

Minutes
Nottingham Budget Committee Meeting
January 21, 2016

Members Present: Anthony Dumas, Suzanne Edin, Jeff Wheeler, Miska Hadik, Michael Koester, Gene Reed, Jennifer Biron, Dawn Fernald, Carrie Lee, Donna Danis – BOS Rep, Susan Levenson – School Board Rep

Excused Absences: Mark Carpenter,

Other in Attendance: Secretary Dawn Wirkkala, Town Administrator Chris Sterndale, Recreation Director Janet Horvath, Fire Chief Jaye Vilchuck, Sandra Vilchuck, Matt Curry, Grace Russell, Brett LeBlanc, Gary Anderson, Herbert Calvitco, James Calderone, Chris Robinson, Chris D'Eon, John Morin,

Chair Wheeler called the meeting to order and introductions were completed. Chair Wheeler requested that if anyone from the board or public has concerns about how meetings are run they should direct those concerns to him and asked everyone to try and eliminate negative and derogatory comments from public communication to the board.

RECREATION DEPARTMENT: Mr. Sterndale reviewed the committee would see some changes in the Recreation Budget based on the creation and purpose of the Recreation Revolving sub-committee and their recommendations the Selectmen could use for possible methods for the best management practices and how to best categorize the recreation programs between the Recreation Revolving program and town funded Recreation Department, including how the funds raised from the programs might be managed.

Ms. Horvath reported a big coming change for the Recreation Department is the introduction of an online user registration and payment option. It should be provide the Recreation Department an easier method to manage programs, participants and scheduling, with a big benefit to parents to simplify the registration and payment options. The change in registration process will eliminate the need for one of the summer staff positions by reducing a lot of the previous paperwork and manual recreation program management.

Mr. Hadik asked how the F/T Rec Salaries account amount has been adjusted with the changes in personnel. Ms. Horvath and Mr. Sterndale responded increases are included to account for the changes in how raises were calculated for employees, an additional increase for the Assistant, as well as the Beach Gate Attendant.

Mr. Sterndale reviewed his presentation of the 2016 Town budget, starting with a review of the total 2015 revenues and expenditures. The 2015 revenues increased from the estimated proposal in part due to an unexpected reimbursement from FEMA, cable franchise fee changes, and a higher number of new vehicle registrations; the additional revenue allowed the town to deposit more into the fund balance. Overall expenditures were down in legal, insurance, fuel, and general assistance (welfare), but were greater than expected in HVAC repairs, highway vehicle maintenance and radio repairs; weather helping out as well with a mild winter.

The Selectmen decided they would include repair to the Police Department and Library roofs, complete a legally required town review of the Impact Fee program, and to increase the amounts proposed in the warrant articles for the highway vehicle and building maintenance/repairs funds.

Mr. Sterndale reported he is proposing increases for the estimated revenues for 2016.

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Areas that stand out with the 2016 proposed budget are the 4.2% health insurance increase, higher rates for police and fire department retirement rates, the new police cruiser and a new office server. There are additional expenses in insurance and legal needs as the Selectmen deal with the tax deeding and selling of town owned property. Energy, Materials and Utilities are expected to increase, there are four elections during 2016 which increases the Election budget for 2016. The town will also demolish two tax deeded properties, but the expenses should be off set with the revenues from the sale.

Some budget increases are also seen with town offered service improvements; the Town Clerk change to a one check program and acceptance of credit cards, the online recreation registrations/scheduling, direct deposit for employees, and a new website redesign.

Warrant Articles include those regularly seen for road construction/reconstruction, the highway truck fund, Ambulance fund, Tri-Centennial fund, HVAC expendable trust fund, social services agencies, the returning revaluation fund, and the fire vehicle fund. New articles include the Invasive Species Monitoring and Response ETF at \$10,000.00, a Contingency Fund for payment for leaving employee costs at \$20,000.00, Marston Property Development at \$200,000.00, and the Fire Truck Replacement at \$750,000.00. The Marston Property fund will be split with \$100,000.00 being transferred from the Recreation Revolving fund that will not impact the tax rate and the other \$100,000.00 from taxation if approved. The Fire Truck replacement payment will be split with \$350,000.00 from the Fire Vehicle CRF and the other \$450,000.00 being finance by bond.

