

**Effingham Budget Committee
Municipal Office Building
February 9, 2017**

Call to Order: 6:33 p.m.
Members Present: Chairman Jim Morris, Vice-Chairman Paul Bartoswicz, Michael Pilkovsky, Mellisa Seamans, Lawrence Edwards (Selectmen's Representative)
Members Absent: Leo Racine, David Strauss
Others Present: Selectman Henry Spencer, Selectman Leonard Espie, Administrator Claudia Lamphier, Administrative Assistant Cheryle Feirick, and 20 members of the public.
Minutes: **MOTION – “To approve the January 17, 2017 minutes as presented”** by Mr. Bartoswicz, 2nd Ms. Seamans. Motion passed 6-0

Budget Review

MOTION: “To recommend \$6,000 for the purchase and installation of a fire alarm system at Town Hall/Library” by Ms. Seamans, 2nd Mr. Pilkovsky for discussion. Motion failed 4-1.

Discussion ensued regarding a warrant article to raise \$6,000 for installation of a fire protection system at the Town Hall/Library. Selectman Spencer explained the system is a first alert in case of smoke or heat directly linked to emergency dispatch. He spoke to the need of protecting the monetary and historic value of the building. There was general agreement about the intent of the article but concern about the lateness of the article submission. It was noted that the board of selectmen had not formally voted to add this item to the warrant.

MOTION: “To recommend \$7,000 to be added to the Solid Waste Collection budget” by Ms. Seamans, 2nd Mr. Pilkovsky. Motion failed 5-0.

Discussion ensued about the lateness of this added funding to the operating budget. Ms. Feirick provided the committee with January 31 selectmen's meeting minutes that revealed a discussion to the merits of this budget decision and the affirmative vote taken by selectmen.

The increase in the police department salary lines was noted as a change from the budget presented by the chief to the committee. There was general consensus that the committee would be asked to approve a percentage increase after the public hearing.

Public Hearing ~ Call to Order 7:04 p.m.

Chairman Morris welcomed those in attendance and encouraged public comment and questions during the hearing. He then proceeded to read aloud each of the monetary warrant articles as presented.

Article 8

To see if the town will vote to raise and appropriate the sum of \$35,000 for a maintenance/restoration project for the Elm Street Bridge. This special article is a special warrant article. This requires a majority vote.

- Selectman Spencer said there are significant bridge problems throughout Town due to lack of maintenance. Selectmen advertised for request for proposals on the project to arrive at a reasonable cost estimate that also meets NH Department of Transportation and NH Department of Environmental Standards expectations.
- Michael Cahalane questioned how selectmen knew originally the project would cost more than \$15,000 and where the language of the RFP came from.
- Selectmen Spencer and Edwards said the project will go out for re-bid if funded.
- Erik Jones said routine maintenance is important to reduce future expenses
- Jory Augenti suggested any unexpended monies when the project is complete can be added to the bridge maintenance capital reserve; Ms. Lamphier will check on the legality of this.

Article 9

To see if the town will vote to raise and appropriate the sum of \$15,000 for paved road resurfacing and repair. This requires a majority vote.

- Selectman Edwards said this money will be used to finish crack sealing Green Mountain Road and to go over other paved roads in town to make sure they are sealed correctly. There are no paving projects planned this year.

Article 10

To see if the town will vote to raise and appropriate the sum of \$40,000 for the purchase of a police cruiser and police cruiser equipment. Further to authorize the withdrawal of \$40,000 from the Police Cruiser and Police Cruiser Equipment Capital Reserve Fund created for that purpose. This is a special warrant article. This requires a majority vote.

- Karen Payne (Trustee of Trust Funds) referenced two warrant articles that will be voted on this year to change the name of two reserve funds. Currently, the Police Cruiser title and purpose allows only for the purchase of a police cruiser and not the expense of equipping the vehicle. Changing the name of fund and expanding the purpose will correct this issue. It was suggested the name change article be moved ahead of this article for voting at town meeting. The trustees are also requesting a name change and purpose of the Fire Truck Capital Reserve Fund to allow for purchasing *and* equipping new fire trucks.

Article 11

To see if the town will vote to raise and appropriate \$25,000 for the purpose of road reconstruction. This special article is a special warrant article. This requires a majority vote.

- Selectman Edwards explained this money will be used to replace a culvert on Pine River Road, a culvert on Molly Philbrick Road, and do ditch work and build a cement wall in front of the Bonneyman Road culvert. The Bonneyman Road project is being done in conjunction with Acton Watershed Alliance who will provide the materials if the Town provides the labor and equipment. The purpose of the project is to stop sediment from flowing into the pond.

