

**TOWN OF TUFTONBORO
BUDGET COMMITTEE
P.O. Box 98, 240 Middle Road
Center Tuftonboro, NH 03816
Telephone: (603) 569-4539 Fax: (603) 569-4328
www.tuftonboro.org**

BUDGET COMMITTEE MINUTES

**Tuesday, February 6, 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, Vice-Chairman Hunt, Bob Theve, Selectmen's Representative Albee, Helen Hartshorn, Guy Pike, John Libby and Karen Koch.

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

PUBLIC INPUT: None.

APPOINTMENTS/WARRANT ARTICLE REVIEW:

CODE OFFICER VEHICLE WARRANT ARTICLE & 4240 BUILDING BUDGET

Jack Parsons obtained a lower cost estimate to purchase and equip a new vehicle (\$29,000 vs \$35,000). Recent repairs needed for the current vehicle exceeded the vehicle maintenance budget. An additional \$1000 is necessary to balance this overage and to keep a balance for vehicle maintenance. This amount doesn't include repairs that would be necessary if the new vehicle doesn't pass at Town Meeting. In anticipation that the article passes, the Selectmen added \$4000 to revenue for the sale value of the old vehicle.

To see if the town will vote to raise and appropriate the sum of Twenty-Nine Thousand Dollars (\$29,000.00) to purchase and equip a new vehicle for the Code Enforcement Officer.

(Majority vote required)

Motion for warrant article: Helen Hartshorn moved to revisit this article, seconded by Vice-Chairman Hunt. Vote passed 6-1. Guy Pike against. Bob Theve moved to approve this revised warrant article, seconded by Helen Hartshorn. Vote passed 6-1. Guy Pike against.

Motion for budget: Guy Pike moved to increase this budget to \$62,597, seconded by Bob Theve. Vote passed 7-0.

PREP AND PAVING OF TOWN ROADS WARRANT ARTICLE

The Selectmen increased the amount of this warrant article in order to do a paving study and to reevaluate the roads to be paved.

To see if the Town will vote to raise and appropriate the sum of Two Hundred Sixty Thousand Dollars (\$260,000.00) for the preparation and paving of Town Roads.

(Majority vote required)

Motion: Bob Theve moved to approve this revised warrant article, seconded by Vice-Chairman Hunt. Vote passed 7-0. Chairman Lootens called for a Point of Order, a motion to revisit was not done. Vice-Chairman Hunt then moved to revisit this revised warrant article, seconded by Helen Hartshorn. Vote passed 7-0.

FIRE TRUCK WARRANT ARTICLE

Chief Thompson gave an update on the condition of the current 1998 fire truck and information regarding frame replacement (estimated cost \$40,000 with no issues). As lease rates have become fluid, the first payment amount may need to be changed on the floor at Town Meeting. Today, Chief Thompson was given a new first payment estimate of \$124,115. Selectmen's Representative Albee shared annual cost information for having Fire vehicles. Chief Thompson shared that the amount of a new fire truck may increase by \$50,000 if this is put off until next year. Revenue for sale of the current vehicle will not be reflected until 2019 as the new replacement vehicle would not be received until then. This lease/purchase agreement contains an escape clause therefore the payment needs to be a warrant article each year.

The wording of the article was slightly revised by DRA to reflect what the Town is appropriating this year:

To see if the Town will vote to raise and appropriate the sum of \$123,142.00 and 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. \$123,142.00 reflects the first year's payment. The lease agreement contains an escape clause.

(Majority vote required)

Motion: Guy Pike moved to revisit this revised warrant article, seconded by John Libby. Vote passed 7-0. Vice-Chairman Hunt moved to approve this revised warrant article, seconded by Helen Hartshorn. Vote passed 6-1. Guy Pike opposed in light of the pending donor town proposal.

