

Town of Farmington
Budget Committee Meeting Minutes
Tuesday, February 13, 2018

Committee Members Present:

Sylvia Arcouette, Chairman
Elizabeth Johnson, Secretary
Neil Johnson, Selectmen's Rep.
Angie Cardinal, School Board Rep.
Tim Brown
Heidi Mitchell
Stephen Henry
Michelle Elbert
Jason Lauze

Committee Members Absent:

Jodi Connolly, Vice Chairman

Others Present:

Arthur Capello, Town Administrator
Residents Paula Proulx, Bill Fisher,
John Law, Linda McElhinney, 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). Moment of Silence:

Chairman Arcouette asked for a moment of silence in memory of Sam Cataldo.

4). Public Hearing:

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

A). 2018 Town Budget- Mr. Capello said there were no changes to the Town budget since he presented it to the committee last month.

General Fund Page 17- Mr. Lauze asked about the 2017 actual budget total of \$14.2 million.

Mr. Capello said the total includes the county and school taxes collected by the Town which are then deducted out of the bottom line of the budget to come up with the municipal budget.

Page 3- Personnel Administration- Mr. Lauze asked why the comparison sheet shows a 2017 budget of \$41,500 and the general fund report shows a total of \$24,659 for 2017.

Mr. Capello said he wanted to show the Wage Adjustments line (Line 01-4155-30-190) is loaded at the beginning of the budget season and then is drawn down as people receive increases. Last year this line had \$21,000 in it and there is \$4,100 left in the line he said.

Page 5, Line 01-4210-10-110, Police Dept. (\$671,729 budgeted in 2017; \$683,277 in 2018)

Page 14, Line 01-4659-50-835 Economic Development (\$23,879 budgeted in 2017; \$25,074 in 2018). Mr. Lauze asked if that is the same reason for the increases to the Police Dept.

Mr. Capello said the Police Dept. wage increases are based on the contract approved last year.

He said the Economic Development line includes the costs for the Coast Bus program. Following budget season last year, the company made a proposal to Selectmen stating that if the Town fully funded the yearly contribution to Coast (\$26,000) they would sell advertising at the bus stops in town and share 50% of the revenue with the town. There was a slight increase to the amount budgeted for the line to fully fund Coast's request but the actual expenditures line was then reduced by the ad revenue received he said.

Page 17, Municipal Budget Total-Mr. Lauze then asked about the difference in the 2017 municipal budget total on the comparison sheet (\$5,836,713) and in the general fund report (\$6,281,525).

Mr. Capello said the figure in general fund report includes the warrant articles and they are not included in the totals on the comparison sheet. Warrant articles do not become part of the operating budget until after they are voted on at Town Meeting he said.

Town Planner's Hours- Mr. Fisher asked if the Town Planner's hours will remain budgeted at 26 hours a week.

Mr. Capello said the position is currently budgeted at 26 hours weekly.

Mr. Fisher said the Planner's hours should be returned to 30 hours a week with the new initiatives coming in such as the redevelopment of the old Fire Station lots and the formation of the new Steering Committee. He said as a member of the Planning Board he has noticed there are still some short falls in the Planning Dept. that could be picked up by the Planner. With a full time planner things have gotten better and I would hate to see the Town go backwards he said. Mr. Henry is also a Planning Board member and said that when Mr. Capello previously spoke to the committee about reducing the Planner's hours he said the work had been caught up and that the new hours would be a maintenance level to keep things where they are. He said that the voters wanted more than just maintenance and were looking for more progress with economic development and active participation from the Planner to move things along.

Mr. Capello said the budget is in the Budget Committee's hands at this point.

Ms. McElhinney said that for the last few years Wage Adjustments line has been at \$21,000 and asked for the reason for the increase to \$28,000 for 2018.

Mr. Capello said that part of the increase is due to the contractual agreement for the Public Works Dept. He said the DPW has a contract clause which allows them to receive merit raises and he used 3% of their salaries which is typically the maximum amount of merit increase approved Selectmen to account for those possible increases in the budget.

Ms. McElhinney asked if the DPW employees are non-union employees and if the wage adjustments line is only for non-union Town employees.

