

Town of Candia Municipal Budget Committee Joint Meeting with Selectman Approved Meeting Minutes

Meeting Date: November 14, 2018
Location: Town Office Building
Attendees: Lynn Chivers
Dick Snow
Jodi Hedstrom
Susan Gill
Katrina Niles
Bob Stout
Sue Young
Stephanie Helmig
Kaycee Vitale
Absent: Todd Keating
Guests: Dennis Lewis (Road Agent)
Mike McGillen (Chief of Police)
Dean Young (Fire Chief)
Carla Penfield (Smyth Building Trustee)
Boyd Chivers (Selectman)

Chairman Chivers opened the meeting at 7:00 PM

Pledge of Allegiance

Approval of the Minutes from October 10, 2018

- Bob Stout motioned to approve minutes with changes
- Sue Young seconds the motion
- All in favor
- Motion passed

Unfinished Business / Unresolved Questions from Last Meeting

Questions were submitted for response and Chairman Chivers read the following written responses out loud (*in italics*)

- **Ambulance**
 - **What is the current status of our ambulance contract?**
 - *Contract with AMR is through 2020. A representative from the Fire Department will be here.*
 - *Dean Young confirmed the contract end date and added that the City of Manchester just extended their contract as well. He suspects we will be able to renew with AMR in 2020.*
- **Highway**
 - **Why are we putting \$300,000 in a new line for North Road culvert repair when we can make repairs this year that will hold us over and then wait and see if we can get a grant?**
 - *The selectman voted to remove the \$300,000 from the budget*
 - **Why is the winter payrolls line increased \$55,600?**
 - *\$50,000 was talked about at the first Selectman's meeting but never voted on. It was taken out of the budget. The actual increase is \$5,600, not \$55,600.*
- **Town Building Expenses**
 - **Please explain the \$19,000 for walkway and catch basin.**
 - *The brick walkway with the grant curb is deteriorating at a rapid pace and has become uneven. It will need to be taken up, regraded, and put back together. The end of the handicap ramp is lower than the parking lot and will need to be built up and a catch basin added that will drain into the existing catch basin in the parking lot. It has become a safety concern due to the unevenness of the walkway as well as the water pooling and ice buildup during cold weather at the end of the handicap ramp.*
 - **For the Smyth building, we would like a dollar breakdown of what has been spent so far this year and what the planned expenditures are for the remainder of the year.**

- A spreadsheet was provided of the expenditures for the year. Showing \$2904 was spent this year but did not provide expenditures for the remainder of the year.
 - Carla Penfield addressed the remainder necessary spending with a report to the budget committee. A list of projects was provided but did not include the regular spending.
 - Jodi Hedstrom noted that the items on the list were not proposed the budget committee last year when formulating the budget, at that time they voted on repairing the front door. She also noted that the report indicated that there was necessary spending on trip and chimney cap that was not voted on last year.
 - Carla Penfield explained that there is some rot on the front door and they originally thought they had to replace the whole surround. The quote they have is to cut about 2 ft off the surround on either side, patch it in and put a new threshold. The trustees had planned on spending significantly more money on the door so when the issue with the chimney cap came up, they had money to address the chimney cap. She explained that water is coming down the chimney. Carla also explained that the number that is listed for the basement windows will need to be increased because through inspection the basement door is also in need of repair.
 - Chairman Chivers confirmed that it was for \$3290 that was budgeted on the report.
 - Jodi Hedstrom asked if the door would be finished this year because it is not listed on next year's budget.
 - Dean Young answered that it was his job to get the door done and he ran out of time. The money will be encumbered and spent out of this year's budget but it will be completed first thing this spring.
 - **What is the electric update plan for the Smyth building?**
 - *Next year we have one large expense, it is to bring the electric service up to date. It is currently at 100-amp service and it will be upgraded to a 200-amp service with a new panel in the basement and a new socket outside. By the end of next year, the building should be water tight with upgraded electric to make it safe.*
 - Jodi Hedstrom stated that we do not have a dedicated use for this building. Then asked if we do not have a plan for the building then why are we updating electrical? How will we know where the panel and sockets need to be placed?
 - Carla answered that they are not moving anything just replacing existing socket and panel because they are an original part of the building that was built in 1930. They are not running new wires, new outlets, or putting in new light fixtures.
 - Jodi asked for clarification that the cost is just to upgrade to 200-amp service.
 - Carla answered that when the library vacated, they left the telephone and internet wires so there are loose wires that need cleaning up so the cost includes that as well.
 - **Why do we spend \$2700 for fuel and electricity for a building that is rarely used?**
 - *This is what it costs to keep the building above freezing. Electric is the basic monthly charge. We have three projects to finish before the end of the year and we will spend all of our money.*
 - Carla Penfield explained that the electric cost also includes an alarm system that is connected to the rest of the town buildings and we cannot disconnect from that system. It was brought up to the Board of Selectman to see if we can disconnect and that was voted down. That is the Pelmac line on the budget. The heat is kept on because it is a preservation issue.
 - Chairman Chivers asked for clarification around the \$1100 for electric asked in next year's budget.
 - Carla Penfield explained that they were expecting an increase and concurred that \$1100 was high.
 - Discussion ensued
- **Town Officer's Expense**
 - **What are some of the details of the telephone upgrade? Will there be one number to call for all the town departments and then a recording that tells you what to press?**

