

Minutes
Nottingham Budget Committee Meeting
January 26, 2017

Members Present: Jennifer Biron, Anthony Dumas, Suzanne Edin, Miska Hadik, Michael Koester, Carrie Lee, Tiler Eaton – BOS Rep, Jackie Snow – School Board Rep

Excused Absences:

Other in Attendance: Secretary Dawn Calley-Murdough, Town Administrator Chris Sterndale, Select Board Chair Donna Danis

Chair Dumas called the meeting to order and introductions were completed.

Town Final Draft 2017 Budget/Tax Impact Review: Ms. Danis reported a lot of work has taken place by department heads, the Town Administrator and the Select Board to make sure a good budget was presented to the Budget Committee.

Mr. Sterndale reviewed a summary of the overall town 2016 and 2017 budget and revenues for the committee, and identified the larger impacting accounts.

Mr. Sterndale reported 2016 revenues continued to grow, including slight increases in the state revenues for Meals and Rentals and the Highway Block Grant. There was a decrease in interest from delinquent taxes, but it means more people are paying their property taxes. The town spent less than budgeted in 2016, with lower than expected health insurance premiums, savings with heat and vehicle fuel, the completed construction projects received lower bids, and less plowing was needed with the mild weather early in 2016. However, the town did see and expects to continue to see higher costs in waste disposal and lower recycling income at the Recycling Center, despite consistent disposal and recycled quantities of materials. The town had an approximate 2% growth in property values in 2016, with a slight increase in the 2016 Town tax rate from \$4.20 in 2015 to \$4.38 in 2016.

Mr. Sterndale reviewed there have been a few changes to the budget since the prior review. New items include the need for a new fire alarm system for the Community Center and the Police Department, as it is a very old system and replacement repair parts are harder to find. The Police Department also needs to upgrade and replace the security and interview cameras, as well as the consideration of additional security for the Community Center.

Ms. Danis stated the Select Board supported and felt very strongly about the need to upgrade the fire alarm and camera system at the Police Department.

Mr. Sterndale reported overall the town has an expected an approximate 2% operating budget increase, from \$3,624,862.00 to \$3,697,139.00; a \$72,277.00 increase. Items causing a larger impact on the budget, which included the hiring of an additional police officer, increases in health insurance at approximately 5%, higher state mandated police and fire department retirement costs, as well as workers comp insurance. Another big change is including the Social Services expenses (Vendor Payments) from a 2016 warrant article into the 2017 general operating budget at a total of \$27,075.00.

Other activities expected to impact the 2017 budget is needed new siding for a portion of the Community Center, only one election in 2017, possible renovation on the Old Town Hall stage area, and increases in electricity expenses with the expiration of the current rate contract.

Mr. Sterndale reviewed the estimated 2017 revenues are similar to 2016, stating there is the expectation that vehicle registrations will continue to rise.

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Chair Dumas asked the reason why the social services agencies moved to the operating budget and if there were situations where agencies have not asked for funds. It was stated the change was to provide the town with a little more flexibility if an agency closes or additional funds are needed in other areas, and there haven't been many situations where agencies received support and haven't asked for the funds.

Mr. Sterndale reviewed the list of warrant articles. There were the recurring articles for the ambulance operation, road construction/reconstruction, revaluation reserve fund, fire and highway vehicles reserve funds, 300th Birthday reserve fund, HVAC fund, and the newer Invasive species fund. New money articles for 2017 include two solar power lease/power agreements for the fire department and community center, new ambulance purchase, investment of funds plan for the Trustees of the Trust Funds, and another year of the contingency fund for estimated retirement expenses. Other new articles include changes to the purpose of the ambulance special reserve fund, proposed acceptance of Strawberry Lane and Rocky Hill Road as town roads, as well as possible warrant articles pending the litigation outcome of the USA Springs property.

Mr. Sterndale reviewed the recent activity with the USA Springs property stating the court approved a sale, however the sale has not closed by the determined deadline. The Select Board has decided to respond to the closing delay by petitioning the court to take the property by tax deed, meaning the town could take ownership of the property if approved by the court. The hearing on the proposed petition won't take place until February 21, which will cause last minute budget activity to the warrant articles. However, it is possible for the sale to close prior to the hearing, which currently leaves the town in limbo on what activity to plan for.

The Select Board does have a plan to work with the approximate \$900,000.00 the town could receive, if the sale is completed, which includes paying off some town debt for savings on interest.

Mr. Sterndale stated these delays may cause difficulties with deadlines for posting the warrant and providing the material for the Town Report, and discussion is taking place to determine how warrant articles should be included. The Select Board will need to make decisions about the property and each of the different scenarios will require specific warrant articles. The town will keep the committee updated with new information as it becomes available and may have to continue the public hearing to an additional date and call the committee back to vote on any additional warrant articles.

