

**Warner Budget Committee  
Meeting Minutes  
Thursday, January 21, 2016  
UNAPPROVED**

Mike Cutting opened the meeting at 7:03 pm.

In attendance: Mike Cutting, Martha Bodnarik, John Leavitt, Alfred Hanson, Allan N. Brown – Selectman's Representative, Peter Newman – Commissioner Warner Village Water District

Others present: Jim Bingham – Town Administrator, Jonathan Lord, Judy Newman-Rogers, Selectman David Hartman, Selectman Clyde Carson, Barbara Annis

**1. Approve Meeting Minutes**

**A.** Meeting minutes of January 7, 2016. Alfred Hanson made a motion to approve the minutes.

After discussion Alfred Hanson made a motion to wait on approving the minutes until Martha Mical and Kimberley Edelman are present, seconded by Martha Bodnarik. Voice vote was taken on this motion with all in favor.

Voice vote was taken on the first motion with all against.

**B.** Approve minutes of January 14, 2016. Michael Cutting noted there were some discrepancies on these minutes and asked to hold off on approving them.

**2. Review of 2015 YTD Expenditures**

Michael noted the committee members had a copy of the present budget which is \$3,440,793 which shows, as of January 21, 2016 an expenditure total of \$2,830,207 leaving an unspent balance of \$136,627.

John Leavitt: At last week's meeting I wasn't comfortable with the bottom line and this past week reviewed minutes and Selectmen's meeting and concluded that I can't support any increase in the bottom line and think it should be \$0.

Last year there was a \$32,000 increase in the highway department operating budget after they overspent by \$25,000 in 2014 spending more than 40% of the total budget in the last quarter of the year. It was believed by some that the overspending was from poor management within the department. Because of this there was concern about giving them additional funds. New management was an unknown and an increase was approved.

Between the highway department and the surplus, it could have warranted a small decrease in last year's budget instead of flat funding. Twice prior to the January 29, 2015 final budget submittal we were told the proposed budget represented bare bones bottom line. After the Budget Committee voiced dissatisfaction the administration cut the budget two more times.

In 2016 concerns over last years' budget appear to be validated. The unspent funds shown are \$148,933 and very department's budget was reduced. The gas/diesel/fuel oil/propane costs were two exceptions; the transfer station who relays heavily on the unpredictable waste oil availability and the highway dept. diesel fuel line. Diesel fuel has decreased in price by at least 40% and it is not unreasonable for the diesel line in the highway department to be reduced by 20% which is \$13,000.

A full year of good highway department management should also return additional cost savings as was shown in the 2015 expenditures. The Budget Committee observed a highway department surplus of \$27,000 January 6<sup>th</sup>. It was explained that the number would decrease by invoices not yet realized.

The December 26<sup>th</sup> Selectmen's meeting minutes state that anticipated operating budget surplus was \$269,000 with the highway departments being \$74,000. \$28,000 was encumbered for a generator for which there was no invoice.

On January 11, 2016 the January 6<sup>th</sup> anticipated operating budget surplus was reduced by \$121,000 to \$148,000. It's unusual to go down that much that quickly unless they were trying to get as many invoices as they could to get the number as accurate as possible. I'm comfortable that the \$148,000 is relatively accurate and it's gone down \$10,000 with the latest output.

The highway department anticipated surplus is reduced by almost \$47,000 to \$27,368. The Selectman voted to accept the generator bid which I don't think was included in this year's budget when discussed last year. My conclusion is the 2016 operating budget should be at minimum held at the 2015 level at \$2,966,834. The Selectmen's own documentation proves that last year's budget was bloated with surpluses which encourages additional spending such as the highway departments purchase of the generator not discussed last year. My conclusion is that the budget is bloated quite a bit.

Town Administrator: Mr. Leavitt mentioned that the budget in 2015 was decreased twice to get it down to a flat budget. I would like to remind the Budget Committee the last decrease was unexpected because we got a premium discount from the insurance company that was \$6,000-\$7,000. At the time we made the statement that it was a bare bones budget but it was based on a higher premium. I have the documentation and it happened in the closing week of December/beginning of January which is when we were able to say we got this windfall and the budget was going down to a flat budget. I don't want to allow the impression that we're holding back because that's not the case at all.

