

Town of Boscawen  
Budget Committee Public Meeting  
Boscawen Municipal Complex  
February 6, 2019 at 6 p.m.

Present: Barbara Randall, Chair, Alan Hardy, Mark Varney, Roger Sanborn, Edward Cherian Jr., Katie Phelps, Kevin Wyman, Ray Fisher, Dean Hollins, Nicole Hoyt, Sherlene (Doddy) Fisher, Bruce Crawford, Brian Fleury, Rhoda Hardy, Gail Egounis, Kellee Easler, Sarah Gerlack, and Dean Hollins

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Meeting began at 6:06 pm. Roll call completed. Barbara Randall, Chair.

**Review and Approval of the February 8, 2018 Minutes** – Line 17 should read ‘seconded by Barbara Randall’. Line 33 is ‘Town Clerk’, not Tax Clerk. Page 5, line 106 insert the word “had” before question. A motion to accept the Minutes as amended was made by Bruce Crawford, seconded by Gail Egounis, and passed by a unanimous vote.

**Review and Approval of the January 23, 2019 Minutes** – Line 3 should read ‘January 23, 2019’ instead of January 24, 2018. Page 6, line 236 should read ‘\$25,000’ not \$2,500. Page 1, line 24, should read ‘has’ not had. Line 110 delete the sentence that reads ‘Nicole Hoyt answered that she would be going forward.’ A motion to accept the Minutes as amended was made by Gail Egounis, seconded by Bruce Crawford and passed by a unanimous vote. Also noted line 260 should have a comma after ‘line’ and add \$130,000.

Opening Public Hearing at 6:30 pm. Prior to that the Warrant Articles were discussed.

**Warrant Article II**

Sherlene Fisher noted that they need to take out the \$33,000 for a new part time Chief. Mark Varney noted that the salary line is going to come down \$25,000. The bottom line for the Fire Department will stay the same. Sherlene Fisher asked further questions regarding the equipment line. The stipend will be \$14,000 for the year which is \$27.00 higher than the stipend last year. Gail Egounis asked about the Capital Reserve. Ray Fisher stated that the ventilation system was taken from what was left over from salaries. Mark Varney stated that Chief Fisher didn’t go over budget. Chief Fisher was asked to do the budget as if he were still there. Then they added onto the salaries and subtracted from the salaries and took the \$25,000 left and added that to the equipment line item so his budget is at least \$25,000 over if not more.

It was announced by Chair Barbara Randall that anyone who would be speaking tonight should sign in.

Gail Egounis noted that the Capital Reserve fund will have \$65,000 in it for new equipment. What is the new chief intending to spend?

Chair Barbara Randall announced that the Public Hearing started at 6:30 pm.

Mark Varney gave the bottom line for each department.

	2018	2019	Increase	Decrease
4130 Executive Budget	\$143,641	\$182,780	27%	
4140 Town Clerk/Elections	\$70,767	\$82,229	16%	
4150 Financial Admin.	\$81,259	\$85,737	6%	
4151 Tax Collector	\$46,933	\$64,724	38%	
4152 Assessing	\$59,415	\$60,183	1%	
4153 Legal Expenses	\$45,000	\$50,000	11%	
4155 Personnel Administration	\$642,697	\$686,679	7%	
4191 Planning/Community Development	\$134,005	\$132,645		1%
4193 AgCom	\$2,000	\$2,000	0%	
4194 Town Buildings	\$92,365	\$80,968		12%
4195 Cemeteries	\$3,500	\$3,500	0%	
4196 Insurance	\$39,737	\$39,905	0%	
4210 Police	\$597,206	\$597,772	0%	
4220 Fire	\$188,500	\$222,711	18%	
4240 Life Safety Officer	\$7,629	\$7,852	3%	
4290 Emergency Management	\$6,945	\$8,046	16%	
4312 Highway Streets	\$537,142	\$549,468	2%	
4316 Street Lighting	\$20,000	\$21,000	5%	
4319 Other Highways and Streets	\$5,500	\$5,800	5%	
4324 Solid Waste	\$209,256	\$215,556	3%	
4325 Solid Waste Clean-up	\$46,000	\$46,000	0%	
4329 Other Sanitation	\$72,000	\$72,000	0%	
4410 Health Dept.	\$10,066	\$10,222	2%	
4441 Welfare Admin.	\$59,148	\$80,660	36%	
4520 Parks and Rec.	\$36,000	\$36,000	0%	
4550 Boscawen Public Library	\$100,558	\$104,602	4%	
4583831 Old Home Day	\$0	\$7,500	100%	
453803 Town Beautification	\$1,250	\$1,250	0%	
4611 Conservation Commission	\$2,200	\$2,200	0%	
NOTE: Conservation Commission said they'd like to drop that request due to the amount of money they have in their funds. They'd like to drop it to zero for <b>THIS YEAR ONLY</b>				
4700 Debt Services	\$171,421	\$168,990		1%

