

Town of Farmington  
Budget Committee Meeting Minutes  
Public Hearing on Town Budget and Warrant Articles  
Thursday, February 7, 2019

**Committee Members Present:**

Sylvia Arcouette, Chairman  
Jodi Connolly, Vice Chairman  
Stephen Henry, Secretary (7:20 p.m.)  
Neil Johnson, Selectmen's Rep  
Angie Cardinal, School Board Rep  
Tim Brown  
Jason Lauze  
Elizabeth Johnson  
Samantha Place  
Heidi Mitchell

**Committee Members Absent:**

Charlie King, excused

**Others Present:**

Town Administrator Arthur Capello  
Police Chief Jay Drury  
Fire Chief James Reinert  
Town Clerk Kathy Seaver  
DPW Director Gary Rogers  
Selectmen Paula Proulx, Dave Connolly  
TJ Place, Ann Titus  
Residents Linda McElhinney,  
Mike & Penny Morin, John Scruton  
Blanche Tanner

**1). Call to Order:**

Chairman Arcouette called the meeting to order at 6 p.m.

**2). Pledge of Allegiance:**

All present stood for the Pledge of Allegiance.

**3). Public Input:** None

**4). 2019 Proposed Town Budget:**

Chairman Arcouette opened the Public Hearing at 6:05 p.m.

Mr. Capello said the total budget is up 25 cents and that he was looking to add 1 cent to that. He directed the committee to page 5 of the General Fund Report, Line 01-4194-10-430 Repairs/Maint.-Town Bldgs. and said that he had decreased this line from last year (\$41,000 budgeted in 2018; \$31,000 requested for 2019).

He gave the committee a spreadsheet listing \$16,300 worth of repairs which included supplemental heat, repairs to the heat pumps and electric issues in the Municipal Office Building and electric and hot water issues at the Rec. Center in the old Town Hall building leaving \$14,700 for the rest of the year. He said the Selectmen were supportive of the request for additional funds and that he hoped the Bud Com would add \$10,000 back into this line.

**Motion:** (N. Johnson, second Mitchell) to add \$10,000 to the Repairs/Maint.- Town Hall Bldgs., Line 01-4194-10-430 under General Government Buildings;

**Discussion:** Mrs. Cardinal asked if this would raise the budget bottom line amount to raise and appropriate and that Mr. Capello was not proposing to take the \$10,000 from any other line. Mr. Capello said they were not proposing the \$10,000 be taken from another line.

**Vote:** The motion passed unanimously (9-0).

Mrs. Connolly said previously they were given a memo which stated there would be 24 cent tax increase based on the proposed budget and that at tonight's meeting Mr. Capello said there was 25 cent increase. She asked whether they were adding 1 cent (for the additional \$10,000) to a 24 or a 25 cent increase.

Mr. Capello said the increase for the proposed budget is 25 cents plus the 1 cent equals a 26 cents increase. He said the document Mrs. Connolly was referring to was prepared in October and there had been some changes in the revenue projections since then.

Linda McElhinney said on page 6, Line 01-4210-10-832 Police Grants shows \$8,000 requested for 2019 and asked what this line entails.

Mr. Capello said this line is for the Police DWI/speed patrols and there is an offsetting amount on revenue side of the budget.

Mrs. Connolly asked if the dept. is only receiving \$8,000 this year as opposed to \$10,000 they received last year and exactly what the funds pay for.

Mr. Capello said the dept. is receiving \$8,000 and it pays for the Police Officer's salary for the special details for DWI/speed patrols over and above their regular shift.

Blanche Tanner asked if the public comment portion of the hearing will remain open for the review of the warrant articles.

Chairman Arcouette said public comments will be allowed during the review of the warrant articles.

Ms. McElhinney said on page 7, Line 01-4220-20-740 Fire Dept. Equip. Expense shows the amount requested for 2019 is \$15,000 (down from \$28,000 budgeted in 2018) and asked why the line was reduced by so much.

Fire Chief James Reinert said there was a request to purchase a third thermal imaging camera (\$10,000) that was cut from the operating budget and has been placed in a warrant article seeking approval to purchase it with funds from the undesignated fund balance. He said there were also some minor cuts for hand tools that can be put on the back burner for now.

Mrs. Connolly asked why the amount shown on page 6, Line 01-4210-90-110 Wage Adjustments-Police Dept. (\$7,427 requested for 2019) is not included in the wages line.

Mr. Johnson said the line contains funds for potential increases for the non-union Police Dept. employees.

Mr. Capello said lines for potential merit wage increases for non-union employees have been added to each dept.'s budget. He said they used to budget the wage adjustments all in one line but split it into individual dept. lines for more transparency. We budget it at 3% and may not use it all he said.

Mrs. Place asked if this amount was moved from another line or if it is an additional amount. Mr. Capello said that previously the money would have been included in the Personnel Liabilities line and has just been moved.

Page 1, Line 01-4130-10-130 Selectmen Salaries - Mr. Brown said the School Board budgets \$13,500 for the School Board members' salaries and the Selectmen are at \$10,500 and for equity in the budgeting process he made the following motion:

**Motion:** (Brown, second Connolly) to increase this line from \$10,500 to \$13,500 so that both boards are compensated with the same stipends;

**Discussion:** Mrs. Connolly asked how many Selectmen and School Board members there are. Mr. Brown said there are 5 Selectmen and 5 School Board members and that the Chairperson of each board gets a little extra than the other members for being Chairperson.

Mrs. Cardinal asked if the \$10,500 budgeted is the total amount for all 5 Selectmen.

Mr. Capello said that is correct.

Mrs. Cardinal asked about the amount the Chairperson receives.

Mr. Capello said the Selectmen each get \$2,000 and the Chair gets \$2,500.

Mrs. Cardinal asked about the loss shown in the 2017 Actual column (\$12,260).

Mr. Capello said he did not know and would find out.

**Vote:** The motion passed 3-1-5 (Brown, Connolly, Lauze-yes, Arcouette-opposed; N. Johnson, E. Johnson, Mitchell, Cardinal, Place-abstained).

Mr. Brown said asked Police Chief Jay Drury if the purchase of Tasers is included in the budget, if not are they needed and if they are needed what would be the recommended cost.

Chief Drury said the Tasers were added to the budget and is included in the New Equipment line (Page 6, Line 01-4210-10-740, level funded at \$5,000). He said they now have 6 Tasers and the manufacturer recommends replacement after 5 years but their life span can be extended by reconditioning them. We should replace 2 of them this year (about \$1,200 each) and he will buy the same model because they work well and they have all of the parts for it he said.

Mrs. Place said the Chief said they did not purchase any Tasers as planned in 2018 due to the budgetary freeze but the line was over spent (\$6,347 2018 actual expended). She said she did not see any funds available and asked if they were reallocated.

Chief Drury said he would have had to take them from a different line that was not overspent. He said it is not a priority and he will review the budget in Nov. before doing anything further.

Mr. Brown said he did not see a wage adjustment line for the Fire Dept.

Mr. Johnson said it the 6<sup>th</sup> line up from the bottom of Page 7 (Line 01-4220-90-110 Wage Adjustments- Fire Dept. \$13,899 2019 requested).

