



Robert Thompson



John Allen



Richard Bennett



Budget Meeting #2

February 6, 2018

Present: Bob Thompson, Chairman; Richard Bennett, Selectmen

Visitors: Town Administrator Julie Atwell, Administrative Assistant Julie Hoyt, Town Clerk Karen Burton, Town Moderator Willis Kelley, Road Agent Patrick Kelly, Fire Chief Jay Henry, Building Inspector Kevin Bennett, Chief Perley, Health Officer Tom Greig, , videographer Hank Benesh, Bea Davis, Bob Davis, Marilyn Rhodes, Sarah Clemons, Denise Saches, Joyce Allan, Huntley Allan, Chris McAleer, David Campbell, Tish Hanlon

The meeting was called to order at 3:20 pm

Chairman Thompson mentioned the filing period for town and school offices has ended but there are still many openings: Supervisor of the Checklist is open with a 6 year term, Library Trustee with a 3 year term, School Clerk and School Moderator each with a 1 year term.

1. Follow up from previous Budget Hearing

a) Regarding the Hydrant services (on page 5) of the Operating Budget, the \$6300 in question.

Selectman Bennett stated this arrangement began in 1981 between the Selectmen at the time and the Water Precinct. The Water precinct puts in, maintains and tests the fire hydrants around town at their expense and asked for the town to help. The budget amount has fluctuated over the years from \$7000 in 2004, \$5000 in 2005, to the current amount of \$6300. To put a new hydrant in costs \$9000 so it is the towns responsibility to assist with fire protection. Fire Chief Henry mentioned North Conway doesn't charge the town because their water precinct and fire department are the same. Most towns do pitch in towards the costs of hydrant usage and maintenance.

b) Health insurance is broken out as a separate line item. 2018 budget increase is due to 13% increase in costs. \$4000 increase is to allow for anticipated employee changes within policy from single plan to family. Sarah Clemons would like to know why the town feels obligated to pay \$34,217 as a negotiated amount budgeted to give to employees not taking the town insurance. The Selectmen feel it is fair to compensate them for the benefit they are not taking part in. Town Moderator Kelley recalled a statute where the Selectmen could partake of the town's benefits but on a pay -in basis, yet the town had to appropriate that amount in the budget. Town Administrator Atwell mentioned the Retiree portion of the insurance is not included in this line item. Fire Chief Henry said the volunteer fire crew has inquired as to whether they could pay in to the town health insurance. He felt this may be a nice incentive to get and retain volunteers. Town Clerk Burton inquired about how the benefit pay out was accounted for and was told it shows on the employees' W2. Sarah Clemons felt that private enterprises do not allow this sort of benefit.

2. Public Comments: Sarah Clemons inquiring about the 3% pay increase along with benefits for all staff; she feels this practice is not seen in the private sector. Police Chief Perley cited nationwide average on wage movement has increased 2.9% with a social security increase of 2%. On a more local survey, for comparable work, the town of Conway does have a 3% increase; the Sheriff's department has a 3.3%

contractual over 3 years, and Conway municipal has a max up to 3% scaled depending on performance. He felt the 3 R's; Reward, Retention, and Recruitment need to be considered. He believes the 3% is fair and reasonable to retain good employees who in the relative sense are making less here then they could be making in other communities.

Huntley Allen commented that social security did increase 2% but personally, his medicare costs also increased. David Campbell mentioned that hopefully the 3% is discretionary based on performance evaluations. Bea Davis stated the 3% is written as policy in the Employee Handbook. Chairman Thompson referred to a study that was completed in the past comparing similar towns and the results showed that our employees were on the low end of the pay scale which helped justify the increase. Sarah Clemons inquired if the volunteers are included in that 3%. Fire Chief Henry said they are not and the last increase for any volunteers was about 4-5 years ago. Willis Kelley mentioned that though he is on a fixed income and pays his private insurance he felt the increase was justified to help us retain good employees and that the overall amount is minimal in comparison to some of the large budget items we are looking at. Town Clerk Burton wanted to know if similar towns had been compared and if that survey information was available. Chairman Thompson stated the demographics were comparable and the information is available.

