

Town of Milton
Regular Budget Committee Meeting
Milton Town Hall
Tuesday October 17th, 2017 6:00 P.M.

Pledge of Allegiance was recited

Chairman Brown called the public meeting to order at 6:04 pm and welcomed everyone.

Roll Call: Bob Carrier, Chairman Larry Brown, Stan Nadeau (Water District Commissioner), Mike Beaulieu (Selectmen Representative), Peg Hurd (School Board Representative), Shawn Perreault, Erin Hutchings, Dennis Wing, Tom McDougall (Excused). A Quorum was present.

Public in Attendance:

Andrew Rawson, Fire Chief Nick Marique

Minutes: review /approval September 19th, 2017

Motion:

Peg H: made the motion to accept the minutes with corrections, second by Shawn P:
On page one, change E. Hitchings to E. Hutchings. Bob C: On page 11, motion after \$2,600, include that Bob C will present the Budget Committee budget to the Board of Selectmen. Passed (7-0-1)

School District Representative: Peg Hurd

NOTE: see attachment

Answers to SB expense report questions -9/19

Additional information to the expense report questions:

- Line 1 - We were able to send money back to the Town.
- Line 2 - Stan N: Last year Doug S. talked about taxation on Cadillac policy. What is the status on that? Peg H: there's nothing new yet. The last I heard it was pushed out to 2020. Stan N: We need to get a handle on that as quickly as we can. If something was going to happen, what are we going to do about it? Peg H: We put in the teachers' contract language regarding if and when the Cadillac plan becomes law, the association will look at it.
- Lines 3 & 4 – Peg H. We now have 9 students out of District. One will be gone in November, another one in HS is part time so we are only paying PT out of school District fees and 3 will be graduating in June. If we don't have any more students coming in who need out of District placement, we should be ok. Shawn P: To clarify, we pay for the students that leave our District. Peg H: We pay dearly for that. Larry B: Is aging out chronological or for the school year? Peg H: It's chronological age 22. Larry B: On the 22 birthday - there through their 21st year. Peg H: Yes. Larry B: That accounts for November.
- Line 5 - This position is to insure that misbehaving students get-back to class and have a place to go instead of wandering in the hall.
- Line 6 - There was a big movement of Guidance counselors that happened over the summer. Larry B: The 50% grant funded counselor has been moved to the MS - when does the grant money expire? Peg H: I believe at the end of this year.
- Lines 9&10 - Peg H: The regular driver shortages were posted incorrectly. Some of the expenses under these 2 lines need to be moved into regular drivers.
- Line 11 - If a teacher opts for the 2-person or family dental plan, we actually pay the premiums and then take that money out of their salaries and the same thing for any of the bus drivers, paras and custodians. Larry B: It pays no part of dental insurance premium. Peg H: Correct. Larry B: The support staff may still buy into it. Peg H: Yes, and that is when we pay the bills and then take that money out of their salary.

- Stan N: On page 14 in the expenditure report, I asked for the secretaries' salaries. They received an increase but we should not have been over 53% and you said you were going to check on that. Peg H: I did not check on that.
- Dennis W: I've been hearing a lot about grants. Can you tell me how the budget process is affected by grants as far as beginning of the budget process vs the end of the process? If you set up a budget in anticipation of receiving grant money and you don't receive grant money how does that affect the budget? Peg H: Primarily the grant money that we receive is the IDEA grant used for the Special ED. Services. The majority of our Special Ed. Budget goes against IDEA. Any other grants that we apply for does not really affect the budget - if we don't get that grant then we don't do whatever we wanted to do. We have a couple of significant grants that are earmarked for specific things but our biggest grant is the IDEA. Larry B: It's still tied into two things - to raise and appropriate the final dollar amount and then return to the General Fund. Peg H: It has been very difficult to get para professionals because of salary scales. We just increased the salary for both the paras and the custodians. Bob Adams said in the winter time when he has to hire people for shoveling snow, the starting salary was \$8.97 an hour and he had a hard time getting anybody. The next monthly expenditure report these lines will be overspent because of the increases. Because of the combinations of things Earl Sussman, the Superintendent, was able to do in saving the District money in other salaries, we are comfortable that the increased cost of those lines will not make our budget go over. Stan N: It will affect next year's budget. Peg H: It will be the same as this year. Stan N: We can't go back - if it's an increase it would have to go up. Peg H: Those increases are offset by decreases. What Earl has done is find different positions within the School District based on population, combining 2 classes rather than having three classes or two classes into one. I would say he saved about \$200,000, so giving these other people increases we still have not used that \$200,000 savings.

