

**DRAFT, SUBJECT TO REVIEW, CORRECTION AND APPROVAL**

**DUNBARTON BOARD OF SELECTMEN  
MINUTES OF MEETING  
BUDGET WORKSHOP MEETING  
WEDNESDAY, DECEMBER 9, 2015  
TOWN OFFICES - 7:00 P.M.**

**Brian Pike, Chairman, opened the Budget Workshop Meeting at 7:00 p.m. with a full Board and Town Administrator, Line Comeau and Alison Vallieres, Recording Secretary present.**

**The following were present at the Budget Workshop Meeting:**

**Departments:**

**Jon Wiggan, Fire Chief  
Jeff Crosby, Road Agent  
Patrick Bowne, Transfer Station  
Dan Sklut, Police Chief  
Stephen Laurin, Planning, Building and Zoning  
Kenneth Swayze, Planning Board Chairman  
Colleen Madden, Library Trustee  
Linda Landry, Town Clerk  
John Stevens, Energy Committee**

**Members of the Public:**

**Fran Hill  
Mert Mann**

**Brian Pike welcomed all who attended.**

**Brian Pike, Chairman, presented the following agenda for the Budget Workshop Meeting:**

- 1. Welcome and introduction of purpose**
  - a. To go over the financial situation, philosophy for 2016, tax rates and impacts of their individual budgets. This way they know what we are asking for and expecting from them, along with their input, ideas, and suggestions for 2016.**
  
- 2. Philosophies that we could adopt**
  - a. Reduced budget submissions**
  - b. Level funded budget submissions**
  - c. Level services budget submissions**
  - d. Aggressive budget submissions**

**3. Current situation and tax rate**

- a. **Fund balance - can come from two sources, under expending the budget (appropriations surplus) and/or realizing more revenue than was estimated (revenue surplus)**
- b. **Towns need to have a retained surplus in order to ensure they have the cash necessary to meet their obligations in the event taxes for a particular year are not 100% collected. They also need a reserve to fund potential tax abatements (overlay), to guard against catastrophic expenditures that could happen in the event of a natural disaster, and to provide for tax rate stabilization to avoid peaks and valleys from one year to the next.**
- c. **Valuation - We have lost about \$10 million in valuation, in addition we have a number of agreements with the utilities which also reduces the valuation and revenue.**

**4. Budgets for this year and the next**

- a. **Review the tax impact of the Department budgets in 2015 and 2016 cents/thousand.**

**5. Ideas and strategies for crafting a better overall budget.**

Brian Pike explained the present tax rate (2015) versus the 2014 year and the breakdown as follows:

	<u>2014</u>	<u>2015</u>	
Town	\$3.82	\$4.43	
County	\$2.68	\$2.82	
School	\$12.42	\$13.96	
State	<u>\$2.22</u>	<u>\$2.38</u>	
Total	21.41	23.59	
Percentage Change			11.59%

**Comments from Department Personnel:**

**Jon Wiggin, Fire Chief**, asked why every town does not pay the same rate for County taxes.

It was noted that it is unknown what the formula is for county taxes.

**Kenneth Swayze, Planning Board Chairman**, stated that the price for education went up. It would be helpful if residents attended the School Budget Hearing. The Town's portion of the taxes is not going to solve the problem of higher taxes because of the school and county budgets.

**Brian Pike** noted that we were going to give this a try to make it better than what it was. Need to give the best value for the taxpayers. Noted our options as follows:

1. 5% reduction
2. Level funded
3. Level services
4. Aggressive wish list.

**Ken Swayze** stated the Planning Board for five years or more has noted that the Master Plan needs to be updated at a cost of between \$15,000 - \$25,000 or more. Discussion re the possibility of doing it this year. Don't care if we put it off again if you don't want to do it. Other towns have the same issues.

**Warrant Article or Budget Items:**

**Ted Vallieres, Selectman,** stated that Warrant Articles are a one time thing. With budget items, they usually remain within the budget after the first year. In addition, the residents get to vote on the Warrant Articles.

**Additional Comments:**

**Ken Swayze** noted that the Planning Board has received up to \$100,000 in CTAP monies over the past seven years. This has been used to update ordinances, Site Plan Review, a Work Force Housing Ordinance, and the CIP through grants from Central Regional Planning Commission. It is possible that the State will start on the northern portion of the expansion of I-93 and monies will become available in the future. The Planning Board has been presenting very low budgets in the past. How do you want to handle the Master Plan?