FIRE RESCUE & AMBULANCE

Per the Department of Revenue (DRA), as the 2016 rescue truck and ambulance warrant articles contained an escape clause (which permits the termination of the lease on an annual basis in subsequent years), the principal and interest payments should be a warrant article each year, not part of the operating budget.

To see if the Town will vote to raise and appropriate the sum of Eighty-Nine Thousand Three Hundred Eighteen Dollars (\$89,318.00) to pay a third installment toward the ambulance vehicle and rescue truck acquired by a Town Meeting vote in March of 2016. The principal amount is \$82,843.00 and the interest is \$6,475.00. This lease agreement contains an escape clause.

(Majority vote required)

Motion: Guy Pike moved to approve this warrant article, seconded by Vice-Chairman Hunt. Vote passed 6-1. Guy Pike opposed for the same reasons that he didn't vote for it in the operating budget.

LIBRARY

Per DRA, this article was moved to be the first monetary article on the warrant per RSA 33:8-a, II which requires bonds over \$100,000 to be acted upon prior to other warrant articles. The dollar amounts in this article were modified to total correctly. As donations are ongoing, the amounts can be changed on the floor at Town Meeting.

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 Ninety Four Thousand Dollars (\$1,094,000.00) 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)

Motion: Vice-Chairman Hunt moved to revisit this warrant article, seconded by Bob Theve. Vote passed 7-0. Vice-Chairman Hunt confirmed that the \$416,000 includes pledges. Guy Pike spoke to his hesitation to consider pledges as confirmed donations. Bob Theve moved to approve this revised warrant article, seconded by Helen Hartshorn. Vote passed 6-1. Guy Pike opposed for reasons above.

CHAIRMAN'S COMMENTS: Chairman Lootens didn't have any comments besides hoping that the Committee would be able to get through all the material on the agenda.

BUDGET REVISITS:

4313 OTHER HIGHWAYS & STREETS

The Selectmen added \$6,500 to this budget for the Sodom Road bridge repair bidding to be done by HEB. Repair and oversight costs will be included in the warrant article.

Motion: Guy Pike moved to revisit this budget, seconded by Vice-Chairman Hunt. Vote passed 7-0. Guy Pike moved to add \$6,500 to this budget for a total 4313 budget of \$13,000, seconded by Bob Theve. Vote passed 7-0.

4195 CEMETERIES

The Selectmen added \$1500 to this budget for filing cabinets.

Motion: Guy Pike moved to revisit this budget, seconded by Helen Hartshorn. Vote passed 7-0. Bob Theve moved to increase this budget to \$21,300, seconded by Helen Hartshorn. Vote passed 7-0.

4324 SOLID WASTE DISPOSAL

Clay Gallagher met with the Committee regarding the increases in this budget. \$400 was added for further testing to the closed landfill. \$2000 was added to both MSW and C&D to reflect what was spent in 2017.

Motion: Guy Pike moved to revisit this budget, seconded by John Libby. Vote passed 7-0. Helen Hartshorn moved to increase this budget to \$375,522, seconded by Bob Theve. Vote passed 7-0.

Mr. Gallagher gave a presentation regarding 2017 avoided costs (\$33,987) and revenue (\$101,690) for a grand total of \$135,677.

As mentioned above, per the DRA, as the 2016 rescue truck and ambulance warrant articles contained an escape clause the principal and interest payments need to be a warrant article each year, not part of the operating budget. The following budgets were revisited to remove the payments.

4711 LONG TERM BOND & NOTES

Motion: Vice Chairman Hunt moved to revisit budget 4711, seconded by Helen Hartshorn. Vote passed 7-0. Chairman Lootens called for a Point of Order. It was confirmed that a vote was needed to remove this payment. Guy Pike moved to reduce budget 4711 to \$153,711, seconded by Chairman Lootens. Vote passed 7-0.

4721 INTEREST-LONG TERM BONDS & NOTES

Motion: John Libby moved to revisit this budget, seconded by Vice-Chairman Hunt. Vote passed 7-0. John Libby moved to decrease budget 4721 to \$38,274, seconded by Vice-Chairman Hunt. Vote passed 7-0.

