

**TOWN OF TUFTONBORO  
BUDGET COMMITTEE  
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**BUDGET COMMITTEE MINUTES**

**Tuesday, January 16, 2018  
6:30 p.m. - Town Offices**

An official video of this meeting as well as other Town meetings can be found at the Town of Tuftonboro's YouTube at:  
<https://www.youtube.com/channel/UCCUmJqZvFTS23RMEFSDQzmw>.

**Present:** Chairman Lootens, Bob Theve, Selectmen's Representative Albee, Helen Hartshorn, Gordon Hunt, Guy Pike, and Karen Koch. John Libby arrived at approximately 6:40 pm.

**OPEN MEETING:** After declaring a quorum, Chairman Lootens opened the meeting at 6:30 p.m. and led the Pledge of Allegiance.

**PUBLIC INPUT:** Guy Pike shared that he will be having surgery Thursday but it shouldn't affect his involvement with the Budget Committee.

**APPOINTMENTS/BUDGET REVIEWS:**

4191 Planning & Zoning

2017 funds were not encumbered for the Master Plan. Therefore the Selectmen added \$3180 to the 2018 budget (01-4191-03-680 Master Plan Review). There was some discussion regarding the status of the Master Plan.

**Motion:** Gordon Hunt moved to revise the total for budget 4191 to \$23,188, seconded by Helen Hartshorn. Vote passed 6-0.

4155 Personnel Administration

This budget needed to be revisited due to a slight calculation error for social security and retirement.

**Motion:** Helen Hartshorn moved to approve budget 4155 in the revised amount of \$588,545, seconded by Bob Theve. Vote passed 5-1. Guy Pike against for the same reasons previously expressed.

John Libby arrived at approximately 6:40 pm.

**WARRANT ARTICLES:**

The Budget Committee reviewed the following 2018 warrant articles:

**Article 3:** To see if the Town will vote to raise and appropriate the sum of Forty-Three Thousand Dollars (\$43,000.00) to be added to the previously established Fire/Rescue Department SCBA (Self Contained Breathing Apparatus) Equipment Capital Reserve Fund. The full amount (\$43,000.00) will come from the Unassigned Fund Balance.  
(Recommended by the Board of Selectmen 3-0 and the Budget Committee TBD)  
(Majority vote required)

There was discussion in regards to funding coming from the Unassigned Fund Balance rather than being raised.

**Motion:** Bob Theve moved to approve this warrant article, seconded by Helen Hartshorn. Vote passed 7-0.

**Article 5:** To see if the Town will vote to raise and appropriate the sum of One Million, Nine Hundred Twenty Thousand Dollars (\$1,920,000.00) to renovate and expand the current Library and to authorize the issuance of not more than One Million One Hundred Thousand Dollars (\$1,100,000.00) of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA Chapter 33); to authorize the selectmen to issue and negotiate such bonds and notes and to determine the rate of interest thereon and the maturity and other terms thereof. Furthermore, to authorize the withdrawal of Four Hundred Ten Thousand Dollars (\$410,000.00) from the existing Library Capital Reserve Fund and Four Hundred Sixteen Thousand Dollars (\$416,000.00) from the Library Capital Donations Fund. The first payment on the bond or note will not be made until year 2019.

(Two-Thirds (2/3) ballot vote required per RSA 33:8-a)

(Recommended by the Board of Selectmen 2-0 and the Budget Committee TBD)

**Motion:** Helen Hartshorn moved to approve this warrant article, seconded by Gordon Hunt. Vote passed 5-2. John Libby against because of article language. Guy Pike against due to project cost and the project not being put out to bid. This article will be revisited for wording after it is sent to the DRA. The final figures will be revised at a later date as donations/pledges have increased lowering the loan amount.

**Article 6:** To see if the Town will vote to raise and appropriate the sum of Thirty Thousand Dollars (\$30,000.00) to replace the septic system at the Tuftonboro Public Library. This article is contingent on Article 5 not passing. If article 5 passes, this article will be null and void.

(Recommended by the Board of Selectmen 3-0 and the Budget Committee TBD)

(Majority vote required)

**Motion:** Bob Theve moved to approve this warrant article, seconded by Guy Pike. Vote passed 7-0.

**Article 8:** To see if the Town will vote to raise and appropriate the sum of Thirty Thousand Dollars (\$30,000.00) for a study and design of a new or updated Police Facility.

(Recommended by the Board of Selectmen 3-0 and the Budget Committee TBD)

(Majority vote required)

There was discussion about putting the project out to bid, raising of funds versus using the Police Building Capital Reserve Fund, the proposed study, the previous study, potential building sites, etc.