Mr. Capello said the DPW employees are union members and potential merit increases must be accounted for in the budget in the event they receive those increases. The Fire Dept. wage increases were in the operating budget last year but their potential increases are now also included in this line he said.

Mr. Johnson added that the Firefighters are non-union.

There were no other questions or comments from the public.

Chairman Arcouette closed the public comment portion of the hearing at 6:15 p.m.

Motion: (Henry, second Elbert) to restore the hours for the Town Planner back to 30 hours;

Discussion: Chairman Arcouette questioned if the Bud Com could restore the Planner's hours.

Mr. Capello said they can add money to the budget but employee hours is a decision made by Selectmen.

Mr. Johnson said Selectmen reduced the number of hours because the back log was remedied and the term "status quo" was never really discussed. He said the board is currently "feeling out" what the workload will be and if it increases the board could increase his hours.

Mrs. Elbert asked if the board can increase the Planner's hours in the middle of the year.

Mr. Capello said the board can do that but they would have to find the money for the increased hours elsewhere in the budget.

Mr. Johnson said when the Planner was first hired Selectmen talked about having him work 25-26 hours a week but there was 3 months of backlog so the board added on the additional 4 hours to give him time to clear up the back log. He said the board wanted to make sure the Planner's hours are well used and at this point, they can't justify the additional hours.

Motion Withdrawn: Mr. Henry withdrew his motion. Mrs. Elbert withdrew her second to the motion.

Mr. Lauze asked if there was a comprehensive plan for things like which roads or buildings will be repaired like the SAU Superintendent did with the plans to repair/replace the school roofs.

Page 4, Line 01-4194-10-430 Repairs/Maintenance (\$41,000 2018 requested)

Mr. Capello said the Town operating budget doesn't necessarily contain funding for major capital expenses. He said this line is for general maintenance such as mowing, landscaping, repairs to the front steps and the second floor at the Municipal Office Building and the service contracts.

Mr. Lauze said at a previous meeting someone had asked about a 5 year plan for road repairs.

Mr. Johnson said the road plan is posted on the Town website.

Mr. Capello said the plan may be subject to change if there is a major failure elsewhere.

Mrs. Cardinal asked if the Capital Improvements Plan (CIP) covers some of the long range plans.

Mr. Johnson said the CIP has the long range plans for capital expenses and the Selectmen can put money aside into Capital Reserve Funds or propose a warrant article to cover the expenses.

Mr. Johnson asked what the price limit is for items to be included in the CIP.

Selectmen/CIP Committee Chairman Paula Proulx said capital expenses over \$10,000 would be included in the CIP.

Mr. Capello said the CIP was updated in 2017 and will be available at Town Meeting.

Mr. Henry asked about the amount of unspent funds in the 2017.

Mr. Capello said there was about \$250,000 in the undesignated fund balance and he could not

give an exact figure as bills are still coming in from last year. He said once the auditor has reviewed the budget he could provide the committee with an exact figure.

Mr. Johnson said that at the beginning of December there was approx. \$300,000 left in the budget and then the town got hit with several snow storms which reduced the budget by about \$30,000 for salt, sand and overtime.

B). 2018 Warrant Articles – Mr. Capello said the members received a second copy of the warrant because a new reviewer at NH DRA advised the articles needed language and/or numbering changes from what was originally submitted.

Article #3 - Water Meter Replacement- To see if the town will vote to raise and appropriate the sum of \$588,000 for the purpose of replacing the water meters served by the Water Dept. and to authorize the issuance of not more \$588,000 of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33) and to and further to authorize the Selectmen as applicable, to issue, negotiate, sell and deliver such bonds or notes, and to determine the interest rate thereon and the maturity and other terms thereof, and further to authorize the Selectmen as applicable, to apply for, obtain and accept federal, state or other aid, grants or other funds, if any of which may be available for said project that may reduce the amount to be financed with bonds or notes, and to participate in the Drinking Water State Revolving Fund (DWSRF) RSA 486:14 established for this purpose, and to allow the Selectmen as applicable, to expend such monies as they become available, and to authorize the Selectmen as applicable, to take any other action or to pass any other vote relative thereto. Repayment of said loan to come from the Water Dept. Capital Reserve Fund which is self funded by water rate revenues, no amount to come from taxation. Replacement of water meters is contingent upon the Town's receipt of the DWSRF loan. (2/3 ballot vote required)

