

Town of Boscawen
Budget Committee Public Meeting – Final
Boscawen Municipal Complex
January 24, 2018 at 6 p.m.

Present: Gail Egounis, Barbara Randall, Edward Cherian, Sherlene Fisher, Bruce Crawford, Rhoda Hardy, Roger Sanborn, Mark Varney, Alan Hardy, Dean Hollins, Kellee Jo Easler, Nicole Hoyt, Ray Fisher, Michelle Brochu, Katie Phelps, Kevin Wyman. Also present: Sarah Gerlack, Cheryl Mitchell, Rick Jacques, Linda Lorden, Shannon Meaney and Dave Collins.

Meeting began at 6:04 pm. Roll call completed.

Edward Cherian was nominated as Chair. A **motion** to do so was made by Bruce Crawford, seconded by Gail Egounis, and passed by a unanimous vote.

Personnel Costs:

Retirement, Medicare, Social Security and Health Insurance, is all being put into the Personnel budget instead of each individual department's budget. Bruce Crawford said doing it this way does not substantiate what amount is for each department. Katie Phelps showed the group a worksheet that is broken down by department. It is there to see for each individual department and the associated costs. Ed Cherian noted that by joining it together they can compare from year to year the benefit changes, etc. This will protect individual's privacy when there is only one person in a Department.

Ed Cherian noted that if all personnel benefits in the 2018 budget were added up, the health insurance package was increased by 5% from last year. Gail Egounis thought that health insurance was going down 6%. Katie Phelps noted that the total health care costs went down across the entire HealthTrust system. The reason that our costs went up was due to the way that our employees select policy needs. Katie agreed that it is confusing because the rates went down. Mark Varney noted that we added the employee flexible spending plan last year too. Alan Hardy stated that the FSA plans are paid for entirely by the employees. Discussion regarding health insurance changes and associated costs ensued.

Ed Cherian reiterated that all the benefit numbers (cost) are now all in one place in the Personnel budget. Bruce Crawford doesn't believe that doing it this way is fair to the tax payers. Mark Varney explained that, if you have a small department with only one employee, their privacy is compromised. Nicole Hoyt noted that most people don't know percentages of items like retirement, etc. Alan Hardy proposed that they put notes at the bottom of the worksheets. That will allow the numbers to be more accessible.

Alan Hardy suggested the committee hear the guests in the audience before the committee continued with their agenda. Ed Cherian agreed.

Warrant Article 10 to raise \$5,700 towards Penacook Community Center.

Linda Lorden, President, of Penacook Community Center. She noted that their request is a slight increase from past requests. The increase involved around their seniors programming. They have 68 seniors; 12 from Boscawen. They are utilizing Boscawen Town Hall for meals. The associated cost is about \$1,200 annual plus transportation for the seniors. Money is not made with that program. They have a Senior Director who works reduced hours. They do charge an annual dues for seniors of \$45.00 and offer scholarships for that annual fee.

A **motion** to recommend Warrant Article 10 to raise \$5,700 for the Penacook Community center was made by Rhoda Hardy, seconded by Bruce Crawford and passed by a unanimous vote.

Warrant Article 7 to raise \$1,786.00 to contribute to the operating cost of the Red Cross.

Shannon Meaney of the Red Cross spoke. They want to thank the Town of Boscawen for their support and hope that they vote to continue that support. The town has hosted 8 blood drives. They have 2 volunteers from Boscawen. She spoke of the services they provided for the County of Merrimack.

A **motion** to recommend Warrant Article 7 to raise \$1,786.00 to contribute to the operating cost of the Red Cross was made by Sherlene Fisher, seconded by Gail Egounis and passed by a unanimous vote.

Personnel: Katie Phelps gave the break down for the single person plan and the family plan. The town portion is down for the single person plan by \$627.48 annually; and the family plan by \$1,338.72 annually.

General Government:

Alan Hardy spoke. Account 4130 Executive. There was discussion about donations that were going out in remembrance of a family member or flowers, etc. They took the actual amounts expended of \$466.60 and made a budget of \$500.00, which is a new line item.