Town Rep. – Budget status and issues of note. Mike Beaulieu

The expenditure report is still being worked on, but it is closer to being more accurate.

The PD fuel line is still being corrected, but I have an accurate number of \$8,067.26 spent YTD.

We have spent 63% of the Town budget YTD

We no longer have a recording clerk for the budget committee, she has resigned. The recording clerk job has been posted.

Last night the Selectmen started hearing budgets with meetings the next couple of weeks to finish them up.

The budgets we heard last night were Police, Fire, Town Clerk, Emergency Management, Milton Economic Development, Welfare. This year the Department Heads will be doing a full budget review instead of just the changes like it was a couple of years ago.

Shawn P: At the last meeting we talked about the \$10,000 that Stan asked if we got a legal opinion.

Stan N: Asked if this was in reference to the Humvee that was destroyed by fire and when they sold the fire apparatus. Peg H: Yes. Stan N: What was the value of these two pieces individually? Mike B. the Humvee was \$10,000 - that money went back to the general fund and the fire apparatus was \$10,000. Stan N: and the money went where? Nick M: The money went to the fire equipment account. Larry B: If it turns out that for tracking that money needs to go back to the general fund and that equipment line will show a transfer to the general fund.

Stan N: I have one more question about the Town budget - why are the encumbrances still in this budget? I thought we discussed this that they were not supposed to be in this budget. Mike B: I'm working with the Town Administrator - it just hasn't been taken out. Stan N: These are the 2016 encumbrances that should not be in this budget. If you want to keep track of it, put it on a separate piece of paper.

Mike B: I'm working with the Town Administrator on this. You have to remember we didn't have a bookkeeper for a while and now we have one and she is doing fine. Larry B: To remove the encumbrances require that operations X, Y, and Z to be followed in such an order to move those designated funds back where they belong in the year 2016 and that is still in process. Stan N: We need to have this document accurate so we can have something to base next year's budget on.

Stan N: The solar garden I mentioned this at the last meeting and you said you were going to check on it.

What is the status of the revenues from that for the Town? I thought we had a contract that stated what the gain would be for the Town. Mike B. We don't know, we're still working on that. I'd rather not get into it because it's getting complicated - will have an answer for you. Dennis W: Is this a bookkeeper issue or serious issue? Mike B: It's a serious issue but it's not a bookkeeper issue. Stan N: Is it a legal issue? Mike B: Maybe I don't know.

Old Business: Schedule Budget Committee for Town and School District presentations.

School District Budget Presentations

The School District starts their budget presentations in December

Bob C made a calendar for the BC with the dates for the school District that are based on previous years as a guide on the dates that the SB and the BC need to meet to avoid meeting more than once a week.

The School District has not set the dates yet for their budget presentations and warrants.

The calendar also shows when Town boards and committees meet to show what days are available for setting meetings for the school budgets, set public hearing, set a day to act on warrant articles, and set the deliberative session.

Town Dept. Budget Presentations

Bob C. put a schedule together with the dates the BC needs for the budget presentation and also listed the Town boards and committees and the SB meeting dates to avoid any conflict and also the dates that were available for meetings.

Bob C. met with the Town Administrator to go over the BC schedule.

Bob C. had the Selectmen starting dates for the Town budget presentations Oct 16th, 23rd and 30th and had the meeting set for Nov 1st or 2nd to review and make changes to the budget so they could send the budget to the BC with all documentation needed for the BC to start the Town Dept. presentations.

Bob C: We have to start the presentation Nov.9th to avoid meeting more than once a week. The other meeting dates are Nov. 14th and 21st with the Nov.27th BC meeting to put our changes to the budget and have Nov. 30th as a joint BC/BOS to negotiate a budget number for the public hearing.

The TA said they had to cancel the Oct. 30th meeting because it was Halloween and many dept. heads and Selectmen would not be available and that they scheduled Nov.6th for their final Town budget presentation. She asked that we move our starting date to Nov.14th and have the joint meeting on Dec.4th.

Bob C: The new dates for the budget presentations would be Nov.14th, 21st, and the 27th.