Motion: (Cardinal, second Elbert) to recommend Warrant Article #3 as written;

Discussion: Mr. Capello said that the town needs to consider replacing the meters of the people who are on the Town water system. The water fund is an Enterprise fund included in the Town operating budget in both the expenses and revenues portions of the budget and must go on the warrant for voter approval. If the voters don't approve the article then nothing will be done in regards to the loan. If the voters approve the article the Selectmen don't have to move forward with the proposal. There is an opportunity to get a low interest loan at 1.5% which would be paid back by the rate payers but the pay back method has not yet been decided by the board. Mr. Johnson said Farmington is probably the only town to have qualified for this type of loan in the history of the Drinking Water Fund. The town would receive the loan with a 1.5% interest rate if Selectmen chose to go this way. To even consider going this way there needs to be warrant article just in case the board goes this way he said.

Mr. Henry noted the payments will come from the Water Dept. Capital Reserve Fund which is self funded by water rate revenues with no amount to come from taxation. He said Article #17 would add up to \$25,000 from taxation to the fund.

Mr. Capello said that money would be added to the waste water fund which is a separate account from the water fund.

Mr. Johnson asked if the water fund was a Special Reserve Fund or a Capital Reserve Fund.

Mr. Capello said it is called a Water Capital Reserve Fund.

Vote: The motion passed 8-0-1 (Henry abstained).

Article #4- Purchase of a new Ambulance- To see if the town will vote to raise and appropriate the sum of \$249,000 for the purchase of an ambulance and authorize the withdrawal of \$106,000 from the Emergency Medical Motorized Equipment CRF created for that purpose. The balance of \$143,000 is to come from the insurance settlement received. No amount to come from taxation.

Motion: (N. Johnson, second E. Johnson) to accept Article #4;

Discussion: Mr. Henry asked if there would be more specifics regarding the insurance settlement mentioned in the article.

Mr. Capello said the article he submitted was more specific but DRA changed it to what was presented to committee. He said the money was from the settlement of the case against former Fire Chief Fowler.

Mr. Henry said he was aware of the source of the funds but that not everyone reading the article will know where the money came from.

Mrs. Cardinal asked what account the settlement funds reside in.

Mr. Capello said it doesn't show up in the budget and based on the auditor's interpretation of the RSA the funds do not have to be put into the undesignated fund balance and can be held in a separate account for this type of purpose.

Mrs. Cardinal asked if this is the total amount of funds received to date from the settlement.

Mr. Capello said the Town received a total of \$181,000 some of which was used for equipment purchases during the construction of the Public Safety Building.

Mr. Johnson said the current ambulance that will be replaced is 12 years old, has over 100,000 road miles on it and about 200,000 idling hours on it. More than \$25,000 was spent on repairs last year he said.

Mr. Capello said the replacement is on schedule with the CIP as it calls for the ambulances to be replaced every 12 years. He said they may not spend the entire amount of the settlement fund but the phrase "up to" is no longer used in warrant articles as it is implied.

Mr. Henry asked which amount, the CRF or the settlement fund would be exhausted first.

Mr. Capello said the CRF would be exhausted first. He said the reason they planned to do it that way is because any remaining funds in settlement account could be used for other needs and is not tied only to emergency medical motorized equipment as are the funds in the CRF.

Mrs. Cardinal asked if any controls in place to make sure that any funds from that settlement go back to emergency response operations or facility lies with the Select board.

Mr. Capello said that nothing can be expended from that account without the board's approval.

Mr. Johnson said the funds are not designated to the Fire Dept. or public safety but that is the way they have been used. The funds can be used for anything the Selectmen decide he said.

Mrs. Cardinal asked if the funds were embezzled from the Fireman's Relief Fund.

Mr. Capello said the funds were embezzled from the Town and run through the Fireman's Relief Fund. The Town signed a contract with Frisbie Hospital and when the checks came into the Fire Dept. they were deposited into the Fireman's Relief Fund and taken from that fund he said.

Mr. Johnson said that normally, that money would have been deposited into the general fund and spent for anything for the Town.

Vote: The motion passed 9-0.