3. Warrant Articles:

- a) **Generators for Fire Department & Town Office:** Health Officer Greig stated that after the October flood it was obvious, that for emergency management purposes, these buildings should have stand alone power. The recommendation is to have the Town Office get a generator this year and the Fire Department to get one next year. A grant will offset half the cost. **The Selectmen support this article 3-0-0**

- b) **Phase 3 Transfer Station:** Bartlett- Jackson Transfer committee, is made up of 3 selectmen from each town and both towns are proposing equal amounts to complete this phase. Sarah Clemons inquired if any issues are foreseen with the town of Bartlett approving their portion of the funding. Chairman Thompson said that they do not anticipate any issues. The town of Bartlett has been in agreement to date and this is the final stretch of the improvements and the work is contingent on both towns passing. Fire Chief Henry asked if this included the paving. Chairman Thompson said yes it does. **The Selectmen support this article 3-0-0**

- c) **Valley Cross Rd Bridge:** Chairman Thompson noted this is our cost for the design phase, working in conjunction with the State Department. The town will move forward with a public hearing once the State approves the contract with the engineering firm. Town Administrator Atwell mentioned the final cost to the town, from this budgeted amount will only be \$37,000. Chairman Thompson stated it will be a million dollar bridge but the town portion will be approximately \$200,000 since we will be reimbursed 80% of the total cost for this bridge. Cosmetic renovations and shoring up was going to cost us \$200,000 vs getting a new bridge with the states 80/20 aid will cost us the same amount in the end. Town Administrator Atwell stated the \$37,000 is already in Capital Reserve we are not adding any additional funds. **The Selectmen support this article 3-0-0**

- d) **Melloon Road Ground Water Maintenance:** Chairman Thompson explained that previously it has cost \$5000 to test annually but DES only requires every other year now. This article is to fund half the amount, plus a \$500 cushion. This will become an annual article to cover this cost. **The Selectmen support this article 3-0-0**

4. Recurring Articles:

a) **Capital Reserve Funds-** Chairman Thompson explained that six of these articles are to put funds away in Capital Reserve for equipment that will be needed, and the seventh is money to go towards the revaluation of the town. Selectman Bennett feels putting these funds aside is a wise way to maintain a flat budget while still planning for future expenditures. **The Selectmen support this article 3-0-0**

b) **Expendable Trust Funds-** Chairman Thompson explained the next six articles are for Expendable Trust Fund (ETF). Sarah Clemons wanted to know if the \$3000 under Fire Department Equipment was for new firefighter gear. Fire Chief Henry said yes it will go towards the purchase of two sets. **The Selectmen support this article 3-0-0**

c) **Aid –** Chairman Thompson explained there is a funding formula for those dollar amounts that are not rounded off, and it's based on the number of our residents that use those services. **The Selectmen support this article 3-0-0**

d) **Plan NH – for Municipal Technical Assistance Grant -** This is for the affordable housing project looking to improve affordable housing prospects in the town. The project is headed by Scott Badger and Betsey Harding. The \$18,550 is the full amount that has to be appropriated but we did receive a grant for \$13,913 so the town will ultimately only be responsible for the difference of \$3,638. **The Selectmen support this article 3-0-0**

5. Petitioned Articles:

a) **Exemption of Solar Energy from Property Tax –** Chairman Thompson explained where a solar energy system installation would typically raise the value of a property, thus increasing the households' property tax amount, this article would allow for an exemption for the value of that **increased** property tax. Though there is no money required from the town on this article, it will impact the tax base. This article was not passed last year the way it was worded but it has been reworded. Tish Hanlon asked if the assessor has an estimate on what the tax loss impact would be to the town. Town Administrator Atwell does have some information in the office that she will make public. Building Inspector Bennett stated in the last four years a number of solar energy systems were installed locally. The cost between installation and labor is typically around \$500,000 but he is unsure of what that amounts to from an assessing standpoint. Town Moderator Kelley stated there has been a lot of grant money available for the installation of these projects. Selectman Bennett commented on the difference between this Solar Exemption and the Veterans credit. The Veterans credit comes off the tax bill at a cost to the town. The Solar Exemption is not a cost to the town but the town will not gain any tax revenue from the solar application. Sarah Clemons inquired whether the Planning Board has any ordinances in regards to solar applications. Selectman Bennett stated that at this time there are no ordinances to this effect and perhaps this should be brought to the Planning Boards' attention. **The Selectmen support this article 2-0-0 (John Allen will weigh in at a another time)**

b) **Support an Amendment to the US Constitution –** Chairman Thompson read the summary wording of the warrant article, 'To see if the town will vote to approve a petitioned article in favor of declaring that rights and protections belong to natural persons of the United States, but that corporations shall not be considered to be people, and in favor of permitting and restricting funding for elections of federal and state candidates and therefore directing NH state legislators to ratify such a Constitutional amendment.'

There being no further business, the meeting was adjourned at 4:30 pm.

Respectfully submitted by,

Gloria Hutchings