The effect of not updating the Master Plan would be that the Town would not be able to impose a growth management ordinance and other fees. Also we could address Agriculture uses through the Master Plan .

**Tom Groleau, Selectman,** suggested tabling this item for this discussion. Is there a way through a Warrant Article to fund some of the cost of a Master Plan in 2016 and again in 2017 for the remainder of the cost? This would make it a little bit easier for the residents.

Ken Swayze noted that in the past, the Planning Board requested bids for a Master Plan update and they came in between \$40,000 - \$75,000. We ended up with Central Regional Planning Commission at a lesser cost through a grant. Grants are "drying" up now and DOT is also taking advantage of grants.

Tom Groleau noted he felt it was too early in the budget process to decide what we are going to do about the Master Plan.

**Budgets- Philosophies:**

**Jeff Crosby, Road Agent, stated that road work is expensive. Last year I came to the Board of Selectmen with an additional \$100,000 in the Highway budget for road work. He noted he did not feel the Town should come in with a Warrant Article.**

**Jon Wiggin, Fire Chief - Stated he did not feel we should come in with a reduced budget or a level budget. There are some things we need to do this year.**

**Line Comeau, Town Administrator, stated that the budget period that we have to work with is very small. The Board of Selectmen have to make a budget by a certain date. If the Departments are aggressive with their proposed budget and then the Selectmen say no, it is difficult. The Board of Selectmen have to come up with a design for the budget before the Department's submit their budgets.**

**Brian Pike noted the Board of Selectmen will be making their decision at tomorrow's Board of Selectmen's meeting.**

**Stephen Laurin stated that the impression that he has is the residents are pretty satisfied with the services. It was explained that a level funded budget was using the same budget figures as this year and bring them forward.**

**A level services budget would be to give the same level of services. The budget might be higher but services would be the same. Would not be doing more road work or more hours at the Transfer Station, etc.**

**It was noted the total budgets for 2013, 2014 and 2015 were as follows:**

<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 2,071,430	\$ 2,071,000	\$ 2,147,936

**John Stevens asked if the reasoning was that the Town should cut their budget because the School and County budgets were increasing? Are we going to compensate for the school? We do not subsidize the school.**

**The Board of Selectmen was clear that the attempt to craft a better budget had nothing to do with the school or county portion of the tax rate. We are standing on our own as they are.**

**It was noted that a lot of residents go to the Town Meeting but not the School Meeting. That is where the voices will be heard and where the money is. Residents should be active in that way. They should give some guidance to the school. It was noted that a lot of the school expenses are mandated by the State and Federal Governments.**

**Dan Sklut, Police Chief** asked if there were any large or new expenses on the horizon. It was noted that just items in the CIP at this point.

**Line Comeau, Town Administrator**, noted that the Town Building Maintenance fund has been on the back burner and should be funded with more funds.

It was noted that there are Town Hall maintenance items, Highway Department building items, Transfer Station building, etc. They have got to be done at some point.

**Jon Wiggin, Fire Chief**, noted that the Highway Department building should have a Fire Alarm system. There have been several fires in other Highway Departments in other towns. In addition, there should be an alarm system for the Town Office.

**Ted Vallieres, Selectman**, noted that we got a price for these systems last year.

*The Board of Selectmen reached a consensus that the Town Building Maintenance Account needs to be increased. All in attendance were in agreement with this.*

**Colleen Madden, Library Trustee**, asked when the Board of Selectmen would like a draft of the Library Budget.

*Line Comeau, Town Administrator, reviewed the BOS schedule and the Library will be attending the January 14, 2016 Board of Selectmen's Meeting to present their budget.*

**Ted Vallieres, Selectman**, stated that last year he requested that Departments submit their budget proposals a week prior to the Board of Selectmen's Meeting when they would be looking at them. He would like to require this be done this year. This gives the Board of Selectmen time to look the budget requests over before the Department heads come to the Board of Selectmen's meeting.

*The Board of Selectmen agreed that proposed budgets should be submitted by Departments a week prior to the scheduled budget presentation to the Board of Selectmen.*

**Patrick Bowne** stated that we need a direction as to what you want. We are trying to get an idea.

**Tom Groleau** noted there are things that you would have to have and things that you would like to have. We will have to look at them and debate. Would not recommend you go crazy. Should budget as accurately as possible.

