



Warner Budget Committee

Meeting Minutes
Monday, February 12, 2018
APPROVED

Martha Mical opened the meeting at 7:00 pm.

Committee members in attendance: Martha Mical, Kimberley Edelmann, Alfred Hanson, David Minton, Jonathan Lord, Martha Bodnarik, Pete Newman, Kimberley Edelmann

Absent: Mike Cutting

Others present: Jim Bingham – Town Administrator, John Dabuliewicz - Selectman, Ray Martin - Warner Village Water District, John Leavitt, Bill Chandler, Tim Allen

1. Warner Village Water District

A. Ray Martin from the Water District explained their 2018 budget changed to reflect the separation of interest and bond payments as advised by the Department of Revenue. This change is for warrant article's 3, 4 & 5. The Water District received an order from the Environmental Protection Agency last November stating the Water District must reduce their copper and phosphorous levels before the treated water is released back into the Warner River. The Water District has until 2021 to correct the situation. The current system might be able to lower the phosphorous levels but the system is not capable to reduce the copper levels. Alternatives were looked at, one is called groundwater discharge which is simply similar to a giant septic system. The treated water will be discharged through pipes into the ground. That allows them to not dump anything into the river. At this time a piece of land is being tested for the system and the results will be reviewed by the Department of Environmental Services in Concord, NH, and EPA in Boston MA. The land is located across the river which means piping to the system will need to go under the river bed. Ray said no land will be purchased until the Water District receives the "all clear" from both agencies.

Committee Action

Martha Mical called for a motion, someone said motion, Alfred seconded. Martha M. said the BC is approving the budget for the WVWD in the amount of \$426,873. Martha asked the BC to raise their hands to vote, she asked if any opposed, there was no answer to the vote stated. (From notes provided by the Vice-Chair provided to the Recording Secretary, all were in favor of the motion).

Martha called for a motion for the WVWD revenue. Someone said motion, someone said aye. Martha M. said \$430,958 and called for a vote by raised hands. The vote was not verbally indicated. (From notes provided by the Vice-Chair to the Recording Secretary, all were in favor of the motion).

2. Warner Village Water District Warrant Articles

A. Ray Martin read the warrant articles beginning with article 3 for the Budget Committee to vote on as follows:

Article 3

To see if the Warner Village Water District will vote to raise and appropriate \$30,000 for the purpose of purchasing a new emergency electric generator and the necessary switching gear and to authorize the issuance of not more than \$30,000 of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the Commissioners to issue and negotiate such bonds or notes and to determine the rate of interest thereon; further to authorize the Commissioners to apply for, obtain and accept Federal, State, or other aid, grants, gifts or other forms of assistance which may be available for said project and further, to raise and appropriate the sum of \$1,430 for the first year's bond payment. (2/3 ballot vote required)

Committee Action

Martha M. called for a vote on article 3. Someone said motion, someone seconded. Martha asked for all who is in favor, no reply was heard on the recorder. (From notes provided by the Vice-Chair to the Recording Secretary, all were in favor of the motion).

Article 4

To see if the Warner Village Water District will vote to raise and appropriate \$70,000 for the purchase of a site for a proposed ground water discharge system and cover the cost of testing and engineering and to authorize the issuance of not more than \$70,000 of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the Commissioners to issue and negotiate such bonds or notes and to determine the rate of interest thereon; further to authorize the Commissioners to apply for, obtain and accept Federal, State, or other aid, grants, gifts or other forms of assistance which may be available for said project and further, to raise and appropriate the sum of \$1,860 for the first year's bond payment. Recommended by the Commissioners and by the Budget Committee. (2/3 ballot vote required).

Committee Action

Martha M. called for a motion to recommend article 4. Martha B. moved, David second. Alfred asked Ray if he can break the \$70,000 down. Ray said \$43,000 to purchase the land and the remaining balance is for testing which will happen before the land is purchased. Martha asked for who was in favor. No reply was heard on the recorder. (From notes provided by the Vice-Chair to the Recording Secretary, all were in favor of the motion).