Article #5- Operating Budget- To see if the town will vote to raise and appropriate the Budget Committee recommended sum of \$6,650,341 for General Municipal Operations. This article does not include special or individual articles addressed separately.

Motion: (Henry, second E. Johnson) to recommend Article #5;

Discussion: Mr. Capello said the tax impact to this article may change after he has a discussion with DRA about whether to use the buy down tax rate or what the tax rate would have been if the board didn't buy it down for this article.

Mr. Brown asked for the difference between the two tax rates.

Mr. Capello said the current tax rate is \$6.97 with the buy down.

Mrs. Cardinal asked if the total town portion of the tax rate for 2018 would be \$7.07.

Mr. Johnson said that does not include the warrant articles.

Mr. Capello said there would be 10 cent increase in the tax rate without the warrant articles or the buy down. If all of the articles pass it would be an additional 16 cent increase he said.

Mrs. Cardinal asked Mr. Capello to help them navigate their way from the \$6,650,341 (recommended in the article) to the proposed operating budget bottom line number in the general fund report (\$5,739,594).

Mr. Capello asked the committee for time to consult with the Financial Administrator.

Motion: (Henry, second N. Johnson) to table discussion on Article #5 passed unanimously.

Article #6 – Add to Highway Equipment CRF- To see if the town will vote to raise and appropriate the sum of \$5,000 to be added to the Highway Equipment Capital Reserve Fund previously established. This is to assist the town with the replacement of Highway Equipment.

Motion: (Henry, second N. Johnson) to accept Article #6;

Discussion: Chairman Arcouette asked how much is in the fund now.

Mr. Capello said there is approx. \$46,000 in the fund.

Mr. Henry asked what the next "big ticket" item is to be purchased.

Mr. Capello said dept. continues to have issues with the 5500 truck and it is the next item scheduled to be replaced.

Mr. Johnson said the replacement of the truck is not scheduled for this year.

Mr. Lauze asked for the replacement cost of the truck.

Mr. Capello estimated the replacement cost at about \$200,000 including the plow and wing. Mr. Lauze asked about the logic behind just putting \$5,000 in the CRF each year instead of a larger amount so the money is on hand when needed.

Mr. Capello said the town has put more in the account in the past but the CIP Committee/Selectmen decided to recommend depositing less this year to keep the tax rate down as much as possible as the Selectmen probably won't be able to buy it down this year.

Vote: The motion passed unanimously.

Article #7- Recreation Equipment Fund CRF- To see if the town will vote to raise and appropriate the sum of \$2,000 to be added to the Recreation Equipment Capital Reserve Fund previously established.

Motion: (N. Johnson, second E. Johnson) to accept Article #7;

Discussion: Mrs. Cardinal asked if this article was on the warrant last year and if money was added to the account.

Mr. Johnson said there was a similar article last year and that \$4,000 was added to the account.

Vote: The motion passed unanimously.

Un-table Article #5 – Motion: (N. Johnson, second Henry) to pick up from the table Article #5 passed 9-0.

Discussion: Mr. Capello said the reason for the difference in the operating budget total in Warrant Article #5 and the bottom line figure in general fund report is that the Water and Sewer Dept. budgets go back into the operating budget and it is included on the revenue side of the budget report. It is not reflected in the general fund report but is included in the warrant article he said.

Vote: The motion to recommend Article #5 passed unanimously.

Article #8 – Add to Self Contained Breathing Apparatus Fund CRF- To see if the town will vote to raise and appropriate the sum of \$15,000 to be added to the Self Contained Breathing Apparatus Capital Reserve Fund previously established to help offset the replacement cost of Self Contained Breathing Apparatus.

Motion: (N. Johnson, second Arcouette) to accept Article #8;

Discussion: Mr. Capello said the Fire Chief continues to apply for grants but the SCUBA have to be replaced next year because they will expire. The fund will have approx. \$60,000 in it if this article passes but the replacement cost of the units is \$280,000 he said.

Mr. Henry asked if this is a situation where having the money saved will come back to "bite" us. Mr. Capello said it would not and explained that the reason the units will all expire at the same is because they were all purchased at the same time through Homeland Security grants following the 9/11 attack. He said what is "biting" the town is that the Town is considered to have a full time Fire Dept. because it has 1 full time employee (Chief Reinert) and 75% of the available grant money has been given to volunteer Fire Depts. and 25% of the remaining funds are divided up among the full time Fire Depts.