Mr. Sterndale and Ms. Danis reviewed the multi-year phased work plan proposal for development of the Marston Property. The initial phase will take approximately two years to complete in order to have the ball fields set at the end of year 2. Phase 1 includes the multi-purpose field, softball field, baseball field, parking area, community gardens, and walking trails at a continuously changing/working cost estimate of \$300,000.00 to \$400,000.00. The actual amount will change as work proposals and bids are received, grants and donations are found, and the committee will actively seek community involvement to complete the work. Ms. Danis stated the Selectmen will seek to involve the Highway Department in the development process utilizing existing town owned equipment and staff.

Chair Wheeler asked questions about the state clean-up of the property in the past; did it include bringing in new soils. Mr. Hadik responded there are still monitoring wells on the property, and the development plan includes removing an amount of the top soil and bring in gravels for drainage and then return the top soil. Mr. Sterndale reported the Highway Department will do as much of the work as possible, needing to rent needed equipment but only needing minimal building supplies.

Ms. Levenson stated the School Board has decided the school will contribute funds toward the ball fields.

Mr. Hadik asked about the creation of a special fund for the Marston property. Mr. Sterndale stated he is working with legal council to draft the specific language; the hardest part will be the transfer of funds from the recreation revolving fund. It was stated the Marston Property fund will be designated specifically to the project development.

Fire Department Quint Review: Chief Vilchok reviewed the new and updated information regarding the proposal for a new Quite fire vehicle, including a comparison of the economic, life safety, property preservation, property access, staff operation, functionality, training expenses, and vehicle maintenance of the proposed quint versus a fire engine.

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Chair Wheeler asked if the quint will be able to access all properties in town. Chief Vilchok responded the quint will be able to access approximately 90% of the properties in town; anywhere the tanker and Engine go, the quint can go. Ms. Danis responded she also had concerns about accessibility because of road narrowness, including her own road, and Engine 2 has been down her road and understands the quint will be able to as well.

Mr. Hadik asked about the equipment available on Engine 3 and is there a vehicle in-between the quint and an engine. Chief Vilchok responded the engine has similar equipment, including the additional extension ladder with a trade off of carrying less water.

Mr. Koester asked about vehicle maintenance expenses. Chief Vilchok explained the department has regular testing of hoses and other equipment; however there have not been any significant mechanical repairs to the current equipment. The department completes all standard maintenance such as oil changes, and tires.

Mr. Dumas asked if the decreased water capacity will mean the tanker needs to make more frequent fill ups. Chief Vilchok responded it will not, as the department currently relies on mutual aid to help with needed water supply and the department also uses publicly available water such as the lake and/or ponds.

Ms. Bonser stated the Board of Selectmen has reviewed a significant amount of information, including some from the State Fire Marshall, in addition to the materials provided by the Fire Chief. Ms. Danis stated the Selectmen were very reluctant at first, grilling the Chief and asking for additional documentation about the change in vehicle type; after a visit to the Fire House to look at the existing equipment relieved some of the accessibility concerns seeing the size of existing equipment.

Ms. Fernald stated she is concerned about what size an area will be needed to stabilize the quint and its ability to access a similar number of properties as the existing equipment. Chief Vilchok reported each manufacturer addresses stabilization slightly differently, but allow for what is called “short jacking” providing the ability to level and stabilize the vehicle with a variety of terrain.

Ms. Lee asked about the timing of mutual aid responses and the plan to make sure the quint arrives at incidents first. Chief Vilchok reported Nottingham is a large town and there will be situations where other towns will be at the location first, but the pre-plan (run cards) will be set up to make sure the quint is the primary vehicle.

Mr. Hadik asked if the quint would respond as a mutual aid vehicle to other towns. Chief Vilchok responded their run cards will identify what vehicle Nottingham is to respond with.

Mr. Dumas asked if there was a Plan B for the Chief. Chief Vilchok responded if the quint is not approved in 2016, he will try again in 2017 and would re-evaluate in 2017 if needed.

Chief Vilchok stated the budget for the fire vehicle reserve fund and new vehicle payment is set to an approximate \$100,000.00 per year, with the next vehicle purchase planned for 2023/2024. The last quint payment is proposed for 2021, leaving two years with the same budget amount to add to the reserve fund.

Ms. Levenson asked if the Town of Chester has been able to utilize their quint. Chief Vilchok and Mr. Calderone stated the Chester Fire Chief expressed his happiness with the quint and it has been used. Chief Vilchok stated both Auburn and Newmarket also use quints.

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Chief Vilchock invited the committee members to visit the fire house for a tour.

Chair Wheeler thanked the Chief for a great presentation.

Mr. Sterndale reviewed those accounts that changed between the first draft and this draft of the proposed 2016 budget, explaining some fire and police equipment was purchased from the 2015 budget year reducing the amount needed for 2016. The expense for the impact fee study caused an increase. The Recycling Center waste disposal expense increased. Other accounts that were paid for in 2015 were the amount needed for the website redesign, along with the direct deposit fees.

