

Budget Committee  
Milton, New Hampshire  
Regular Monthly Meeting Minutes  
Tuesday, October 18<sup>th</sup>, 2016

The Chairman called the meeting to order at 6:05 pm

**1, Roll Call:** The Chairman called the roll of the seating members.

Chairman Larry Brown, Bob Carrier, Maureen Steer, Tom McDougall, Dennis Wing, Mike Beaulieu (Selectmen Rep.), Lue Snyder (School Board Rep), Stan Nadeau (Water District Rep.) Caitlin Magargee excused. A quorum was present

**2, the pledge of Allegiance:** was recited before the meeting was called to order.

**3, Public input on Budget Committee issues.** None

**4, Approval of minutes:** Chairman Larry Brown: If there are no corrections, I would like a motion to accept the

minutes of September 20<sup>th</sup> 2016. Maureen Steer: made the motion to accept the minutes second by Stan Nadeau. Discussion Maureen Steer: We put a mark of some sort after each person's name before the sentences, so we know who made a statement or question. A colon will be used to separate the name from the sentence. That would clarify who is making a statement or asking a question. There was no other discussion the Chair called for the vote motion passed (8-0).

**5, New Business:**

**a, Town Report:** Larry Brown: ask Mike Beaulieu where the Town Administrator stands for bringing the preliminary budget to the budget committee for review dates. Mike Beaulieu: We should have a good handle on it in the next 2 weeks.

Larry Brown: so by November 1<sup>st</sup> we should have them. Mike Beaulieu: some of the budgets have been trickling in but not all of them.

Mike Beaulieu: this year they will do a full budget review. It won't be like it was last year which only the lines that increased and those that decreased were presented. It will be a power point presentation of every Department budgets line by line.

Stan Nadeau: we have a huge discrepancy on the town expense report 38.12% spent for the month of October.

Larry Brown: If you look at last night's Selectman video what the Police Chief Krauss said regarding the difference between the inclusions of warrant article and the introduction of 2 important things. The TA has been hired secondly the Highway Dept. has been short 2 to 3 employees and thirdly the Police Dept. was down one officer. If you add this percentage to the warrant article percentage it will come out to 60%.

Stan Nadeau: we have an expense report that was handed to us that shows the approved Budget and what has been spent MTD and the YTD and what the town has left to spend.

I think they should be doing encumbrances right now.

Mike Beaulieu: we're not looking at doing encumbrances. Stan Nadeau: We have to, we have payroll, fuel. Insurance there's all kinds of things that we can encumber. This would give us a better idea of how well our finances are.

Mike Beaulieu: the 4<sup>th</sup> quarter is usually when the budget is mostly spent. In the past years the town has encumbered some things, but maybe we want to take a look at them this year.

Stan Nadeau: there was a few things that the Chairman mention earlier, we should be about 75%.

Mike Beaulieu: It should be closer to 60%. The reason why it's not higher than that is because some departments were not fully staffed.

Larry Brown: The question is can anyone bring to mind a year in which the town either with or without a Town Administrator in the last 3 months of the year make those encumbrances necessary to bill out the costs.

**Stan Nadeau:** It would be useful to have another document where as we know the reasoning of certain things that weren't used. Example we didn't have a TA for X amount of time this would represent X amount of money and this is the grand total, so we can do the math and say if everything went according to plan from day one, we would be at this point now.

**Dennis Wing:** The last 2 meetings we were discussing visual graphics that data visualization we could put notation in to state the number. I know we were not using it yet, but it's being addressed.

**Larry Brown:** The percentages do not represent the actual expenses of the overall budget. It would be useful that next time the TA can add the categories that Stan is asking for. The percentage from the warrant articles and percentage regular operating expenses add up against the total budget.

**Tom McDougall:** I think the discrepancy is when you look at the warrant articles \$3 million hasn't been allocated, if you add that in you end up with something like 77%. I mentioned this at the last meeting it look like we had a good day, but actually it was not as good as it may have look.