Mr. Capello said Chief Reinert is the only full time member of the dept. and that this line includes up to a 3% increase for the Chief and the on-call Firefighters.

Mr. Brown asked if the \$13,899 amount includes the differential for weekend coverage as recommended by the Selectmen.

Mr. Capello said this line does not include the weekend differential which can be found in the Per Diem Fire Day Coverage (Line 01-4220-10-112, \$379,240 2019 requested).

Mr. Brown asked Chief Reinert if he is comfortable with the current wage levels and if he is able to hire staff to adequately staff the dept. to prolong the inevitable change to a full time dept.

Chief Reinert said in his opinion the answer is no. He gave the committee a brief history of how the dept. started with volunteers who received a yearly stipend and then moved to paying per diem shifts with no wage scale so the staff was making the same wage 10 years later.

He said working with Selectmen, a wage scale has been implemented but they have a difference as to what is an equitable or fair compensation for per diem Firefighters compared to surrounding town's wage studies and ads for open positions on the Fire Academy website. They are competing with other towns that are paying \$3-\$4 more an hour to start he said.

Mr. Brown asked what the starting wage is for a Firefighter.

Chief Reinert said if the person is dual certified Firefighter the starting wage is \$13 an hour and the wage scale goes up to \$19 an hour. He said they have also instituted an annual review and a merit raise of up to 3% annually.

Mr. Brown asked what the Chief thought the starting salary for a Firefighter should be.

Chief Reinert said you have to take into account the call volume, size and population of the town, taxes, etc. when conducting a wage study which was done, to find a fair rate. He said when he looks at towns comparable to Farmington and what they are paying he feels that the current starting wage is a comparable wage for a starting Firefighter.

Mr. Capello said the Selectmen also implemented longevity pay for Firefighters following the Town policy which begins after 7 years employment with the Town. The Firefighter must work an average of least 24 hours a week to qualify for the longevity pay he said.

Chief Reinert said they are trying to find a creative way to recruit new staff and retain the current staff. He said he now can say they may not have a higher wage than another town but they do offer longevity pay and a shift differential after 6 p.m. on Friday to 6 a.m. Monday. The per diem staff now receive 3 paid holidays and get time and one-half for working on Christmas, New Year's and Thanksgiving he said.

Mr. Brown said the Town just hired a part time Secretary for the DPW and as part of her requirements she has to obtain a CDL license and her starting wage is \$16.50 an hour. He said \$13 an hour is at the bottom rung for people who are putting lives on the line on a daily basis. I see an inability to recruit people that will push us toward a full time dept. and it will cost us 26% of their salary in retirement and about \$20,000 for a family plan for health insurance he said. He said he was hoping to move the \$13,899 in the Wage Adjustments line up a bit and asked Chief Reinert for a recommendation to give him a little more negotiation room.

Chief Reinert said if they bumped the salary up by \$1 an hour, the dept works an average of 25,000 hours a year so the math would equal \$25,000 a year plus the related costs for FICA, Medicaid, etc for an additional \$30,000 a year each he said.

Mr. Capello cautioned that this is the first year the Town has implemented the shift differential and longevity pay and they need to give it some time to play out and give the Chief an opportunity to recruit. He added that the board plans to look at the wage study each year.

Mr. Lauze said he agreed that they have made changes and improvements but he would have a hard time finding someone to mow his lawn for \$13 an hour. He said it was almost embarrassing to ask someone to come to his home and pull his kids out of the fire for \$13 an hour. If a \$10,000 increase is 1 cent on the tax rate then if the town went to a \$45,000 salary it would be 4.5 cents on the tax rate he said.

Mr. Johnson said it would be more like 10 or 11 cents on the tax rate. He explained that the tax rate increase for the proposed budget is 24.2 cents and that Mr. Capello rounded it up to 25 cents and the \$10,000 increase is actually 2.3 cents on tax rate.

Chairman Arcouette suggested they could take the Chief's statements into consideration and that they could pay a Firefighter \$100 an hour and they still wouldn't be top paid. She then suggested letting this play out a little this year and maybe bring it up a little next year.

**Motion:** (Brown, second Mitchell) to increase the Wage Adjustments-Fire Dept. line which is Line 01-4220-90-110 by \$10,000 to \$23,899;

**Discussion:** Mr. Brown said he hopes that this year the Selectmen would go back to the table and take a harder look at it. He said the weekend differential is an incentive to recruit people for the weekends but to recruit people for during the week is difficult with the \$13 an hour pay. Ms. Mitchell asked if the committee voted in favor of the motion if it would have to go back to the Selectmen who as the governing body would have the say if the money would be spent. Mr. Johnson said that is correct.

Mrs. Place said the committee could provide them with the money but it doesn't mean the Selectmen have to allocate it that way.

Mr. Brown said if they compare it to what was done with maintenance line it is a penny on the tax rate.

Mr. Johnson corrected that it is 2.3 cents on the tax rate.

Mr. Brown said this is an affordable start and that hopefully next year they will revisit it.

Mrs. Place said she watched the Selectmen's meeting where the board discussed this and it was her understanding that their intention was to start here and see what this gets us while trying to minimize the tax impact. She said she was not saying they shouldn't be paid more but that the board intends to go in that direction but maybe not at the pace he would agree with.

**Vote:** The motion passed 6-2-1 (Lauze, Brown, Place, Cardinal, Mitchell, Arcouette-in favor; N. Johnson, E. Johnson-opposed; Connolly-abstained).

Mr. Cardinal said the proposed budget now has a 28 cent impact on the tax rate.

Penny Morin said the dirt roads are in serious disrepair and that the 2018 gravel road maintenance budget wasn't spent (Page 10, Line 01-4312-10-633 Gravel Road Maintenance \$18,976 2019 requested). She asked if there is enough money in this line.

DPW Director Gary Rogers said the gravel road maintenance line is for the application of magnesium chloride which is used for dust control on the dirt roads. He said the amount used varies with the weather as rain will also keep the dust down and less chemical is needed. Mrs. Morin asked if there is enough money in this line for repair of the gravel roads this year. Mr. Rogers said that would come under the Crushed Gravel line (Line 01-4312-10-691, \$23,500 request for 2019). He said they have the material to add to the roads and it is a matter of finding the time and manpower to do it. He said they are in need of help and there were several years where gravel was not added to the roads and without proper treatment it just blows off. Mrs. Morin asked if the amount requested is enough to do what needs to be done. Mr. Rogers said it is enough money for gravel as they have a stockpile of gravel now. He said they put down quite a bit of gravel last year and he hoped to keep moving forward this year. Mr. Brown said on Page 9, Line 01-4311-10-243 shows \$1,250 budgeted for Highway Training for 2019 and asked if the dept. still uses the Roads Scholar Program to train personnel. Mr. Rogers said the Roads Scholar Program training is provided by the state and the money in this line is used to put people in those classes. Ms. McElhinney said the Highway Diesel Fuel line has increased significantly (Page 10, Line 01-4312-20-636, \$30,375 budgeted in 2018; \$42,120 requested for 2019) and asked if the comment above this section, "added 3 keys and 625 gallons for old forestry truck we added to the fleet" is the reason for the increase or if the comment pertained to the increase in the gasoline line above the comment. Mr. Rogers said the 625 gallons was added to that line and the 3 keys is in regards to the new tracking system that was installed as the previous system was extremely outdated and they were unable to get new equipment for it. He said they put in the new system to better track the fuel and to get a better idea of the actual fuel usage as there are no records of the past use. Mr. Johnson said the number of diesel vehicles has increased as the Fire Dept. has fewer gasoline vehicles and all DPW vehicles are diesel powered except for Mr. Roger's pickup truck. Mr. Rogers said the utility truck and the pickup truck are gas powered. Mrs. Cardinal asked if there is any offsetting revenue with the new key system and the new rate paid by the School District for fuel. Mr. Capello said the School District is paying 1.5 cents per gallon extra which is deposited into a fund to offset the cost of repairs and maintenance to the pumps. Mr. Lauze asked if the Fire Dept. uses the Irving station for fuel ups. Mr. Capello said the Fire and Police Depts. use the Irving station because it cheaper with the Town's WEX card as the taxes and fees are deducted from the purchases. Mr. Lauze asked why the DPW is not using the WEX at Irving if it is so much cheaper. Mr. Capello said he did not want a truck with a wing and a plow going through the Irving station because of the potential for damage issues. Ms. McElhinney asked what fund the 1.5 cents per gallon from the School District goes into.