Chair Wheeler asked if the town was comfortable with the Election Supplies budget. Mr. Sterndale responded the Election staff reviewed prior elections and planned for supplies based on that need, including adding some to address the move to the school for the general election in November. A few questions remain about the set up and how people will line up and if any additional equipment will be needed, but any issues should be easy to solve as the election gets closer.

Mr. Hadik asked about the discrepancy in the mathematical calculations in the grand totals of the operating budget between the budgeted amount, expenditure amounts and the 2016 totals. Mr. Sterndale stated it is a formula calculation error and it would be repaired.

Ms. Fernald asked about the policy for employee's ability to accrue vacation and sick leave and payment during a retirement and termination. Mr. Sterndale stated the policy has changed over the last couple of years, reducing the amount of leave employees can retain and receive payment for, but there are some grandfathered long term employees; the current policy is more of a use it or lose it type policy for vacation carrying over only 40 hours for current employees. Sick leave is a higher balance but the current payment is only 1/3 of the maximum balance. Ms. Fernald asked to receive copies of current policies with changes to better help understand the process and potential budget impact.

Chair Wheeler asked about the status of the USA Springs property. Mr. Sterndale responded there is no current activity with the property and has the expectation that the town will may make an attempt to take the property in 2017, as the tax liability that will be owed to the town will exceed the amount that the property could potentially be sold for; once that happens the town will incur legal costs for the transfer and a potentially high cost to remove the rusting steel structure.

Discussion took place about the cell phone tower located on the property and the revenues being received by the bankruptcy court/trustee.

Mr. Dumas asked about legal expenses associated with the Fairpoint property tax. Mr. Sterndale reported the case is still on-going, with the expectation that it will go before the Supreme Court at some point.

Mr. Koester asked the intent of the town for the vacant property located at the corner of Kennard Road and Freeman Hall Road. Mr. Sterndale reported the property has been condemned, will be taken by tax deed in 2016, and may recommend keeping the property for three years based on a potential selling price. Those amounts are being calculated to determine the best option for the town. Mr. Sterndale reviewed the other parcels the town might consider selling in 2016.

Approval of Minutes

Motion: by Mr. Hadik, second by Mr. Dumas to approve the January 7, 2016 minutes as amended.

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Vote: 8 in favor and 2 abstained.

SCHOOL UPDATES: Ms. Levenson reviewed the new process to provide budget information to the state, stating the School Board is concerned about the Default Budget information not populating the forms correctly to provide the current year budget amounts. Ms. Levenson stated the committee has an option to sign the signature page tonight with the understanding that additional information could be included after, but before the required posting date of Monday, January 25th.

The committee agreed to the sign the signature pages.

Chair Wheeler reviewed the required wording changes to Warrant Article #8 for funding of the reading program, based on the state concern and request to remove the wording “partially funded” and stated the committee will need to vote on the new wording.

The new wording for Warrant Article #8: To see if the Nottingham School District will vote to raise and appropriate the sum of Fifty Thousand Dollars (\$50,000.00) for the purpose of funding a Reading Program for grades 4 – 6.

Motion: by Mr. Dumas, second by Ms. Fernald to recommend Warrant Article #8 as amended.

Vote: 10 – 0 in favor.

SUB-COMMITTEE UPDATES:

MPEC: Ms. Danis reviewed there is little additional information to add beyond what was already presented. The next step is for the Selectmen to determine how, what, and if any additional MPEC action will be needed to continue work on the development plan.

Mr. Hadik reported it is the intent of the current committee to complete their initial tasks, as established, write a final report, and have the Selectmen transition tasks to new committees.

Ms. Fernald asked if the recreation impact fees are implemented, could the raised funds be used for the development of the Marston property. Ms. Danis stated potentially but the study must be completed by the Planning Board before any action can take place.

School: Ms. Biron asked about the Budget Committee member participation at the deliberative session. Chair Wheeler and Mr. Koester responded the members are available to help answer questions and provide supporting answers when needed. Ms. Levenson stated the School Board is requesting to have the members sit at the front table with the School Board.

General discussion took place about the process and procedure for the deliberative session.

OTHER BUSINESS: None

ROUNDTABLE: No comments.

ADJOURNMENT: Having no further business,

10:09 PM **Motion:** by Ms. Lee, second by Mr. Dumas.

Vote: 10 – 0 in favor.

Respectfully Submitted,

Dawn Calley-Murdough