mr. Brown – A; Ms. Hurd – Y; Mr. Woods – N; Mr. Williams – A; Ms. Smith – A; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 3/1/3.**

Article 9: Highway Department Special Equipment Capital Reserve Fund To see if the Town will vote to raise and appropriate the sum of **Twenty Thousand Five Hundred Dollars (\$20,500)** to be added to the Highway Department Special Equipment Capital Reserve Fund previously established for the purpose of funding future capital expenditures as described in the recommended 2020-2025 Capital Improvements Program, with adjustments made as a result of capital items funded by other means. **This appropriation will be funded by transfer from the unassigned fund balance and no additional amount will be raised by taxation.** Majority vote required. -Estimated tax impact is \$0.00 -Recommended by the BOS (In Favor__ Against__ Abstained__) -Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Mr. Brown to accept the warrant article as written. Seconded by Mr. Williams for discussion.** Mr. Williams noted – this one

has been reduced. Chief Marique – planning board recommended at lower amounts that doesn't match the CIP. Wording added, as this doesn't match the CIP exactly. **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – Y; Mr. Williams – Y; Ms. Smith – Y; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 7/0.**

Article 10: Highway Department Vehicle Fund: To see if the Town will vote to raise and appropriate the sum of **Twenty-three Thousand dollars (\$23,000)** to be added to the Highway Department Vehicle Fund previously established for the purpose of funding future capital expenditures as described in the recommended 2020-2025 Capital Improvements Program. **This appropriation will be funded by transfer from the unassigned fund balance and no additional amount will be raised by taxation.** Majority Vote Required. -Estimated tax impact is \$0.00 -Recommended by the BOS (In Favor__ Against__ Abstained__) -Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Mr. Williams to accept the warrant article as written. Seconded by Mr. Woods for discussion.** Ms. Hurd asked was this a reduction. Chief Marique – don't believe Planning Board recommended this at all. **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – Y; Mr. Williams – Y; Ms. Smith – Y; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 7/0.**

Article 11: Municipal Buildings Fund: To see if the Town will vote to raise and appropriate the sum of **Forty Thousand Dollars (\$40,000)** to be added to the Municipal Buildings Fund previously established for the purpose of funding future capital expenditures as described in the recommended 2020-2025 Capital Improvements Program, with adjustments made as a result of capital items funded by other means. **This appropriation will be funded by transfer from the unassigned fund balance and no additional amount will be raised by taxation.** Majority vote required -Estimated tax impact is \$0.00 -Recommended by the BOS (In Favor__ Against__ Abstained__) -Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Mr. Williams to accept the warrant article as written. Seconded by Ms. Hurd for discussion.** Ms. Hurd noted that there were municipal building funds but asked for contingency fund. Mr. Rawson – need to put funds away to fund a new DPW building. Balance is – approximately \$30,000. Mr. Williams noted that this has been adjusted down. **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – Y; Mr. Williams – Y; Ms. Smith – Y; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 7/0.**

Article 12: Milton Free Public Library Capital Reserve Fund: To see if the Town will vote to raise and appropriate the sum of **Twenty Thousand Dollars (\$20,000)** to be placed in the Milton Free Public Library Capital Reserve Fund, previously established for the purpose of funding future capital expenditures as described in the recommended 2020-2025 Capital Improvements Program. **This appropriation will be funded by transfer from the unassigned fund balance and no additional amount will be raised by taxation.** Majority vote required. Estimated tax impact is \$0.00 Recommended by the BOS (In Favor__ Against__ Abstained__) Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Ms. Hurd to accept the warrant article as written. Seconded by Mr. Williams for discussion.** Mr. Woods – these don't increase tax rates this is just security for our future. Already paying the tax rate. Andy – we are buying the tax rate down. **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – Y; Mr. Williams – Y; Ms. Smith – Y; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 7/0.**

Article 13: Milton Technology Fund: To see if the Town will vote to raise and appropriate the sum of **Two Thousand Five Hundred Dollars (\$2,500)** to be placed in the Town of Milton Technology Fund, previously established for the purpose of funding future capital expenditures as described in the recommended 2020-2025 Capital Improvements Program. Majority vote required. -Estimated tax impact is \$0.005 (One Half Cent) -Recommended by the BOS (In Favor__ Against__ Abstained__) -Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Mr. Williams to accept the warrant article as written. Seconded by Ms. Hurd for discussion.** Mr. Woods noted it doesn't make sense to charge ½ cent when it could be funded. Mr. Rawson - this warrant article has been on the ballot every year. Mr. Williams – it came from surplus funding last year so no impact on last year. Balance is? Mr. Rawson – unknown. **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – N; Mr. Williams – N; Ms. Smith – N; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 4/3.**

Article 14: Geographic Information System: To see if the Town will vote to raise and appropriate the sum of **Two Thousand Five Hundred Dollars (\$2,500)** for the purpose of continued upgrades of the public web-based Geographic Information System (GIS) for the Town as described in the recommended 2020-2025 Capital Improvements Program. Majority vote required. -Estimated tax impact is \$0.005 (One Half Cent) -Recommended by the BOS (In Favor__ Against__ Abstained__) -Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Mr. Williams to accept the warrant article as written. Seconded by Ms. Hurd for discussion.** Mr. Brown noted this was a good package deal. **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – N; Mr. Williams – Y; Ms. Smith – Y; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 6/1.**