Article 12

To see if the town will vote to establish a Fire Department Equipment Expendable Trust Fund per RSA 31:19-a, for the purpose of purchasing or refurbishing fire department equipment and to raise and appropriate \$9,000 to put in the fund, further to name the Selectmen as agents to expend from said fund. This is a special warrant article. This requires a majority vote.

- Fire Chief Randy Burbank explained he has applied for a \$186,550 federal grant for equipment. The \$9,000 represents the Town’s matching portion if the grant is awarded. Ms. Lamphier said this article is sufficient and the entire grant amount does not need to be raised. If the grant is received, the selectmen can hold a special hearing to accept the unanticipated revenue.

Article 13

To see if the Town will vote to raise and appropriate the sum of \$36,250.00 for payments to the following Capital Reserve Accounts previously established:

Aquatic Plant CRF	\$4,250	\$10,836.54
Fire Truck & Truck Equip. CRF	\$20,000	\$33,730.84
PD Cruiser & Cruiser Equip. CRF	\$10,000	\$60,282.82
Transfer Sta/Recycling Ctr CRF	\$2,000	\$14,252.75

- There was no discussion about Article 13.

Article 14

To see if the Town will vote to raise and appropriate the sum of \$17,000.00 for payments to the following Trust Fund Accounts previously established:

Police Safety Gear Exp TF	\$2,000.00	\$4,799.75
Municipal Buildings Exp TF	\$10,000.00	\$34,371.92
Town Hall Restoration TF	\$5,000.00	\$45,206.03

- Ms. Payne explained the similarities of capital reserve funds and expendable trusts. Reserve funds are to save for larger projects/purchases while expendable trusts are set up to allow ongoing purchases. Mr. Pilkovsky noted that the selectmen are the agents to expend (a vote town meeting voters is not required to with draw funds) for all trusts and reserve funds except the Police Cruiser and the Fire Truck reserve funds.

Article 15

To see if the town will vote to raise and appropriate the sum of \$1,000 to be added to the Fire Truck and Fire Truck Equipment Capital Reserve Fund previously established. This sum is to come from the unassigned fund balance (which represents money received from the Town of Parsonsfield for Fire Department Mutual Aid). No amount to be raised from taxation. This is a special warrant article. This requires a majority vote.

Article 16

To see if the town will vote to raise and appropriate the sum of \$160,000 to replace the bridge on Snow Road. This is special warrant article. This requires a majority vote.

- Selectman Edwards said the test borings have been done and the engineer has given a preliminary estimate of \$150,000 to \$200,000. Based on this, the selectmen decided to seek

\$160,000 at town meeting. Any overage can be withdrawn from the town owned bridges reserve fund.

- Mr. Cahalane asked if the engineering for this project will go out to bid. He expressed concern that there are no formal plans or firm prices to review.
- Mr. Augenti said the merits of how the money will be spent should be discussed at town meeting and not at this hearing.
- Mr. Pilkovsky said the work needs to get done and is about 25 years late.

Article 17

To see if the town will vote to raise and appropriate the sum of \$6,000 for phase one of a project to purchase and install equipment to provide fire protection at the Town Hall/Library and to authorize withdrawal of \$6,000 from the Town Hall Repair and Restoration Fund created for that purpose. This is a special warrant article. This requires a majority vote.

- Selectman Espie explained the system will include several new smoke/heat detectors and sensors as well as a panel that will call the emergency dispatch center.
- Mr. Pilkovsky asked if installation of this new system will lower the insurance rate.
- Ms. Payne questioned whether or not the “repair and restoration fund” purpose would allow for the installation of a new system.
- John Meisner said it is the responsibility of the selectmen to protect town assets and that the money for this project could be taken from the Government Buildings Expendable Trust. The selectmen are agents to expend from that trust without further town meeting approval.

Article 18 & Article 19

These two articles do not contain a monetary amount and therefore for the purposes of the public hearing were passed over.

Article 20

To see if the town will vote to raise and appropriate the sum of \$25,680 to contract the services of Avitar Associates of New England, Inc. for the year 2017. This sum represents payment for the second year of a five-year level funded contract that provides for a full update of property values to market rate in 2020 as required by RSA75:8-a, as well as general assessing services throughout each of the five years and field data verification of information appearing on property tax cards. This requires a majority vote.

- Ms. Seamans asked if this warrant article can be eliminated beginning next year and the contract amount placed instead into the operating budget

Article 21

To see if the town will vote to establish a Bridge Maintenance Expendable Trust Fund per RSA 31:19-a, for the purpose of maintaining town owned bridges, and to raise and appropriate \$5,000 to put in the fund, further to name the Selectmen as agents to expend from said fund. This is a special warrant article. This requires a majority vote.

