



Warner Board of Selectmen

Meeting Minutes Friday, February 9, 2018 UNAPPROVED

Chairman Dabuliewicz opened the meeting at 4:13 pm

Attendance: Selectman John Dabuliewicz – Chairman, Selectman Clyde Carson, Selectman Kimberley Edelman and Town Administrator – Jim Bingham

Others present: Ed Raymond, Martha Mical, Alfred Hanson, David Minton, Nancy Ladd

1. Proposal from the Budget Committee

- A. John explained that Budget Committee member Alfred Hanson presented a proposal at the February 6 Budget Committee meeting to reduce the amount for the bond for the new fire station. Alfred's proposal is as follows:
- Reduce Property Reval. by \$5,000.
 - Reduce Police Vehicle by \$5,000.
 - Reduce Fire Vehicle by \$25,000.
 - Reduce Road Construction by \$170,000.
 - Reduce Highway Equipment by \$70,000.
 - The total amount of reductions amount to \$300,000.
 - Place the \$300,000 in the New Fire Station Capital Reserve.
 - Reduce article 4 on the warrant from \$2,800,000 to \$2,500,000.
- B. Alfred believes the voters would prefer to vote for a \$2,500,000 bond rather than higher. John said if the \$300,000 warrant doesn't pass and the \$2,500,000 passes, the town will be short for the new fire station. Alfred's goal is to make the new fire station happen because costs will keep escalating.
- C. Kimberley said the final total project cost is \$2,750,000, a break-down of the cost is being created, plus a breakdown of what was removed. Her recommendation is to go with the bond bank, Sugar River Bank made the same recommendation.
- D. Martha Mical encouraged the Selectmen to use \$200,000 from the general fund and leave the capital reserves as originally created.
- E. Alfred said \$100,000 could also be taken from the road construction fund. He said there is \$207,000 in the road construction capital reserve at this time. The project the money is slated for won't begin until 2019. Instead of funding \$170,000 in 2018, fund the reserve with \$90,000 instead.
- F. Clyde said we shouldn't be adding to the taxation to reduce the bond. He thinks the funding for the road construction can be reduced, he thinks the operating budget can be brought down below a 2% increase. He feels a combination between the fund balance and what might be available to take the town down to a safe level to get to \$300,000 without increasing the amount that we have to raise through taxation over what we are planning to do right now is possible. Martha said then you will have to raise money for road construction in 2019 when the town will have the first bond payment, which needs to be raised in advance. Kimberley clarified that the bond payment in February is a small payment, the August payment is 3 times larger than the February payment. The estimated cost per thousand for 21 years is .67 cents.
- G. To reduce the operating budget to 1.9% means about \$22,000 needs to be cut. Clyde recommends pulling \$20,000 from legal expenses and \$2,000 from the Transfer Station electricity. Jim recommends waiting to see if an Zoning Board of Adjustment appeal will be filed, the deadline is on Monday. Clyde suggested placing the pulled \$20,000 into the contingency fund, he also suggested to adopt a principal that we're not going to raise the capital requests over what was originally proposed and take as much as possible from the

fund balance. Clyde feels because of the fire department project, it can be justified if the town can take the fund balance down lower than what has been historically aimed at. Clyde summarized one more time to take \$200,000 from the fund balance, reduce the operating budget by \$20,000 and reduce the road project capital reserve by the difference which he feels could be made up in a future year. Jim suggested he would like to see these changes happen at at Town Meeting, if done before Town Meeting, a special public hearing will be required.

John read from the State Statute as follows:

All purposes and amounts of appropriations be included in the budget or special warrant article shall be disclosed or discussed at the final hearing. The governing body or budget committee shall not there after insert at any budget column or special warrant article an additional amount or purpose of appropriation which was not disclosed or discussed at that hearing without first holding one or more public hearings on supplemental budget requests for town or district expenditure's.