General discussion took place about the possible warrant articles and what will be needed to get those warrant articles posted in a timely manner. Concern was expressed about including opposing warrant articles that could confuse voters.

Mr. Sterndale reported he does expect the town tax rate to go down for 2017.

Chair Dumas asked where the solar panels would be placed. Mr. Sterndale reported it would be the Fire Department and Community Center. There is the expectation the returns would be better at the Fire Department, and a slower return on the Community Center because of the higher installation costs. There are some unknowns with how electricity costs will change over the next 20 years and the Select Board wanted to make sure the citizens have the right to choose how the town should proceed, voting on the details for each project separately. Mr. Sterndale reported two Request for Qualifications were received, both companies interviewed, and then making a decision to move forward with one company to establish the specific cost details.

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Proposed Ambulance: Chief Vilchok reviewed the history of ambulances used at the department and the new request. The department is seeking to change from the currently used gasoline ambulance to a diesel ambulance. The new vehicle is meant to be heavier duty, will provide added safety, possibly less maintenance, and extended operating cycle. If the new ambulance is approved the order will be placed with an expected delivery during September or October 2017. The expected total cost for the new ambulance would be an expected \$220,000.00, which will be fully funded from the Ambulance Special Revenue Fund. The new ambulance purchase will also include a new radio system and a new hydraulic transport cot; the cost is included in the grand total.

General discussion took place about the change in ambulance type. It was stated the old hydraulic transport cot has minimal resale value and will be kept as a spare. The change to a 4-wheel drive vehicle is driving the decision to give the vehicle better/sturdier use on the Nottingham dirt roads.

Chair Dumas reported the Motorola radios might offer additional features for the department than other brands. Mr. Sterndale reported the current radio system received better reception than cell phones.

School Update: Ms. Snow reported the deliberative session will take place on Friday, February 10, 2017 at 7:00 pm at the Nottingham School. The Deliberative Session is the last review of the 2017/2018 school budget for possible changes before election day on Tuesday, March 14th.

Chair Dumas reported the MS-27 budget form appears to have some possible errors that need to be verified. It was stated after discussion that the committee members could sign the cover sheet of the form and will see a final copy once the information has been verified.

Ms. Snow received support with her request for the committee to have an opportunity to review the form to see how budget worksheets relates to and is changed to a final budget document.

Budget RSA and Rule Review: Mr. Eaton reviewed the statutes regarding collective bargaining, from RSA 23-A. The town and school have some exceptions and flexibility with regards to fair labor practice in establishing contracts. Teachers don't have the right to strike, which is also a benefit to the town.

Approval of Minutes

Motion: by Mr. Hadik, second by Mr. Koester to approve the January 5, 2017 minutes as amended.

Vote: 8 in favor

Motion: by Mr. Eaton, second by Ms. Snow to approve the January 12, 2017 school public hearing minutes as amended.

Vote: 8 in favor

Town Business: The town still needs a CDL Plow Driver, the Recreation position has been filled. Discussion took place about providing budget documents in an excel spreadsheet format, which has taken place. School budget documents were also requested in an excel format. Ms. Snow stated she isn't sure the School Board received a request and how documents are presented to the public will vary town to town; some provide excel spreadsheets with all details and some only provide a high level of detail with grand totals/overview, or even only a PowerPoint presentation. It is a difficult task to find methods to get the information out to the public that can be easily found.

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OTHER BUSINESS:

Ms. Lee stated she was curious about the excel request.

Ms. Biron asked if there was the possibility for the committee to consider starting the public hearing meeting earlier to try and get more of a public presence and prevent staying until after 11:00 pm. It was a great meeting, very thorough with a great level of detail. Chair Dumas stated it was possible and something that could be decided next year.

Chair Dumas stated the Town Public Budget Hearing is Thursday, February 9 at 7:00 pm and the School Budget Deliberative Session is Friday, February 10 at 7:00 pm.

Mr. Eaton reviewed the Select Board changes with the town budget. There has been movement going on with the Marston property, information should be coming soon.

Mr. Eaton stated the only recent budget change the Select Board has considered is the need for a new fire alarm and updated video cameras, and new information about Marston should be coming soon.

Mr. Koester stated he had an opportunity to review the solar panel supporting documentation, which included information about the cost of solar panels. It did appear that the cost was maybe higher than usual for the multi-year payment plan for the equipment and installation costs. He stated he presented these and other concerns to the Town Administrator. Mr. Koester hoped the Select Board would be able to find another cheaper provider.

Mr. Eaton stated he has also received information that Eversource is looking to get into the business of larger scale solar installations, which may provide the town with more options in the future. General discussion took place about the costs, expenses, and options for solar.

ROUNDTABLE: None

ACTION ITEMS: None

ADJOURNMENT: Having no further business,

9:11 PM Motion: by Mr. Hadik, second by Mr. Eaton.

Vote: 8 – 0 in favor.

Respectfully Submitted,

Dawn Calley-Murdough