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Budget for all Departments before municipal sewer:

2018 was \$3,432,140

2019      \$3,628,979 for a 6% increase

Budget for all Departments including municipal sewer:

2018 was \$3,682,140

2019      \$3,878,979 for a 5% increase

They need to take \$2,200 off of the total as the Conservation Commission's is giving back that amount. Total Budget: \$3,876,779.

Sherlene Fisher noted that the amount for the Fire Department salary would also come off the total. Mark Varney explained that it does not because it was going into the Fire Department's equipment line item. That means the bottom line for the Fire Department would stay the same.

**Warrant Article II to raise \$3,876,779 for operating budget (continued).**

Mike Fisher spoke regarding the Fire Chief. The operating budget should be sufficient for this year. The existing Chief has been spot on for the last 22 years. Why are they giving the new Chief a running budget where they decided not to go to a part time position? Can't that Chief come to the board and ask for it in the future? He doesn't believe the existing Chief is too far off in his budget and it is now being upped by \$25,000. Mark Varney reiterated that originally they added \$33,000 into the budget for the part time Chief. The original budget Chief Fisher provided to him was \$95,000 for salaries. He and Chief Fisher worked through the stipend numbers and came up with this new budget. The other \$25,000 that was taken out of the salary line, they chose to put into the fire department equipment line to give the new Chief some leeway in case they needed some new equipment. Mike Fisher said they've had a Chief for 22 years and he's been spot on. Adding another \$25,000 just to add it on doesn't make sense. Why the need to go up this percentage with a new Chief. Chief Ray Fisher spoke. No one in his department has made all the calls all the time every year. And going from experience, he thinks he had \$12,000 left from last year's salary line and that paid everyone including himself. He thought \$95,000 was enough and he's quite sure it will be enough even with the additional stipend they are paying the new Chief. As far as the equipment, there is always something they can buy. He'd rather see that \$25,000 go towards the building or something they know they will need.

Todd Bartlett was at the meeting a couple of weeks ago and heard the proposed Fire department budget. The increase was requested by the Selectmen and is what he heard and understood. He didn't understand why a department head would come to a meeting with a budget requested to be increased by the Selectmen. Varney said they hadn't decided on a part time Chief's salary at the time of presentation. He explained further. Mr. Bartlett asked if the position would have to go before the town. Varney said no, the Select Board makes that decision.

Sally Fisher spoke. She asked for an explanation as to how they decided they needed a part time Chief and now they don't need a part time Chief. Mark Varney said they had recommendations to go to a full time Chief but they backed down to a part time Chief as they are collaborating with Salisbury, Canterbury, etc. for rescue services. There are policy changes coming up. The rescue budget is going from \$90,000 to \$204,000 this year. The part time Chief will spend more time doing research, etc. The review panel recommended to hire Tim Kenney who assured them he could get the work done as a volunteer Chief, so they changed it from part time to volunteer Chief. That recommendation came from Chief Fisher originally. Sally Fisher asked who the people were that recommended this. Mark Varney stated that he will not go into the personnel issues. Ms. Fisher stated she was not happy with the process.

Carlos Goncalveas is on the Fire Department. The Fire Department is no longer paying for the Chief's salary. He's all for the increase being put into the building.

Nicole Hoyt noted that the one of the line item 4151572, tax deeded properties, is a \$10,000 budget line. To deed a property costs the town. That line was moved from another spot into her budget. Also in the Tax Collector's budget, the copier out in the file room that administration uses and other departments use and the tax collector does all the bills on; that copier, the expense is put 50% into Tax Collector's budget. Her staff spends more time doing tax collecting so that increases \$5,000. Equipment and software went up due to the toner and ink that she uses for tax bills.