As far as budget researching and what seems to be bloated or not bloated, I would remind the Budget Committee that we spent a lot of time providing notes for every line item and explaining every expense. We justify as best we can every dollar that's being asked for and backed it up. If the Budget Committee is not using that information that's a mistake. When you're looking at a budget, especially towards year end, and you're getting invoices and changes in rates coming in, that's not a good time or way to look at what is up and down. It's a fluid entity that can't be nailed down.

Selectman Carson: A budget is a budget and the way we do it is not by taking the prior year and adding to that. We start with a clean sheet, each department comes in with what they need to run their department, we go through each line item and justify it to make sure it makes sense. If we go through a year and have surplus, many times it's because of personnel changes or changes in cost. My point is you can't use the prior year for beating up on the new year budget because we start with a clean sheet.

John Leavitt: The feeling last year was that the budget might have been high to begin with because of the bond sunset and the existing surplus. It wasn't comparing last year to this but voicing concerns last years was higher than it should be. To this Selectman Carson agreed and said I've made that observation that in terms of the percentage of the budget increase it was probably not as honest as it could have been but the absolute budget items were built the same way.

Town Administrator: I would remind the Budget Committee again that the 2013 budget could be interpreted as a low budget at \$2,900,000 and it went to \$2,965,000 the next year. Of the 2013 budget \$30,000 was taken out by a highway loan which hamstrung the departments' performance. It's very difficult to go year to year when these factors aren't taken into consideration. The 2013 budget should have been \$2,931,000 with enough funds for the highway department to buy materials. Because far less was done in 2013 there was a catch up in 2014 which increased the budget.

Michael: Question on the generator. The monies were encumbered by December 31<sup>st</sup> but how do you encumber monies if you don't have an invoice? I thought by statute you had to have an invoice or purchase order to do that. If you hadn't voted on it until mid-January did you have an invoice or a purchase order for December 31<sup>st</sup>?

Town Administrator: We voted on it in December and had documentation at that time.

Martha B: I would rather there be a little extra room in the highway budget knowing what isn't needed will be returned to the tax payer. You can't anticipate how much snow and ice we will get. I think the majority of townspeople would go with an increase to insure they receive the same level of services they have been getting.

John Leavitt: There's no slight against the highway department. The comment that monies that are surplus this year go back to the taxpayer does two things. It doesn't go back to the taxpayer it goes to the general fund which may or may not translate to go back to the tax payer. By doing that you're negating what we do here which is to make a workable budget to provide services to the town.

Selectman Carson: If you look at a surplus or an over spend of say \$200,000 in the overall context of things it's like a 6%-7% variation which is good budgeting which speaks to the work of the Selectmen and the budget committee.

Michael: It's less than that; if you look at last year's budget and what we spent we're only at 4.61% surplus using that \$136,627.

Town Administrator: I would also make the point that bringing back a small surplus is a good sign because you don't want the town and the Board of Selectmen in a position where unexpected circumstances arise and we run out of money. The state designed it; CIP and capital reserve funds so that you have a cushion. To go the alternate way in which we find ourselves running out of money and have to go for a tax anticipation note or a special meeting to raise revenue again is much more stressful.

Michael: I have the ability to look back 30-40 years and can remember years when departments looked at budgets and spent like the devil the last 30 days knowing that whatever they didn't spend would be taken away the next year. That mind set is no longer and I don't mind coming back with a surplus. From Martha's point all it would take is 1-1 big snowstorms in Nov/Dec and that surplus wouldn't have been there.

Discussion: How much is expended by the highway department during a large storm and that each storm has different dynamics with differing wear and tear on the equipment.

Alfred Hanson: Every time we talk about the highway department it's about snowstorms but there is much more that goes on. If you get a big snowstorm and are over budget, you're not going to tell the highway department they can't do other jobs than need to be done. You will get behind in your budget and the highway department will suffer but you won't come back to the town the next year and say you're over budget.

Selectman Brown: That's not the way it works because you don't plow Nov/Dec snow before putting culverts in the previous summer. The Nov/Dec storms are when you're at the end of the budget.

Michael: One of the things John mentioned was the cost of diesel and cutting the budget for that by 40%. We're under a state contract to buy from them which is a set amount and that doesn't usually fluctuate as much as the market price does.

Alfred: There is a clause in the contract and there is an adjustable rate which is capped.

