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Town of Grantham - Board of Selectmen Budget Hearing Minutes February 3, 2010

The budget hearing was called to order at 6:00 p.m. on Wednesday, February 3, 2010 by Chairman Harold Haddock, Jr. The meeting was held in the Grantham Town Building, Lower Level Meeting Room at 300 Route 10 South, Grantham, New Hampshire.

Present: Chairman Harold Haddock Jr., Selectman Constance Jones, Selectman Warren Kimball, Town Administrator Becky Newton, Administrative Assistant Melissa White, Paul Osgood, Kathryn Osgood, Marsha Googins, Jeff Walla, Missy Walla, Rita Eigenbrode, F. Robert Osgood, SAU Superintendent Keith Pfeifer, Leslie Brown, David Beckley, Laurie Field, Debbie Peirce, Simon Mayer, John Parsons, Jay Fountain, Mike Benoit, Arthur Herrin, Edith Herrin, Jeff Hastings, Transfer Station Supervisor Frank Chaisson, Casey Laurie, Todd McIntire, Victoria Smith, Bill Zimmerman, Lorie McClory, David Susa, Ed Jenik, Bob Lewis, William Sullivan, Robert Gasser and others

Public Hearing

Attendees were given copies of the draft warrant articles and the proposed budget for the fiscal year 2010/11 and informed that the Annual Town Meeting of the Town of Grantham will be held at the **Grantham Town Hall, 300 Route 10 South** on **Tuesday, March 9, 2010 at 5PM.**

Article 1 – Election of Officers: To choose by ballot and major vote for the ensuing years as enumerated:

- Selectman 3 year term
- Town Clerk/Tax Collector 3 year term
- Planning Board 3 year term
- Library Trustee (2 positions) 3 year term
- Library Trustee 2 year term
- Cemetery Trustee 3 year term
- Trustee of Trust Funds 3 year term
- Trustee of Trust Funds 2 year term
- Trustee of Trust Funds 1 year term
- Moderator 2 year term
- Supervisor of the Checklist 6 year term

- Polls close at 7:00PM

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Article 2 – General Government: To see if the Town will vote to raise and appropriate the sum of **\$951,645** to defray the cost of General Government operations.

	2010/2011	Dollar Amount of Change
•4130 Executive	\$ 139,965.00	\$ (185.00)
•4140 Elections & Registrations	\$ 107,290.00	\$ 937.00
•4150 Financial Administration	\$ 63,385.00	\$ 2,596.00
•4152 Maps & Assessing	\$ 30,000.00	\$ (5,000.00)
•4153 Legal Expenses	\$ 7,500.00	\$ (7,500.00)
•4155 Personnel Administration	\$ 419,900.00	\$ 40,000.00
•4191 Planning	\$ 7,750.00	\$ 0.00
•4192 Zoning	\$ 2,580.00	\$ 130.00
•4194 Government Buildings	\$ 123,275.00	\$ 24,805.00
•4195 Cemeteries	\$ 22,000.00	\$ 2,000.00
•4196 Insurance & Bonds	\$ 25,000.00	\$ 2,000.00
•4197 Regional Planning Commission	\$ 3,000.00	\$ 96.00
Totals	\$ 951,645.00	\$ 59,879.00

Administrator Newton explained that there is an overall decrease in the budget (from last year) of \$12,088 (approximately .04% decrease). Newton reviewed the increases:

- Personnel Administration: Proposed new full-time employee for the Highway Department with Town benefits as well as the benefits for the vacant Police Officer position.
- Changes at the State level: Increase in Police Retirement employer percentage from 13.66% to 14.63% in 2011.
- 1% salary increase for all departments.
- 15.77% increase in health insurance (employee share of insurance will increase by approximately \$125 - \$316 annually).

Lorie McClory asked if the \$40,000 increase in the Personnel Administration budget was for the new hire at the Highway Department. Administrator Newton explained the personnel administration budget was for employee benefits; that it included all employees including the new hire for the Highway Department.