Alan Hardy: Account 4130111 – the Board of Selectmen’s line - there was no change made this year or last year. The 4130112 is the percentages of Nicole Hoyt and his salary that they assigned to the administrative function. The lines will show a 2% increase, as approved by the Board of Selectmen, unless personnel came up on longevity. There were some merit raises as well. Assistant to Administrative – there is a new person in the position so there is a slight decrease due to the rate of pay change as a new employee. Overtime is authorized for hourly personnel working in the department. Contracted services – any of the contracts they write, i.e. elevator, HVAC contract. They were new last year but they stay fairly stable from year to year. Computer software licenses - there is a change this year in the operating system for our PC’s to Windows 10. The Windows 7 operating system is not being supported as the manufacturers are moving away from it and we will have to make the change. Computer maintenance was dropped down as they do not have major system updates this year. The servers are operational, but when they get to the Police budget, there is an upgrade to the software reflected in this budget and last year’s as well. That will be a major change. Nicole Hoyt asked if the actual is \$9,000 last year, why are you increasing the budget. Alan Hardy noted that they put it down to \$15,000 but the software changed. The hours are tied to the line item. \$20,000 down to \$15,000 and \$3,000 up to \$18,000.

Alan Hardy noted that Dues and Subscriptions are for one membership, New Hampshire Municipal Association. Equipment Non-Computer is for 2 items. One is for the automatic door opener for the town clerk's office. Ed Cherian stated that it opens out. Alan Hardy noted that they put one on the outside but the recommendation was to put one on the center door, the outside door at an amount of \$2,500. Printer - the older Panasonic printer finally died. The \$4,500 is to replace the second printer which is a much smaller unit. Non-Computer Maintenance is for things like the shredder. Telephone budget is going up because we need to add cell phones for Welfare Officer and the Co-Administrator. It was asked if there was already a town plan for cell phones. Alan Hardy said yes; we have been on the state contract for some time. Verizon offered a new plan which they are reviewing which would reduce the costs about \$300 to \$400 a month. The monthly cost will go down but the contract will include the two new cell phones. Ed Cherian asked if all the devices were on the plan. Alan Hardy answered that all devices are on the plan, but the cost is distributed throughout the department's budgets. Ed Cherian suggested that for next year they bring a list of how many phones, how many tablets, etc. Alan Hardy noted that they are also paying for "mobile hot spots" to create service where the internet signal is weak. He will bring back to the next meeting a cost per unit for them to review. There will be no changes based on actual numbers to Meetings/Travel & Training, Office Supplies, Postage and Advertising.

General Executive Government #4130 – 2017 budget \$137,823 actual \$119,684.03. 2018 Budget \$143,640.69 4% at a \$5,817.69 increase. These numbers do not include employee benefits.

Legal

The Committee reviewed the proposed Legal Budget. Co-Administrator Alan Hardy noted that they are proposing a \$10,000 increase. They have two separate line items; one is for General Legal in the amount of \$30,000 and one is for Litigation in the amount of \$15,000. On the whole they use Counsel to review contracts and agreements. Currently they are dealing with one bankruptcy case and two litigation cases. Ed Cherian noted that there is usually a budget of \$30,000 for legal counsel. Alan Hardy noted that they have spent \$20,000 this year in general legal; some years it is higher. Ed Cherian asked if this is a new line item or just one time expense. Alan Hardy noted that the bankruptcy case is nearly resolved. The appeal of the Planning Board's Dollar General Decision will have hearings this Spring and the Court will render a decision sometime later. Gail Egounis asked if they should lessen the general counsel line by \$5,000. Alan Hardy said the recommendation of counsel was to hold that line should we need to pay for the litigation expense.