Town Administrator: We as a town and other towns have the privilege of buying at that rate plus that rate doesn't include taxes.

To respond to Alfred's comment, if we had a particularly tough winter and spring where we used far more than we expected we would have to look to see how it effects summer projects. In the private sector you have expected revenue and operating budget and if the revenue isn't coming in after about 6-8 months you go into budget cuts. In a way we would have to do a similar tact if that was the case.

Alfred: Have we done budget cuts with department heads in the last 4-5 years? The Town Administrator replied yes but some departments go in cycles, like the election.

Judy: That was cut a lot a few years ago during the year preparing for the next year.

Town Administrator: We postpone or cancel expected discretionary spending such as new computers.

John: Why do we give the Sunapee VNA \$7,000/year and don't give Concord any.

Selectman Carson: I was a caregiver and Warner is in the black hole of care giving in the state. We're in New London's area and not Concord.

Michael: VNA is based on a per capita rate so they set a rate for the population which is what we pay. It's nonnegotiable, you pay and get the services or pay none and get no services in which case we would have to go back to Concord and see if we could negotiate with them.

Judy: How do we budget for payments like the bond and pumper and why do we pay less than what we budgeted, aren't they fixed?

Town Administrator: As you pay on the principal the amount of interest goes down so over the course of the year we budget not knowing how it's going to go down without studying a very involved process. He also said he would look into the VNA coverage and why Sunapee and Concord overlap in Warner.

Martha B. had a question on what Judy brought up and more being budgeted for the pumper principal next year than what it cost this year and that it should be down. She asked if we should knock \$2k off of that.

Town Administrator: The pumper annual principal payment is fairly steady and if anything take a look at the interest.

Martha B: You went from \$21,000 up to \$21,700 then down to \$21,600. She asked if something was missed on a payment and that it should be looked at and dropped because it doesn't fit with the rest of it. The numbers should be a straight progression and they're not.

Michael: Is the Hopkinton landfill closure based on their monitoring activity or is it a set dollar amount?

Town Administrator: It's a combination and there is a portion of it that is a set dollar amount which is part of the loan payment and there's a portion that refers back to the cost of monitoring which can vary.

Martha B: Did you not include one of the pumper payments because that interest is lower than what was budgeted and those should be pretty much set in stone, you know what it's going to be each year.

Town Administrator: I would think so. Judy said the combination of the two should be fixed so the interest plus the principal should be the same every year in total.

Alfred question to the Town Administrator: On the Hopkinton landfill closure, isn't that done? It was clarified it will be in 2017. When that land closure is done it's only monitoring we will pay so that number should go down. He asked the Town Administrator if he had the breakdown of the difference in the monitoring and closure.

Town Administrator: The bond payment is in the vicinity of \$20,000 and the other costs for monitoring takes up the balance of that.

Michael moved the meeting on to Warrant Articles.

### **3. Warrant Articles**

Martha B: In the fall newsletter was an article about participating on a decision for the fire station land to show up at Town Meeting. I'm assuming between now and town meeting we will get a winter newsletter and suggest having an article with the Warrant Article information.

**Article III** to raise and appropriate the sum of \$362,400 for the solar array panels, needs to be a 2/3s majority.

Selectman Carson: I've done an analysis and have been working with Public Service/Eversource, Joe Harrison from the CDFG, and Harmony Energy Works to identify conservative estimates of what we might expect from this array plus what we optimally might achieve. In the first full year, if you take what we will be paying Public Service and add to that the financing of the array, subtract out what we will get for energy credits and selling renewable energy credits we reduce our cost of electricity at a minimum 16%, possibly as high as 29% and will probably realize somewhere in the middle of that.

Alfred: Is construction set if this flies?

Selectman Carson: Construction would be this summer and we need to make sure Public Service says we're approved for the net metering. Sunlight at the end of the year is the worst so the first year we're not going to be cash positive but the next year we should be. Alfred asked about outside money that's available. Selectman Carson replied that we have made the application to Rural Development for financing as well as the grant.

Martha B: If things don't go according to schedule or you don't get the loan, we've already raised \$10,000. Is there any way to get around that and take it out of surplus so if we don't get the loan taxes haven't been raised?

Selectman Carson: At the end of the year when we set the tax rate the Selectmen have the ability to make that happen, we can pull the \$10,000 out of surplus to offset the tax rate.