Article 3 – Public Safety

	2010/2011	Dollar amount of Change
•4210 Police	\$ 372,260.00	\$ 2,160.00
•4215 FAST	\$ 49,146.00	\$ 3,264.00
•4220 Fire	\$ 102,160.00	\$ (86.00)
•4225 Fire-Forest	\$ 375.00	
•4240 Building Inspection	\$ 6,560.00	\$ (440.00)

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•4290 Emergency Management	\$ 12,440.00	\$ 140.00
Totals	\$ 542,941.00	\$ 5,038.00

Administrator Newton stated the slight increase in public safety was for the salary increase; that there is money budgeted for radios (8 – 10) for the F.A.S.T Squad in response to a safety recommendation.

Bob Osgood asked what the radios would be used for. F.A.S.T Squad Coordinator Stuart Gillespie stated the radios would be put into the personal vehicles of F.A.S.T Squad members; that often times it is faster for members to respond directly to the scene instead of stopping at the Fire Station.

Gillespie explained there was an incident where one of the F.A.S.T Squad members was injured; that the member was unable to spread the word to the others effectively.

Gillespie also clarified that of the \$3,000 dollar increase, \$2,000 was due to an increase ambulance service fees.

Article 4 – Public Works:

	2010/2011	Dollar Amount of Change
•4311 Highway Administration	\$ 203,880.00	\$ 28,967.00
•4312 Highway Maintenance	\$ 160,000.00	\$ 1,000.00
•4316 Street Lighting	\$ 4,000.00	\$ 0.00
•4323 Transfer Station	\$ 120,100.00	\$ (16,450.00)
•4324 Transfer Station Disposal	\$ 191,000.00	\$ 8,000.00
•4325 Landfill Monitoring	\$ 7,500.00	
Totals	\$ 686,480.00	\$ 21,517.00

Administrator Newton stated the increase in Highway Administration is for the salary for the additional personnel. It was also noted that the Transfer Station vehicle was paid off; that some savings were realized to help offset other departments.

\$7,000 was added to the Transfer Station Disposal budget to cover the cost of Household Hazardous Waste Day.

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Article 5 – Health & Welfare:

	2010/2011	Dollar Amount of Change
•4414 Animal Control	\$ 500.00	\$ (500.00)
•4415 Health Agencies & Hospital	\$ 10,500.00	\$ (2,655.00)
•4442 General Assistance	\$ 9,000.00	\$ (1,000.00)
Totals	\$ 20,000.00	\$ (4,155.00)

Community Agencies:

Lake Sunapee Home Health	\$6,830	
Sullivan County Nutrition Services	\$ 400	
S. Western Comm. Services	\$ 850	
West Central Services	\$ 2,420	
Kearsarge Area Council on Aging	\$ 2,500	Removed
Community Alliance of Human Services	\$ 500	Removed
Mascoma Valley Health Initiative	\$ 1,625	Removed

Administrator Newton stated there were requests from various non-profit agencies to receive allocations under the budget; that the Board of Selectmen made some difficult decisions and rejected requests from Kearsarge Area Council on Aging, Community Alliance of Human Services and Mascoma Valley Health Initiative.

Lorie McClory asked if the Lake Sunapee Home Health was the VNA. Selectman Jones said yes.

McClory asked why the General Assistance budget was cut by \$1,000 when there are people in town who could benefit from it.

Newton stated that it is an unknown and explained that in previous years all the money allocated wasn't used. Newton said the Town is intended to be the payer of last resort; that all State, local and charitable services should be exhausted prior to using the Town budget.