Clyde said let's have the supplemental hearing rather than figuring it out at Town Meeting. Kimberley, said the Budget Committee could present the amended changes at Town Meeting. Martha Mical said the Budget Committee could do that at their February 12th meeting. Kimberley clarified that the operating budget can be reduced and the contingency fund can be amended at Town Meeting, she feels this is a clearer approach.

Board Action

Selectman Carson made a motion and proposed to the Board to reduce the operating budget as follows:

- Reduce Landuse legal line by \$19,000.
- Remove \$1,700 from the Transfer Station electric line.
- Remove \$1,300 from the general legal line.
- Total amount of reductions is \$22,000.

Selectman Edelmann seconded the motion for discussion. Clyde's proposal drops the operating budget below a 2% increase. Chairman Dabuliewicz called for a vote: Clyde - yes, Kimberley - no. John called for a brief recess. Selectman Carson amended his motion by reducing the Landuse legal by \$18,000 instead of \$19,000. Selectman Edelmann seconded the motion. Chairman Dabuliewicz reiterated the motion as follows: reduce the Landuse legal line by \$18,000, Transfer Station electric line reduced by \$1,700 and the general legal line reduced by \$1,300 which totals to a \$21,000 reduction in the operating budget. Chairman Dabuliewicz called for a vote on the motion: Clyde - yes, Kimberley - yes, John - no. The motion passes, 2-1.

H. John asked the Board if they are satisfied that another public hearing is not needed. Kimberley said another hearing is not needed for reducing the operating budget. Martha Mical asked what the total operating budget amounts to now. Jim said the Budget Committee budget amounts to \$3,152,033. The Selectman's operating budget now amounts to \$3,131,033.

2. New Fire Station Bond

A. Clyde is proposing reducing the bond amount as well by applying money from the fund balance and then see what is needed to get the bond to the \$2,500,000 level. His proposal would be to lower the DPW road construction budget. Kimberley wants to look at it from the angle of how much do we want to finance. Alfred said if you listen to the people, the number, \$2,500,000 has always been mentioned. John said \$2,500,000 was the goal, but it sounds like \$2,500,000 has stuck in everyone's head.

B. Jim said he would like to first verify figures with the Bookkeeper. Right now he is using \$860,000 for the amount in the unassigned fund balance. If \$250,000 is used that will leave \$610,000 in the unassigned fund balance. The concern is whether a public hearing is needed. Jim said no, a hearing is not needed because the asking amount is lower. Also, it was discussed in the public hearing that the numbers were place holders.

The warrant will read as follows:

To see if the town will vote to raise and appropriate the sum of \$2,750,000 (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 funds 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 interest payment on the bond anticipation note.

- C. Kimberley will contact the NH Bond Bank for the amount needed for the bond anticipation note and Jim will verify with the Bookkeeper on the most current amount in the unassigned fund balance.

Board Action

Selectman Carson made a motion to approve the following warrant article: To see if the town will vote to raise and appropriate the sum of \$2,750,000 (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 funds 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 interest payment on the bond anticipation note. Selectman Edelmann seconded the motion. John asked for clarification on whether a public hearing is needed. Martha asked if the warrant can say instead of "up to \$200,000" just say "\$200,000". Kimberley said the warrant as worded allows flexibility. Roll call vote: John - yes, Kimberley - yes, Clyde - yes. The motion passed 3-0.

Board Action

Selectman Carson made a motion to decrease the road construction capital reserve by \$50,000. Kimberley seconded the motion. Chairman Dabuliewicz read how the warrant article will be presented. 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? Chairman Dabuliewicz called for a vote, all were in favor, the motion passed unanimously.

Board Action

Selectman Edelmann made a motion for the Board of Selectmen to accept the Budget Committee's operating budget, including the changes made at this meeting which will result in an operating budget of \$3,131,033. Selectman Carson seconded the motion, all were in favor. The motion passed unanimously.

4. Adjournment

A motion was made and seconded to adjourn at 6:16 pm.

Board of Selectmen
John Dabuliewicz – Chairman
Clyde Carson
Kimberley Edelmann

Recorder of the minutes: Mary Whalen