

BUDGET COMMITTEE MEETING
WEDNESDAY, DECEMBER 11, 2013
6:00 PM

BUDGET COMMITTEE MEMBERS PRESENT: Mark Scarano Sandra Coleman Mardean Badger Christine Cilley David Ruell Fran Newton David Toth
Absent with Notice: Ingrid Henireich

Others present: Paul Branscombe TA, Norman DeWolfe Selectman, Steve Felton CIP, Eli Badger ZBA & Housing Standards Board

Mark Scarano called the meeting to order at 6:01 pm.

The board went over the minutes of Nov. 13th and made corrections. Mark Scarano's name spelled wrong in the beginning of first paragraph. Jeanette spelled wrong near the end of the page. David Ruell stated that it should say Septic Receiving Station not Septic System. Mardean made the motion to approve the minutes as amended. Seconded by Jeanette, vote was unanimous.

Paul will check on the amount on the line for in Lieu of taxes.

There was discussion about the financial forum 2. Someone asked about advertising, Jeanette said she put one in The Laconia Daily Sun under her name so the budget committee or cip didn't have to pay. FN said she was pleased with the financial forum 2 attendance.

Minutes of 12/5/13 CC made motion to approve minutes, seconded by FN. Unanimously approved.

Paul B. said the general comment from Brenda P. was that revenues would be down or flat. She calculated property taxes by the trend for 5 years and multiplied. Brenda could not make it to the meeting as she had a family commitment. David R. asked if she was using the current assessment. Paul B. said he assumed that she was. Jeanette S. mentioned that the selectmen had not approved the revenue figures yet as they were not ready at the time of the work session.

Mark S. passed out the spread sheet used for the forum. Mark S. went over the spread sheet with the committee. Fran N. mentioned that the figures were not correct. Mark S. had transposed numbers on the sheet. Mark will make a change on the sheet. Mark said that non property tax revenues are expected to go down. He also stated "warrant articles are \$68,000 more than last year". Non property tax revenue needs to go up or we need to cut. Mark also said this is why we are asking dept. heads to look into grants for something they are doing or plan to do in the future. Right now it would be an .81 cent increase in taxes as it stands right now.

Fran N. said we cannot count on grants. Fran said she does not see how you can increase non property tax revenue. David R. said the cell tower increases that a little. Paul will research the cell tower revenue. \$146,000 needs to be made up in property taxes. Fran N. said it's up to the voters. Jeanette S. said the public works department is saving the town money as Tim P. is replacing 2 vehicles with 1 vehicle.

Sandra C, said a lease goes on from year to year. And many people don't realize that when they are voting on a warrant article.

Dave T. said keep taxes the same, because of the long term predictions. Expenses are going

up and revenues are coming down. Dave T. said it might not be true, but predictions show it will go up and up. We are a town of lowest incomes.

Fran N, said we have Capitol needs and we cannot have it all, she said we are at the breaking point.

David T. said with the operating budget and the capitol expenses we have look at the whole picture.

Fran N. said anything we can get from grants is important.

David R. said stabilize tax rate.

Fran N. said projected budget has gone up. Projected 5% increase each year.

Mardean & Sandra said keep the property taxes the same as last year,

Dave T. said there are risk factors, which may add a significant amount to our operating expenses. Likely water & sewer and street improvements. He also said that the unassigned fund balance is a low number, not at the recommended %. Amount of money for emergencies is not enough. Dave T. said we should level fund the budget including the warrant articles.

Fran N. said level fund, and we need a conservative budget.

Jeanette S. said the selectmen decided on this budget as it is what the town needs to work with and to still give the services.

Mark S. agrees with Dave T.

David R. said we have been under investing in the town. Said we may need to spend more to keep the town running. Costs go up.

Christine C. passed

Mardean B. said we have to be conservative, some costs we can control and also be conscious of tax rate for citizens.

Sandra C. does want to see the budget level funded, and asked if this includes the warrant articles and Dave T. said yes. Sandra C. agreed with Dave T. Sandra said they did not use unassigned fund balance when she was on the board. She said we need to look at the whole picture the school, county, state, and town. Sandra said the town portion increased .55 and would have been \$1.55 if you did not use the unassigned fund amount.