Article 6 – Culture and Recreation:

	2010/2011	Dollar Amount of Change
•4520 Recreation	\$ 27,910.00	\$ 1,233.00
•4550 Dunbar Free Library	\$ 156,057.00	\$ 5,526.00
•4583 Activities "Our Town"	\$ 26,091.00	\$ 9.00
•4589 Archivist	\$ 1,400.00	\$ 900.00
Totals	\$ 211,458.00	\$ 7,668.00

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Administrator Newton stated the changes are for the proposed increase for salary for the Recreation Director, Library increases and a new map case for storage at Archives.

Article 7 – Conservation and Bonds

•4611 Conservation Commission	\$ 2,500.00	\$ 900.00
•4711 Municipal Bonds-Principal	\$ 60,000.00	\$ (5,000.00)
•4721 Municipal Bonds-Interest	\$ 43,200.00	\$ (3,300.00)
•4723 Interest/Tax Anticipated Notes	\$ 100.00	
Total	\$ 105,800.00	\$ (7,400.00)

Administrator Newton stated the changes include the addition of funds for the Conservation Clerk, the Municipal Bond (principal and interest has decreased); we are in year 6 out of 20.

Article 8 – Capital Reserve Funds

• Capital Reserves-In		Balance June 30, 2009
•Library Addition	\$ 10,000	\$ 50,309.67
•Mowers	\$ 2,000	\$ 13,803.07
•Athletic Fields	\$ 10,000	\$ 4,268.14
•Highway	\$ 15,000	\$101,736.94
•Transfer Station	\$ 10,000	\$ 20,320.46
•Town Office Equipment	\$ 1,000	\$ 7,708.45
•Land Preservation	\$ 10,000	\$ 20,000.00
•Revaluation	\$ 15,000	\$ 10,000.00
•Town Buildings	\$ 15,000	\$ 25,000.00
•Bridges	\$ 33,250	\$ 0.00
•Police Vehicles verification	\$ 0	\$32,436.00**Subject to
• Capital Reserve last year)	\$121,250	(\$158,000 placed into CRF -\$36,750 less
•Assessed Valuation	\$565,232,437.00	
•\$.18 impact on the tax rate		
•\$54.00 on \$300,000 assessed value home		

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Petition Warrant Articles: Administrator Newton stated that petition warrant articles had not been included in the previous calculations; that two major petition warrant articles had been received. Newton explained that upon receiving the petitions the Board of Selectmen had the Town Engineer provide an estimate of what the project would cost if the article passed.

1. **Burpee Hill Road:** Estimated cost is \$276,000; \$.48 on the tax rate. Newton stated there are some concerns with the width of the right-of-way and whether or not property would need to be acquired in order to widen the road.

Newton continued, stating the petition was not properly petitioned; that the words "raise and appropriate" were not included. NH Department of Revenue (DRA) checked language of the petition and informed that if there is a majority positive vote in favor of paving Burpee Hill Road they (DRA) would disallow the vote because of the way the petition was written.

2. **New Aldrich Road:** Estimated cost is \$223,000; \$.39 on the tax rate. Newton stated the petition for New Aldrich Road is in the same situation as Burpee Hill Road because the words "raise and appropriate" were not included.

Bob Gasser stated that "ordinary" people wouldn't know about DRA's requirement of wording for petitioned warrant articles. Newton informed there is a technical assistance booklet for petitioners from the DRA; that it includes suggested language for warrant articles and that Town Offices receive a copy of it.

Newton advised that if someone is petitioning and need assistance they should come to the Town Office prior to petitioning.

Chairman Haddock asked Administrator Newton if she had notified both groups of petitioners. Newton confirmed that as soon as she became aware that the petitions had been received, she had sent letters to them questioning the language.

Mr. Gasser stated that at that time it was impossible to re-petition because so many people had left for the winter.

Rita Eigenbrode asked if it was possible to have a petition at Town Meeting to amend the article.

Newton stated it had been discussed and gave the analogy that if she had signed a petition and then someone later amends it without her being able to re-sign it that she might not be happy about that, so the advice was to re-petition.