Article 5

To see if the Warner Village Water District will vote to raise and appropriate up to \$25,000 to cover engineering cost of connecting a new water supply line to the Warner Town Hall for use in a proposed sprinkler system for the building. The cost of this project may be covered by a grant to the District. To authorize the issuance of not more than \$25,000 of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the commissioners to issue and negotiate such bonds or notes and to determine the rate of interest thereon; further to authorize the Commissioners to apply for, obtain and accept Federal, State, or other aid, grants, gifts or other forms of assistance which may be available for said project and further, to raise and appropriate the sum of \$795 for the first year's bond payment. (2/3 ballot vote required). Ray explained he is hoping for a grant to cover this cost but can't guarantee the grant and may need to borrow.

Committee Action

Martha Mical called for a motion to recommend. Alfred said motion, David said second. Alfred asked if a route has been selected. Ray said that will depend on the engineering, but, the plan is to come off Kearsarge Mt. Road behind the Masonic Temple, then between the drive to the Town Hall off of Church St. and over to the Town Hall. The main reason the Water District wants to participate in this is that there is a problem with freezing at the Masonic Temple, and the potential need for the Odd Fellows Building and the School. Engineering may determine a different route. Martha M. said the motion has been made and seconded to recommend article 5. Martha called for a vote, no reply was heard on the recorder. (From notes provided by the Vice-Chair to the Recording Secretary, all were in favor of the motion).

Article 6

To see if the District will vote to raise and appropriate the sum of four hundred twenty-six thousand eight hundred seventy-three dollars (\$426,873.00) for the operation, maintenance and improvement of the District's water and sewer systems.

Committee Action

Martha Mical made a motion to recommend article 6. Someone seconded the motion. Martha called for a vote on the motion, no reply was heard on the recorder. (From notes provided by the Vice-Chair to the Recording Secretary, all were in favor of the motion).

3. 2018 Town of Warner Operating Budget

- A. Martha M. said the first thing the BC needs to do is to make any final changes. Martha M. explained the Selectmen did make 3 changes on February 9th as follows:
1. The Selectmen changed legal to \$10,700 the BC is budgeting \$12,000.
 2. The Selectmen reduced \$18,000 from the Landuse Legal.
 3. The Selectmen reduced \$1,700 from the Transfer Station electric.
 4. The total operating budget now amounts to \$3,131,033.

Committee Action

A motion was made but was not audible. Someone seconded the motion. Martha M. said a motion was made to make all three changes and was seconded. Martha asked for those in favor to raise their hand, then asked for those opposed and she asked Martha B. if she is abstaining and Martha B. said yes. The vote tally was not indicated on the audio. (From notes provided by the Vice-Chair to the Recording Secretary, 6 were in favor of the motion, 1 abstained).

Alfred asked what the bottom line is. Martha M. said \$3,131,033. Alfred made a motion that we vote on it. Someone seconded the motion. Martha M. asked if there are any other changes the BC would like to make. David asked if we make the changes to the bottom line do we do so for the other items. Martha M. said yes, we just voted to do that. The new bottom line of the budget is \$3,131,033. Martha M. called for a vote by raised hands, the vote tally was not indicated. Martha M. did say the budget was approved for \$3,131,033. The budget is under 2% from 2017. (From notes provided by the Vice-Chair to the Recording Secretary, all were in favor of the motion).

4. 2018 Revenue for the Town of Warner

A. Martha M. said the estimated revenue for 2108 is \$1,168,435. Alfred asked Jim to explain the changes he made. Jim said the money that was returned to the town last year from the Department of Transportation was counted in the 2017 revenue because it was all spent in 2017 and the air-pack grant will be reflected in the 2017 revenue. Alfred asked if all the air-packs have been replaced, Jim said yes.

Committee Action

Martha M. called for a motion. Someone said motion. Martha M. said the motion would be to approve the revenue of \$1,168,435 the first estimate for 2018. Jonathan seconded the motion. Martha M. called for a vote, the vote was not indicated on the audio. (From notes provided by the Vice-Chair to the Recording Secretary, all were in favor of the motion).

5. 2018 Warrant for the Town of Warner

Article 4

To see if the town will vote to raise and appropriate the sum of \$2,750,000.00 (Two Million, Seven Hundred Fifty Thousand Dollars) to construct and equip a fire station on town land, up to \$200,000 (Two Hundred Thousand Dollars) of which will come from unassigned fund balance and \$50,000 (Fifty Thousand Dollars) of which will be raised through taxation; and to authorize the issuance of not more than \$2,500,000 (Two Million Five Hundred Thousand Dollars) of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33); and to authorize the Board of Selectmen to issue and negotiate such bonds or notes and to determine the rate of interest thereon: and further, to raise and appropriate the sum of \$10,000 (Ten Thousand Dollars) through taxation for the first year's interest payment on such bonds or notes. (2/3 ballot vote required).

