

Town of Farmington  
Budget Committee Meeting Minutes  
Wednesday, February 15, 2017

**Committee Members Present:**

Stephen Henry, Chairman  
Sylvia Arcouette, Vice Chairman  
Jodi Connolly, Secretary  
Neil Johnson, Selectmen's Rep.  
Angie Cardinal, School Board Rep.  
Elizabeth Johnson  
Tim Brown  
Sam Cataldo  
Heidi Mitchell

**Others Present:**

Arthur Capello, Town Administrator  
Ruth Ellen Vaughn, Superintendent SAU 61  
Paula Proulx, Selectman  
Kathy Seaver, Town Clerk  
Tami LaRock, Goodwin Library Director  
Ann Titus, Selectman  
Bobbie Stormann, Library Trustee  
Becky Dickie, Deputy Town Clerk  
Linda McElhinney, Library Trustee  
Matt Stormann

**Committee Members-Absent:** Angie Cardinal

**1). Call to Order:**

Chairman Henry called the meeting to order at 7 p.m.

**2). Pledge of Allegiance:**

All present stood for the Pledge of Allegiance.

**3). Public Hearing on Town Budget:**

Mr., Henry opened the hearing on the Town Budget at 7 p.m.

Mr. Capello said the warrant was approved by NH Dept. of Revenue Administration (DRA). If all items on the warrant pass, the overall Town tax rate will decrease by 5 cents and the operating budget is down 27 cents. The Town tax rate is \$5.79 with the operating budget and no warrant articles he said.

Mr. Johnson said the total increase if all the warrant articles pass is 22 cents increasing the tax rate to \$6.01.

Mr. Henry asked if anything changed since the budget and warrant articles presentation at the previous meeting.

Mr. Capello said most of the changes to warrant articles involved wording changes with the biggest "hiccup" being with the revenue from the grant for the Asset Management Program which was put in the Waste Water Dept. budget.

**Committee Comments and Questions-** Ms. Arcouette asked if the Rec. Dept. Director is salaried and why the dept. closes when school closes as the Director is a Town employee.

Mr. Capello said the Rec. Director is a salaried position and he will ask him why the dept. is closed when school is closed. He suggested the dept. may be closed if it is unsafe for kids to travel there.

Mr. Henry said the part time Rec. Dept. employees would be there only if kids are present.

Mr. Brown said he favored plans to bring a canine unit to the Police Dept. and asked if there are funds included in the budget for maintenance of the dog.

Mr. Capello said maintenance funds are budgeted and that Sgt Driscoll will be the dog's primary

handler. He added that the Middleton Police Dept. donated canine equipment for the cruisers as their dog retired when their Chief retired.

Mr. Brown asked if the Police contract includes "on call" pay.

Mr. Capello said the Police Dept. does not have on-call personnel but on-call personnel are included in the DPW contract.

Mr. Brown said Fire engines from other towns refill the water for their engines here and the Town should consider charging them for doing so. There is a cost to residents for water so they should be charged if the water is not used on a Farmington fire he said.

He suggested there should also be a charge for providing ambulance coverage for other towns. He said he saw no problem with assisting at the emergency scene but there should be some charge for providing coverage.

Mr. Capello said the Fire Chief is tracking this issue for 1 year to see if it amounts to more than mutual aid.

Mr. Johnson said they are also keeping an eye on Police and Fire response to other towns and have spoken with some towns that appear to have not staffed their depts. correctly and rely on Farmington for coverage.

Mr. Brown said 1 year of data already exists on-line and the Town could contract with area Towns to pay their fair share of the cost for services.

Mr. Brown then said that another possible source of revenue for the dept. is to file a claim with the insurance companies for "first aid" calls where the patient is treated and not transported.

Mr. Brown asked if some firefighters are paid \$11 an hour as a starting wage.

Mr. Capello said that is not true and their pay is based on rank and training. He noted the last raises were given as an attempt to make them more consistent with salaries in the area.

Mr. Brown asked if the Police Dept. plans to install computers in the cruisers.

Mr. Capello said the future plan is to install computers as the cruisers are replaced but it won't happen this year.