Warrant Article – Recreation Park:

Administrator Newton explained that the Board of Selectmen convened a committee to review the options of the Recreation Park Building and its' needs. The comprehensive report is available at the Selectmen's Office. The report includes a survey of the property to sell 2.5 acres that includes the house. The Town would retain

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the pond and tennis court.

William Sullivan asked what the selling price would be and where the money would go. It was mentioned that the committee anticipated revenue between \$225,000 and \$290,000.

Selectman Jones stated the committee favored the option of selling the house and read that portion of the report.

Simon Mayer asked if the money from the sale of the house would have to go before the voters at the next Town Meeting. Newton responded that yes, there would be a need for a second vote to "raise and appropriate funds" from the general fund to improve the fields or other purposes.

Mr. Mayer asked if a warrant article could be included on the 2010 Town Warrant to take the proceeds from the sale of the house and put it into a Capital Reserve Fund. Newton will check with DRA.

Mr. Osgood strongly urged the support of selling the house due to the repairs and maintenance costs needed for the building and felt the money is better spent on the Recreation Park.

Bill Zimmerman informed he served on the committee that reviewed the options of the house and agreed with Mr. Osgood.

Mr. Zimmerman asked if it would be possible to include a Warrant Article that it would be the intent of the sale of the building to utilize the funds for future development of the Recreation Park.

Selectman Jones reiterated that DRA will have to be contacted; that they will tell the Board of Selectmen how that is to be worded to carry out the intent.

Chairman Haddock felt that very few people realize the impact the DRA has on the Town Meeting Warrant; that the DRA reviews all of the language and tell the Selectmen what is permitted.

Kathy Osgood, referring to page 6 of the informational handout, asked why the Board of Selectmen was not in favor of selling the house. Administrator Newton clarified that the language says "IS/IS NOT RECOMMENDED BY THE BOARD OF SELECTMEN" because at the end of the meeting the Selectmen will vote whether or not they are in favor of the warrant articles.

Warrant Article – Mutual Aid:

- To authorize the Town of Grantham Fire Department to go to the aid of another city, town, village or fire district within or without the state, for the purpose of extinguishing a fire, rendering other emergency assistance or performing any detail requested in accordance with NH RSA 154:24.

Warrant Article – Taxpayer Coalition:

- To see if the Town will vote to raise and appropriate the sum of one-thousand dollars (\$1,000) and to expend said funds by making a contribution to the Coalition

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Communities group headed by the City of Portsmouth, New Hampshire. The Coalition Communities group consists of 35 towns and represents the Town of Grantham in attempting to find a solution to the educational funding issue that does not reinstate donor towns but allows Grantham to continue to keep the statewide education property tax for local use to fund local schools. The Coalition already has saved the Town of Grantham hundreds of thousands of dollars per year for several years. The Coalition is continuing to fight to reverse any new "donor town" formula.

- Less than \$0.01 Impact on tax Rate.

Administrative Newton explained that the New Hampshire House and/or Senate will be voting on education funding; that there has been a move to bring back donor towns. Newton said that if it happened it was likely that Grantham could become a donor town; that education money that is raised locally is sent to other municipalities for their use as opposed to for the use of Grantham.

Newton informed that Governor Lynch, in his State of the State Address said he was not in favor of reinstating donor towns; however they only had a stop gap collar in place for a set number of years and that time has expired.

Newton said that Grantham has participated in the past with the City of Portsmouth and other towns who are in the donor town situation.

Warrant Article – Assessing Services

- To raise and appropriate the sum of seventy thousand dollars (\$70,000) and to expend said funds for the purpose of assessing services in the form of a statistical update or other such acceptable assessing manner as required by the NH Department of Revenue Administration; said funds to come from fund balance (surplus) and no amount to be raised from taxation.

Required by Department of Revenue Administration – new values reflected in 2nd issue tax bill 2010.