At this point in the meeting, Brian Pike noted that Tom Groleau had made a list of suggestions as follows:

*The Board of Selectmen and all departments should work together to:*

*\* Create a committee that consists of a representative from each department and the Board of Selectmen that will meet on a regular schedule to:*

- *Identify duplicate services*
  - *Reduce supplier base*
  - *Develop a preferred supplier for common commodities for all town departments to use.*
  - *Information Technology, WEB page providers/Fees. Cell Phones, etc. Fire, Police, Library.*
  - *Maintenance of town vehicles*
  - *What is spent by supplier in 2015?*
  - *What are the cost drivers by department?*
- \* *Town buildings:*
- *Move Building Maintenance from each department to Board of Selectmen Town Building Maintenance. One line for all town buildings.*
  - *Move all annual and monthly fees from each department to BOS town. One line for all town buildings.*
  - *RFP for all town services/supplies as appropriate. Compete - Compete. Lower cost.*
  - *Utilize more state contracts*

**Jeff Crosby, Road Agent**, noted that the Highway Department does not have a Building Maintenance item within their budget.

**Dan Sklut, Police Chief**, noted that the only building maintenance item in the Police Budget is for the Elevator Maintenance. This could be moved to the Town Building account.

**Jon Wiggin, Fire Chief**, noted that all Fire Alarms and other Alarm systems could be incorporated within the Town Building and Maintenance account.

It was also noted that Telephones and Cell Phones could also be incorporated into one account under the Town Offices.

**Fuel:**

**Brian Pike** stated that every Department has a fuel budget line in their budget. He would suggest creating an "Expendable Trust" for fuel. This would have to be a Warrant Article.

It was explained that the way fuel is budgeted now there is a budget line within the Town Office budget with a minimal appropriation and when fuel is used by various Departments, it is charged to the appropriate Department budget line. This works well for the Departments.

**Brian Pike** stated that eventually, the Town will need to replace the existing fuel tanks at the Town Garage. This will be a huge expense. If we charge an additional \$.10/gallon, the Town could build up a reserve to help with the expense of fuel tank replacement in the future. Stated this is done in the state system to pay for the maintenance and repair of the system.

Jeff Crosby stated he thought the Town should not be making money, etc.

Patrick Bowne, Transfer Station, stated he would like Ted Vallieres to let us know what he is thinking about the budget.

Ted Vallieres, Selectman, stated that he told them at the last Board of Selectmen's meeting. He stated that because of the large increase in taxes this year, he feels we should try to come in with a level funded budget. The Board of Selectmen applied \$250,000 in surplus to the tax rate this year. If we had not done that, the tax increase would have been far greater.

Ken Swayze noted that imagine what it would have been if the Town Hall Renovation Warrant Article had passed. He also noted that Dunbarton is very lucky in that they have no Bonds. We are probably the only town in the area that doesn't.

Jeff Crosby, Road Agent, stated he definitely was not in favor of Bonding Road Construction.

Ted Vallieres noted that this year, it was a "perfect storm". Between the Reval causing the Town to lose \$10,000,000 in property values, the Utilities reassessments which went down considerably, and expenditures between the budget and Warrant Articles, this created the tax increase.

Jon Wiggin, Fire Chief, noted that it would be difficult to try to have vehicle maintenance done at one garage due to the fact that we all have different vehicles and requirements. It is difficult for me to deliver my fire trucks for maintenance and have them tied up for two or three days.

There was no further public comment.

A recap of the discussion as follows:

1. The Departments will submit their proposed budgets one week prior to the meeting with the Board of Selectmen.
2. Departments will present their budget and any Warrant Articles they would propose at this time.
3. Ideas on where we might be able to find savings.

Brian Pike, Chairman, stated the Departments are doing a great job. We are not hearing any complaints. One or two people are not the majority of the town. You are doing a great job and keep it up.

There being no further business, the following motion was made:

**MOTION:**

**Tom Groleau made a motion that the Dunbarton Board of Selectmen's Budget Workshop Meeting adjourn at 8:45 p.m. Ted Vallieres seconded the motion. The motion passed unanimously.**

**Respectfully submitted,**

**Alison R. Vallieres  
Recording Secretary**

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**Brian Pike, Chairman**

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**Ted Vallieres, Selectman**

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**Tom Groleau, Selectman**