**Lue Snyder:** Where is the cost for the fire station in this report? We the taxpayers need to know what the actual bond is. **Mike Beaulieu:** it's a warrant article.

**Stan Nadeau:** If you look at the warrant article you will find what you're looking for its \$3,030,624.

**Lue Snyder:** I'm looking for the interest on the bond.

**Mike Beaulieu:** The bond is for \$2.5 million and the bond interest is around \$900,000.

**Lue Snyder:** I thought it was lower than that. It started at \$930,000. **Mike Beaulieu:** They went to a few different financial agencies and this bond is for 16 years.

**Stan Nadeau:** I don't think it's going to be separated from the budget it will be in Debt Service like the town trucks, but you're not going to find it in this budget. **Lue Snyder:** It will be in the new budget, I want to see it.

**Lue Snyder:** could you find out about this. **Mike Beaulieu:** Yes, Nick will be presenting all of this at his budget presentation.

**Lue Snyder:** This was not presented well last year.

**Stan Nadeau:** Once you sign that bond and the construction phase is done it will no longer be a warrant article.

**Dennis Wing:** There's a difference between a construction loan vs a mortgage loan.

**Larry Brown:** I saw Nick Marique and ask what other insurance are they are carrying on that building? He said that right know it is a cost to the construction Company.

**Larry Brown:** The question about the cost of the firehouse is a good one, with Pam Arnolds help with the bond counsel, for the size of our community to get an interest rate at 2.97% is remarkable.

- The wex program has saved the town \$10,000 YTD on fuel costs.
- The Selectman hired a re-cording clerk for BOS and Budget Committee.

**Larry Brown:** The Selectman's meetings it has been really difficult to get a clear record of the work of the Selectman and introduce the new Town Administrator to the process and the events that has happen over the several months.

**Mike Beaulieu:** The Board has offered to work on this as well, even though she has a long history of putting things together, she is new to Milton.

**Tom McDougall:** had questions about the recreation and Library lines that were overspent.

**Larry Brown:** ask Mike about the recreation dept massive reconciliation for the expenses for her staff and income for the summer programs. **Mike Beaulieu:** I can't answer that.

**Larry Brown:** I can speak to the Library. Betsy has been good about her expenses so that her primary function is having books media and computer access for the library patrons is still available to draw on that, when the year is winding down and also try to pull back when the complete town budget runs out.

**Mike Beaulieu:** will get the information on the new fire station the cost and interest on the bond for the next meeting.

**b, School Report:** **Larry Brown:** ask Lue Snyder the School Board have worked very hard at getting the SAU office

operating budget expenses below what our share of the cost of the combine district.

**Lue Snyder:** Yes, It's going to be close because we are on a default budget. There are a lot of savings but it's not going to show. I think we got it around \$ 390,000 vs \$410,000, we were consolidating a lot.

This is the Milton School District new stand alone budget. The SAU # 64 office will be located at the Damon house.

Stan Nadeau: If I'm reading this right all the encumbrances shows there's \$963,000 left.

Lue Snyder: were not even halfway through the school year yet. Stan Nadeau: Where it reads the total actual encumbrances, it includes everything they know that has to be paid out. There's \$ 8,141,437.00 which was \$963,263.51 this is the amount they can spend.

Lue Snyder: He doesn't always encumber everything that we feel he should. So don't count on a \$1 million being leftover.

Lue Snyder: The current period is \$828,123.00 expended. We just started the new budget July 1<sup>st</sup>. The 800,000 sounds more like the number for now.

Stan Nadeau: You're comfortable with these numbers and you're not having the same issues as the town.

Larry Brown: The point that Lue was going toward is that Supt. Sussman may not use the same encumbrance criteria that was used in 2015/16 year.

Lue Snyder: That's the Business Administrators job.

Bob Carrier: What is the final revenues and expenses for last year? I have a number here, but Nathan said that's not going to be the final number until he gets the DOE-25 form is complete.