Bob Lewis asked if the \$70,000 would be taken from the Capital Reserve Fund. Administrator Newton said no; that a statistical update will be required again in five years and approximately \$15,000 will be needed each year just to keep pace with what the project costs. This year the Town will use funds from the general fund surplus.

Warrant Article – Disposal of Town Owned Property:

To see if the Town will vote to authorize the Board of Selectmen to dispose of any acquired properties through sealed bids or auction, with the Selectmen reserving the right to accept or refuse any or all bids.

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Warrant Article – End of Meeting:

To hear the reports of agents, officers, and committees heretofore chosen, to pass any vote relating thereto, and to transact any other business that my legally come before said meeting.

Revenues: Administrator Newton informed that there was a loss of \$10,843 in projected shared revenues (not the Highway Block Grant or Meals and Rooms) as a result of the Governor's budget.

Other:

Administrator Newton stated the Budget Hearing would be continued to Wednesday, February 10, 2010 at 5PM in the Grantham Town Building, Jerry Whitney Memorial Conference Room. Newton explained that the DRA was not able to review the MS-6 form in time for this meeting. Newton did not expect any changes in any line item unless they are required to be made by the DRA.

Victoria Smith asked about Warrant Article 14. Administrator Newton apologized for skipping Article 14.

Warrant Article 14: To raise and appropriate the sum of twenty-five thousand dollars (\$25,000) to come from the Athletic Fields Capital Reserve Fund previously established for that purpose and to expend said funds on building new playing fields and for other physical upgrades at the Grantham Recreation Park. **No tax impact.**

Administrator Newton stated that two grant proposals were submitted for development of the Recreation Park; that if either of the grants were secured the \$25,000 would be used as the Town's local match.

Lorie McClory asked about the increase of \$24,805 in the budget for government buildings. Administrator Newton explained that the majority of the increase is \$4,200 added for maintenance of the floors in the Police Department and Town Hall and \$15,000 for the surveying and costs associated with selling the house and 2.5 +/- parcel of the Recreation Park Property. Newton clarified that currently the plan is conceptual; that if the Town approves the sale of 2.5 acres of the Recreation Park property a surveyor will need to be hired as well as recording and legal fees.

Mr. Sullivan asked why there was a difference of \$100,000 in what was actually spent last year (2008/2009) and what is in the proposed budget (2010/2011) for Personnel Benefits. Administrator Newton explained that residents had been coming in during the week asking for a copy of the detailed budget and as it was disseminated those people were informed that there would be changes to it right up until the meeting. Newton stated that health insurance for a family plan costs \$25,000 per year; that a new hire in the Highway Department and Police Department would equal \$50,000. Newton also stated there could be some changes in the health plan; employees have status changes where they go from being single to being married and having a family. Newton stated those changes effect the health insurance premium from \$10,000 to \$25,000.

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Newton stated she has reviewed this part of the budget very carefully and the numbers are still subject to audit. Newton informed she has the draft audit but it has not been finalized yet.

Mr. Mayer asked about the surplus of \$200,000 for fiscal year 2007/2008. Administrator Newton stated the money that is not spent that was appropriated lapses into the fund balance.

Newton explained that DRA has a recommendation that towns retain between 5% and 17%; that the high would be retaining \$1,737,980 and the low would be retaining \$511,171. In November it was shown that Grantham was retaining \$979,589.

Rita Eigenbrode asked if the money in the Reclamation Trust Fund could be used to pay for Household Hazardous Waste Day. Administrator Newton will look into it.

ADJOURNMENT

There being no further business, Selectman Jones moved to adjourn, second by Selectman Kimball; ***the board voted unanimously to adjourn the budget hearing at 7:04PM. The Budget Hearing will be continued on Wednesday, February 10, 2010 at 5pm in the Grantham Town Building, Jerry Whitney Memorial Conference Room.***

Respectfully submitted,

Melissa M. White
Administrative Assistant