- Selectman Young explained that we were quoted approximately \$8000 to upgrade with the carrier that we have now and it has been agreed that it does not need to be done this year. We would like to leave a little in that line but not the whole amount asked for.
 - Discussion ensued around how much should be left in the line item.
 - **In the Software support line, after the upgrades are done this year, what will the ongoing yearly cost be?**
 - *It is hard to predict vendor percent increases and whether or not new equipment and/or upgrades will be needed. If there are no new equipment purchases or upgrades needed the line should go down about \$15,000 is my best guess.*
 - Discussion ensued
- **Treasurer**
 - **The Extra Clerical Work says eliminate line but then there is a budgeted amount of \$916. what does this represent?**
 - *I had suggested combining two lines into one at the first Selectman's meeting. However, the Selectman chose not to do that so I put the numbers back into two lines with the COLA. The extra clerical line was created in 2001, two treasurers ago. When Katie was elected, her predecessor told her that she was not sure why a second line had been created instead of just adding it to the existing line; but she typically asks for it during the preparation of the documents and reports for the auditors. When I find the Selectman's minutes from that period. I will let you know what was discussed.*
 - Selectman Young provided further clarity saying that two treasurers ago they asked for compensation for doing reports for the auditors. It was approved. For a Treasurers salary to go up they need to go to a town vote and put in a warrant article.
 - Chairman Chivers suggested to just cross out the words eliminate line and keep the actual line in.

Additional Questions for the Selectman

- Chairman Chivers ask about the Merit Pay Line to cover longevity compensation that was discussed in the previous budget committee meeting. It was Chairman Chivers understanding that it was discussed the night before and asked for comment/clarification.
 - Selectman Young explained that the Town adopted a policy and the board calculated the amount it would cost to fund the policy to reward employees that have been around for a long time. The amount came to \$6000.
- Bob Stout asked for clarification from the Selectman around what does the last two months of this year's budget look like.
 - Selectman Young explained that a recent approval of LED lights for the recycling center is being used out of this year's budget. There was roof work done and some work was done at the park and the budget is extremely close. There will not be a lot to encumber