Mr. Capello said it is in a sub account set up by the Financial Administrator under the trial balance for gasoline but he did not know the fund number.

Page 6, Line 01-4210-10-344 Police Dispatch/Prosecution - Ms. McElhinney asked why this line dropped from approx. \$31,000 to \$11,000 this year.

Mr. Johnson said it is because the prosecution is now handled in-house by the Police Dept.

Mrs. Connolly asked what bringing it back in-house means.

Mr. Capello said they used to hire a Prosecutor at the County level and there is now a Farmington Police Officer handling prosecutions for the dept.

Mr. Johnson said the County still handles felony prosecutions and the Police Dept. handles the misdemeanors and juvenile prosecutions.

Page 11, Line 01-4324-10-620 Landfill Stickers (\$6,600 requested for 2019, \$186 spent in 2018) Mrs. Connolly asked if they are ordering more stickers this year and that is why the line wasn't expended for 2018.

Mr. Capello said that is correct and that they just ordered the window and bag stickers.

Mrs. Connolly asked if the cost of the trash bag stickers is recouped (through the sale to users).

Mr. Capello said that is correct.

Line 01-4324-10-660 Repairs and Parts (\$2,000 budgeted in 2018, \$5,000 requested for 2019) –

Mrs. Connolly noted this increase and asked if the DPW is expecting some large repairs.

Mr. Capello said some repairs are needed on the old back hoe at the landfill.

Line 01-4316-30-430 Street Lighting (\$24,000 budgeted in 2018, \$29,000 requested in 2019)-

Mrs. Morin said there have been several accidents at the Cumberland Farms store crosswalk in the last few years and asked if there has been any talk about putting in new streetlights there.

Mr. Capello said the streetlight that is there is working and that Selectmen would need to consider if an additional light is needed.

Mr. Lauze asked about putting a light at the corner of Cocheco Road and Main Street.

Mr. Capello said the board would have to take the cost into consideration to add a light there.

He added that he was pleased to report that there are only 2 streetlights out in town.

Ms. McElhinney said a significant amount of money was invested in streetlights in 2017 so that the future cost for lighting would be less but she didn't see that reflected in the budget.

Mr. Capello said that 2018 was the first year the town used LED lights and it was not for an entire year. He said the budgeted amount is based on last year's bills and the projected cost for this year. We used to spend about \$40,000 for lighting and it is down to \$29,000 he said.

Mrs. Cardinal asked where the projected revenues for the solar farms would be found.

Mr. Capello said it is not shown in this report but they are projecting \$10,000 this year from the solar projects. He said the anticipated start date is this spring and that he is in frequent contact with the solar company and with NH Dept. of Environmental Services (NH DES).

Mr. Johnson said the projected revenue could be found on the Budget Worksheet- Revenues, Page 5, Line 01-3503-13 Rental Solar Panels (\$10,000 2019 requested).



Budget Worksheet-Revenues Page 1, Line 01-3186-15 Payments in Lieu of Taxes, (\$43,086 2019 requested) Mrs. Cardinal said \$43,956 was budgeted for this line in 2018 but only \$14,336 was received.

Mr. Capello said that is because they had anticipated that the solar farm would be up and running last year but they are behind schedule. He said the \$14,336 came from the Family Care of Farmington medical facility (Frisbie Hospital).

Mrs. Cardinal said the total revenues projected for this year (\$3,027,440) is down about \$852,000 compared to last year's projected total revenues (\$3,890,688).

Mr. Capello said the 2018 revenues also show funds taken from the Capital Reserve Funds based on the warrant articles as revenue and this year that won't happen. The Town also received an insurance settlement of \$140,585 they won't receive again this year he said.

Mrs. Cardinal asked if the one-time revenues were included in the revenue projections last year and that they are not anticipating any one-time revenues this year.

Mr. Capello said they are not anticipating any one-time revenues this year.

Budget Worksheet-Revenues, Page 6, Line 01-3506-61 Primex Workers' Comp Refund – Ms. McElhinney asked why this line shows a refund of \$51,000.

Mr. Capello said it is because the insurance provider is giving the Town a \$51,000 refund.

Mrs. Cardinal said that Primex is a cooperative and as a non-profit organization they do not keep all of their profits when they have a good year. She said she hoped the School District would also see a refund like that when they close the books for the year.

Mr. Capello said the Town is also getting a small unemployment credit (\$937) from Primex.

#### **5). 2019 Warrant Articles:**

**Article #6- SCBA Lease-** to authorize the Selectmen to enter a 5 year lease agreement for \$239,466 to lease 34 Scott air packs and to raise and appropriate \$53,736.33 for the first year payment (in 2020). Selectmen Recommend Yes 5-0. Tax impact: \$0 for 2019 and an additional 30 cents each year from 2020 to 2023.

Mrs. Connolly asked for the definition of SCBA.

Mr. Johnson said it stands for **Self Contained Breathing Apparatus** (air packs).

**Motion:** (Brown, second Lauze) to recommend Article #6 as written;

**Discussion:** Mr. Johnson said the original cost of the air packs was \$310,000 and Scott agreed to discount the cost to \$240,000. This article is to confirm the 5 year lease the board signed saving the Town 25% or about \$70,000 he said.

Ms. Mitchell said the agreement is a lease and asked what happens after the 5 years is up.

Mr. Johnson said it is a lease/purchase agreement so the air packs would then belong to the Town. He said the air packs have a 15 year life span and that last year a **Capital Reserve Fund** (CRF) was started so the next time this happens they will have some cash available.

Ms. Tanner said she supported the plan and asked how the number 34 was determined.

Mr. Johnson said there are 34 vehicle seats and that one unit is required for each seat.



Ms. Tanner asked if the Town got the \$70,000 discount by agreeing to lease purchase them as opposed to buying them outright.