- No discussion

Article 22

To see if the town will vote to raise and appropriate the sum of \$1,525,123 for the ensuing year for general operations. This requires a majority vote.

Executive (102,408)	Street Lighting (7,250)
Election & Registration (32,865)	Solid Waste Collection (56,989)
Financial Administration (51,935)	Solid Waste Disposal (90,000)
Assessing (6,125)	Solid Waste Clean Up (3,750)
Legal (45,000)	Dog Officer Expenses (500)
Payroll Expenses (57,500)	Health Agencies & Hospitals (15,358)
Planning & Zoning (19,756)	General Assistance (14,000)
Municipal Buildings (67,000)	Meals on Wheels (4,500)
Cemeteries (2,500)	Parks & Recreation (5,000)
Insurance Fees (105,500)	Library (58,193)
Advertising & Regional Dues (3,000)	Patriotic Purposes (650)
Police (179,159)	Conservation Commission (3,796)
Fire/Rescue Department (133,378)	Town Forester (1,000)
Emergency/Forest/911 (6,010)	Debt Service (1)
Highways and Streets (452,000)	

- Maureen Spencer asked about the increase (\$25,000) in the legal expense line. Chairman Morris explained the town is currently involved in two court cases – Camp Marist charitable exemption denial appeal and with a group of citizens who believe the selectmen erred in procuring funds for the Stevens Road Bridge project.
- Selectman Spencer said there are about 30 street lights in town. Previous attempts to eliminate some was met with resistance due to their location at school bus stops.
- Ms. Spencer serves as the general assistance administrator and asked why her budget was reduced (by \$3,000) and said she resents that she was not consulted prior to the cut. Mr. Pilkovsky said the reduction decision was based on the spending trend for this line item.

Article 24

To see if the Town of Effingham will vote to establish a Capital Reserve Fund, in accordance with RSA 35:1 for the purpose of constructing and/or reconstructing the “Snow Road bridge” and to raise and appropriate the sum of \$1,000 toward this purpose? This is a special warrant article. This requires a majority vote. This article is petitioned by Michael Cahalane and others.

- Mr. Bartsowicz explained that while both a special warrant article and a capital reserve fund are designated for a specific project, special warrant article funds unspent at year end can only be encumbered one additional year. If the funds are unspent for that extra year, they go into the town’s fund balance. A capital reserve fund remains in place until such time the town meeting votes to abolish the fund.
- Mr. Cahalane explained that by starting a Snow Road Bridge capital reserve fund rather than appropriating the project cost in full this year changes the process and serves as an incentive for selectmen to take the time to fully develop and present a comprehensive plan.

Public hearing closed at 8:45 pm

The committee entered deliberation for the purpose of discussing and voting a recommendation for each warrant article.

MOTION: “To recommend Article 8” by Mr. Bartoswicz, 2nd by Mr. Pilkovsky. Passed 5-0.

MOTION: “To recommend Article 9” by Mr. Bartoswicz, 2nd by Mr. Pilkovsky. Passed 5-0.

MOTION: “To recommend Article 10” by Mr. Bartoswicz, 2nd by Mr. Pilkovsky. Passed 5-0.

MOTION: “To recommend Article 11” by Mr. Pilkovsky, 2nd by Mr. Bartoswicz. Passed 5-0.

MOTION: “To recommend Article 12” by Mr. Bartoswicz, 2nd by Mr. Pilkovsky. Passed 5-0.

MOTION: “To recommend Article 13” by Mr. Bartoswicz, 2nd by Mr. Pilkovsky. Passed 5-0.

MOTION: “To recommend Article 14” by Mr. Bartoswicz, 2nd by Mr. Pilkovsky. Passed 5-0.

MOTION: “To recommend Article 15” by Mr. Bartoswicz, 2nd by Mr. Pilkovsky. Passed 5-0.

MOTION: “To recommend Article 16” by Mr. Bartoswicz, 2nd by Mr. Pilkovsky. Passed 5-0.

MOTION: “To not recommend Article 17” by Mr. Bartoswicz, 2nd by Mr. Pilkovsky. Passed 5-0.

MOTION: “To recommend Article 19” by Mr. Bartoswicz, 2nd by Mr. Pilkovsky. Passed 5-0.

MOTION: “To recommend Article 21” by Mr. Bartoswicz, 2nd by Mr. Pilkovsky. Passed 5-0.

MOTION: “To recommend Article 22” by Ms. Seamans, 2nd by Mr. Pilkovsky. Passed 5-0.

MOTION: “To recommend Article 24” by Mr. Bartoswicz, 2nd by Mr. Pilkovsky. Passed 5-0.

Next Meeting: February 16, 2017, 7 p.m. at Effingham Municipal Offices

Meeting Adjourned at 9:45 p.m.