Town Buildings: Alan Hardy noted that this facility, (116 North Main Street), along with other facilities are almost completely converted to LED lighting. This means lower electrical consumption; so they have lowered account number 4194448 Building Utilities by \$10,000 to \$35,000. They have taken contracts out of the building maintenance account, they have reduced the Building Maintenance Fund by \$3,500 and the Town Hall by \$5,000. They borrowed some money under the Selectmen's authority and transferred from Town Hall budget to the Fire Department budget for unplanned expenses. The Town Buildings budget, #4194, has been reduced by \$14,605.36 to a 2018 budget of \$92,364.64. The Insurance line, (4196) is for Property Liability Insurance. There is an increase on the contract this year with Primex of 3%.

Other General Government

Warrant Article V, a contingency request of \$33,000. 2017 Expenditure of \$13,498.00. The Selectmen approved replacing the main printer in the Town Clerk's office as it is no longer serviceable. The office suffered a lightning strike and as a result, they used the Contingency Fund to pay for the replacement of the damaged equipment. Primex did reimburse the Town for \$26,601.35.

Warrant Article V: A motion to recommend Warrant Article V to establish \$33,000 contingency fund was made by Bruce Crawford, seconded by Rhoda Hardy and passed by a unanimous vote.

Dave Collins – Penacook Rescue Squad

Warrant Article XII. David Collins, one of the Trustees of Penacook Rescue Squad presented their funding request. Fire/EMS has traditionally been supported by volunteers. If they go back 10 years when he started, they hired people per diem, which was hiring people without benefits. They utilized them during day time hours, Monday through Friday. They are no longer able to staff an ambulance with volunteers. They are now going to utilize mostly per-diem employees. They have maybe 6-8 active volunteers right now. The rest per diem employees. Most are career fire fighters/EMS. Their payroll has now doubled by going to per diem 24 hours a day. One other major revenue source is their billing. The reimbursement is less now as compared to prior years. They bill both Medicaid and Medicare and they don't pay at the same rate as they used to. They may bill a call for \$900 and be reimbursed about 70% from Medicaid and Medicare. They sometimes wait 90 to 120 days for reimbursement. Health Insurance carriers are not reimbursing for 'medically unnecessary' trips. Medicaid and Medicare will not pay claims during their re-approval process. Their fiscal year is different from the town as it is from 3/31 to 3/31. 2016-2017 closed out 3/31/17 showing that they brought in revenue of \$291,521.00. Payroll expenses and other general expenses are \$313,000. Their net income was -\$21,506.60. Current year actual to date reimbursement is -\$8,000. They are projecting a \$51,000 net loss. They do have trust fund reserves to offset that and move forward. What they need to cover is mainly their payroll expenses. They have to stay competitive. They are paying Paramedics \$18.00 an hour. They are also covering Canterbury and Salisbury. Salisbury used to contribute a small amount towards that services. Last year PRS reached out to the Chief in Salisbury for a contribution as they stopped contributing and he never got back to them. Last year they did 76 calls for Salisbury. Dave Collins said that is costing the Town of Boscawen. Roger Sanborn asked if it would be appropriate to approach the Town of Salisbury before they do their budget. David Collins said they could.

A **motion** to recommend Warrant Article XII with the sum of \$90,450 to aid the Penacook Rescue Squad for 2018, was made by Ed Cherian, seconded by Barbara Randall and passed by a unanimous vote.

Town Clerk Budget

The Committee reviewed the proposed Town Clerk Budget. The Moderator and Supervisor receives a stipend along with other people working the annual election. The Town Clerk budget includes enough funds to hold three elections in 2018.

Financial Administration

The Committee reviewed the proposed Financial Administration budget. Katie Phelps noted that the Treasurer Position is now open and they budgeted \$4,000, which includes a 2% increase. The Accountant salary is down as she is new in the position. The Overtime is up, as she is an hourly position vs. the former Accountant who was salaried. Account #4150301 includes funding for: – town audit of \$14,000 – treasurer audit of \$1,000, consulting services \$5,000 – actuary services, which is a 2-year agreement at \$2,000. Payroll services up by \$700. All others are the same. Ed Cherian asked if the audit services are a onetime expense. (Treasurer Audit One Time Expense) Katie Phelps stated that they don't usually utilize them unless someone leaves a position or for the annual audit. Actuary costs are not every year; they just signed a 2-year agreement with our actuary.