Mr. Johnson said the company was offering a special deal and they took advantage of it.

Ms. Tanner asked if the Town would pay the same \$53,736 payment each year for 5 years.

Mr. Capello said the Town would pay the same payment each year starting in 2020.

Ms. Tanner asked if there are funds in the unassigned fund balance in 2020 if money from those funds could be used to make the first year payment.

Mr. Johnson said that potentially they could do that but it can't be done in advance.

Mr. Brown that if all things remain the same the additional 30 cents tax impact each year would remain the same but the number could change due to the reevaluation to be done this year.

Mr. Capello said the revenue amounts received may change also.

Mrs. Morin said she is 100% in favor of this article and asked if the dept. has 34 Firefighters and if the units are not in use if they would last longer.

Mr. Johnson said they have a 15 year life span whether they are used or not.

Mr. Capello said it doesn't matter the number of personnel the dept. has as the required number of units is based on the number of vehicle seats per the National Fire Protection Association (NFPA) standards.

Michael Morin said the article calls for a 5 year lease agreement and that the Town usually uses a lease/purchase agreement and asked if the language should be changed to reflect this.

Mr. Capello said he would run it by Town Counsel and DRA and then add it to the article.

Mrs. Cardinal said the Bud Com doesn't have the authority to revise the warrant articles and it would be up to the governing body. She said the motion is to recommend the article as written and there were some changes made to the title (change the P to a B in SCPA) and the last two years of the tax impact should be changed to 2022 and 2023.

Mrs. Place said the Selectmen made the changes at a Selectmen's meeting.

Mrs. Cardinal then asked for the interest rate on the lease/purchase agreement.

Mr. Capello said the interest rate is 3.82% a year. He said Chief Reinert continues to apply for grants and if the Town is awarded a grant it could be used to pay the lease off earlier.

**Vote:** The motion passed unanimously (9- 0).

Mr. Capello asked if the committee wanted their vote tally included on the warrant articles. Consensus of the committee was to include their vote tally on the warrant.

**Article #7 – Operating Budget** – to raise and appropriate \$6,920,076 (as presented) for general municipal operations; this article does not include appropriations contained in the individual articles addressed separately.

Mr. Brown asked for the amended dollar amount for the operating budget.

Mr. Johnson said they had discussed increasing the budget by \$23,000 so the new total would be \$6,943,076.

Mrs. Cardinal then read the article into the record with the amended amount of \$6,943,076 and

an estimated tax impact of 28 cents.

**Motion:** (Connolly, second E. Johnson) to recommend Article #7;

**Discussion:** Mr. Lauze asked that the first sentence be corrected to remove “the” before “sum” and asked where the 28 cents tax impact came from when the article states a 24 cent increase. Mr. Capello said the tax impact increased to 28 cents because the Bud Com added \$23,000 to the budget at this meeting.

Mrs. Cardinal asked how they got from a bottom line total of \$5,994,692 for the requested operating budget to the amount to be raised and appropriated here.

Mr. Capello said it is because this amount includes the water and sewer budgets but it is a “wash” because it is revenue.

Mr. Morin asked if the Town has a line to accept grants similar to the School District or if grants could be accepted under unanticipated revenues.

Mr. Capello said the Fire and Police Depts. have grant lines so if the Town received a grant it could be put in one of those lines.

Mr. Morin said he reviewed the detail budget and didn’t see a grant line in Fire Dept. budget.

Mrs. Morin said there is a Fire Dept. grant line in the revenue report (Page 3) but that the line had been zeroed out.

Mr. Morin said a grant is revenue but it couldn’t be accepted to that line if it is zeroed out because zero means zero.

Mr. Capello said that did not determine if the Town could receive a grant.

Mr. Brown said that they recently suggested the School Board add budget lines to accept grant funds and that it is something the Town should look at as well. He said for this warrant article they would be appropriating money every year and the Homeland Security grant is a 95% grant so if this passes there would be enough money in the budget for the matching funds required. He asked if there needs to be a separate line for each dept. to receive grant funds or if they could put \$1 in a line in the Administration budget and accept the funds that way.

Mr. Capello said he thought they could create a \$1 line in the Administration budget to accept grant funds. The Police Dept. budget already has grant lines in it he said.

Chief Reinert said he has been “quasi-successful” in getting grants and the dept. has received about \$225,000 but he did not know what specific line the funds are deposited in. He said the only specific grant line in the Fire Dept. operating budget was for the Forestry grant.

Mrs. Place said the issue with the School District was that they needed matching funds for the grants and that is why the lines were needed. She said if it is just a grant without the need for matching funds it would be a non-issue and there are lines that could work if they encounter it.

Mr. Johnson said then it would come in as unanticipated revenue.

Mr. Brown said if they had an equipment line and they received federal money for equipment they could take the matching funds needed from the equipment line.

Mr. Capello said that is correct and if the amount was over \$10,000 they would have to hold a

public hearing to accept the grant funds.

Mr. Johnson suggested that they put in a line funded with \$1 for grants in each dept.'s budget in next year's budget.

**Vote:** The motion passed unanimously (9- 0).

**Article #11 – New Pumper/Fire Truck (By Petition)** – to authorize Selectmen to enter into a 5 year lease purchase agreement not to exceed \$620,000 to lease purchase a Pumper/Tanker Fire Truck and necessary equipment. Funding is to come from general taxation.

Mr. Capello said Selectmen voted not to recommend this article (0-5 No).

Mrs. Place said the tax impact says 33 cents but it was her understanding that is inaccurate.

Mr. Johnson said the tax impact is unknown at this time.

Mr. Capello said he will remove the 33 cents from the article.

**Motion:** (Connolly, second E. Johnson) to recommend Article #11;

**Discussion:** Mrs. Connolly asked why the Selectmen voted not to recommend this article.

Mr. Johnson said it was because it was not in their plan to purchase a Pumper this year and the way the article is written it limits their payment options which could include leasing, applying for grants and financing.

Mrs. Place asked if this truck was discussed as being needed during the budget discussions.

Chief Reinert said that a replacement plan was put together during the previous administration which included a vehicle replacement schedule. Engine One was taken out of service and has been parked behind the DPW garage for almost 3 years and it would cost about \$250,000 to fix it. He said that each year he applies for a federal grant and that they are very competitive.

Chief Reinert said they do need the third Pumper and that they need a large Pumper/Tanker for the non-hydrant district in town. We are down to 1,500 gallons because Engine One is sitting out there and Engine 4 is 20 years old. We have 3 vehicles scheduled for replacement this year and Engine 1 was due to be replaced per the schedule 3 years ago he said.

He said one of his goals when he became Chief was to re-do the town's Insurance Service Office (ISO) rating which is used by insurance agencies to set rates for homeowner's insurance based on how the department is staffed and the available water supply and apparatus. We took a hit this year because Engine 1 is out of service. We have a 5 rating downtown and a 9 in the non-hydrant district he said (1-10 rating with 10 as the worst).

Chairman Arcouette asked if the dept. currently does not have a Pumper.

