

BOARD OF SELECTMEN	OCTOBER 30, 2018 9:30 A.M.
TOWN OF HAMPTON FALLS	TOWN HALL

2019 Budget Work Session

DRAFT

PRESENT: J. E. Ziolkowski, Chairman, L. M. Smith, Vice Chairman, E. B. Beattie, Selectman, L. A. Ruest, Town Administrator, H. Fazzino, Secretary.

The meeting was called to order at 9:30 a.m.

L. A. Ruest reported that there is a tree down on Blakes Lane. The Road Agent seeks direction on the handling of the tree. L. M. Smith recommends cutting the tree up and taking it to the dump. E. B. Beattie agreed that the tree should be taken care of in its entirety and directed D. Robinson to do so.

Road Agent Dick Robinson reported that the King Street/ Drinkwater Road dam is the same height as previously reported. E. B. Beattie reports that one of the Curtis Road dams is overflowing. The Board did not ask the Road Agent to lower water levels.

D. Robinson expressed his concern over the number of outstanding problems from last year's winter road maintenance services. L. M. Smith will schedule a date to review outstanding repairs.

1. UPDATED 2019 BUDGET WORKSHEETS AND SUMMARY TOTAL

The Board received updated copies of the 2019 budget worksheets.

2. RESPONSES TO SELECTMEN'S REQUEST TO RECONSIDER BUDGET SUBMISSIONS

L. Ruest read email responses from the Planning Board (no changes were identified for the 2019 budget, T. Santora will consider reducing the RPC line for 2020. The Master Plan was costly. Fire Department (Chief Lord described his budget as flat lined.), Police Department (Chief Dirsra can reduce the budget by the cost of the speed sign, however, he expressed concern about the requests made to the Board during the year), Conservation Commission (no items to reduce), Cemetery (no items to reduce).

3. NH MUNICIPAL ASSOCIATION INFORMATION AND DUES CALCULATION

Information on the dues structure was provided to Selectmen.

4. AVITAR COMPUTER HARDWARE & SOFTWARE UPGRADES (TOWN COMMUNICATION FUND)

A spreadsheet of software upgrades and costs associated was reviewed by the Board. The total package cost is approximately \$52,000. J. E. Ziolkowski recommends reducing the 2019 annual software support costs for the proposed upgrades by half and including the software costs in the three-year tiered payment proposal. These costs per agreements will be paid by the Town Communication Fund. The Board concurs on the three modules of assessing, auto registrations, (building inspection) permitting as well as the update to the web site (Civic Plus). E. B. Beattie questioned "estimated support" and L. A. Ruest reported to the Selectmen that the cost increase is minimal, based on prior years.

MOTION: To proceed with computer software upgrades and web site upgrade as outlined on the spreadsheet in the amount of \$17,534 per year for three years to be paid from the Town Communication Fund.

MOTION: L. M. SMITH

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SECOND: E. B. BEATTIE
UNANIMOUS

5. TOWN HALL IT SERVICES

The Board reviewed a report from Two Way Communication. The various department requirements for IT support as well as issues experienced in 2019 were reviewed. The Board was satisfied with the review.

6. FIFTH FULL TIME POLICE OFFICER PROPOSAL

J. E. Ziolkowski is opposed to adding a fifth full time police officer. J. E. Ziolkowski and E. B. Beattie would like to see overnight coverage. J. E. Ziolkowski requests to go into Nonpublic session for further discussion. L. M. Smith is in favor of the additional officer. Also, the base salary and benefits will double next year as the proposal for 2019 represents a half year to allow time to hire effective July 1, 2019.

MOTION: To go into nonpublic session at 10:50 a.m. in accordance with RSA 91-A:3, II(c) to discuss personnel.

MOTION: J. E. ZIOLKOWSKI

SECOND: E. B. BEATTIE

UNANIMOUS

Motion to leave non-public session by L. Smith, seconded by E. B. Beattie.

Motion: PASSED

Public session reconvened at 11:17 a.m.

7. RESCISSION OF SPECIAL REVENUE FUND PROCESS

L. A. Ruest discussed her method of incorporating Chairman Ziolkowski's requests relating to dissolving Capital Reserve Funds into the draft warrant. The Board reviewed the list of Capital Reserve Funds on the MS-9. J. E. Ziolkowski estimated that there are \$113,000 in inactive funds, 21 cents on the tax rate. He would like the warrant article wording to be more broad in scope. The Historical Society Museum has many needs, and needs more funds. This will be addressed at the November 7, 2018, meeting. E. B. Beattie discussed how members of the community are reaching out to him on a frequent basis. The Library reached out to E. B. Beattie and expressed its concern about two thirds of the air conditioning systems going down. J. E. Ziolkowski wants to improve the flexibility of spending funds. L. M. Smith confirmed that the Board is all trying to do the right thing. The Board also reviewed a draft warrant article relating to special revenue funds.