Mr. Brown suggested they make the Chief a full time Emergency Management Director and a volunteer Fire Chief.

Mr. Capello said that wouldn't work at this point but it was something the board had briefly considered.

Mr. Johnson said they are trying to find some innovative way to phase in future replacements so the dept. doesn't find itself having to replace all of the units at the same time again.

Mr. Capello said part of the long term plan is to continue to fund this CRF so the money will be available when the apparatus needs to be replaced again. He said the state requires that there be one unit for every seat of every vehicle whether it is occupied or not.

Mr. Henry asked if the town is buying too many trucks for the dept. and noted that some of the vehicles are for occasional use.

Mr. Johnson said one option may be to purchase lower cost unused units that have been sitting on a shelf somewhere for 3 years and still have 7 years left before expiring.

Mr. Capello said the Chief has been trying to reduce the cost by seeing if only the front line vehicles could be counted and not have to provide units for the occasional use vehicles.

Mrs. Elbert asked for the total amount in the fund currently and the purpose for the units.

Mr. Capello said there is approx. \$45,000 in the fund now and the units contain the masks and oxygen tanks used by the Firefighters.

Vote: The motion passed 9-0.

Article #9- Master Plan Update- To see if the town will vote to establish a Master Plan Update Reserve Fund under the provisions of RSA 35:1-c for the purpose of updating the town's Master Plan and to raise and appropriate the sum of \$20,000 to be placed in this fund. Further to name the Board of Selectmen as agents to expend from said fund.

Motion: (Henry, second E. Johnson) to accept Article 9;

Discussion: Mr. Capello said the existing Master Plan has expired by 2 years. He said the plan is a vision of where the Town would like to be in the next 5-10 years and is often used in applying for grants. A Request for Qualifications was sent out to consultants and a draft Request for Proposals will be provided to the Selectmen at their next meeting he said.

Mr. Johnson said the cost to update the plan was estimated at \$60,000-\$80,000 and the board has not yet reviewed any quotes.

Ms. McElhinney asked if the title of the fund would prohibit the town from scrapping the plan and starting from scratch with a whole new plan.

Mr. Capello said the new plan would still be considered an update as there was an existing Master Plan.

Mrs. Elbert asked about the establishment of the fund and putting in \$20,000 toward an update that will cost \$60,000 -\$80,000.

Mr. Capello said the plan is to update the Master Plan over the next 2-3 years and to revise a few sections at time. When it is completed there will be about 7 years until the next update and

if the town continues to fund the Reserve Fund there will be money for the next update he said.

Vote: The motion passed unanimously.

Mr. Brown questioned the tax impacts listed with some of the warrant articles.

The correct tax impacts to the articles are as follows: Article #6- 1 cent, Article #7- 1 cent, Article #8 -3 cents and Article #9- 4 cents.

Article #10- Revaluation – To see if the town will vote to raise and appropriate the sum of \$25,000 to be deposited in the Town Revaluation Capital Reserve Fund previously established. The sum is to come from the unassigned fund balance. No amount to be raised from taxation.

Motion: (Henry, second E. Johnson) to accept Article #10;

Discussion: Mr. Capello said the revaluation is due in 2019 at a cost of \$65,000. He said there is currently approx. \$50,000 in this CRF.

Mr. Henry asked if this means that no contribution to the fund will be needed in 2019.

Mr. Capello said there may be no need for a contribution next year but they may consider requesting a smaller contribution to keep the fund going for the next revaluation in 5 years.

Vote: The motion passed 9-0.

Article #11- Police Outside Detail Special Revenue Fund – To see if the town will vote to raise and appropriate \$90,000 for the purpose of paying all expenses associated with payroll and equipment of police officers with said funds to come from the Police Outside Detail Special Revenue Fund created for this purpose. No amount to be raised from taxation.

Motion: (N. Johnson, second Henry) to accept Article 11;

Discussion: Mr. Capello said this fund goes to pay for cruisers and the Officers' detail salaries. Chairman Arcouette noted this SRF was started several years ago and reoccurs each year.