Chief Reinert said they have a Pumper but the initial ISO rating before he became Chief was on 3 engines, a ladder truck and some support vehicles. We are down to 2 Pumpers and the ladder truck and are missing that third piece. That piece held a larger quantity of water and had a bigger pump. If engine 4 goes out of service tomorrow we have one engine that holds 750 gallons of water to do 2 minutes of fire fighting operations until other resources arrive he said. He said when he came on board 4 years ago the Capital Improvement Plan (CIP) was under funded by more than \$800,000, that money has not been put away for fire trucks since 2012

and there is currently about \$900 in the fund. I am gravely concerned for the safety of the Fire Dept. and for the residents we are protecting especially for those residents in the outlying community because we don't have adequate resources to protect them. It affects our insurance rating and if we could increase our rating from 5 to 4 the average homeowner could save \$100 in insurance premiums and we have to do that with manpower, equipment and training he said. Chairman Arcouette asked for the capacity of the new Pumper.

Chief Reinert said it would hold 3,000 gallons of water.

Mrs. Place said she watched the Selectmen's budget process and did not see the Chief ask for the new Pumper/Tanker or see the Selectmen cut the Pumper from the Fire Dept. budget.

Chief Reinert said he has brought this to the board's and Mr. Capello's attention. He said he also included it in the Annual Town Report and in the CIP which was adopted by the town.

Mr. Henry arrived at the meeting.

Chief Reinert then outlined some of his concerns about the dept.'s aging fleet. He said Engine 4 has frame and transmission issues and only holds 1,000 gallons of water and the tanker truck's pump is not supplying enough pressure for the 600 gallons per minute output needed.

Chairman Arcouette asked Mr. Capello or Mr. Johnson to address why this wasn't looked at in the budget and brought forward.

Mr. Capello said they looked at it at the CIP level and felt that with the tax rate they needed to be cautious this year.

Mrs. Cardinal said the fire equipment replacement spreadsheet in the CIP has a Tanker 3 and asked if the Chief was referring to this tanker which was built in 1989.

Chief Reinert said it is 1989 military surplus vehicle that the Town received for free except for some work that was needed on the vehicle.

Mrs. Cardinal said the spreadsheet lists the replacement year for the Tanker as 2019 but it is not listed on the CIP's project priority designation.

Chief Reinert said NFPA standards state that a front line piece such as an engine or ladder truck has a 15 year service life with a 5 year reserve and a Tanker can stay in service for up to 30 years because its purpose is not for initial life saving functions. We still need to replace Engine 1 which has a CIP level 1 priority and Engine 4 which is a level 2 priority he said.

Mrs. Place asked where the new Pumper/Tanker would land on the list of priorities.

Chief Reinert said he is still trying to play catch up in replacing Engine 1.

Mrs. Place said it sounds like Engines 1 and 4 should be the priority over a new Pumper/Tanker.

Chief Reinert said Engine 1 is the number one priority replacement as it has been out of service for about 3 years. Engine 4 is still in service and would be the next vehicle to replace he said.

Mrs. Place said that as a taxpayer at Town Meeting if the Chief answered the questions as he has at this meeting she would vote yes on this article which as a member of the Bud Com would push back the priority to replace Engine 4. She suggested the Chief could say that this piece of equipment is needed but that Engine 4 is in rough shape and really needs to be the priority.

Chief Reinert said the dept. scores very well on the grant application each year but because the dept. is a combination dept. (1 full time Chief and part time staff) the dept. is only eligible for 25% of the funding. He said he is looking at ways to keep from putting the total cost on the taxpayers but that Engine 1 and 4 need to be replaced very soon while still putting away money for the 2007 ladder truck which will cost about \$800,000 to replace. He said he is concerned that the town hasn't been looking forward and putting money away to fund these big projects. Mr. Henry asked if the new Pumper/Tanker would replace Engine 1.

Chief Reinert said the new tanker truck would replace Engine 1.

Chief Reinert added he was also concerned that if there is an incident where a Firefighter gets hurt or killed they will look at the NFPA standards and place liability on the Town because they didn't meet those standards.

Mr. Henry asked what Primex says about this.

Mr. Brown said in public service if someone dies in the line of duty it is a Workers' Comp matter and is settled by state statute so the insurance carrier would pay whatever the state maximum benefit is. He said if a citizen died and the Fire Dept. took the step to respond and there was faulty equipment involved the citizen's estate would have a liability action against the Town.

Mr. Capello said Primex's response was that Primex would respond to the claim on the Town's behalf and it is really a matter of risk vs. reward and that the Town should not operate equipment that does not pass inspection or meet performance standards.

Chief Reinert said 3 years ago they took Engine 1 off service putting more wear and tear on the other 2 trucks. A third piece balances out the mileage and the maintenance he said.

Mrs. Morin asked if this article is advisory only and if it passes would the Selectmen be obligated to purchase the fire truck.

Mr. Capello said the board would not be obligated to purchase the truck.

Ms. Tanner asked if it would be possible to have the tax impact for the article by Town Meeting.

Mr. Johnson said they could give voters a "ballpark" figure as it depends on the financing used. He said since the article calls for it to be paid from general taxation that eliminates all grants and limits their options.

Mrs. Morin asked if that could be amended at Town Meeting or if that would change the intent of the warrant article.

Mr. Johnson said he thought it would change the intent because the petition specifically states how to finance it but a legal opinion would be needed for the answer.

**Vote:** The motion failed 2-7-1 (Lauze, Brown-in favor; E. Johnson, N. Johnson, Connolly, Arcouette, Place, Cardinal, Mitchell-opposed; Henry-abstained).

**Article #13- Landfill Closure CRF** – to raise and appropriate \$31,429 for testing at the closed landfill and to authorize the withdrawal of this sum from the Landfill Closure CRF. No tax impact. Selectmen recommend: Yes (5-0).

**Motion:** (Cardinal, second Connolly) to recommend Article 13;

**Discussion:** Mrs. Place asked if Selectmen changed the wording to this article.

Mr. Capello said this is the article where the Town received grant funds for 5 years to assist with testing.

Mrs. Place asked if this was the article where it was changed to “said funds” instead of listing the amount to be withdrawn twice. She said she agreed with the change because the way it is written sounds like double the funds are being withdrawn.

Mr. Capello said that it was changed but that the DRA will have the final say about the wording.

Mrs. Place asked if the testing is mandated by the state.

Mr. Henry asked if the article was defeated if the money for the testing would have to come from the general fund because the testing has to be done.

Mr. Capello said that is correct.

**Vote:** The motion passed unanimously (10-0).

**Article #14- Bridges and Road Design CRF** – to raise and appropriate \$5,000 from the 2017 unassigned fund balance to be added to the Bridges and Road Design CRF; this is to pay 20% of the required funding from NH State Bridge Aid. No tax impact. Selectmen recommend: Yes (5-0).

Mr. Lauze left the meeting at 7:35 p.m.

**Motion:** (E. Johnson, second N. Johnson) to recommend Article #14;

**Discussion:** Ms. McElhinney asked if the current balance of the CRF could be included in any article that seeks to raise and appropriate funds to a CRF.

Mr. Johnson said Selectmen requested that the fund balance be added to all of the articles pertaining to a CRF following the request for that information at the Deliberative Session.

Mr. Henry said the balance for this fund is \$102,300.