Mr. Brown said he supports computers in the cruisers as it takes the officers out of station and puts them on the road where they can still do reports and can see and be seen by the public.

Mr. Henry said he recalled that several years ago the Town received a grant to put computer terminals in the cars.

Mr. Capello said the terminals were put in but were not replaced as they "died".

He said he would discuss the matter with the Police Chief and get more information.

Mr. Brown said he recalled that there was an additional cost associated with the grant and Town chose not to expend the funds.

Mr. Henry asked how many cruisers the Town currently has.

Mr. Capello said the dept. currently has 7 vehicles and the Chief is looking to replace 2 of them this year.

Mr. Capello said the Fire Dept. is putting a tablet in all apparatus to allow responders to do reports and obtain information while on call.

Mr. Brown said the library asked for a \$20,000 increase for a budget that runs from Jan. to Dec. and 3 months are already gone by Town Meeting. He suggested a compromise to increase the library budget by \$10,000 to try opening on Wednesdays for 6 months to see if the additional day will be used.

Ms. McElhinney said she felt Mr. Brown's proposal was workable and agreed to provide

whatever information regarding the trial run is requested by the committee.

Mr. Henry said he was curious to see if the number of patrons increases due to the Wednesday openings or if the number of users remains the same and is just spread out over the week. He asked for the number of people through the door now if known.

Ms. LaRock said there is a door counter on the front door which includes everyone (patrons, employees, deliveries, etc.) who comes through the door which is checked once a month. She said the average attendance is 65 to 72 people a day.

Mr. Brown asked if they received feedback regarding Wednesday openings and if the patrons expressed any preference for the hours the library would be open that day.

Ms. LaRock said the proposed Wed. hours are based on the Wed. hours from several years ago and speculated that some of the current patrons don't remember the Wednesday openings.

Mr. Johnson said with 190 staff hours scheduled and budgeted a week Selectmen felt they could rearrange staff hours and reallocate the payroll without the \$20,000 increase requested which is why the board recommended funding the library line at \$271,000.

Ms. LaRock said if all they had to do was run the library when it is open that she would agree that 190 staff hours is excessive. She said they do a lot of other things behind scenes and read a list of duties that included circulation, computers, reference and tech help, programs/events, research, website, newsletter and social media, donations and prizes, scheduling staff/volunteers, ordering materials/supplies, annual/monthly reports and staff development.

Mr. Henry asked how much time is spent daily helping patrons with computer use.

Ms. LaRock said computer use varies and estimated someone requests help a few times a day. She said that someone can schedule time with a staff member to learn how to use their laptop.

Mr. Cataldo asked how many computers the library has.

Ms. LaRock said they have 8 computers and 2 backup laptops and estimated the computers are used about 5 hours a day. She added the children's computers are not used as much and that they are not turning away people needing to use the computers.

Mr. Cataldo asked when they see students in the library.

Ms. LaRock said students arrive after 3 p.m. after school is closed.

Ms. Arcouette and Mr. Cataldo asked about hours of operation.

Ms. LaRock said the library is open 10 a.m. to 5 p.m. on Monday and Friday, 2 p.m. to 8 p.m. on Tuesday and Thursday and from 10 a.m. to 2 p.m. on Saturday.

Mr. Johnson asked if the number of patrons that use the back door to enter the building is known.

Ms. LaRock said there is no counter on the back door and the total number of patrons would not double with the number of back door patrons as it used mostly by parents with young children and teenagers.

Ms. Arcouette asked if the library could rearrange the operating hours by taking some hours from the other days to be open on Wednesday.

Ms. LaRock said the hours were changed from the previous hours of operation because they were inconsistent and no one knew when the building was open. She said the aim is to make the open hours consistent as possible for users.

**Public Comment-** Ms. McElhinney asked about health insurance coverage provided to union and non-union Town employees. She asked if the current payment split for non-union employees is 88% paid by the Town and 12% paid by the employee and if the Police Dept.

personnel are members of a union.

Mr. Johnson said the payment split was correct and that both the Police and DPW Depts. are unionized. He said the Fire Dept. employees are non-union and the Fire Chief is the only full time employee in that dept. and is eligible for health insurance benefits.