The Committee did not wish to revisit any further budgets.

Warrant articles were discussed. The Selectmen removed the Health Insurance and paving of the Highway Garage warrant articles from the Warrant. Bob Theve feels that it should be clarified at Town Meeting that the \$30,000 warrant article proposed for the Police Facility design is just for a preliminary study and plan costs. Chairman Lootens shared information from White Horse Addiction Center as to what they will do with the funds if the warrant article passes.

ESTIMATED 2018 REVENUE

The Committee reviewed the revised 2018 estimated revenue. Selectmen's Representative Albee shared that the changes included removal of the \$50,000 health insurance warrant article, \$4,000 was added for the value of the old Code Officer truck and \$600 was added to milfoil revenue.

REVIEW/APPROVAL OF MINUTES: Chairman Lootens called for review and approval of the 1/16/18 minutes.
Motion: Helen Hartshorn moved to accept the minutes as written, seconded by Guy Pike. Vote passed 7-0.

CORRESPONDENCE: Chairman Lootens confirmed that the Committee all recently received an email from a resident. There was no further discussion.

NEW BUSINESS:

Graphs: Helen Hartshorn shared updated graphs. The 2018 budget is a 2.4% (\$89,300) increase from the 2017 budget and an increase of 4.4% (\$158,407) from 2017 actual expenditures. Discussion followed regarding the two comparisons as well as the two charts that Ms. Hartshorn created (operating budget detail and 5 year history). John Libby moved to include both in the town report, seconded by Bob Theve. Chairman Lootens shared that adding a narrative regarding the two comparisons may help. Vote passed 5-1-1. Guy Pike against as actual budget is not included in one of the charts. Selectmen's Representative Albee abstained.

BOS Update: Selectmen's Representative Albee has been working on the tax implications of the 2018 budget. He estimates about a \$.46 increase to cover the \$460,000 increase from last year in both the 2018 operating budget and warrant articles.

2018 FINAL BUDGET REVIEW

The Committee reviewed the final 2018 budget and draft MS-737. With tonight's changes the amount approved by the Budget Committee total \$3,742,055.24.

Motion: Vice-Chairman Hunt moved to approve the 2018 proposed budget of \$3,742,055.24, seconded by Helen Hartshorn. Vote passed 5-1-1. Guy against as he voted no on parts of the budget. Selectmen's Representative Albee abstained.

MEETING DATES: The Budget Committee will meet at 6:00 pm on Tuesday, February 13, 2018, at the Town House with the public hearing following at 6:30 pm. Due to a scheduling conflict with a Planning Board meeting, the snow date for the public hearing is changed to Friday, February 16, 2018, at 6:30 pm.

PUBLIC INPUT: Chairman Lootens confirmed the total recommended budget amount for Max Ledoux. Helen Hartshorn responded to Max Ledoux regarding the graphs she creates. Guy Pike spoke of CIP's mission in relation to the Master Plan and the Budget Committee.

APPROVAL OF BUDGET WARRANT ARTICLE

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 Three Million Seven Hundred Forty-Two Thousand Three Hundred Five Dollars and twenty four cents (\$3,742,305.24). This article does not include any special or individual warrant articles addressed separately.

(Majority vote required)

(Recommended by the Budget Committee TBD)

Motion: Guy Pike moved to revisit the budget warrant article, seconded by Chairman Lootens. Vote passed 7-0. The Committee voted earlier in the meeting to approve a proposed budget of \$3,742,055.24. Vote passed 5-1-1. Guy against as he voted no on parts of the budget. Selectmen's Representative Albee abstained.

ADJOURNMENT:

Motion: On a motion made by Vice-Chairman Hunt, seconded by John Libby. Vote passed 7-0. Meeting adjourned at 8:30 pm.

Prepared and submitted by: Karen Koch