Committee Action

Martha M. called for a vote on article 4. Someone said motion, someone said second. Martha M. asked to recommend? Someone said yes, recommend. Martha B. said \$50,000 to be raised from taxation has been taken out of article 13. She said it was brought up by the Selectman's office that the following year, assuming the bond passes, that it would be a very hard year to ask for the extra money and she asked why is the money being removed. Martha B. is recommending the \$50,000 go back into article 13. Martha M. said the BC doesn't have the authority to change the warrant article. Martha B. said and that is why she won't vote for it unless the Selectmen want to change it now. Alfred said motion to recommend. Jonathan seconded the motion. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - no, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 6-1.

Article 5

Shall the Town vote to raise and appropriate the sum of \$3,131,033 (Three Million, One Hundred Thirty-One Thousand Thirty-Three Dollars) as the 2018 Operating Budget for general municipal operations? This amount does not include appropriations contained in special and individual warrant articles addressed separately.

Committee Action

Alfred said motion. Jonathon said second. Martha M. asked motion is to recommend? Alfred said to recommend. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 7-0.

Article 6

Shall the Town vote to raise and appropriate the sum of \$20,000 (Twenty Thousand Dollars) to be added to the previously established Property Revaluation Capital Reserve Fund?

Committee Action

David moved to recommend. Alfred seconded the motion. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 7-0.

Article 7

Shall the Town vote to raise and appropriate \$4,000 (Four Thousand Dollars) to be placed in the previously established Employees Expendable Health Trust Fund and furthermore, to name the Board of Selectmen as agent to expend from said fund? This Fund is used to partially reimburse participating town employees for deductible health expenses.

Committee Action

Martha B. moved to recommend article 7. Kimberley seconded the motion. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - no, Alfred - yes, Jonathan - yes. The motion passed 6-1.

Article 8

Shall the Town vote to establish a contingency fund for the current year for unanticipated expenses that may arise and further to raise and appropriate the amount of \$10,000 (Ten Thousand Dollars) to be placed into the fund? This sum is to come from the General Fund. Any appropriation left in the fund at the end of the year will lapse to the General Fund.

Committee Action

Alfred made a motion to recommend. Jonathan seconded. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 7-0. Next year Kimberley would like to explore the idea of making the contingency a little bigger and the budget a little smaller.

Article 9

Shall the Town vote to raise and appropriate the sum of \$25,000 (Twenty Five Thousand Dollars) to be added to the previously established Police Department Vehicle Capital Reserve Fund?

Committee Action

Kimberley made a motion to recommend. Jonathan seconded. Alfred asked Police Chief, Bill Chandler, how long it will take him to do the research on leasing. Bill said he will come to the next budget process with the information. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 7-0.

Article 10

Shall the town vote to discontinue the following CAPITAL RESERVE/EXPENDABLE TRUST FUNDS? Said funds and accumulated interest to date of withdrawal, are to be transferred to the municipality's general fund.

- 1. Capital Reserve Fund for Hazard Mitigation of the Odd Fellow Building (approximately \$8,320)
- 2. Expendable Trust Fund for Radios & Pagers for the Fire Dept. (approximately \$102)

Committee Action

Alfred moved to recommend. Jonathan seconded the motion. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 7-0.

Article 11

Shall the Town vote to raise and appropriate the sum of \$50,000 (Fifty Thousand Dollars) to be added to the previously established Fire and Rescue Vehicle Capital Reserve Fund?

Committee Action

Jonathan made a motion to recommend. Alfred seconded. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 7-0.

Article 12

Shall the Town vote to appropriate the sum of \$5,000 (Five Thousand Dollars) to be added to the previously established Fire Equipment Capital Reserve Fund?

Committee Action

Martha B. moved to recommend article 12. David seconded the motion. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 7-0.

Article 13

Shall the Town vote to raise and appropriate the sum of \$140,000 (One Hundred Forty Thousand Dollars) to be added to the previously established Highway Road Construction Capital Reserve Fund?

Committee Action

David moved to recommend. Jonathan seconded the motion. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 7-0.