**Vote:** The motion passed unanimously (9-0).

**Article#15 – Building Inspector SRF** – to raise and appropriate \$70,000 from the Building Inspector Position Special Revenue Fund to pay the Building Inspector;  
No tax impact. Selectmen recommend: Yes (5-0).

**Motion:** (N. Johnson, second Connolly) to recommend Article #15;

**Discussion:** Mrs. Connolly asked for the total in this fund.

Mr. Capello estimated there is about \$60,000 in the fund but that he wanted to wait until it gets closer to printing the warrant before adding the fund balances so the numbers would be more accurate.

Mr. Henry said this fund operates essentially like a revolving fund.

Mr. Capello said that is correct.

Mr. Henry said he would like to see this fund expanded to cover other costs associated with Code Enforcement if the money allows for it. He said it is restricted to salaries now but if it can be broadened to fund that dept. more he would like to see it put on the warrant for next year.

**Vote:** The motion passed unanimously (9-0).

**Article #16- Recreation Equipment CRF** – to raise and appropriate \$1,000 from the 2017 unassigned fund balance to be deposited in the Recreation Equipment CRF;  
Selectmen recommend: Yes (5-0). No tax impact. Current balance: \$18,216.

**Motion:** Henry, second Connolly) to recommend Article #16;

**Discussion:** Mrs. Place asked about what type of equipment the money could be used for and if it would include the purchase a new vehicle.

Mr. Capello said it could be used for any kind of equipment including a vehicle purchase.

Mrs. Connolly asked how much money was expended from this fund this year.

Mr. Capello said nothing has been expended from this account this year.

Mr. Morin said the appropriation would come from the 2017 undesignated fund balance and that historically CRF's were funded from the year-end balance so this would have been 2019. He asked how they are getting money from 2 years ago that hasn't already been returned to the taxpayers from an account that is 2 years old.

Mr. Capello said there is no 2018 undesignated fund balance yet as the 2018 audit is still in process. You are always a year behind on the fund balance and the board chose to fund these articles out of the undesignated fund balance to keep the tax rate down knowing there was a false deflation with the money that the School District returned to the town he said.

Mr. Henry said the town votes on the School District unassigned fund balance in March which will be the remaining balance on June 30 so it is a few months early.

Mr. Brown said on the school side with limited exception, the unexpended fund balance is mandated to be returned to the taxpayers to reduce the tax rate. Selectmen have the authority to let the fund grow, return money to the taxpayers or to fund warrant article expenses through the unexpended fund balance.

Mrs. Cardinal said that when the Town audit is complete for the 2018 fiscal year it will become the 2018 unassigned fund balance.

Mr. Capello said they can choose to use to buy down the tax rate in Oct. or Nov. when the tax rate is set as was done the previous year.

Town Clerk Kathy Seaver suggested that it would be less confusing to say it would be expended from the unassigned fund balance without the year and that this may be a question for DRA.

Mrs. Cardinal said the School District doesn't put the year in for the unassigned fund balance.

Mr. Capello said he could drop the year and see what DRA says.

Mr. Morin asked for the total amount in the unexpended fund balance.

Mr. Capello said the unexpended fund balance was \$1.4 million but approx. \$800,000 of that is receivables and is not cash on hand. He said they want to keep about 1-2 months expenses in reserve so the Auditor advised that there is approx. \$230,000 in cash that could be used for purchases. Although the fund balance seems large it is not actual cash but are liabilities such as uncollected taxes, sewer and water liens he said.

Mr. Morin said the proposed CRF expenditures total at a little more than \$200,000.



Mr. Capello said that is correct.

Mr. Henry noted that if someone has an objection to removing the year 2017 from the unassigned fund balance that it is not included in the motion to recommend the article.

Mr. Capello said the committee is only voting on whether to recommend the dollar amount.

**Vote:** The motion passed unanimously (9-0).

**Article #17 – Town Employee Financial Obligation CRF** – to raise and appropriate \$3,000 from the unassigned fund balance to be added to the Town Employee Financial Obligation CRF; No tax impact. Selectmen recommend: Yes (5-0). Total in fund as of Dec. 2018: \$18,500

**Motion:** (Brown, second E. Johnson) to recommend Article #17;

**Discussion:** Mrs. Place asked if this is the fund that is used to buy out the Town employees that have been here “forever” when they leave.

Mr. Capello said that is correct.

Mr. Henry asked how many long time employees are still employed with the Town.

Mr. Capello said there are 2 long time employees employed by the Town under the old policy.

**Vote:** The motion passed 8-1 (Brown, E. Johnson, N. Johnson, Connolly, Henry, Arcouette, Place, Mitchell-in favor; Cardinal-opposed).

**Article #18 – Highway Motorized Equipment CRF** – to raise and appropriate \$5,000 from the unassigned fund balance to be added to this CRF

No tax impact. Selectmen recommend: Yes (5-0). Total in the fund as of Dec. 2018: \$115,646

**Motion:** (Henry, second Connolly) to recommend Article #18;

**Discussion:** Mr. Henry asked if the money in this fund could be used to start a lease to replace Engine 1.

Mr. Capello said it could not be used for that purpose and it is for the Highway Dept. only.

**Vote:** The motion passed unanimously (9-0).

**Article #19 – Reevaluation CRF** – to raise and appropriate \$25,000 from the unassigned fund balance to be added to the Town Reevaluation CRF

No tax impact. Selectmen recommend: Yes (5-0) Total in the fund as of Dec. 2018: \$50,430

**Motion:** (Henry, second N. Johnson) to recommend Article #19;

**Discussion:** Mr. Henry asked for the cost of the reevaluation to be done this year.

Mr. Capello said it will cost \$65,000. He said the Selectmen locked in the price for the reevaluation 3 years ago and that is why they chose to ask that \$25,000 be deposited in the fund each year. This article will be brought forth each year as long as Selectmen authorize him to do so as a reevaluation must be done every 5 years so we should continue to fund it he said.

Mr. Henry asked if the dollar amount of the article will change.

Mr. Capello said he did not know.

**Vote:** The motion passed unanimously (9-0).

**Article #20 – Master Plan** – to raise and appropriate \$20,000 from the unassigned fund balance to be deposited in the Town Master Plan CRF;

No tax impact. Selectmen recommend: Yes (5-0). Total in the fund as of Dec. 2018: \$16,005

**Motion:** (Henry, second N. Johnson) to recommend Article #20;

**Discussion:** Mr. Capello said Selectmen signed a contract to update the Master Plan for \$40,000 with \$20,000 payable the first year. He said there is escape clause in that the Selectmen are happy with the work being done and the voters vote for it as the 2<sup>nd</sup> half of the \$40,000. There was an update at a recent Planning Board meeting and it is progressing he said.

Ms. Tanner asked if when the Master Plan is done it will be available to residents at the library.

Mr. Capello said it will be available at the library.

**Vote:** The motion passed unanimously (9-0).

**Article #21 – Sidewalk Plow** – to raise and appropriate \$70,000 from the unassigned fund balance for the purpose of purchasing a new sidewalk plow

Tax impact: \$0. Selectmen recommend: Yes (5-0).