Tax Collector Budget

The Committee reviewed the proposed Tax Collector budget. Nicole Hoyt reported that salary up 2% based on COLA. Overtime is only used for the Deputy Tax Collector for coverage. Katie Phelps asked if in future budgets the committee would like to see the percentage of time each employee spends in each department. She will have that for the hearing.

Personnel Administration Budget

The Committee reviewed the proposed Personnel Administration Budget. Ed Cherian said they already went through most of this when they discussed benefits earlier. This is the roll-up of the employee benefits. Salaries go with individual departments, but this is for benefits only. Ed Cherian said that switching this makes it difficult to tell what the percentage of increase or decrease is.

Planning & Community Development Budget

The Committee reviewed the proposed Planning & Community Development Budget.

Assessing: Alan Hardy noted that 2018 is their reevaluation year. They are cross training Linda to learn Assessing to back-up Kellee. Because of this, some of Linda's time will be charged to Assessing. Assessing is 30% of Kellee's time and her 2% COLA is included. Assessing Services is a 5-year contract and Boscawen is in their 5th year. They put 1/5 of the divided cost in the budget for 5 consecutive years. Gail Egounis asked where the rest of Kellee's salary is coming from. Alan Hardy stated that in Account #4191111 you see 60% of Kellee's time down from 62%. Gail Egounis asked why the change. Alan Hardy noted that Kellee is spending more time in Assessing, so the hours were adjusted accordingly. Alan Hardy said that the BOS approved a 2% merit increase. Gail Egounis asked if some people received merit's as well as a 2% COLA. Alan Hardy stated that was correct and the adjusted budgets show the change. Katie Phelps noted that when they were putting their budget together last year they didn't put Alan Hardy's 2% COLA increase into the budget. So that is why his salary shows 4% this year.

Recording Secretary: Part of Linda's job is to do recording secretary work for some of the land use boards. They reduced the budget for that reason. They retained \$2,000 in that budget as Rose Fife fills in for a lot of the meetings they cannot cover. Planning & Community Development Clerk is the rest of Linda's time.

Office Equipment: Unique to their department, maintenance agreements and software. Advertising and public notices – no change there. Printing and mapping is if they want to learn something new or create a new layer on their maps. Telephone – is for their cell phone, mobile hot spot, and tablet that are part of the telephone bill. Gail Egounis asked if it were for 2 phones. Alan Hardy said 1 phone and 1 hot spot and 1 tablet at this time. Dues covers Central NH Regional Planning Commission. They acquired the Avitar building permit software through the building inspector's revolving fund. The regulation ordinance updates – there is an increase over the \$7,500. The Board of Selectmen authorized a transfer of \$5,000.00 on September 6 to the Regulation and Ordinance Update account from the Waste Water State Aid Grant. The funding was requested by Planning Board Chair Bruce Crawford for Technical Assistance from Central NH Regional Planning Commission for more Master Plan work. Meetings and Travel for all of their departments, committees and Boards as well as staff continues at \$5,000. Planning Board - staff training – unchanged. Service and agreement based upon actual went up to \$5,500, up by \$181.00. Land Use office supplies there is a slight increase of \$300, based upon actual expenditures.

The **Agricultural Commission** is a small department from an expense standpoint – but they accomplish a lot with the funds they ask for. There is now a shed up at Town Garden. They will go back to a normal budget of \$2,000 for 2018.

Conservation Commission – flat lined their budget at \$2,200. Ed Cherian asked why they need to allocate funds when the Conservation Commission gets money from timber sales. Alan Hardy said operating budget gets used for expenses unrelated to the Town Forest.

Health Department – Alan Hardy is no longer in that role. Kellee Jo Easler is now the Health Officer and Katie Phelps is the Deputy Health Officer. What you see is the reallocation of time based on need. Health Officer and Deputy Health Officer may continue to spend more time as they have more serious matters that need more time/care.