Discussion: Funds for the roundabout that had to be encumbered because it did not happen on schedule, if we don't get the solar array constructed we can encumber the \$10,000, that if we don't get the loan there is an option that we can get one with a higher percentage of interest which would need a new warrant article.

Alfred asked the Town Administrator if you can encumber capital reserve money. Jim replied if the money has been authorized to be spent and it doesn't get spent by the end of the year it can be encumbered. A project has been approved and it's been delayed. The reason that wasn't done for Exit 9 is that we weren't quite sure.

John Leavitt: To Martha's point about the surplus, the project won't be cash positive however the operating budget will see a savings the last 2-3 months of the year because the electricity should be lower.

Selectman Carson: What I've been told is that we're going to have to pay the loan but the state gives rebates which don't kick in until 3-4 months after it's turned on so I'm not sure how it's going to go.

Town Administrator: We were under the same impression that our electric bills would go down. That's not the case, we will pay the electric bills but will get added revenue for the generation of electricity we make that offsets our electric bills. It's not like in 2017 we're going to have electricity for the town hall at \$5. We'll still have that bill but with the non-tax revenue increase there is less need to raise taxes.

Selectman Carson: Whatever we produce over and above at the Transfer Station goes into the grid, for example we produce 140,000 kilowatts of surplus electric, they will pay us monthly based on that at roughly .12 per kilowatt hour. How we count that as far as revenue or if we credit it to our electricity line I'm not sure.

Discussion: It would need to be considered revenue, that in the summer the surplus would be more, for every 1,000 watts produced we will get an energy credit which we can sell on the market which is also revenue and that it is believed the revenue will be in the form of a check as opposed to credits.

Selectman Carson: Just because we say we're net metering they won't apply credit automatically to the town hall or library electric bill. All they know is we produced surplus at the Transfer Station. We expect we'll have a surplus of between 140,000 and 150,000 kilowatts/year.

Judy: Are we getting a grant from Rural Development and also taking out a loan with them? That was confirmed.

John: The problem I have is all these grants are taxpayer dollars and I would be interested to know how viable this is if we weren't getting any taxpayer dollars from the state or federal.

#### **Article IV**

Michael: Shall the town authorize the Board of Selectmen to enter into a lease/purchase agreement for the grader, cost of \$42,750 which was reduced from last week's total. It's a seven year lease and we'll pay \$42,750 for the seven years and upon the ending of that will own it.

I understand there was a provision to put in the lease that should the town not want to fund it, the grader would be returned to the lease company. It was confirmed that at the end of seven years the grader will be the towns at the cost of \$1.00.

Martha B: I don't know equipment, is this a good price? Allan Brown replied there is not much difference in the three graders that were looked at and there are 38-40 miles of dirt road we need to maintain.

#### **Article V**

No discussion.

#### **Article VI**

Michael: Shall the town raise and appropriate the sum of \$199,755 for the Exit 9 Project. As I said the only reason we're bringing this forward again is because it wasn't encumbered last year.

Marianne Howell: Last year when we voted for this we voted \$753,000 and I wanted to make sure that even though we've got the grants from the state we can expend that money. I always understood you couldn't expend revenue unless you budgeted for it. I would hope we are double checking that we are reasking for the right amount of money. Why isn't it \$753,000?

Town Administrator: Because the reimbursements from the state are part of the program so they will go over a year.

Marianne: I understand that but I thought part of the budget law for a town was they couldn't expend revenue unless it was reflected in their bottom-line.

Town Administrator: It is reflected in the Warrant Article, we have the full amount of the full cost of the project and we identify the different sources of income to pay for the project. The two areas of income that lapsed were the money allotted from general fund and the money raised through taxation.

Marianne: I think we're talking two different things; about funding that's lapsed and expending funds. I think they are two different parts of budgeting and would request that someone make sure this shouldn't be the amount we're really going to spend on it. Always one of the catch phrases is that you can't spend revenue unless you have budgeted for it. Perhaps we should check that detail.

Martha B: I wonder if part of it had to do with the fact that we had to count revenue that we didn't have yet in 2015.

Marianne: If you had not allowed for it to be expended in this next calendar year, are you going to be able to expend it or are you going to be considered over budget?