**Motion:** (Henry, second Connolly) to recommend Article #21;

**Discussion:** Mr. Capello said the current sidewalk plow is held together with bubble gum, gorilla tape and duct tape and is down almost every storm. He said they decreased the line item for rental equipment because the new skid steer will have an arm that can be equipped with a mower attachment and they will not have to rent a mower.

**Vote:** The motion passed unanimously (9-0).

**Article #22 – Fire Vehicles and Equipment CRF** – to raise and appropriate \$40,000 through ambulance billing to be deposited in the Fire Vehicles and Equipment CRF

No tax impact. Selectmen recommend: Yes (5-0) Total in the fund as of Dec. 2018: \$926

**Motion:** (Connolly, second E. Johnson) to recommend Article #22;

**Discussion:** Mr. Henry asked if the \$40,000 did not go into the CRF where it would go.

Mr. Capello said it would go into the general fund.

Mr. Henry said then essentially there is a tax impact to this article as it is incoming revenue. He asked if this is the right account for purchasing the fire truck if someone were to increase that amount because it is coming from the billing.

Mr. Capello said this fund could be used for that purpose.

Mr. Henry said it doesn't matter because the money either goes into the general fund or not so it is the same as raising it through taxation.

Mr. Morin asked for the total amount received from ambulance billing.

Mr. Capello said the Town receives approx. \$350,000 a year from ambulance billing.

Mr. Morin asked the Fire Chief for the cost of a Pumper with 1,500-2,000 gallon capacity.

Chief Reinert said a 2,000 gallon capacity truck would be about \$520,000 and that price includes the equipment to fully outfit it.

Mr. Morin said we're looking at almost \$1 million in fire trucks in the next 5-8 years. He said the town paid \$500,000 cash for the ladder truck purchased about 10 years ago and since that time all we have is \$1,000. He suggested that \$150,000 a year be set aside for the next few years so

we can have something to say to the federal government when they say we aren't even willing to provide matching funds or spend some money to help ourselves out so why should they give us any money.

Mr. Capello reminded Mr. Morin that the town lost federal funds because they were able to pay cash for the ladder truck.

Chief Reinert said the \$40,000 is already allocated so it is not going toward fire truck replacement. He said the money will be used to pay for the 15 portable radios he requested in his operating budget and for the 2<sup>nd</sup> payment for the Zoll defibrillators.

Mr. Henry asked if this CRF has been expended from or added to since 2007 or if the balance has been historically low. He said he thought that an ambulance was purchased from the fund.

Mr. Capello said 2 years ago \$40,000 was added to this fund which was used to buy equipment.

Mr. Johnson said 2 ambulances were purchased from the emergency medical fund since 2007.

Chief Reinert said that there was \$486,000 in it in 2006 when the ladder truck was purchased.

The Town purchased the command car in 2009, the account then had a \$7,500 balance until 2013 when the lease purchase began for Engine 3, power cots were bought in 2014 and 2015 and that nothing has been added to the account since 2012 he said.

Mr. Brown said he agreed the town should be putting cash away but in fairness to the Selectmen this is the first year that we have started spending the unexpended funds for purchases versus buying the tax rate down. By making these purchases next year's tax rate will be stable and hopefully next year if a similar process is used we can start looking at putting away a bigger chunk of change to put away for the bigger expenses he said.

Ms. McElhinney said in the Budget Worksheet-Revenues, Page 4, Line 01-3401-24, Income Fire and Ambulance shows projected revenue of \$175,000 and asked what this money goes toward.

Mr. Capello said the money goes into the general fund.

Mr. Henry said there are 2 lines for projected revenue that add up to about \$350,000.

Mrs. Connolly said the second line is on the same page a few lines down from this line (Line 01-3401-40 Income from Fire and Ambulance ACH, \$125,000 requested for 2019).

Mrs. Cardinal said the Bud Com can't change the dollar amount and can only recommend yes or no on this article. She said this number could be increased at Town Meeting to allow more of the revenue in the general fund to be applied to the Fire Vehicles and Equipment CRF.

Mr. Johnson said that would impact the tax rate because they would be taking revenue from the general fund that would have to be made up.

Mrs. Cardinal said this revenue was accounted for in the 28 cent tax rate increase in Article #7 and if the voters chose to apply more money to Article #22 it would affect the estimate for Article #7.

Mr. Capello said that is correct.

Mr. Henry asked if Fire Dept.'s are allowed to operate with an Enterprise Fund and if the entire dept. could be self sufficient with the ambulance billing.

Mr. Brown said Ambulance, Police and Rec. Depts. are covered under revolving funds.

Mr. Capello said they could not set up an Enterprise Fund but they could have a revolving fund or SRF. He said they do not bring in enough revenue for the entire dept. to be self sufficient. If you took the \$350,000 revenue out of the general fund and reduced the operating budget by that amount it would be a wash but it would also limit the ability to add to the CRF's he said.

**Vote:** The motion passed unanimously (9-0).

**Article #25 – Establish a Revolving Fund Pursuant to RSA 31:95-h** – to establish a revolving fund for Police Special Details and to raise and appropriate the sum of \$\_\_\_\_\_ from the Town's fund balance for deposit into said fund. All revenue from Police Special Details will be deposited into the fund, the money will be allowed to accumulate year to year and shall not be considered part of the Town's fund balance. The Town Treasurer shall have custody of the funds and pay out fund only upon order of the governing body.

No tax impact. Selectmen recommend: Yes (5-0).

**Motion:** (Arcouette, second E. Johnson) to recommend Article #25;

**Discussion:** Mr. Capello said the amount to raised and appropriated would be filled in when it gets closer to Town Meeting as it will be whatever is in the account at that time.

Mr. Johnson said that each year at Town Meeting there is usually a warrant article to make a withdrawal from the Police Outside Details SRF. The RSA recently changed to allow the establishment of a revolving fund so that Police detail money goes into the revolving fund and will be used to pay the Police details and for cruisers. The money won't have to be transferred every year and it will operate similar to the Rec. Dept. revolving fund. This article would be dependent upon the discontinuance of the SRF in Article #23 and that wording has been added to this article he said.

He said if Article #23 passes and this article failed, Article #23 will be null and void and the Police Outside Detail SRF will continue to operate.

Mrs. Connolly asked what would happen if Article #24 fails but Article #23 passes.

Mr. Henry suggested the balance from the SRF would go into the general fund and then come out of the general fund into the revolving fund.

Mr. Johnson suggested solving the problem by changing the order of the articles so that the appropriation of funds from the SRF (Article #24) comes first.

Mr. Capello said he was advised by DRA and legal counsel to put the articles in the order shown.

Mr. Johnson said Mr. Capello should take this question to DRA and Town Counsel.

Mr. Brown suggested that under Article #24 where it states "for the purpose of special details" that "and expenses" be added to make the purpose of the fund clearer. He asked if with the legal questions about these 2 funds unanswered if they should amend the operating budget by adding \$1 to a Police Special Revenue line so the Officers can be paid.

Mr. Capello said the Officers would still get paid but it would be from the salary line.