Fred Egounis was on the Fire department in years past. He doesn't have a problem with people working and getting a good pay. He has a hard time justifying that the administrative costs can go up over 20%. His taxes went up this year and he won't be able to afford it. Two or three years ago there was only 2 or 3 people working in the office; now there's 8. He was at the budget meeting a couple of weeks ago. Housing is going up. How's this going to affect the school. Do they have a 5 year plan? How many kids have come into the town this year? Hardy said they haven't gotten those numbers yet. Fred Egounis asked how much it cost for every kid to go to school. He asked Alan Hardy how he justified a 20% increase in salaries. Police 4% increase, highway more, etc. Alan Hardy stated in 2008 there were 13 people working, which was a mix of part time or full time. Mr. Egounis asked if Alan Hardy was comfortable with a 20% increase in salaries.

Bill Hines, resident. The formality bugs him. Someone is going to transcribe all of this, God bless them! Does the town have a plan for the meeting? The budget was read, and now we are getting into the Warrants. Will they continue through those? Barbara Randall said yes. Mr. Hines agrees with some of the speakers about the line items. Regarding the \$2,200 that the Conservation Commission is giving up, he'd be inclined to move it to \$1.00 to keep the line active. The school, it saddens him to say that looking at this budget and maybe it's time for another line for the number of people in each line item. How much of this is stuff and how much is people. It would be nice to know people, stuff and third party/contractor stuff.

Mary Ellen Kenney. She's a 78 year old retiree and her taxes have gone up. She'd like to go back to the school and the cost of a student going into their elementary school. She heard its \$13,500 for a child to go into their school system for 1 year. Does anyone know the actual cost per student? Mark Varney doesn't know. Alan Hardy said that will come out of the state. The relationship between cost per student and what they see in the field, the single family home cannot generate enough taxes by itself to pay for one student per year. Ed Cherian stated it costs more to educate a child than a new house pays in taxes. MVSD, state aid and other grants have been cut substantially so that means they have to raise more from the town. They lose \$115,000 a year just in stabilization grants.

Ed Maloof spoke. He'd like to say that the actual 2018 budget shows that this town did a good job at holding to the cost that we're presented in the 2018 budget. He commends everyone in the office that has worked hard to keep that budget down. Everyone in the budget circle have taken all of the actual costs and threw them down the drain so they won't be well received at town meeting. There is no reason why the actual costs can't be closer to the 2019 numbers. Drop the bottom line. Drop it dramatically and bring it closer to the 2018 costs. 2-3% on each line item may be reasonable. He is 79 years old and is retired. He has to work just to pay the taxes. The budget committee is supposed to take care of the people in this town as well as the Selectmen. It doesn't seem to him, by this budget and that bottom line, they are doing a good job.

Paul Matthews – King Street Resident. He was at the nonpublic meeting a week ago. What is the 2019 revenue projection? It was stated that it was going to be developed and he doesn't see one. Katie Phelps stated that it is not easy to project revenues this early in the year. Alan Hardy said the revenue projection was done in October. They haven't seen anything that may make them think that number will be going up. Paul Matthews point is that they aren't going to include a revenue projection for the town. Alan Hardy said that process is done in October of every year as required by State DRA. Mr. Matthews asked where it was in the material tonight. Is it in a single piece of paper presented tonight? Mark Varney said no. Mr. Matthews asked the town has done to increase revenue that isn't related to the tax base. Have you written a grant? Mark Varney said they did pursue a pilot agreement with Riverbend and with Community Bridges. Ed Cherian remarked that they renewed with Briar Hydro. Ross Express is a big loss of revenue as they won't be registering their trucks locally. New residents have come in, but that's a double edge sword. Alan Hardy spoke and said that the pilot agreement renegotiated with Briar Hydro will give them a new number for revenue but they won't have it until June 2019. The egg farm is a potential for another pilot agreement. They are working on finding opportunities for income. Mr. Matthews' last comment is that if this is the operating budget presented at the town meeting he will not vote for it.