Town Administrator: I went over this with DRA thoroughly and I will do that again to make sure we're capturing what we should. If they tell me something like that I really need to take their word for it.

Barbara Annis: This looks like the town is only going to pay \$199,000. In other words the bills that are coming in from construction the town will be paying in the amount of \$199,000. If the construction comes in at a million dollars, normally in the past you had to raise the entire amount of the cost of the project.

Martha B: This is saying that we have the existing capital reserve fund and this is all that we need to come to the end of it. It doesn't say the cost of the project but we need to add into the fund.

Michael asked the Town Administrator to check with the DRA and said I know the Warrant Article was written last year exactly as Marianne is talking about and I know we didn't encumber that money which is why we have to run it through this year. I'm not sure that Warrant Article follows forward because last year we appropriated the whole \$700,000.

Town Administrator: RSA 32:3 VII points out that money coming from state reimbursements and grants are non-lapsing as long as the program continues and therefore does not have to be encumbered. I will go back and check it again.

Michael: Jim will follow up on that. In capital reserve for Exit 9 right now we have \$45,000 with the anticipation that we will get the 2/3s of the Phase I and Phase II upon approval from the state and use that money for expenses for this next year. That dollar amount was put into revenue so we could.

My point is when you look at the total capital budget you folks made the decision not to fund highway construction by \$100,000. This was confirmed. By not funding that are you going to have sufficient funds between the \$45,000, the 2/3s back from the state. Selectman Brown clarified the town will get \$200,000 upfront from the state as soon as the contract is signed.

Alfred: Wasn't all the money there last year? He was told it was. I understand what Marianne is saying so what is the different.

Selectman Brown: To answer the question we don't have to reappropriate the money because it's an ongoing state project and the funds can't lapse. You have to reappropriate the money we were going to take out of the general fund last year and the taxation amount.

John: The appropriate expenditure that was voted on last year, you don't have to encumber that the end of the year for the spending portion. That gets extended for another year. It was discussed that the Town Administrator will check on that.

Town Administrator: I think the concern is, do we have enough money in our pocket to pay the bills while waiting for the reimbursement to come back. On a long term project I think that's a very valid concern because you're floating a lot of money. Ideally we're going to raise all of it, pay for it and get the reimbursement later. That is going to bring the tax rate up and the next rate we could probably take it down. In order to not get this on the tax rate we're saying we're going to already count these reimbursements coming in and this project is supposed to be done in 12 weeks. That should give us plenty of time to turn it around and get the money before the end of the year as our plan is to break ground in spring/summer.

Michael: The issue could arise where you don't get the funds back until 2017 which could cause a problem.

Town Administrator: We're talking about cash flow so what happens in July? We get a second payment on the taxes so I don't think the cash flow is going to be an issue. Getting the money back before the end of the year will be a bigger issue.

Discussion: The state could delay construction approval which would delay the project and reimbursements, you cannot spend these funds if you don't show what the funds will be spent for, and that the voters said yes last year to spending the money.

**Articles VII, VIII, IX, & X** were brought forth with no discussion.

#### **Article XI**

Michael: Shall the town raise and appropriate \$100,000 to be added to the already established capital reserve fund for the purchase of a new fire station and to design and construct a new fire station on that site, whatever that site is.

Martha B asked why \$100,000. Selectman Brown replied we are looking at a piece of property which we know the cost of and we know what we spent the last time we had to do a site analysis so between the two we need \$250,000 in total and currently have \$155,000.

Martha B: Are you going to be prepared when this article comes up at town meeting to do a presentation of the site you want to purchase to which Selectman Brown replied absolutely and said it is my hope that by next week we can finalize this article.

Michael asked if the Budget Committee will know the site location before they vote on the final budget to which Selectman Brown replied that is what he hopes to do but he is only one member of the Selectmen.

Martha B: I would prefer it was for the purchase of a specific new fire station site.

Selectman Brown: It will be specific in that it will have a map and lot number.

Selectman Carson: I don't disagree with that but having watched the process on the last go around, we're going to have public input and if we do an analysis and for whatever reason it turns out that the lot we come to town meeting with isn't

the one we end up on, that means we have to go back and look for another lot. My concern is that if town meeting says this is the lot and it's not we're out of the water for a year.