**Motion:** Bob Theve moved to approve this warrant article, seconded by Gordon Hunt. Vote passed 7-0.

**Article 9:** To see if the Town will vote to raise and appropriate the sum of Two Hundred Thirty-Five Thousand Dollars (\$235,000.00) for the preparation and paving of Town Roads.

(Recommended by the Board of Selectmen 3-0 and the Budget Committee TBD)

(Majority vote required)

The paving schedule is yet to be determined.

**Motion:** Guy Pike moved to double the amount. Discussion followed. The motion was later seconded by John Libby. Vote did not pass 1-6. Guy Pike for. Under discussion, the potential to add funds was considered. Helen Hartshorn moved to approve the warrant article as written (for \$235,000), seconded by John Libby. Vote passed 6-1. Guy Pike against. Some members do feel that increasing the amount should be considered but there is not enough research at this time to decide an amount.

**Article 10:** To see if the town will vote to raise and appropriate the sum of Two Thousand Five Hundred Dollars (\$2,500.00) to support White Horse Addiction Center.

(Recommended by the Board of Selectmen 3-0 and the Budget Committee TBD)

(Majority vote required)

**Motion:** Helen Hartshorn moved to approve this warrant article, seconded by Bob Theve. Vote passed 6-1. John Libby against as he doesn't feel that additional health agency funding is necessary.

**Article 11:** To see if the town will vote to establish a contingency fund for the current year for unanticipated expenses that may arise and further to raise and appropriate Five Thousand Dollars (\$5,000.00) for said purpose. Said sum to come from the Unassigned Fund Balance. Any appropriation left in the fund at year end will lapse into the general fund.

(Recommended by the Board of Selectmen 3-0 and the Budget Committee TBD)

(Majority vote required)

**Motion:** Gordon Hunt moved to approve this warrant article, seconded by Bob Theve. In response to the Committee, Selectman Wood shared that 2017 unanticipated expenses were charged to the applicable budget lines rather than a separate contingency line. Vote passed 7-0.

**Article 12:** To see if the town will vote to raise and appropriate the sum of Thirty-Five Thousand Dollars (\$35,000.00) to purchase a new vehicle for the Code Enforcement Officer.

(Recommended by the Board of Selectmen 3-0 and the Budget Committee TBD)

(Majority vote required)

There was discussion regarding the new vehicle cost, need for vehicle replacement, current vehicle trade-in value vs. sale by sealed bid, etc.

**Motion:** Guy Pike moved to approve this warrant article, seconded by Bob Theve. Vote passed 5-2. Guy Pike and John Libby against. Guy Pike doesn't feel that vehicle replacement is necessary. John Libby would like to know what is being done with the old truck before voting.

**Article 13:** To see if the Town will vote to raise and appropriate the sum of Twenty Thousand Dollars (\$20,000.00) to replace the main entrance doors in the Town Office Building.

(Recommended by the Board of Selectmen 3-0 and the Budget Committee TBD)

(Majority vote required)

The project cost was originally \$22,000 but was reduced to \$20,000.

**Motion:** Gordon Hunt moved to approve this warrant article, seconded by Bob Theve. Vote passed 6-1. Guy Pike against due to project cost.

**Article 14:** To see if the Town will vote to raise and appropriate the sum of Thirty-One Thousand Dollars (\$31,000.00) to regrade and pave the Town Garage parking and loading areas.

Recommended by the Board of Selectmen TBD and the Budget Committee TBD)

(Majority vote required)

This article has not been voted upon yet by the Selectmen.

**Motion:** Gordon Hunt moved to table this warrant article, seconded by Chairman Lootens. Vote passed 7-0.

**Article 15:** To see if the Town will vote to authorize the Selectmen to enter into a five year lease/purchase agreement in the amount of \$580,000.00 for the purpose of purchasing and equipping a new fire truck for the Fire Department to replace Fire Engine 2, and to raise and appropriate the sum of \$123,142.00 for the first year's payment for that purpose. The lease agreement contains an escape clause.

(Majority vote required)

(Recommended by the Board of Selectmen 3-0 and the Budget Committee TBD)

This vehicle is on a 20 year replacement cycle.

**Motion:** John Libby moved to approve this warrant article, seconded by Gordon Hunt. Vote passed 5-2. Chairman Lootens and Guy Pike against. Chairman Lootens against due to lack of information, Fire Department recent expenses, and overall sum of all the warrant articles. Guy Pike also against due to lack of information and doesn't agree that replacement is necessary.