Ms. McElhinney said the budget shows that there are 15 people who received health insurance through the Town at a cost of about \$221,000. She said the Town budget is level funded and Selectmen are looking for ways to make cuts yet no one has mentioned health insurance costs. She suggested the Town look for a better price for health insurance next year.

Mr. Capello said health insurance coverage was put out to bid and the current provider, Health Trust, submitted the best bid. He added that every few years the insurance coverage is put out to bid.

Mr. Henry said the DPW has insurance coverage through the Teamsters' Union and are not using the Health Trust. He said he is an advocate of increasing the amount of the insurance coverage paid by the Town for each employee because every dollar paid for insurance costs the Town \$1, but for each \$1 in wage increases given to employees actually costs the Town about \$1.25 because of FICA, retirement, etc.

Ms. McElhinney requested the Town change way wage adjustments are shown in the budget. She said she understood that the \$21,000 wage adjustments pool set aside by Selectmen for potential raises is included in the Personnel Administration budget and is depleted out to other salary lines but if you look at the Wage Adjustments line it shows nothing budgeted in that line. If you are not familiar with the history of the way this is done it looks like the money goes in but does not go out she said. She suggested the \$21,000 figure could be included in parenthesis on that line.

Mr. Johnson said agreed it does look like zero is budgeted for wage adjustments and noted the software used to prepare the report may not allow for parenthesis in that line.

Mr. Capello said he may be able to put a written note on the line depicting the amount included for wage increases for non-union employees and will check with the Finance Administrator.

Ms. McElhinney then referred to the Town Administrator's salary as an example of year end salary numbers not matching the beginning salary numbers of the following budget year.

Mr. Capello said this is because his contract year runs August to July where the Town budget runs January to December and his entire salary including any increases needs to be budgeted for in January.

She then asked if it works the same way for other Town employees.

Mr. Capello said non-union employees would receive any merit increases in April retroactive back to the March Town Meeting when the budget is voted on by residents. Union and other contracted employees' salary year would be based on the date the contract was signed he said.

Ms. McElhinney then said if the Welfare Director has other duties the portion of her salary related to those duties should not be included in the Welfare Dept. budget but broken out to the budget lines related to those duties.

Mr. Capello said the changes would have to be made next year as it is too late to post changes in time for Town Meeting deadlines.

Mr. Henry added that he would also like to see a better breakdown of the additional duties and hours per task performed by the Welfare Director now that the position has been expanded to full time.

Mrs. Stormann said that at last year's Town Meeting residents were told the Welfare Director's position would go full time and that she would also perform Economic Development work and other duties. She said she has asked for and never received a report on what has been accomplished for economic development in Town. She added that a \$27,000 budget is being managed by a person making \$73,000 in wages and benefits and that she was not sure the position requires that amount of salary.

Mr. Johnson said the \$27,000 represents the welfare dept. budget only and by law the Town must pay out whatever is put in the budget line.

Mrs. Stormann said she did not have a problem with the Welfare budget but with the position that doesn't require a full time salary.

Mr. Johnson said the Welfare Director's position was 32 hours a week and Selectmen think it is worth bumping it up to 40 hours. With the additional hours for the other duties the position is eligible for benefits he said.

Mrs. Stormann said the Selectmen Chairman previously stated that the board didn't want to lose her so the position was expanded from part time to full time. She said this is not a good enough reason for the position to go to \$73,000 and suggested if the person was not happy here, the Town could find a part time Welfare Director and put the rest of the salary toward moving the Town forward in other ways.

Mr. Johnson said in the past the Welfare budget was about \$120,000 and the current person took the dept. under control following state and federal laws and with proper vetting of the people receiving the resources and brought the budget down to the current \$27,000.

Mr. Brown said it takes a certain number of people to run the Town and noted that one of the first duties for this person was to obtain easements from property owners to install poles for the Christmas lights. He said that he supports economic development but noted if a \$1 million building were built on Rte. 11 it would generate about \$25,000 in tax revenue and asked how many \$1 million buildings would be needed to offset the costs for infrastructure improvements and funding a full time Economic Development Director.