Barbara Randall asked for a vote. Bruce Crawford felt some good points were made. It is very hard for him to vote in favor of this not knowing what the impact on the tax rates will be because they don't know what the income will be. All of the percentage numbers are based on last year's budget, but if they base it on this year's actual, that would change significantly. Alan Hardy said the budget revenue projections are at the end of the packet. In the tab noted MS434. Bruce said the bottom line is the tax rate.

Sherlene Fisher asked why Ross Express can register their vehicles elsewhere. Nicole Hoyt explained that when it comes to tractor trailers they can register them in other states can do theirs. They changed their name slightly to Ross Express LLC and because he has to retitle their vehicles with the State of NH, he would have incurred another cost. That's when they decided to register them in Indiana to save money. That was \$100,000 that was lost. He was very sorry he couldn't get it to work out for the state.

Gail Egounis asked Katie what the remaining fund balance was at the end of the 2018. Katie Phelps said they have around 8% left. At the end of the year there was \$860,000 left in unassigned fund balance. The State Department of Revenue Administration recommended that municipalities retain between 5 % and 17% and the town is at 8% where it usually is. When they do the MS636, which should be soon, that has the estimated revenue along with the proposed budget. That's where an estimated revenue budget would come in. Alan Hardy said yes. They haven't seen any radical changes from the numbers put together in October. Gail Egounis felt that they can estimate the tax rate based on last year's revenue. Mark Varney says last year's 636 is 20 days after town meeting. It's due the first part of April.

A motion to not recommend Warrant Article II was made by Gail Egounis, seconded by Bruce Crawford and passed by a 5-2 vote. Rhonda Hardy, Barbara Randall in the minority.

### **Warrant Article III –**

A motion to recommend Warrant Article III was made by Bruce Crawford, seconded by Rhonda Hardy and passed by a unanimous vote.

### **Warrant Article IV**

A motion to recommend Warrant Article IV was made by Rhoda Hardy, seconded by Doddy Fisher and passed by a unanimous vote.

### **Warrant Article V**

A motion to recommend Warrant Article V was made by Bruce Crawford, seconded by Gail Egounis and passed by a unanimous vote.

### **Warrant Article VI**

Alan Hardy explained what the money would be going towards.

A motion to recommend Warrant Article VI was made by Paul Dickey, seconded by Bruce Crawford and passed by a unanimous vote.

### **Warrant Article VII**

Alan Hardy clarified that Dean Hollins had \$32,000 set aside for this purpose. In order to set up the Capital Reserve the DRA required that they left that amount in the unassigned fund balance. This is a format DRA requested we follow.

A motion to recommend Warrant Article VII was made by Rhoda Hardy, seconded by Paul Dickey and passed by a unanimous vote.

### **Warrant Article VIII**

Sherlene Fisher asked why they have to put \$35,000 also in that same fund if they do this. Alan Hardy said it wouldn't be in the same fund.

Paul Dickey asked if Ray Fisher had already budgeted for that. Could they take the \$25,000 that was to go to the hoses, etc. and put it in this fund? Chief Ray Fisher said no. \$25,000 goes into the equipment fund. Paul Dickey asked if the money being shuffled around could be put into this fund. Chief Fisher said it could be. The \$30,000 is the engineering fund that goes to the engineers that are going to design that building. Once that's done, he will bring it before the Selectmen for approval. The \$25,000 is extra. Paul Dickey said if it's extra, he'd like to see it put in this. Alan Hardy said this Article is for the design only. Gail Egounis wanted clarification that this Warrant Article is only going to be used for the architects, etc.? Alan Hardy said correct. Once they know what the town wants for the future of the fire department complex, they would then have a future number to put away at a later date. Mark Varney said they could change the purpose if there is more money in the capital reserve fund. If there is money left from the design the rest of the money could get rolled into the building. Alan Hardy said the easiest way to do that would be to increase this number. Ed Cherian explained that this money isn't to build the building. Rhoda Hardy thought the \$25,000 was put in because the new fire Chief wanted new equipment. Mark Varney explained the \$25,000 is for the incoming Chief to put together proposals for improvements that he feels that may need to be done. The Article isn't being recommended by the Budget Committee. Chief Fisher explained that this Article is just for the new building cost. Paul Dickey thinks the extra money in here for capital improvements makes sense. Alan Hardy noted that when it gets to the town meeting for repurpose it requires a 2/3 vote. Gail Egounis asked if they needed, legally, to have a separate line item vs. putting it all together. Alan Hardy explained. Gail Egounis asked why not establish a new Capital Reserve for this. Ed Cherian explained that they could, but they would want to know what the amount would be, or an estimate at least. Gail Egounis asked Dean Hollins if he knew what the cost of their new Public Works building would be. Dean Hollins said they didn't. Chief Fisher said before this they had a fire engine fund. They broke that off and started this just for the engineering thing. Mark Varney agrees that if they do anything with that \$25,000 they drop it from the bottom line. They will have to move to do that in the Selectmen's meeting.