Lue Snyder: That's not completed yet.

Bob Carrier: The last number he sent was \$246,242.24 in the last report. I received an e-mail from him saying revenue and expenses were still coming in. When the final number comes in will the warrant articles be taken out before or after the final number comes in?

Lue Snyder: I would think yes, but I don't know. I ask Nathan if the \$25,000 from the warrant article that was passed last March has gone into the maintenance and repair fund. He said no.

Larry Brown: At some date Nathan will put the final numbers that is available as a give back to the Town. The form DOE-25 that's the state form for the final reconciliation for money spent and what should be available as a give back to the town taxpayers.

The underground storage tank that was found in classic Nute has all the funds for the school district came in, so that it has been taken care of. Lue Snyder: I believe it has been taken care of. It cost more because some of the dirt was contaminated and had to be removed the total cost \$10,000.

Bob Carrier: Looking at the schedule there's a public hearing on October 26<sup>th</sup> for on the Building Maintenance and repair fund at the school board meeting to be held in the town hall.

Lue Snyder: The public hearing is October 27<sup>th</sup>. It's because of the way it had to go in the paper you have so many days to post prior to the public hearing, so we decided to incorporate it with our scheduled budget workshop.

The Public Hearing is to expend money out of the Building Maintenance and repair Fund to replace the oil sump.

The State has mandated the oil sump which has rusted out be replaced or they will shut the school down. We are asking to spend up to \$20,000 in that fund to replace the oil sump. Bob Adams has received 1 quote for \$18,000, if he gets any other bids lower we won't take the extra money.

Bob Carrier: The School Board, Budget Committee meetings for school district budget presentation will be held in the Nute Cafeteria and not the town hall where it can be videotaped why?

Lue Snyder: I don't have control over that. This has to do with the Chairman's decisions.

Larry Brown: I am not neither before, now and probably in the future the person who's going to hammer people into submission for when they will have their own meetings.

What I try to do in terms of this paper was to put in some order who is doing what so the public has access so it is timely so that it doesn't run this budget committee ragged to meet other people's schedules.

Larry Brown: There is a public hearing on Thursday October 27<sup>th</sup> @6:00pm in the Nute library community room.

**Summary:** Lue has given us an explanation on expenses the school is facing and we will get clarity on what the

final numbers for any possible return of funds to the town taxpayers when the school budget closed out.

The town is going to be checking to get better percentages for budgets including the warrant articles impact,

And get the statement of the firehouse costs in a discussion format that gives people the big picture of what it cost and what the interest is and how it's coming along. The Fire Chief will also be presenting that information at budget committee discussion when the town presents its budget.

**Schedules:** Bob Carrier has put a schedule together for the budget committee with dates that has been set by the school district for their budget presentation to the budget committee and the public hearing and the deliberative session.

The Town presentation for the budget committee has not been set, Tuesday November 15<sup>th</sup> is the budget committee regular meeting. The public hearing and deliberative session has been set for the town by statutory law. There will be other meeting dates as needed.

**6, Old Business:**

**a, Town Administrator to explain revenues are relative to current budgets.**

Chairman Brown: Taxes and revenues from different sources continue to come in to run the Town and the School District the Town is satisfied with the revenues that are coming in for the needs of the 2016 year.

Mike Beaulieu: The biggest expense for the Town is the School which is about \$500,000 a month.

Caitlin Magargee is not present so there will be no discussion on b, c, d these are her projects.

b, continued discussion matrix template on comparable data

c, By Laws

d, Milton School District Budget Totals Template.

**7, any other business that may come before the Board:**

Dennis Wing: I have a question or comment, I'm not really sure if its budget committee related so much as the Selectman but it does have an effect on the budgets. My question regarding RSA 31:95-E acceptance of personal property donated to town and villages. My question is donated, volunteer, gifts, contribution activity that is going on in regards to projects in town. I'm wondering if the Board of Selectman are complying with this RSA.