And we would have to use Nov.30th to make our changes to the budget for the possible Dec 4th joint meeting.

The Selectmen started the budget process Oct.16th.

The BC decided to start the budget presentations on November 9th with the Dept. heads that have already presented their budgets to the Selectmen and to have the budgets and worksheets sent by e-mail with printouts at the meeting.

Bob C. noted that after each dept. presented their budget the Selectmen made motions to accept the budgets with changes if there were any.

Bob C. asked if the committee would like to do the same, eliminating the need to have a meeting to go over every budget to get a final number to present to the Selectmen.

Stan N: It would not be a good idea because the budget could change and we would be bound by the approval of that budget number that was given at that presentation also we should have the default budget.

The board will not make motions after each budget presentation.

New Business: NHMA draft minutes' corrections

After the excessive length of time (45 minutes) making edits/corrections to the draft meeting minutes on 9/19, Peg H: contacted the NHMA to see if there was an answer for our ability to submit edits to the recording clerk prior to the meeting.

Peg H. spoke with the legal counsel and was told the following process is legally acceptable and well in the confines of RSA91: A:

NOTE: see attachment:

This is in reference to the August 15th 2017 meeting that was held at the NUTE Library Committee Room.

Motion:

Shawn P: I would like to move that we follow the outline that Peg H has presented to us to allow us to initially get the minutes, make our changes, and we send them back to the recording clerk.

Second by Peg H: motion passed (8-0)

Review The CIP: (Capital Improvement Program)

NOTE: The Planning Board has the responsibility for the preparation of the capital improvement plan. The planning board must follow the statute RSA 674:5 through 674:8

This information can be found on the Town website at Milton nh usa.com under Boards and Committees - click Planning Board and all the information is there.

Larry B: The CIP Charge & Policy explains what it is. You will see the approval of the public hearing that was held 9/19/17 of basically big ticket items that are either a single purchase with money set aside for future single purchases or lumped together purchases which total the cut off dollar figure of \$10,000 and are expected to have a useful life of 5 years. The advantage of the CIP for us is it shows how the Selectmen and the Town dept. heads are working to level the tax load by planning ahead for major big ticket purchases. The goal is not etched in stone of about \$500,000 a year in warrant articles which have explanations and would keep the tax level in the same way that the revolving funds move costs of the Town budget into the revolving fund for the purchase of equipment and related costs at the transfer station. There is nothing that we vote on or recommend, it is information that is a little bit like backup for Dept. heads' budget. What it does for example, regarding the Library ADA Second Floor Access project and the Library parking lot paving project, is that The Library Trustees have made it clear their priority in the short term is the Library Renovation Project which was ranked 5th by the Board. They recommend moving the 2 proposals at the end of the planning period and recommend incremental funding in 2023 or beyond. When you look at the CIP, you will see it has been ranked by the Planning Board and it shows you how major costs are addressed.

Dennis W: Using public works as an example, if they ask for five pieces, are they going to have one article for all five pieces? Nick M: The discussion we've had for example is if there's a chipper, a roller, and a skid steer on there and the cost is \$5,000 for each item, there will be a warrant article for \$15,000 to put into a capital reserve fund for all pieces.

Dennis W: The voters can't say you can't have chipper but you can have the roller. They're going to say you can have all this or you can't have all this - that's the only choice they can have. That's the discussion we are at. Larry B: It would be that you could not use it for something that's not identified in the umbrella but the DPW would not be restricted to only buy the chipper in the year 2018. Nick M: The CIP is a road map - the capital reserve funding is the mechanism to get us down there. That doesn't mean we can't deviate within the limitation of that capital reserve fund.

The only role of the BC is to vote to recommend or not recommend.

Comment: Shawn P. I really appreciate Peg H. and Mike B. both doing a good job bringing these reports in - it's become obvious that you guys are prepared with answers to our questions and when we ask, "What about this?", you state, "No problem we'll take care of it at the next meeting." It seems like everything is much smoother than it was when I first joined the team.

Budget presentations procedure: This was not brought up for discussion

Any Other Business that may come before the Board: None

Next Meeting: November 9th 2017 (subject to change)

Adjourn: A motion was made and seconded Motion Passed (8-0) at 7:37 pm

These are draft minutes until approved

Submitted by Bob Carrier