A motion to recommend Warrant Article VIII as written was made by ?? , seconded by ??, and passed by a unanimous vote.

### **Warrant Article IX**

Alan Hardy explained that the roof system is falling apart. They want to repurpose the HVAC system money to go to repair the building. That was recommended by DRA. This includes roofing and cupola. Paul Dickey asked if they were going to get the roof done all at once. Alan Hardy said yes. Bruce Crawford asked about the HVAC system. Alan Hardy said when they see the bidding for the roof, their estimate is that \$120,000 is on the high side. At that point they will have enough to do two of the units. There is a total of 4 units up in the attic. Gail Egounis asked if they could do the HVAC if they changed this to roof repairs. Ed Cherian said they broadened it so it could encompass all. This is a recommendation of DRA to give them more flexibility going forward. Alan Hardy said that the quote is a little over \$30,000 for the 2 HVAC units.

A motion to recommend Warrant Article IX was made by Bruce Crawford, seconded by Paul Dickey and passed by a unanimous vote.

### **Article X**

Ed Cherian stated that the original direction was to split the cost between 2 years. That's when it was looked into having some money for the building, can they repurpose it for the roof. If Article IX passes, they won't need Article X.

A motion to NOT recommend Warrant Article X was made by Bruce Crawford, seconded by Rhoda Hardy and passed by a unanimous vote.

#### **Article XI**

A motion to recommend Warrant Article XI was made by Sherlene Fisher, seconded by Bruce Crawford and passed by a unanimous vote.

#### **Article XII**

A motion to recommend Warrant Article XII was made by Rhoda Hardy, seconded by Paul Dickey and passed by a unanimous vote.

#### **Article XIII**

A motion to recommend Warrant Article XIII was made by Sherlene Fisher, seconded by Paul Dickey and passed by a unanimous vote.

#### **Article IVX**

A motion to recommend Warrant Article IVX was made by Rhoda Hardy, seconded by Gail Egounis and passed by a unanimous vote.

#### **Article XV**

Chief Oberman from Penacook Rescue explained. The increase in cost comes from not being a fully volunteer department. They are now a 99% paid staff. That's not full time, just per diem staff. They get no benefits, just salary. Reimbursement stinks. Medicare, Medicaid doesn't pay what they used to pay. They go out to collection to get their money. If he was to guarantee 24/7 full time employees there, it would cost a lot more. They pay an hourly rate to their employees, not a salary. Ed Cherian asked if the town of Salisbury will make a contribution for the services. Chief Oberman said Salisbury is putting it as an Article to their town. They have verbal notification from Salisbury and Canterbury that they are putting it before their Town meeting and are recommending it. Ed Cherian says they are subsidizing the services to Salisbury. Salisbury's share is about \$72,000. Boscawen's share is larger because of the difference in capital compact. \$204,000 is Boscawen's share of the 3 town's. Paul Dickey asked if this included maintenance of the building. Chief Oberman said that was correct. They also have 4 vehicles, 2 ambulances and 2 cars that were donated. Paul Dickey asked if they go on call, does the Chief of Police or Fire Chief go out on those calls also. Chief Oberman said no. Mark Varney said their plan is to continue to move forward with what they are going to do. You can't go out to get another service and get it any cheaper. It's less than easy to get everyone on board when there are 3 towns involved and a private service. Chief Oberman said that Tri Town ambulance services is per patient. \$172.75 is what the town has to pay for a rescue call. \$407.00 per call is what Tri Town charges. They are paying benefits and have a full time staff and they are only staffing one truck. Hopefully this puts it in perspective. The education to recertify costs. One patient is 2 hours of a volunteer's time. They did 862 calls last year total for Penacook. There are only 2 people that live in town that are in his department. ?? why a 126% increase from last year? Chief Oberman did it based on the estimate of what they can do and they need more people and they have to pay them. It was a loss last year. They were able to survive with last year's budget, but they took a loss. Now in order to have any money in reserve they have to increase that amount in case Medicare stops paying, which they have in the past. They are only receiving 50% of what they bill out. Bottom line is that when he rolls the truck out it costs him. BLS emergency, ALS level emergency, and ALS Level 2. All three of those levels are billed at a different rate. Ed Cherian asked if when they respond he does so at ALS level, which is certified people. Chief Oberman said that was correct. Ed Cherian asked about how many mutual aid calls to Concord and other. Concord was 52, Salisbury