Mr. Johnson said the companies pay for the Police details and the money goes into this fund. The town then pays the Officers from the fund for their time on details he said.

Mrs. Cardinal asked what would happen if the actual expenditures were to exceed \$90,000.

Mr. Capello said that has never happened and that the Police Chief looks at what is planned for cruisers and adjusts the budget request accordingly.

Mr. Johnson said that one year there wasn't much tree trimming work and a cruiser had to be purchased from the operating budget.

Vote: The motion passed 9-0.

Article #12- Town Employee Financial Obligation CRF – To see if the town will vote to raise and appropriate the sum of \$3,000 to be added to the Town Employee Financial Obligation CRF previously established.

Motion: (Henry, second N. Johnson) to recommend Article 12;

Discussion: Mr. Capello said this fund was established several years ago for long term Town employees that are covered under the old rules regarding accrual of vacation, sick and holiday time and buyouts. There hasn't been a contribution to this fund in a few years and last year it was almost depleted after the retirement of the former DPW Director Dale Sprague. There are

still 2 long term employees under those rules with potential for a big cost liability to the Town when they retire he said.

Vote: The motion passed unanimously.

Article #13- Farmington Cable TV SRF – To see if the town will vote to raise and appropriate \$60,000 for the purpose of staff payroll, cable TV programming, equipment and/or repairs associated with FCT, with said funds to come from the Community Television Special Revenue Fund created for this purpose. No amount to be raised from taxation.

Motion: (N. Johnson, second E. Johnson) to accept Article #13;

Discussion: Mr. Capello said the money for this fund comes from the franchise fee on the MetroCast users' monthly bills.

Vote: The motion passed unanimously.

Mr. Henry asked why there isn't a warrant article for the franchise fee collected from TDS.

Mr. Capello said the TDS money goes into a CRF where the Selectmen are named as agents to expend those funds. The difference is that this article is for a SRF not a CRF he said.

Article #14- Landfill Closure Fund CRF- To see if the town will vote to raise and appropriate \$31,429 for the purpose of testing for the closure of the landfill with said funds to come from the Landfill Closure Fund Capital Reserve Fund previously established. No amount to be raised by taxation.

Motion: (Henry, second N. Johnson) to accept Article #14;

Discussion: Mr. Capello said this article will be on the warrant every year as required by NH Dept. of Environmental Services for closure of the Town landfill site. In 2017 there was a warrant article to place \$51,000 in the fund after the 5 year grant received by the Town ran out last year. There is approx. \$126,000 in the fund right now he said.

Mrs. Cardinal said that usually this type of warrant article uses a round number and asked how the figure in article was arrived at.

Mr. Capello said the figure is based on the service contract's costs.

Mrs. Elbert asked about the purpose of the fund.

Mr. Capello said there are monitoring wells at the landfill and the fund pays the costs associated with testing and permitting at the site and for an engineer to submit a report to DES.

Vote: The motion passed unanimously.

Article #15- Bridges and Road Design CRF- To see if the town will vote to raise and appropriate the sum of \$5,000 to be added to the Bridge and Road Design CRF previously established. This is to pay the 20% of the required funding from NH State Bridge Aid.

Motion: (Henry, second N. Johnson) to accept Article #15;

Discussion: Mr. Capello said there is approx. \$95,000 in this fund and that he hoped that the infrastructure funds under consideration in Washington, DC will pass and free up more funds for State Bridge Aid. He said when the state funds become available the municipalities with the 20% required share of funding on hand and are "shovel ready" will be moved to the top of the

list to receive state funding for their projects.

Mr. Johnson said in this case shovel ready means having the money to start the project and then the state will fund the rest.

Vote: The motion passed unanimously.

Article #16- Building Inspector- To see if the town will vote to raise and appropriate \$67,000 for the purpose of paying the Building Inspector and authorize the withdrawal of \$67,000 from the Building Inspector Position Special Revenue Fund previously established for this purpose. No amount to be raised by taxation.

Motion: (N. Johnson, second E. Johnson) to recommend Article #16;

Discussion: Mr. Capello said this fund pays the Building Inspector's salary and everything that could possibly be squeezed out of it. He said there may be a proposal to change the language or intent of the fund next year to allow for other expenses to be paid from this fund. There is approx. \$57,000 in the fund currently he said.