Mr. Johnson added that of that \$25,000 in tax revenue the Town would only receive about \$6,500 with rest going to the School District and the County.

Mr. Brown said we may be paddling against the tide right now and to invest in a full time economic development person does not make sense. He suggested the Town may have to wait until there is no more room in Rochester and then the development will come to Farmington. He asked how much money should be thrown at it to yield a profit.

Mr. Henry agreed a salary of \$75,000 just for welfare administration would be excessive but the person also has other duties and increased availability to the public for that money.

Mrs. Stormann said she did not like the way the idea was sold to the Town at last year's Town Meeting. She said there is a volunteer organization that could have gotten the easements for the Christmas lights but the Town chose to spend tax money to obtain them instead.

Mr. Capello said the volunteer organization did not exist at that time.

Mr. Johnson added that person seeking to obtain the easements/deeds had to be a Town representative.

Mrs. Stormann the members spoke about big buildings bringing in little tax revenue and asked if anyone has thought about the jobs it will bring in to Town. It doesn't have to be Town owned property and then people will have money to spend in Town she said.

Mr. Brown noted that Town money would then be spent to pay market private property.

Mrs. Stormann said we need to market the Town not property. She then asked what the \$23,000 in the Economic Development budget line will be spent for.

Mr. Capello said the money is the Town's contribution to Coast Bus Company for bus service.

Mrs. Stormann asked about the purpose of the \$56,000 in the Planning and Zoning budget.

Mr. Capello said \$35,000 is for the part time Planner who has Town office hours 1 day a week, attends evening board meetings and is in almost daily contact with the Planning/Codes Office.

Mrs. Stormann suggested the line be increased to hire a full time Planner and a full time Economic Development Director needed to move the Town forward.

Ms. Arcouette said that when she was on an economic development committee about 10 years ago they sent out a survey to Town residents. She said results of the survey showed residents want a lot of things but don't want to pay for them. She added the bottom line problem is they don't want their taxes to go up and they won't vote for it.

Mrs. Stormann said that 10 years is a long time ago and that the Town is presently in a good situation between Rochester and the Lakes Region but we have not been marketing the Town.

Mr. Capello said up until 3 years ago the Town always had a full time Planner.

Ms. Arcouette suggested Mrs. Stormann join the Economic Development Committee and bring her suggestions forward to them.

Mrs. Stormann said nothing will happen with those ideas without funding.

Mr. Henry said the Town has consistently said they want to see a plan (before spending funds).

Mrs. Stormann replied that there is need for more than just a volunteer committee to get things moving and that this is the time to act not 5 years from now.

Mr. Brown said the volunteer committee is the starting point and urged her to go to them and express to them what she has expressed to the Bud Com and on social media.

Mr. Capello said the EDC has sent out mailers and a newsletter and brought in speakers to discuss the 79-e and TIF Districts and only 3 people attended the meeting.

Mr. Henry said Mrs. Stormann was asking the Town to pay for something it seems not many people are interested in. He said he sees a lot of passion for the library but not for economic development. He added that it takes more than 1 voice at 1 meeting.

Mr. Cataldo asked Mrs. Stormann how much she pays currently pays in property taxes.

Mrs. Stormann said she pays about \$3,400- \$3,500.

Mr. Cataldo asked her how much those taxes have gone up in 10 years.

Mrs. Stormann said she did not know how much they have increased in that time period.

Mrs. Stormann said she also owns property in Rochester and did not know how much her property tax is for that property. She added taxes are lower in Rochester due to all of the businesses located there.

She was quickly corrected by members who informed that Rochester's tax rate is higher than Farmington's even with all of the economic development there.

Ms. Arcouette said she appreciated Mrs. Stormann's passion but more people need to get involved and that there is more to it than just going to meetings and sitting there and talking.

Mr. Henry said residents should also pay attention to the Planning Board and Zoning Board of Adjustment to make sure they don't pass more restrictive regulations.

Mr. Capello said the Planning Board is also in need of more members.