Selectman Brown: As far as I'm concerned if we don't put a map and lot number on this, and tell the people this is the one we've chosen, it's not going anywhere anyway because I don't believe the towns people will give us \$100,000 to go anywhere unless we are specific in what we're going to do with it.

Selectman Carson: We have to have something that says, if it turns out we can't use that lot, are we going to wait for a year?

Selectman Brown: We're going to have to wait for a year because we're going to have absolutely nowhere else to go.

Town Administrator: The more we have a discussion about lots, or a particular lot in public session, the more the town is going to have to pay for it. The issue is that you have to give the board some flexibility and their goal is to have a conditioned purchase and sale agreement in order to get this to fly. If we keep talking the way we are boxing ourselves into a commitment we're not ready to make, we're not going to get the price we should get.

Martha B: Rather than putting a map, lot number on it or a dollar amount, why don't we put \$10,000 and when it comes up on the floor then you present the map and lot you want. Don't tell us next week, wait until town meeting and tell us how much we need at that point. There are a lot of people who don't think we need a new fire station and others that say we have to have a site to build on. You have to find out what it is the town really wants. I refuse to keep filing the piggy bank without knowing.

John: Are we going to town meeting with the anticipation of having a purchase and sale agreement?

Town Administrator: There will be some conditions on it, to which Selectman Brown added that is his hope and that he doesn't think he can get up and sell an article that doesn't have a plan.

Discussion: That would be the best chance of getting it passed, the purchase and sale should be done a period of time before town meeting, and there needs to be a map and lot number on the warrant article so the public is aware before town meeting.

Martha B: Don't put it in here, wait until you have it in hand before town meeting and if you've got an agreement and then everyone can be told.

Michael: You wouldn't be putting a lot, map number until there is a purchase and sale which was confirmed.

Alfred: My question is, no matter if we put \$5.00 in this article or \$100,000 if it flies it flies so the town will have spoken. If the town keeps coming back without a decision the cost will keep going up.

Barbara Annis: How does this work with the two public hearings, it's something the Selectman can ignore. Selectman Brown replied that we don't have to hold them if it gets voted through at town meeting. Barbara said the town voted to adopt it so that can't be ignored.

Town Administrator: On RSA 41:14 which is what Barbara is referring to we met with counsel and is set up so that it gives the board authorization to buy a piece of land that wasn't brought up at town meeting. They can't just buy anything without having two public meetings like it was done when we bought the first fire station site. If the vote is done at town meeting, the town has directed the board to buy that particular lot that was presented in the warrant article.

Marianne: To meet that standard you would have to announce the appropriate law prior to town meeting and even if it didn't pass you could change the purpose of the money. Clyde had the concern if the article passed with a specific lot attached and if the lot didn't pan out you could change the purpose.

It was discussed and confirmed you would have to wait a year to do that.

John: The capital reserve fund has already been identified as money to be spent on the new fire station; site, plans and building so you can't attach \$100,000 to that fund just for land.

Town Administrator: John has a good point and what we're trying to do is using the capital reserve fund on the warrant article for the purchase of a specific item, it should be one or the other so we will have to change it to say to raise this much money to buy the full cost that we negotiated, some of it coming from taxation and some from capital reserve fund already established.

Michael confirmed with the Town Administrator that they would need to reword Article XI.

Martha B: If it turns out that the true intent at the meeting is that they want a new fire station site, Clyde can always present and say can we alter it once more to say in the event this lot doesn't work out we can use the money towards another site.

John: Another point, it might be a good idea to have a warrant article for highway/road construction for \$5k or \$2k so if this one doesn't pass you can amend that one.

Alfred asked if a purchase and sales agreement could be reneged at any time. Selectman Brown replied yes that you could have a non-appropriation clause or a nonfunctioning clause. Alfred continued, the agreement will be labeled somewhere with the towns interest with Selectman Brown confirmed.

Town Administrator: It's the same thing with a private purchase and sales; it can be contingent on getting financing, etc.

Judy: Could you word the article to say the purchase of the lot is contingent upon something and then the money can be used for another lot if it comes up? You want to put the \$100,000 into the capital reserve fund and I think you should name the fund for what it is going in to.

Discussion: It had been noted to do that and the fund will be used to buy/design/and start construction of the building.