Gail Egounis asked about AgCom. Where is the revenue for the plots? Katie Phelps reported \$600 for Garden Plot Fees in 2017.

Red Cross – Ed Cherian asked why that was in the Budget. Alan Hardy said it ends up in the State Chart of Accounts so they have to track it separately. Kellee Jo Easler said it is there because of the Capital Area Public Health.

Police Department

The Committee reviewed the proposed Police Department budget. Chief Wyman explained the increase in salaries. One is for a 5% increase longevity for his position. There is a merit increase for 2 officers. Glen Chislett shows 6% as they approved a 4% increase halfway through the year. They had to increase the overtime and holiday pay due to payroll changes. He did an increase because he didn't want to go over budget. So it could go down. \$8,000 increase for the information management software system that they use. This is the second half of that upgrade cost. In the future, there will be a \$1300 a year for maintenance fee of that system. That will allow them to go live with the dispatch system. This will give them a lot more information. A small increase in training. Barbara Randall asked why dispatch was below budget last year. Chief Wyman said

they dropped a little as they now have the tablets so it alleviates the use of the radios. Gail Egounis asked if they have the tablets, do they still need the \$30,000 in there. Chief Wyman said yes. Uniform cost stays low as long as they don't change employees. Ed Cherian asked how many cars they have. Chief Wyman stated they have 6 cars and one truck, which is a detail vehicle. Officer's for coverage; they now run 24 hours except Sunday, Monday, and Tuesday nights. Ed Cherian asked about 24/7 coverage. Chief Wyman said they could, but that would leave their busier shifts short. 2017 they had over 8,000 calls for service. Barbara Randall asked if the County helped out at all. Chief Wyman said they help out once in a while. Ed Cherian asked about revenue; how much did they bring in on construction or traffic details. Chief Wyman said that the detail rate covers the cost of the officer. Alan Hardy said there are two revolving funds, Building Inspector and Special Details. Alan Hardy said money goes out paying related expenses and personnel costs.

Fire Department/Life Safety Budget

The Committee reviewed the proposed Fire Department/Life Safety Budget. Chief Ray Fisher noted that they are requesting \$13,000 to buy SCBA's. Ed Cherian asked how many that would buy. Chief Fisher said it pays for 3. Gail Egounis asked what the Capital Reserve Fund is used for. Chief Fisher said safety equipment. It could be used for anything that they have that is out of order. Alan Hardy said that there is very little he needs that isn't safety related. Ed Cherian asked if this was something that could be paid for out of Capital Reserve vs. General Appropriation. Katie Phelps said she has the Capital Reserve balances as of 10/31/17. The fire truck account has \$362,659.57. Gail Egounis asked how much was in the fire department equipment fund. Katie Phelps said \$48,359.62. Gail Egounis asked if there was enough money in the Capital Reserve Fund to buy some of the SCBA's. Chief Fisher said if it was authorized he believes so.

Ed Cherian asked if they were going to review the Capital Reserve funds and have a recommendations for or against. Alan Hardy said traditionally the Budget Committee recommends for financial items. Ed Cherian said last year they did have a vote on that. Alan Hardy said every warrant they may vote separately.

Chief Fisher discussed Operating Salaries. He has a budget for 30 people. He now has 26 people. He doubts he will have 30 people at the end of next year.

Emergency Management

The Committee reviewed the proposed Emergency Management Budget. Alan Hardy noted there is a stipend for Emergency Management Director and Deputy Director along with the equipment necessary to do their job.