Mr. Brown said the Bud Com is advisory to the Board of Selectmen and they don't have to

spend what the Bud Com recommends. He said economic development is more than new businesses and that he would like to see a controlled over age 55 community in Town to bring in residents that won't impact the school system and give taxpayers a break. He said the school budget has a large projected increase and many elderly people are being taxed out of town. He said it makes sense to invest in a plan and not just "throw money out the door".

Mrs. Stormann said the Town will never get a plan without a Planner.

Matt Stormann said the 88/12 payment split for health insurance seems generous to him as an 80/20 split is more common in corporate America. He asked if the committee feels the Town payment is overly generous for health insurance coverage.

Mr. Henry said he felt the 88% paid by the Town is not enough because the Town would get more bang for its buck by paying more for health insurance as he stated earlier in the meeting.

Mr. Capello and Mr. Johnson explained how salary configurations have changed over the years with the removal of step increases and automatic cost of living increases.

Mr. Johnson said the Town could not afford to be generous with salaries compared to other area towns and could only afford to be a little generous with benefits to compensate for the wages.

Mr. Henry asked when the last wage study was conducted.

Mr. Capello said the last paid wage study was done in 2011 and added that he researches salary updates each year.

Mr. Brown asked if he conducted a salary analysis of the surrounding towns.

Mr. Capello said that he had and cited 2 towns smaller than Farmington that have pay rates for Town Administrators beginning at \$100,000 which is higher than his current salary.

Mr. Johnson said based on training and rank firefighters receive \$15 to \$17 an hour.

Mr. Capello said Farmington is one of few towns that have 24 hour coverage and the only full time employee is the Chief.

Mr. Brown said the Town has a lot of dedicated firemen and a good Police force and it would be very costly to the Town to lose that talent.

Mr. Capello said the Police Chief told him the dept.'s prosecution rate is 94%.

Mr. Brown said that is a high rate for a young force. He said that he is not looking to raise taxes to pay them what they should be paid but is looking to use revenue sources for wage increases.

Mr. Henry then closed the public hearing at 8:22 p.m.

#### **4). Budget Committee Discussion and Adjustments to Town Budget:**

##### **A). Library Budget-**

Motion: (Brown, second E. Johnson) to increase the budget bottom line by \$10,000 with the recommendation the money go to the library passed 5-2-2.

Ms. Arcouette said she was willing to raise the library budget due to the great work done on the budget and the presentation. She said she trusted the library will try the Wednesday opening for 6 months and then come before the committee to report the results.

Mrs. Johnson said she noticed the push for help on Face Book and appreciated their efforts.

Mr. Henry asked the Library Director to supply the people counter number for the next meeting.

Mr. Henry asked about contracting for services with other towns with mutual aid agreements that seem to be having trouble staffing their emergency response depts.

Mr. Capello said 2 towns have contacted Farmington that were interested in contracting for

services but Selectmen denied the proposals due to requests for discount service rates and unwillingness to relinquish control of personnel and equipment.

Mr. Brown suggested the towns involved in contracted services could set up an advisory board to oversee the operations.

Mr. Johnson said the Town has been keeping track of mutual aid calls and has found the number of Farmington responses to requests for help are roughly similar to requests for help received by the Town.

Mr. Capello said he will request a breakdown of mutual aid calls and discuss setting a value for providing non-mutual aid coverage to other towns with the Fire Chief.

**B). Operating Budget (Article 3)-**

Motion: (Arcouette, second N. Johnson) to recommend the sum of \$6,628,213 as the Town operating budget passed unanimously.

If approved, the operating budget will decrease by 25 cents and the total Town tax rate will be \$6.03 if all warrant articles pass.

**C). Warrant Articles:**

**Article 4- Long Term Lease-** to generate solar power at the landfill

Motion: (N. Johnson, second Arcouette) to recommend Article 4 passed unanimously.

**Article 5- Change the Name/Purpose of the Main St SRF-** no Bud Com vote required.

**Article 6-Add to Highway Equipment CRF-** to add \$25,000 to the fund

Motion: (Arcouette, second E. Johnson) to recommend Article 6 passed unanimously.

**Article 7- Recreation Equipment Fund-** to add \$4,000 to the fund

Motion: (Arcouette, second N. Johnson) to recommend Article 7 passed unanimously.