**Articles XII XIII** were brought forth with no discussion.

#### **Article XIV**

Michael: Shall the town raise and appropriate \$25,000 for the previously established Odd Fellows capital reserve fund for the purpose of hazardous mitigation on this Brownfield site. He asked if they want to include "for the purpose of" or would it be better to not specify what the purpose is.

Town Administration: I would prefer to include "the purpose of hazard mitigation" as that was the original purpose. We received an email from the project manager at Weston Solutions that went over some questions that the budget committee and the select board had. From those answers it's fairly clear that we can't wait too long because the validity of the test become unacceptable by the facility taking our contaminated waste so we have a time line.

Alfred: I have a suggestion for this. As it stands now we have a few hundred in the fund. Discussion: What the project is going to cost and what the \$28,000 will cover. Alfred continued, that is a lot of money to clean up something and I think we ought to get the full amount to get it done which would only be another \$3,000.

Discussion continued on the project and what needs to be done, that if Mr. Irving's project goes through he wants to lift the building two feet, that the \$25,000 will cover going ahead with the project for clean up this year and that nothing has been negotiated with Mr. Irving for him to cover the costs of any cleanup.

Town Administrator: It's very likely that the town is going to have to foot part of the bill for hazardous cleanup. This soil removal is straightforward, it has to be done and it's one area we don't have to worry about. My guess is that Mr. Irving would expect we would take care of the soil.

Martha B questioned if anything is written into an agreement with a possible buyer and it was confirmed that has not happened.

John: (In reference to the answers provided by Weston Project Manager) Most of the answers are from a beauraucrat who is reading from a book and probably wouldn't pertain to what we're doing. The only one that really effects it is whether the testing is going to expire which it appears it will. I can refute the other answers but it's immaterial because of that one.

I have one concern, if the soil is taken out and left out will it compromise the foundation. The Town Administrator said they need to follow up on that.

Selectman Brown: I looked at the grid that is laid out and the brick foundation with pillars in the center and there's not a lot of soil under but they hit ledge so it wouldn't go anywhere. I don't want to appropriate any more than we have to for this, the town has sand, dirt, manpower and equipment so could fill in after the dirt is removed.

Town Administrator: I'm going to look into the concern if we leave it empty of fill and if there is a procedure they want us to follow up on in terms of putting in backfill.

Alfred made the point that he doesn't imagine they were going to do something that would compromise the foundation.

Selectman Brown: We also know that the hazardous material hasn't migrated outside the building because the wells haven't shown any contamination. I would say the foundation has stopped it because it's ledge. Allan confirmed for Selectman Hartman that it is 13 cubic yards of soil that needs to be removed.

Discussion: That is not a lot of material but the cost is due to the processing because it contains hazardous material.

#### **Article XV**

Michael: Shall the town raise and appropriate \$40,000 to be added to the previously established town hall building improvement fund. He noted it is to replace the lift.

Marianne: This really is a necessity. The lift is very hard to manipulate and use. I was here on a Saturday and someone was stuck in the elevator and set off the alarm.

John: My concern is that we don't have a current estimate so it may be more and I hope it's enough money.

Judy: Should this say for the lift? It doesn't say what it's going to be used for. The Odd Fellows Building warrant article is very specific.

Michael: If you leave it at \$40,000 any residual monies left over can go into the capital building improvement fund. If you highlight it for a lift and there is residual it makes it more difficult.

Discussion: You can't redefine money in a capital reserve fund that has already been defined and various wording for the warrant article.

Selectman Hartman: If you just said it was for the Odd Fellows building it could be used for redevelopment of it. This is specifically for the removal of the soil which is our obligation so it's fair to make people understand what it's for.

Judy: I understand what you are saying. There is the spending of the money and the intent to spend money. We're going to put the money into the capital reserve but we're also going to have an idea of what we want to spend it on. You're warning the voters what it's going to be spent on and they're going to come and vote on it. If you're going to put \$100,000 in the equipment fund, do people want to know what you might buy with it, even though it's called the highway equipment fund?

John: You can have a town warrant article and then have an explanation in the next paragraph explaining intent.

Michael asked the Town Administrator to run it by the DRA and that you have to make it clear the explanation is not part of the warrant article.

Marianne: Perhaps the selectmen can go into it at the beginning of the town report. It was agreed that this was a good idea.