Mrs. Cardinal asked how the funds in this SRF get replenished.

Mr. Capello said the funds come from the money paid for building permit fees each year.

Mrs. Cardinal asked if this is a full time position with benefits.

Mr. Capello said that is correct.

Vote: The motion passed 9-0.

Article #17- Depreciation of Waste Water Treatment Plant- To see if the Town of Farmington will vote to raise and appropriate \$50,000 to be added to the Waste Water Treatment Plant CRF previously established to help offset the depreciation of the plant. With \$25,000 to come from the Waste Water Enterprise Fund surplus and the remainder to be raised by taxation.

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

Discussion: Mr. Capello said this is the same warrant article that was on the warrant last year although it is worded a little differently because of the new reviewer at DRA. When the waste water treatment plant was approved it was determined that the taxpayers and the users would each pay part of the depreciation of the plant. The depreciation was determined to be valued at \$50,000 a year so the users would pay \$25,000 yearly through the Waste Water Enterprise Fund surplus and the tax payers would pay \$25,000 from the sewer budget line. The contribution is an "up to" contribution meaning that if the Enterprise Fund contributes any amount up to \$25,000 then the taxpayers would contribute that same amount to the CRF up to \$25,000 he said.

Mr. Henry asked if the terms "matching funds" could be added to the article.

Mr. Capello said it was originally in the article but DRA made him take it out.

Mrs. Cardinal asked how the tax impact could be calculated when the proposal is in "flux".

Mr. Capello said he used the worst case scenario when calculating the tax impact which would be an additional 6 cents to the taxpayers if approved.

Mr. Johnson said \$25,000 is roughly 6 cents rounded off on the tax rate.

Mr. Henry commented that this proposal would burden the general taxpaying population with paying for a facility that is only available to certain properties.

Mrs. Cardinal said the TIF District is the effort to get the sewer line through town and make this service more accessible to property owners. She asked if the TIF District could be part of the Master Plan.

Mr. Capello said the plan to extend the sewer lines is currently part of the Master Plan and is part of reason the TIF District was brought forth to the Town. He said there will be some funds deposited in the account this year from the new home next to the lots where the solar power generating facility will be built, the Aroma Joe's coffee shop and potentially from a lot in the Sarah Greenfield Business Park currently under negotiation with Selectmen.

Mr. Henry noted this article is for the treatment plant itself not for the sewer lines.

Chairman Arcouette said that most of the town would still not be connected and probably never will be connected to the sewer service.

Mr. Henry asked if the solar power facility will contribute to the TIF District account as it will be located within the TIF District (at Main Street and Cocheco Road).

Mr. Capello said that DRA has said it would not contribute to the TIF District account due to taxes and accounting issues and he is in the process of obtaining more clarity on the issues.

Vote: The motion passed 8-1 (Henry opposed).

5). Next Meeting: Feb. 28, 2018 at 7 p.m.

6). Other Business:

A). Anticipated Budget Changes- Mr. Brown asked if there was a possibility of any changes to the budget or the warrant articles before the next meeting. They would have to post another Public Hearing to discuss any changes once the Public Hearing at this meeting is closed he said. Mr. Capello said he wasn't anticipating any changes.

B). Tax Impact of Article#5- Mrs. Cardinal said there is a limited amount of time to resolve the tax impact for Article #5.

Mr. Capello said he hoped to get an answer the next day and provide it to the committee for their next meeting.

C). Bud Com Rep. to the CIP: Ms. Proulx said with the passing of Mr. Cataldo the Bud Com would need to appoint another member to represent them on the CIP.

Mr. Capello said he planned to schedule a CIP meeting in about 2 weeks.

Mr. Brown volunteered to represent the committee until the local elections and suggested they revisit the appointment after the elections.

7). Public Hearing Closed:

Chairman Arcouette closed the public hearing at 7:14 p.m.

8). Adjournment:

Motion: (N. Johnson, second Henry) to adjourn the meeting passed unanimously at 7:15 p.m.

Respectively submitted

Kathleen Magoon

Recording Secretary

Sylvia Arcouette, Chairman

DRAFT