**Article 8- Appropriate Earned Interest Earned-** to expend \$5,500 in interest for debt service on the Public Safety Building bond

Motion: (Arcouette, second E. Johnson) to change the date to 12/31 in 2 locations passed unanimously.

Motion: (Arcouette, second N. Johnson) to recommend Article 8 as amended passed unanimously.

**Article 9- Add to Self Contained Breathing Apparatus CRF-** to add \$10,000 to the fund

Motion: (N. Johnson, second Arcouette) to recommend Article 9 passed unanimously.

Mr. Capello will add "Apparatus" to the last line of the article.

**Article 10- Revaluation of the Town CRF-** to create the CRF and deposit \$25,000 in the fund

Motion: (N. Johnson, second E. Johnson) to recommend Article 10 passed unanimously.

**Article 11- Police Outside Detail SRF-** to fund Police payroll/equipment with \$90,000 from the SRF

Motion: (Arcouette, second N. Johnson) to recommend Article 11 passed unanimously.

**Article 12- Add to Emergency Motorized Equipment CRF-** to deposit \$40,000 in the CRF with funds from ambulance billing

Motion: (N. Johnson, second Arcouette) to recommend Article 12 passed unanimously.

**Article 13-Farmington Cable TV SRF-** to expend \$60,000 from the SRF for cable TV purposes

Motion: (E. Johnson, second Arcouette) to recommend Article 13 passed unanimously.

**Article 14- Landfill Closure Fund CRF-** to deposit \$51,407 in the CRF

Motion: (Arcouette, second E. Johnson) to recommend Article 13 passed unanimously.

**Article 15- Landfill Closure Fund CRF-** to withdraw \$25,000 from the CRF for well testing

Motion: (Brown, second E. Johnson) to recommend Article 14 passed unanimously.

**Article 16- Bridges and Road Design CRF-** to add \$5,000 to pay 20% of NH Bridge Aid

Motion: (Cataldo, second Arcouette) to recommend Article 16 passed unanimously.

**Article 17 –Discontinue Public Safety Building and Equipment CRF-** to end the fund and deposit any interest in the general fund

Motion: (Arcouette, second E. Johnson) to recommend Article 17 passed unanimously.

**Article 18 – Bld. Inspector SRF-** to withdraw \$65,000 from the SRF to pay the Bld. Inspector

Motion: (Arcouette, second N. Johnson) to recommend Article 18 passed unanimously.

**Article 19- Police Contract** – to approve and fund the 3 year contract for a total of \$83,038

Motion: (N. Johnson, second Arcouette) to recommend Article 19 passed unanimously.

**Article 20-Depreciation of Waste Water Treatment Plant-** to add \$25,000 to the CRF contingent on an equal match from the Waste Water Enterprise Fund

Motion: (N. Johnson, second Arcouette) to recommend Article 20 passed 6-1 (Henry opposed).

**Article 21- Development of Water Asset Management-** to pay \$60,000 to develop the program and authorize Selectmen to apply for and expend any state/federal funds to reduce the amount to be repaid and authorize participation in the State Revolving Fund.

Motion: (N. Johnson, second Arcouette) to recommend Article 21 passed unanimously.

**Article 22- Fund Future Tech. CRF with TDS Franchise Fees** – to put \$500 in the CRF with funds to come from the TDS franchise fees

Motion: (N. Johnson, second Arcouette) to recommend Article 22

Motion: (N. Johnson, second E. Johnson) to change the amount to \$1,500 passed unanimously.

Vote: Motion to recommend Article 22 as amended passed unanimously.

**Article 23- DPW Contract-** to approve and fund the 3 year contract for a total of \$23,062

Motion: (N. Johnson, second E. Johnson) to recommend Article 23 passed unanimously.

Members signed copies of the 2017 MS-737 to be posted with warrant.

Mr. Capello thanked the committee for a smooth budget process.

**5). Next Meeting:** February 22, 2017 at 7 p.m.

**6). Adjournment:**

Motion: (Brown, second Mitchell) to adjourn the meeting passed unanimously at 9:10 p.m.

Respectively submitted

Kathleen Magoon

Recording Secretary

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Stephen Henry, Chairman