Public Works Budget

The Committee reviewed the proposed Public Works Budget. Dean Hollins went through the accounts. He went through the Cemetery accounts. No changes. Public Works has an increase in salaries of a 2% COLA and three employees have reached their 10 year longevity anniversary. General Laborer is an open position. Another General Labor employee is also on his 10th year and it is reflected in his salary. This position is shared with Solid Waste. Utilities: they were able to cut them back by \$5,800. Uniforms, no change – he didn't spend as much as normal as the employee they are replacing didn't want uniforms. Salt – remains the same. Road signs – not a lot spent. Meetings and dues – most they go to is sponsored by insurance companies. Ed Cherian

asked if the resurfacing money that was not spent is it being encumbered. Dean Hollins said yes. Ed Cherian asked what their priority streets are. Goodhue Road, Welcome Avenue and Lawrence Avenue as well as Eel Street. Corn Hill Road they will start at the town line in Webster. And paving the parking lot at the town hall. Sidewalk repairs shows the cost of striping all the cross walks in town. Solid Waste – Steve’s share of highway and public works salary. Dues covers DES certification. Landfill maintenance. Their construction demolition permit runs out the end of 2019 so they will have to haul off their demo, not bury it. Most cost will come out of Recycling. To do what they need to do they will need to pave the back of their transfer station. Ed Cherian asked if that was what the request of \$32,000 would be spent for. Dean Hollins indicated that it was.

Parks & Recreation Budget

The Committee reviewed the proposed Park & Recreation Budget. Alan Hardy referred the committee to the notes. They encumbered money towards repairs. \$10,000 they had last year they reduced by \$7,500 due to the funds encumbered. Program park expense went down based upon actual numbers by \$1,000. They have the ability to run one more week of program if they get out of school earlier. Registration fees give them about \$3,800 a year in income.

Public Library Budget

The Committee reviewed the proposed Library Budget. The Library is paid quarterly for their operating expenses.

Welfare Budget

The Committee reviewed the proposed Welfare Budget. They kept it the same as last year.

Old Home Day – Alan Hardy noted that the Old Home Day committee has been getting a \$5,000 contribution from the town towards fireworks. Old Home Day has cash on hand at year-end of \$27,682.39. He spoke with the Selectmen and they feel that they had sufficient funds without the town contribution. Mark Varney said that they asked for \$5,000 for fireworks. Rhoda Hardy said the Fireworks cost \$7,500.

Town Beautification – Alan Hardy stated that the town was told that at the end of this year the person who was taking care of the flowers out in front of the Police Station wasn’t going to be able to do that. We will have to explore other options. The budget is continued at \$1,250.

The Total Budget at this time is \$3,682,137.65 which is an increase of \$90,650.67 or 3%. They will show the warrants separately so they see the numbers and how it will affect the tax rate. That will be available for the budget hearing.

Warrant Articles

Warrant Article II is a zoning amendment voted on by ballot.

Warrant Article III and IV will be deferred until the budget hearing.

Warrant Article V is approved. Bruce Crawford made the motion and Rhoda Hardy seconded. All in favor, none opposed. The motion passes.

Warrant Article VI is awaiting clarification from counsel and NHDES.

Warrant Article VII is approved. Sherlene Fisher made the motion and Gail Egounis seconded. All in favor, none opposed. The motion passes.

Warrant Article VIII for \$6,000 to contribute to Boscawen Historical Society for operating expenses. Mark Varney said it was the same as last year. Alan Hardy said it was originally approved for heat to keep the building warm. A **motion** to recommend Warrant Article VIII was made by Sherlene Fisher, seconded by Rhoda Hardy and passed by a unanimous vote.

Warrant Article IX A **motion** to appropriate \$7,600 to the Concord Area Center of the Community Action Program was made by Rhoda Hardy, seconded by Gail Egounis and passed by a unanimous vote.

Warrant Article X A **motion** to appropriate \$5,700 to the operating expenses of the Penacook Community Center was made by Rhoda Hardy, seconded by Bruce Crawford and passed by a unanimous vote.

Warrant Article XI to appropriate \$500 to Court Appointed Special Advocates, (CASA). A **motion** to recommend Warrant Article XI to appropriate \$500 to CASA was made by Ed Cherian, seconded by Rhoda Hardy and passed by a unanimous vote.

Hearing will be held Wednesday February 7, 2018 at 6:00 pm. Ray Fisher and Sherlene Fisher will not be in attendance.

A **motion** to adjourn the meeting was made by Rhoda Hardy, seconded by Gail Egounis, and passed by a unanimous vote.

Respectfully submitted by Rose Fife