**Articles XVI, and XVII** were brought forth with no discussion.

#### **Article XVIII**

Michael: Should the town raise and appropriate \$30,000 to be added to the previously established transfer station equipment fund. They are looking to replace the skid.

Martha B: It used to be you would go to town meeting and you knew what all of the money was being spent for. The way these are all being written now, if you haven't come to the Budget Committee meetings or the Selectmen meetings you don't know what the money is for.

Town Administrator: In support of Martha's comment, I have been thinking about this and we have been talking about a Skip Skid and know we're going to buy it this year so why not say that's what we're doing.

Selectman Brown: That's not the problem, if you say Skip Skid that is a brand name as is Bobcat. That's why it has to be transfer station equipment.

Martha B: The way the article reads it just says we're putting more money in the piggy bank it doesn't say we're buying anything. If I was going to town meeting I would like to know what we're buying.

Town Administrator: We'll look into how we can word that to explain it. I don't know what the generic term for that piece of equipment is. Selectman Brown noted those things used to be explained on the floor at town meeting.

#### **Article IX**

There was no discussion.

#### **Article XX**

Michael: Should the town raise and appropriate \$5,000 to be placed in the already established Conservation Commission Land Use Change Tax fund.

Barbara: When I was at the Selectman's meeting on Tuesday night this was discussed and I did not hear the Selectmen vote to put this in. Selectman Brown stated they had already voted on it and he had brought the board up to speed on what the Budget Committee had talked about.

Marianne: I was reading the last budget minutes about how much was put into the fund and I have the number for this year for what was received from the Change Use Tax - \$22,465.00 was deposited. I heard from Martha that there is an abatement that may be granted of \$500 from this so I would say \$22,000 is definite.

Barbara: As of December 31<sup>st</sup>, 2014 they had \$97,000.

Discussion: Whether or not the Conservation Commission had expended any funds this year, that last week a figure of \$114,000 was noted to be in their account and it's not known if the \$22,000 is included in that, and it is actually in a Trustees of the Trust fund.

Alfred: Is that considered revenue? The Town Administrator replied the town can't count it as revenue.

It was noted that the Budget Committee had last week discussed reconsideration of the \$5,000.

Selectman Carson: I think it follows the same logic John had for putting \$5,000 in for highway construction, it gives the Conservation Commission a chance to come before the town with this at town meeting.

John: I wouldn't submit any money and would take the article out as the money would be better spent on the operating budget for preservation of records.

Town Administrator: That's a good point but what Clyde is getting to is that we don't make the decision for the voters here by not putting it in. Let the voters make the decision at town meeting.

Michael wrapped up the Warrant Articles and there was no further discussion.

#### **4. Revenue**

Michael: Final figure for revenue that was supplied has not changed so there is no reason to review.

#### **5. Precinct**

Michael: Asked if anyone got an email from him with the new precinct budget and no one had. He said he would resend it tomorrow. They've increased their budget by \$300 total and it changes the tax rate from \$1.74 to \$1.75.

#### **6. Next Meeting Schedule**

Discussion: What needs to be done at next week's meeting is to review the changed Warrant Articles, those articles are for the roundabout, the fire station land purchase and the town hall renovation, and the Town Administrator will ask the DRA about explanatory verbiage in warrant articles.

Michael: January 28<sup>th</sup> we have scheduled an alternate work session and should be able, with Jim's resolution to these items, to be in and out of here relatively quickly and the next thing we have is the Public Hearing on February 4<sup>th</sup> after which we will vote.

John: Are we going to vote on what we're going to present at the Public Hearing as an overall package? Michael replied they have not done that in the past. John asked what happens years when the Budget Committee submits a different budget than the Selectmen.

Michael: We made the decision during the voting session after the Public Hearing. That way you have an input from the public and an idea of which way they're swaying.

#### **7. Public Comment**

Barbara: The conversation has been how to get the information out to the public with mention of another newsletter coming out. 99% of us go to the Transfer Station either Sat/Sun and part of the 4H is community service. I don't see why a flyer can't be distributed at the Transfer Station by the 4H kids; I'm offering this to get the information out. The Town Administrator said that was a good idea.

#### **9. Adjournment**

A motion was made and seconded to adjourn at 9:20 p.m.

Respectfully submitted,  
Lois Lord  
Recording secretary