**Vote:** The motion passed unanimously (9-0).

**Article #25 – Purchase of a Thermal Imaging Camera** – to raise and appropriate \$10,000 from the unassigned fund balance for the purpose of a thermal imaging camera for the Fire Dept. No tax impact. Selectmen recommend: Yes (5-0).

**Motion:** (E. Johnson, second N. Johnson) to recommend Article #25;

**Discussion:** Mrs. Cardinal asked what the Fire Dept. would use a thermal imaging camera for. Chief Reinert said they would use the camera to look for hidden fire in a wall, burnt electrical fixtures and missing people in smoky or dark conditions. He said the 3 front line vehicles should each have a camera and that 2 cameras were purchased last year and this appropriation would cover the cost of the purchase of the third camera that is needed.

Mr. Henry asked how frequently the cameras are used.

Chief Reinert said they are used quite often and cited an example of a “smells and bells” call the previous evening where there was the smell of smoke present with no apparent cause and both cameras were used on each floor of the home to find the source of the odor.

**Vote:** The motion passed unanimously (9-0).

**Article #26 – Fund Future Technology CRF with TDS Franchise Fees-** to raise and appropriate \$7,000 from the TDS franchise fees to be added to the Future Technology Improvements CRF No tax impact. Selectmen recommend: Yes (5-0). Total in the fund as of Dec. 2018: \$24,067

**Motion:** (Henry, second Connolly) to recommend Article #26;

**Discussion:** Mr. Henry asked if this fund was recently established how it has \$24,000 in it already.

Mr. Capello said the fund was not established recently and had money in it before it was decided to deposit the TDS fees into the CRF.

Mrs. Connolly asked what these funds will be used for.

Mr. Capello said that currently some of the funds are being used to purchase and install a computer server in-house and for the installation of cable to communicate with the Town wells. He said it is only used to upgrade the technology and if a computer dies it is replaced out of the operating budget.

Mrs. Cardinal asked if this fund could be used to assist the School District with some technology improvements.

Mr. Capello said he did not think crossing the funds over from the Town to the School District is allowed.

Mr. Henry said there is a tax applied to both the TDS and the Atlantic Broadband bills which funds all of the broadcasting needs for the Town to put these meetings on TV. He asked if the School District is able to receive any of the revenue from the tax on the cable bills or if the district has to bear the entire burden of the costs while the Town gets to shift the burden to the cable viewers.

Mr. Capello said to his knowledge the Town is not allowed to cross over the funds to the district because it is a franchise agreement with the Town.

**Vote:** The motion passed unanimously (9-0).

**Article# 27 – Farmington Cable TV SRF** – to raise and appropriate \$60,000 from the Community Television SRF for the purpose of staff payroll, cable TV programming, equipment and/or repairs associated with Farmington Cable TV

No tax impact. Selectmen recommend: Yes (5-0). Total in the fund as of Dec. 2018: unknown

**Motion:** (Brown, second E. Johnson) to recommend Article #27;

**Discussion:** None.

**Vote:** The motion passed unanimously (9-0).

**Article #28 – Depreciation of Waste Water Treatment Plant** – to raise and appropriate \$50,000 with \$25,000 to come from the Waste Water Enterprise Fund and the remainder to come from the unassigned fund balance to added to the Waste Water Treatment Plant CRF to help offset the depreciation of the plant. The Town will match what is deposited from the Waste Water Enterprise Fund surplus.

No tax impact. Selectmen recommend: Yes (5-0).

**Motion:** (N. Johnson, second Connolly) to recommend Article #28;

**Discussion:** Mr. Henry said this article places upon the general taxpayer the burden to fund the waste water treatment plant whether their property has a access to waste water or not rather than keeping the responsibility for the plant on people that actually have access to the system. Mrs. Place said there is value to having a water system in the town and it accommodates the schools and public buildings. The burden is on the taxpayers but is also on the users she said. Mr. Brown said it is available to the school system and the Town buildings but they also pay for the use of that service. We are double-dipping in the area of our public buildings he said. Mrs. Place suggested he look at the infrastructure in Milton and to ask shoppers if it effects their decision on where to buy.

Mrs. Cardinal asked for the total amount in the CRF.

Mr. Capello said there is approx. \$220,000 in the fund.

Mr. Henry asked for the goal for the amount of money in the CRF and by when.

Mr. Capello said the depreciation was half of the initial cost of the plant or \$6 million over 20 years. He said the consulting firm wanted 100% depreciation so it was decided to try 50% depreciation each year. The number may fluctuate from year to year as the Town matches what is contributed from the Enterprise Fund he said.

Mr. Johnson said he thought they planned to meet the goal by 2035.

**Vote:** The motion passed 8-1 (Brown, E. Johnson, N. Johnson, Connolly, Arcouette, Place, Cardinal, Mitchell- in favor; Henry-opposed).

Mr. Brown said there was a lengthy debate by Selectmen regarding getting input from the taxpayers about using the unexpended fund balance for purchases versus buying down the tax rate and asked if they planned to discuss it at Town Meeting.

Mr. Johnson said the board discussed taking Mr. Brown's earlier advice to have a discussion at

the end of Town Meeting to see if they should continue what was done this year or to return to using the funds to buy down the tax rate and submit all of the warrant articles to raise and appropriate funds from general taxation.

Mrs. Morin said she sent all of the committee members an e-mail regarding Article #8 (Optional Fiscal Year in Farmington) and said if any members would like to have a copy of the e-mail in print she had copies of the article available.

Mr. Morin asked if the order in which the articles were presented at this meeting is the order in which the articles would be funded from the unexpended fund balance.

Mr. Capello said they will all be funded unless they are voted down.

Mr. Johnson said if any of articles are amended or increased the articles toward the end of the warrant may not be funded.

Mr. Henry said there is \$1.4 million in the unassigned fund balance according to the legal definition of that fund and asked if one of the articles was increased by \$400,000 at Town Meeting if it would have to be funded.

Mr. Brown suggested someone be on hand to explain the unassigned fund balance and what will happen if they over expend the goals there were set.

Mr. Morin said Farmington is a Budget Committee town so increases are limited to 10%.

**Motion:** (N. Johnson, second Connolly) to close the Public Hearing passed 9-0 at 8:25 p.m.

Mrs. Cardinal asked when the 2018 Annual Town Report would be ready.

Mr. Capello said it was currently being worked on and it is required to be ready by 2 weeks before Town Meeting by state law.

Mrs. Cardinal asked if they could get a copy at the next Bud Com meeting (Feb. 27).

Mr. Capello said he could not promise it would be available then.

Mrs. Seaver said the report must be ready 10 days ahead of the Town Election day (March 2).

Mrs. Cardinal asked for a copy of the most recent completed Town audit for their next meeting.

Mr. Capello said the 2017 audit will be available on the Town website.

Mr. Brown asked if an electronic copy of the Town Report would be available for the next Bud Com meeting.

Mr. Capello said there is an outside chance it would be ready and if so it would be available.

Mr. Brown said he will not attend the next Bud Com meeting as he will be out of state.

**Adjournment:**

**Motion:** (E. Johnson, second Connolly) to adjourn the meeting passed 9-0 at 8:27 p.m.

Respectively submitted

Kathleen Magoon, Recording Secretary

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Sylvia Arcouette, Chairman