**Article 16:** To see if the Town will vote to raise and appropriate the sum of Eighty-Eight Thousand Five Hundred Dollars (\$88,500.00) to repair the Sodom Road Bridge to be restored to full load carrying capacity.

(Majority vote required)

(Recommended by the Board of Selectmen 3-0 and the Budget Committee TBD)

Selectmen's Representative Albee confirmed that repairing the bridge will not change the Town's position on the State replacement schedule but will keep the bridge from the potential of closing.

**Motion:** Guy Pike moved to approve this warrant article, seconded by Bob Theve. Discussion followed. Selectmen's Representative Albee shared that the amount is a mid-range estimate and explained the problems with the bridge. Vote passed 7-0.

**Article 17:** To see if the Town will vote to raise and appropriate Fifty Thousand Dollars (\$50,000.00) under RSA 31:19-a (V) to establish a trust fund for the payment of health insurance premiums for Town employees. Said sum to come from the Unassigned Fund Balance. The Trustees to be the Trustees of the Trust Fund and the Selectmen the agents to expend. The purpose is to set aside funds rather than increase the following year's budget. To be used only in the event that there is a significant increase in premiums.

(Majority vote required)

(Recommended by the Board of Selectmen 3-0 and the Budget Committee TBD)

Selectmen's Representative Albee explained that this article would move \$50,000 from the Unassigned Fund Balance to another fund to moderate spikes in health insurance costs. There was discussion regarding the use of the funds, budgeting actual expenses, fund replenishment, the potential of large premium increases, etc.

**Motion:** Bob Theve moved to move to approve this warrant article, seconded by Gordon Hunt. Vote did not pass 3-4. Helen Hartshorn, Guy Pike, John Libby and Chairman Lootens against. Helen Hartshorn doesn't agree with setting aside a special fund for this purpose. Guy Pike dislikes the Town's health insurance plans and doesn't feel that a potential spike in costs justifies this fund. John Libby would like to think about the article further. Chairman Lootens doesn't think that \$50,000 is enough. This article will be revisited.

**Article 18:** To see if the Town will vote to raise and appropriate the Budget Committee recommended sum of TBD (TBD) for general Town Operations. The Selectmen recommended TBD (TBD). This article does not include any special or individual warrant articles addressed separately.

(Recommended by the Budget Committee TBD)

(Majority vote required)

This article will be reviewed after the budget is finalized.

## **ESTIMATED 2018 REVENUE**

Anticipated 2018 Revenues total \$2,101,475.00. This total currently includes the \$50,000 for the health insurance warrant article. The Committee reviewed estimated revenue highlighting the Unreserved Fund Balance, 2017 actual LUCT (Land Use Change Tax), 2017 PILOT (Payments in Lieu of Taxes) and 2017 Meals and Rooms Tax Revenue versus 2018's anticipated amounts, Tax Deeded Properties, Milfoil, Excavation, Motor Vehicle registration, and Departments Income including Library.

**REVIEW/APPROVAL OF MINUTES:** Chairman Lootens called for review and approval of the 1/2/18 minutes. **Motion:** Bob Theve moved to accept the minutes as corrected, seconded by Gordon Hunt. Vote passed 7-0.

**CORRESPONDENCE:** Chairman Lootens recognized that all Budget Committee members received emails from a member of the public. There was discussion regarding Guy Pike's concern that Chairman Lootens initiated a discussion at a previous meeting regarding matters, which discussed in public, may have an adverse effect on someone's reputation. Chairman Lootens disagreed with this allegation.

## **NEW BUSINESS:**

Graphs: Helen Hartshorn shared updated graphs. The 2018 budget (\$3,817,974) is a 7% increase over last year's actual spending. There was discussion regarding the comparison of appropriations from year to year rather than comparing the budget to previous expenditures. The 2018 budget is approximately a 2% increase from the 2017 budget.

The Committee received a summary of the total 2018 budget.

BOS Update: Selectmen's Representative Albee hopes to bring the warrant articles to an increase of only \$90,000-\$120,000 in 2018 compared to 2017.

**MEETING DATES:** The Budget Committee will meet at 6:30 pm on February 6, 2018 at the Town Offices.

**PUBLIC INPUT:** In regards to warrant articles, Joe Kowalski spoke about the condition of the Code Officer's truck. Selectmen's Representative Albee responded to Mr. Kowalski regarding the Fire Engine.

## **ADJOURNMENT:**

**Motion:** On a motion made by Guy Pike, seconded by BobTheve . Vote passed 7-0. Meeting adjourned at 8:20 pm.

Prepared and submitted by: Karen Koch