8. DRAFT 2019 TOWN WARRANT

The Board received a draft warrant for review in advance of the next meeting.

9. OTHER BUSINESS

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L. A. Ruest discussed welcoming the Road Agent, and recognizing the retiring Road Agent, and arrangements for assignment of core responsibilities, effective November 1, 2018. The Board determined that a meeting with Road Agent R. Hilliard would occur at 9:30 a.m. on November 14, 2018.

It was the consensus of the Board to remove the following funds from the Budget: fifth police officer, speed sign, car washes.

J. E. Ziolkowski stated he is bracing himself for the complaints when the tax bills come out. E. B. Beattie stated that members of the community were also discussing the tax bills at the school board meeting. E. B. Beattie would like to reverse the order of large purchases such as the fire truck, among others.

The Town is responsible for maintaining and improving culverts. A beaver mitigation plan is needed to maintain healthy culverts. E. B. Beattie provided an overview of solutions to the beaver population. It was suggested that this might be a good Scout project. J. E. Ziolkowski requested a line item for beaver mitigation, \$3,500. J. E. Ziolkowski offered to drive the beaver dam route with L. M. Smith and E. B. Beattie to fully orient the Selectmen to the issue. L. A. Ruest recommended that the Fire Chief participate.

J. E. Ziolkowski recused himself from the Board and left the table to allow discussion of Environmental Landscape Management's proposal to reduce the costs for 2019 in exchange for a three-year extension of contract agreement.

L. M. Smith spoke with Attorney Margaret Burns, New Hampshire Municipal Association. She recommended the three-year extension of the winter road maintenance contract go out to bid in accordance with state statute 95:1 due to J. Ziolkowski's position as a public official. Attorney Steve Buckley, NHMA also recommended, in the interest of transparency, putting the contract with the public official out to bid. The budget line for winter road maintenance service is to remain as is.

The Board did not have any further comments on the budget. J. E. Ziolkowski stated he is opposed to the budget.

2019 COST OF LIVING ADJUSTMENT (COLA): E. B. Beattie proposed a 2.5% cost of living increase. It was noted that employee benefits will also be adjusted upwards based on this increase. It was the consensus of the Board to direct the Town Administrator to add a 2.5% cost of living increase for all staff. The September CPI-W was 3.7%.

LANDFILL CLOSURE CAPITAL RESERVE FUND: The Board asked L. Ruest to seek information as to the status of the brush dump with regard to closure.

MOTION: To reduce the Landfill Closure Capital Reserve Fund to \$1,000, and return the remaining funds to the General Fund by 2019 warrant article upon confirmation from the NH Department of Environmental Services that the need no longer exists.

MOTION: E. B. BEATTIE

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SECOND: L. M. SMITH
UNANIMOUS

RECALCULATION OF 2018 TAX RATE: L. Ruest introduced the recalculated tax rate summary from the DRA that now includes the additional \$32,952 requested by the School District.

MOTION: To suspend the Town's Fund Balance Policy for the purposes of setting the tax rate for 2018.

MOTION: E. B. BEATTIE
SECOND: J. E. ZIOLKOWSKI
UNANIMOUS

MOTION: To reduce the undesignated fund balance to approximately \$250,000.

MOTION: E. B. BEATTIE
SECOND: J. E. ZIOLKOWSKI

L. M. Smith stated the Department of Revenue Administration has a valid reason to retain 5% to maintain resources in times of need. Lowering the amount to less than 5% is not fiscally prudent.

VOTE: 2 in FAVOR, 1 OPPOSED, PASSES

The Board reviewed the recalculated unofficial preliminary 2018 tax rate information from the Department of Revenue Administration with regard to applying an amount of the Fund Balance, as well as applying an overlay amount, to set the tax rate. A tax rate of \$19.90 was recommended, a reduction of \$1.20 from the previous tax rate.

MOTION: To apply the amount of \$732,000 to lower the tax rate, using \$35,000 as overlay, leaving a Total Retained Fund Balance of \$256,938 or 2.29% of General Operating Expenditures Retained in Fund Balance.

MOTION: E. B. BEATTIE
SECOND: J. E. ZIOLKOWSKI
TWO IN FAVOR, ONE OPPOSED, PASSES

MOTION: To adjourn the meeting at 1:15 p.m.

MOTION: J. E. ZIOLKOWSKI
SECOND: E. B. BEATTIE
UNANIMOUS