Article 15: Milton Bridges Capital Reserve Fund: To see if the Town will vote to raise and appropriate the sum of **Twenty Five Thousand Dollars (\$25,000)** to be placed in the Bridge Capital Reserve Fund, previously established for the purpose of funding future capital expenditures as described in the recommended 2020-2025 Capital Improvements Program, with adjustment made by the Board of Selectmen. **This appropriation will be funded by transfer from the unassigned fund balance and no additional amount will be raised by taxation.** Majority vote required. -Estimated tax impact is \$0.00 -Recommended by the BOS (In Favor__ Against__ Abstained__) -Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Mr. Brown to accept the warrant article as written. Seconded by Ms. Hurd for discussion.** Larry 2nd by Peg. Mr. Shute - what bridges? Mr. Rawson – generally all but basically the one on Winding Road. **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – Y; Mr. Williams – Y; Ms. Smith – Y; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 7/0.**

Article 16: Eradicate Invasive Species: To see if the Town will vote to raise and appropriate the sum of **Ten Thousand Dollars (\$10,000)** for the purposes of eradicating invasive plant species from Bodies of Water in the Town. This is a special warrant article as described in the recommended. 2019-2024 Capital Improvements Program and will be a non-lapsing appropriation per RSA 32:7, VI and will not lapse until the invasive plant species eradication from bodies of water in Town or is completed or by December 31, 2022, whichever is sooner. Majority vote required. Estimated tax impact is \$0.02 (2 Cents) Recommended by the BOS (In Favor__ Against__ Abstained__) Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Mr. Williams to accept the warrant article as written. Seconded by Ms. Hurd for discussion.** Ms. Hurd asked – are there others? Yes – Spaulding Pond has issues. Mr. Woods noted that this is not something we can do without. Lebanon is contributing same amount of money. **Call for vote. Mr. Brown – Y; Ms. Hurd – Y; Mr. Woods – Y; Mr. Williams – Y; Ms. Smith – Y; Mr. Rawson – Y; Mr. McDougall – Y. Motion passed 7/0.**

Article 17: Employee Retention Plan - Article 22: Establishment of Heritage Commission were not read.

Article 23: Petitioned Warrant Article - Optional Tax Exemption: Solar, Wind Powered, Wood heating Systems: To see if the Town will vote to adopt the provisions of RSA 72:61 through RSA 72:72 inclusively, which provide for an optional property tax exemption from the property's assessed value, for property tax purposes, for persons owning real property, which is equipped with solar energy systems, wind-powered energy systems or wood heating energy systems, intended for use at the immediate site. Such property tax exemption shall be in the amount equal to 100% of the assessed value of qualifying equipment under these statutes. (Majority vote required) (Estimated tax impact is \$____) Recommended by the BOS (In Favor__ Against__ Abstained__) Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Mr. Williams to accept the warrant article as written. Seconded by Ms. Smith for discussion.** Why is the town looking to make this a deduction? Mr. Brown – Could be seen as an income reward program. Given an additional tax credit due to the inability to sell back into the grid. Mr. Rawson noted that this article was pulled from other surrounding towns. Mr. Richards – when home was built state required specific items and then taxed for things that were improvements. **Call for vote. Mr. Brown – A; Ms. Hurd – N; Mr. Woods – N; Mr. Williams – N; Ms. Smith – N; Mr. Rawson – A; Mr. McDougall – A. Motion passed 0/3/4.**

Article 24: Petitioned Warrant Article – Adoption of a Tax cap: Shall we adopt the provisions of RSA 32:5-b, and implement a tax cap whereby the governing body (or budget committee) shall not submit a recommended budget that increases the amount to be raised by local taxes, based on the prior fiscal year's actual amount of local taxes raised, by more than the lesser of (a) 2%; or (b) the percentage by which the US Consumer Price Index- All Urban Consumers for the Northeast, published by the US Bureau of Labor Statistics (the "Index") as of the month of January of each year increased, if any, over the Index for the month of January of the immediately-preceding year. (3/5 Majority Vote required.) Recommended by the BOS (In Favor__ Against__ Abstained__) Recommended / Not Rec. by the Budget Committee (In Favor__ Against__ Abstained__)

Mr. McDougall read the article. **Motion was made by Mr. Williams to accept the warrant article as written. Seconded by Ms. Hurd for discussion.** Mr. Williams – not sure what this means. Ms. Hurd – this could cripple a town. Mr. Shute – on a \$5million budget only benefit would be \$100,000. Mr. Williams – this will not be able to do what the BOS, Budget Committee etc. can do. **Call for vote. Mr. Brown – A; Ms. Hurd – N; Mr. Woods – N; Mr. Williams – N; Ms. Smith – N; Mr. Rawson – A; Mr. McDougall – A. Motion passed 0/3/4.**

Town Warrant Articles completed.

OTHER BUSINESS: No other business before the Committee.

NEXT MEETING:

Public Hearing will be on Saturday, January 18, 2020.

Next regular Committee meeting will be Tuesday, January 28, 2020.

ADJOURNMENT:

Motion to adjourn was made by Mr. Williams at 9:23PM. Seconded by Mr. Brown. The committee voted unanimously in favor of the motion. Motion passed 7/0.

Respectfully Submitted,

Shari Gaesser – Budget Committee Recording Secretary