52, Franklin 9, Webster 6, Northfield 3 and Andover 1. It was asked what would happen if this doesn't pass. Chief Oberman said he would operate until he had no more money and then he would close his doors. Gail Egounis asked if the County complex has any effect on their population. But the reimbursement rate from the Nursing Home is better than private calls. Ed Cherian said there is a new County Administrator. Maybe they will try with the new County Administrator for a pilot agreement. ?? stated that money was allotted for an architectural study for a Fire Station, what about a combination Boscawen/Fire rescue. If this amount doesn't go through and you run out of your reserve, something will have to take its place. ?? spoke – one of the jobs of the new Chief would be to do research for Penacook Rescue. What is meant by that? Mark Varney addressed this question. They would like the new Chief to look into what the vision is going forward. Is it cost effective and prudent to put some sort of transport/response out of the fire house? Ed Cherian said that they are hoping the Chief would look into some of the grant money that may be available to the town. ?? asked how much an ambulance cost. Chief Oberman said it was about \$250,000. Will this \$204,000 get you out of the woods? Are you still working with a 7 and 8 year old vehicle. Chief Oberman said its 9 years old. ?? the equipment will still need to be updated, correct? Chief Oberman said correct. Mr. Goncalves spoke. He's been in the rescue business for a lot of years. The cost is going up. There are more calls and there are no volunteers. Years ago he had 32 volunteers. Now they do not have anywhere near that. There are very few at the Fire Department that are EMT's. The money he's asking for is not unreasonable. He recommends they pass the request. What is the 5 year plan? What is the 10 year plan? Bruce Crawford spoke. They are not the only town that is doing this. He thinks they should talk with other towns on regionalization. Mark Varney said they have started to do that. They have been talking with other towns.

A motion to recommend Warrant Article XV was made by Bruce Crawford, seconded by Paul Dickey and passed by a unanimous vote.

Question for the Select Board. When would they discuss the decrease of the \$25,0000. Mark Varney said they can do a special meeting and notice the department heads.

Sherlene Fisher noted that the treasurer salary was not even mentioned and that was a 275% increase. It went from \$4,000 to \$15,000 proposed. Paula came up to explain. She was a Trustee of the trust funds when Cheryl Mitchell took over the position as town clerk. As a mom here in Boscawen, her taxes are more than her mortgage. She's a single mom raising two kids, one in college. She felt she could do a good job at it. The job presented to her was to sign checks once a week and reconcile accounts once a month. But it has become apparent that the position has a lot more involved. She's spending a significant amount of time looking at the accounts. She has proposed they do a du diligent review of the bank they work with to be sure they are fiscally responsible. She has developed policy and procedures of deposits. The job is not as it was presented. The budget also includes training. She works from her home. She doesn't use their computers or printers. She absorbs that cost. After she spoke with the Selectmen and the town employees she came up with this conservative estimate based on what she's doing.

Fred Egounis spoke. A few years back the Treasurer wanted to work at home but she wasn't allowed to. What has changed? At that time it was felt that the Treasurer was to be in this building using the tools at hand and it was in the best interest in town to do that. Now the Treasurer is working at home. Mark Varney said she's not fully working at home. Ed Cherian said that the Clerk and the Treasurer are elected positions in Boscawen and they do not report to the Selectmen. The Clerk and the Treasurer can set their own hours and expend their budget as they see fit. Mr. Egounis said that one of the problems is that if there was a situation at that house and all those records were destroyed it would be a horrible position. Paula explained that she doesn't keep any records at her private home.

Public hearing closed adjourned 9:02



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363 *Respectfully submitted by Rose Fife*

DRAFT