Article 14

Shall the Town vote to raise and appropriate the sum of \$90,000 (Ninety Thousand Dollars) to be added to the previously established Highway Equipment Capital Reserve Fund?

Committee Action

Jonathan moved to recommend. Kimberley seconded the motion. Alfred asked Tim Allen what the cost will be for the next piece of equipment being replaced. Tim said for the 550, it will cost from \$87,000 to \$94,000. Martha M. asked what year. Tim's said it's scheduled for 2018. Martha M. asked if there is \$90,000 in the capital reserve now, Tim said yes. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 7-0.

Article 15

Shall the Town vote to raise and appropriate the sum of \$20,000 (Twenty Thousand Dollars) to be added to the previously established Bridge Repair/Replacement Capital Reserve Fund? Alfred asked Tim Allen how often do grants come out on the bridges, is there a timetable? Tim said yes there is a timetable.

Committee Action

Martha B. made a motion to recommend article 15. Kimberley seconded the motion. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 7-0.

Article 16

Shall the Town vote to raise and appropriate the sum of \$160,000 (One Hundred Sixty Thousand Dollars) to be added to the previously established DPW Facilities Improvement Capital Reserve Fund? Of this amount, \$50,000 (Fifty Thousand Dollars) would come from the unassigned fund balance and \$110,000 (One Hundred Ten Thousand Dollars) from taxation.

Committee Action

Kimberley made a motion to recommend article 16. Pete seconded the motion. Martha B. said the total amount coming from the fund balance is \$260,000. What is the balance and how low can the balance go. Jim said the estimate is \$863,000. The recommended minimum is probably half, \$450,000 to \$500,000. Martha B. said we are cutting close to the bone. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 7-0.

Article 17

Shall the Town vote to raise and appropriate the sum of \$15,000 (Fifteen Thousand Dollars) to be placed in the previously established Capital Reserve Fund for the Preservation of Town Records?

Committee Action

Jonathan moved to recommend article 17. Alfred seconded the motion. David asked what the balance is. Jim said the Trustee's of the Trust Funds reported at the end of the year it was \$20,000. Kimberley said no money was spent last year. Alfred asked the Town Clerk, Judy Newman-Rogers, for this year coming ahead, can you do the research for the cost of the storage needed. Judy said she submitted it in her capital improvement plan and that was one reason the money was not spent because the money is there to be discussed with the Selectmen to see if we will move forward and purchase the shelving or rearrange for a place to put it. Alfred said there are two things combined in the article, preserving the books and storage, preserving is happening, storage is not. Alfred wondered if the entities should be separated from the article. He said for many years it's been discussed. Judy said if it's left the way it is now, we could move forward with both avenues being pursued. Kimberley said we need to do something, a plan

needs to be put together to use the fund. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 7-0.

Article 18

Shall the Town vote to raise and appropriate the sum of \$4,000 (Four Thousand Dollars) to be placed in the previously established Library Building Capital Reserve Fund?

Committee Action

Kimberley made a motion to recommend. Jonathan seconded the motion. Roll call vote: Pete - yes, Kimberley - yes, Martha B. - yes, David - yes, Martha M. - yes, Alfred - yes, Jonathan - yes. The motion passed 7-0.

6. Petition Article

A. Martha M. read the following petition into the record. The BC does not need to act on this petition.

Article 19

To see if the town will vote to direct the selectmen to appoint a three-person Procurement Committee. The Procurement Committee shall independently assist the Selectmen in reviewing estimates, costs, proposed contracts and financial impact to the town of Warner on all proposed expenditures exceeding \$25,000. Each committee member will have a three year term with the exception of the first year where terms will be for one, two and three years respectively. One appointment shall expire on April 1 of each year. Prior to all appointments, department heads shall submit their candidate suggestions and/or recommendations to the Selectmen. The members of the Procurement Committee shall be registered voters of the town of Warner. Prior to any commitment to expend funds being reviewed by the Procurement Committee, a report detailing their findings and recommendations shall be submitted to the Selectmen at a regular evening Selectmen's meeting or at a public hearing concerning the expenditure.

7. Meeting Schedule

A. Next meeting is Town Meeting on March 17.

B. The bond public hearing is February 22.

8. Adjournment

A motion was made and seconded to adjourn at (no time stated).

Recorder of the minutes: Mary Whalen