Dave T. said we need to have and Economic Development Committee. The more we increase the tax rate it will have an affect on whether people will want to come here or not to live. He says it is a bare bones budget. Fixing the windows in the town hall is an investment.

Fran N. said is we want the warrant articles we have to make sacrifices in the budget.

Jeanette S. said remember there will also be petitioned warrant articles which will be more money. She doesn't want to level fund as she feels the depts would not be about to work efficiently if we level fund the budget.

Sandra C. said NH is the third highest state for taxes.

Mark S. is in favor of level funding. He said we are still better off than Maine, Massachusetts

and Vermont. He talked about what does the tax rate do to Rochester Shoe Tree and Frudenberg. What happens if Frudenberg's roof falls in and they have to repair it.

Christine C. said we need more businesses in town.

Fran N. said can I make them some cookies!!!!!!

Mardean B. no comment.

SC Frudenberg saved money with the electric dept.

David T. said our goal should be not increase in property taxes.

David R. said this is a good working budget.

Fran N. said whatever we do today will have an affect for next year.

Jeanette S. said Barry's closing is in January so that will help bring in new taxes for the future.

Sandra C. asked about tax impact on each warrant article. Jeanette S. said it would be on each warrant article for the vote in March.

Dave T. said he has said everything he wants to say, and does not want it to seem like he is telling the selectmen how to run the town.

Fran N. agrees with Dave T.

Jeanette S. said she is all set she has spoken her feelings.

Mark S. passed.

David R. understand impact of decisions we make, but feels uncomfortable about doing it this way.

Dave T. he does not think we should cross the line by cutting a program.

Christine C. said we should cut back on overtime by splitting the shifts.

Sandra C. said we definitely should level fund the budget including the warrant articles.

Mark S. said how do we meet this goals?

Sandra C. said she doesn't feel we should do it line by line, we could do it by departments. Sandra mentioned that much of the budget was voted back in at the SB2 meeting.

Dave T. said as a Budget C. we need to be fiscally responsible. He also said he feels the budget committee did their job last year.

Mark S. said we have choices. Keep taxes the same or follow the budget that the selectmen gave us.

Dave T. said we need to look at what affect bring the budget down will have.

5 to 2 were in favor of Dave T. suggestions and Mark S. did not vote, but said he was in favor of this also.

David R. and Jeanette S. disagreed.

Paul B. said to remember the income and expenses of the dept. heads. Paul B. said it would be brutal to cut the budget by \$140,000 or \$200,000. Paul feels this is a good budget and meets the needs of the town.

Mark S. said if you cut by % sometimes you throw the baby out with the bath water. He doesn't not agree with the across the board % to cut.

Sandra C. asked if they were all union members? How many are salaried?

Fran N. maybe we should come up with a different way to manage the budget. Going forward we need to find a different way to do business.

Dave T. feels the townspeople will leave, because of the tax rate. He says what can people live with financially?

Jeanette S. said don't forget it is not just the town it is the County, The State and the local school.

Mark S. said that graphs showed the tax rate continuing to go up.

Fran N said we are between a rock and a hard place.

Mark S. said for the next meeting look over the budget with suggestions. The next meeting is Tuesday, Dec. 17th, everyone agreed to 5 pm. The 12th they vote on the school budget. Mardean will ask Trish to get it ready. Other meeting is 12/30, and everyone agreed to 5:30 pm. Dave T. said we need the cash flow and the reports. Sandra C. said on the 17th we should have the utilities first so Jeanette can have time to get to the meeting. David R. will check to see if we can use the library on the 20th.

Dave T. said he would take minutes at the next meeting.

January 15th is the town, January 16th is the school and the snow date is January 17th. These 2 meetings will be in the school cafeteria at 7 pm. Motion made by FN to approved these dates, seconded by JS. Unanimous vote in the affirmative.

Motion made by FN to adjourn at 8:02 pm, seconded by CC. Unanimous vote in the affirmative. Meeting was adjourned.

Minutes taken by Jeanette Stewart