**RSA 31:95:95-e Acceptance of personal property Donated to Towns and Village Districts-**

**Section I:** Any Town or village district at an annual meeting may adopt an article authorizing the BOS or board of commissioners to accept gifts of personal property, other than money, which may be offered to the Town or village district for any public purpose, and such authorization shall remain in effect until rescinded by a vote of town or village district meeting.

**Section II:** prior to accepting any gift with a value of \$5,000 or more, the BOS shall hold a public hearing on the proposed acceptance. For gifts with a value of less than \$5,000, a public hearing on the proposed acceptance shall be at the discretion of the selectman. If no public hearing is held, the BOS shall post notice of the gift in the agenda and shall include notice in the minutes of the BOS meeting at which such gift is discussed. The acceptance of gifts under this paragraph shall be made in public session of any regular BOS meeting.

**Section III:** No acceptance of personal property shall be deemed to bind the town to raise appropriate or expend funds for the operation maintenance repairs of such personal property.

The question I have if the laws of various volunteering, contribution material etc. needs to be vetted properly through the BOS in a public hearing or meeting agendas and if not, I would encourage then to do so. I feel if we don't do this it gives the illusion of impropriety and actually it is all well intended. There's a lot of contributions going on which is fine, but donations, contributions etc. has to be address according to the RSA.

Stan Nadeau: is it just for the town? Dennis Wing: The RSA states the town and village.

Stan Nadeau: does the school board or the Selectman on the ball field have the authority at that point?

There was no response.

Larry Brown: There are 2 projects that are receiving donations, material, contributions and labor and that's the ball field and the addition to the HWY garage.

There is a video at one of the Selectman's meeting Pat Smith comments to that affect.

The school property which is owned outright by the school district as a separate entity. The school property can be sold off. The town does not have anything to do with this RSA by definition. The school district for what its regulation are would do well to check with their own attorney to make sure that all people who need to thanked or people who might be claiming a 501c3 donation card.

**Stan Nadeau:** How about the playground they are developing in Milton Mills doesn't that come under the umbrella of the Selectman?

**Larry Brown:** The Milton Mills Cemetery Association right now is a private association which is seeking to become and give its entire property over to the Selectman which has not happen yet.

Larry thanked Dennis for bringing the issue up. It's not nice to have a public project get dinged because it was not properly addressed

**Lue Snyder:** I don't think this a school thing it was brought up by the recreation dept, because Lockhart was going to be closed which is a public ball field. The new ball field at the school will be used by the town's people as well as the school. The volunteer workers have nothing to do with the school district.

**Stan Nadeau:** Let the attorney answer that. **Mike Beaulieu:** This a valid question and I'm going to look in to that.

**Tom McDougall:** If we get it on record how much the contribution were, if the steward you got a record of what the cost was and if you don't have a record of that the insurance may cut back and say where's your receipts for the ball field.

**Lue Snyder:** The town's people have their own ball field committee that is not subject to school district.

**Larry Brown:** I'm thinking that Mike said it's outside the budget committee purview.

**Bob Carrier:** There's a record of all the meetings, donations, labor, material and money that has been spent is on the bulletin board in the town hall and also the Town Clerk has those records on file.

**Lue Snyder:** I was at the transfer station and Michelle wrote me out a receipt that said it was collected from donations at the transfer station. I know it's being accounted for.

This will be looked into and at the next meeting we will get some answers.

**8, Public input: none**

**9, Members comment: none**

**10, Next meeting: Tuesday November 15<sup>th</sup>, 2016**

**11,Adjourn:** The Chair ask for a motion to adjourn Stan Nadeau made the motion second by Maureen Steer  
Motion passed (8-0) at 7:14pm

**Note:** This meeting was videotaped and can be accessed through the Milton Town website under Boards and Committees meeting minutes.

Submitted by: Bob Carrier      Date Approved: \_\_\_\_\_

These are draft minutes until approved.      Chairman Larry Brown: \_\_\_\_\_