Questions for the School Board from Last Meeting

- When reviewing the end of year budget for the school, the SPED elementary teachers there is a budget of \$170,000+ and we only spent \$152,000. What is the difference?
 - *We had a teacher resign at the end of the year and the salary for the replacement was lower.*
- SPED Health Insurance, there was a budget of \$103,000+ and \$76,000 was spent. What is the difference?
 - *For our vacant positions. We budgeted single health as that is what they are allowed per their CBA. These positions are either unfilled or the new hires elected to not take insurance.*
- SPED Highschool Tuition/Public Academies was a budget of \$363,000 and \$266,000 was spent. What is the difference?
 - *The original budget in this account included money for paraprofessionals that are billed to the district by Pinkerton. The money was moved to the appropriate account number and there was a student that was budgeted but was placed out of district after the budget was developed, a student moved out of district, and a student who was released from special ed towards the end of the year.*
- Building Improvements 5-year plan. This year the budget was \$46,000 and \$31,000 was spent. Is this indicative that most of the items have been fixed?
 - *Last year there was a building assessment done by the Turner Group. We will be addressing these issues over the next few years using this account. We did not use much money last year as we are awaiting the results from the Turner Group.*
- Athletic Transportation budget \$12,700 and \$8,900 spent. What is the difference?

- *They did not take as many sports trips.*
- Regular Education Transportation budgeted at \$315,000 and \$265,000 was spent. What is the difference?
 - *At the beginning of the school year we had one bus route for Pinkerton and two for Central. Based on the number of students using the Central bus the board elected decided to reduce the Central routes to one.*
- Charter School Expense budget is \$14,000. What does this item account for?
 - *The district is required to pay for any required services that a student that is attending a charter school receives.*
- How do we calculate the Enrollment Reports?
 - New Reports were discussed with the changes. Year over Year enrollments are now reflected on the reports.
- Dick Snow asked if the transition from Central to Pinkerton was complete this year? Do we have any students in Central this year? Do we have any capital costs to Manchester?
 - Stephanie Helmig replied that the 2019/2020 budget will be the last year for capital costs and it is about \$120,000.
 - Chairman Chivers directed everyone to look at the high school enrollment report and take out the 12th graders. This leaves us with 7 students left in Central
 - Discussion ensued around if students can go to Central after the transition. Chairman Chivers asked Stephanie Helmig to get clarification on if students can go to other schools after the transition as she believes there is a percentage of kids that can go elsewhere. Sharon Dewitt looked up the Pinkerton Contract on the web which clarified that the school board can allow up to 5% of its total population to enroll in another public high school as long as the total population does not fall below 2500 students. Clarification is still needed.

Comments/Questions from Guests on Budget before Preliminary Vote

- Sharon Dewitt commented that she has an issue with spending money on the old town library. She believes it should be preserved but she has an issue with people holding meetings when the building has no toilet and is not handicap accessible. She continued to say that in 2012 the town voted no on the proposed refurbishing of the building. Her question was, if the town votes no on something how can we continue to spend money on it anyway?
 - Selectman Young responded with an example of where the town voted no on an item and we spent money on it anyway. It is in her opinion that we have to keep the building heated for preservation. Even though the town voted no on refurbishing the building, they did vote in trustees to take over the management and preservation of the building.
 - Discussion ensued
- Sharon Dewitt further explained that she would like to see a purpose for the building. If the budget is going to keep going up, we need to have a purpose that is accessible to everyone.
 - Discussion ensued
- Bob Stout clarified that Sharon's arguments are valid and majority feel the same way. He continued to clarify that the argument that has been presented to the committee on why we need to continue the budget and increases. They were told that it is important to make sure that the building was water tight. When the first increases were voted on a few years ago it was to make the building water tight. The same questions have been asked about accessibility and plan and we have never received a response.
 - Discussion ensued
- Jodi Hedstrom also commented that she sees the importance and beauty of the building but calls for transparency on what the purpose is for the building going forward.
 - Discussion ensued

Preliminary Vote on the Budget (\$2,807,688)

- Discussion ensued on how we are going to discuss/vote on budget and if public comment is allowed.
- Chairman Chivers asked the room to look at the big picture. School Board is about 83% of the budget and the Town is about 17% of the budget. We also have a tax increase of \$1.97/thousand. So, the big picture is that we will see about a \$2.00/thousand increase.
 - Stephanie Helmig asked what the tax increase was last year.
 - Selectman Young explained that we had a 0% increase last year because we took money from the unreserved balance fund so we kept the taxes level.

- Selectman Young passed out a comparison of tax rates and discussion ensued around assessed valuation and tax rates.
- Ambulance-no changes
- Animal Control-no changes
- Auditing Services-no changes
- Budget Committee-no changes
- Building Inspection-no changes
- Cemetery-no changes
- Conservation Commission-no changes
- Direct Assistance-no changes-no changes
- Election Voter Registration-no changes
- Election Administration-no changes
- Emergency Management-no changes
- Fire and Forestry-no changes
- Health Officer-no changes
- Heritage Commission-no changes
- Highway-no changes
- Insurance-no changes
- Legal Expenses-no changes
- Other Culture and Recreation-no changes
- Parks and Recreation-no changes
- Planning Board-
 - Discussion ensued on what the masterplan is, what it is used for and what the vision is.
 - Katrina Niles motions to Zero out the \$10,000 budget for the Master Plan
 - Selectman Young Seconds for discussion only
 - Motion Passed
 - 5 in favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, and Katrina Niles)
 - 2 opposed (Dick Snow and Stephanie Helmig)
 - 1 abstained (Selectman Young)
 - Dean Young asked for clarification if the money can be moved into that line if Selectman vote to keep the \$10,000. Chairman Chivers clarified that if we eliminate the line they cannot spend it but other lines can be funded.
- Police-no changes
- Principal-no changes
- Property Appraisal-no changes
- Solid Waste-no changes
- Street Lighting-no changes
- Tax Collector-no changes
- Town Building Expenses
 - Discussion ensued around the necessary budget for Smyth Building
 - Jodi Hedstrom motions to reduce the line for the Smyth Building line by \$5,500
 - Katrina Niles Seconds
 - Motion Passed
 - 5 in favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, and Katrina Niles)
 - 2 opposed (Selectman Young and Stephanie Helmig)
 - 1 abstained (Dick Snow)
- Town Officer's Expense-no changes
- Treasurer-no changes
- Welfare-no changes
- Zoning Board-no changes

Bob Stout motions to approve the budget at \$2,792,188
 Susan Gill seconds
 Selectman Young opposed

7 in Favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, Katrina Niles, Stephanie Helmig, and Dick Snow)

1 opposed (Selectman Young)

School Reports

Proposed Budget Adjustments

- Selectman Young wanted to point out how the school budget is allowed to adjust and move budget items similarly to the Smyth Building
 - Jodi Hedstrom opposed the comment because the town clearly said that we did not want to fix the Smyth building until we had a plan. She believes that it is not transparent because warrant articles are asked for as well as a budget without a plan.
 - Bob Stout agreed and remembered a comment he made in the past about double dipping. He wanted clarity for the townspeople.
 - Selectman Young said they could work on that as a committee. She would like people to be more educated on how the town's money is being spent. She believes that the town budget is much more transparent than the school budget.
 - Discussion ensued.
 - Chairman Chivers explained that the state law has changed. In the past if we cut the school budget by 1%, we had to provide an itemized list on how it was going to be cut. Now, if we cut the budget 1% it is up to the school to figure it out.
 - Discussion ensued.

Enrollment Reports

- No questions

Revenue Report

- No questions

Expenditure Report

- No questions

End of Year Report

- No question

Additional Business Discussions

- Next meeting is 11/28/2018 @ 7pm at the Town Hall
- Jt. Meeting with the School Board is 12/05/2018
- As a result from an inquiry from a resident, Selectman Young asked for the Library Financial Report and CYAA Financial Report to be provided
 - Chairman Chivers is a Library Trustee and she will get the report
 - The CYAA report will not be provided because we give them \$17,000 on a warrant article, it is not fully funded by the town. The budget committee voted that they did not need this report.

Bob Stout moves to adjourn the meeting

Jodi Hedstrom seconds the motion

All in Favor

Meeting was adjourned at 8:48 pm

Submitted by: Kaycee Vitale, Administrative Assistant