

**Town of Auburn  
Budget Committee Meeting  
January 16, 2014**

**Members Present:** Peter Miles, Bert Ouellette, David Wesche, Paula Marzloff, Mary Beth Lufkin, Alan Villeneuve and Jim Headd

**Members Absent:** Don Delande

**Others Present:** Town Moderator Jim Tillery, Town Clerk Joanne Linxweiler, Police Commissioner Ken Robinson, Dr. Charles Littlefield, Superintendent of Schools; Audrey & Chris Trickett, Finance Director Adele Frisella and Town Administrator Bill Herman

Meeting called to order at 7:05 pm

**Minutes of January 9, 2014 Meeting**

***Paula Marzloff moved to approve the minutes as printed. Second by Dave Wesche. A vote was taken; all were in favor, the motion carried unanimously.***

**Warrant Article – Collective Bargaining Agreement**

Bill Herman presented the Budget Committee with the proposed Warrant Article and the signed tentative agreement between the Town of Auburn and the Auburn Police Commission. The tentative agreement is for two-years, through March 31, 2016. The warrant article is as follows:

*To see if the Town will vote to approve the cost items for FY 2014 included in the two-year collective bargaining agreement which resulted from negotiations between the Auburn Board of Selectmen and the Auburn Police Commission and the Auburn Police Union, Local 216 and which represents an estimated increase of \$21,412 over FY 2013 salaries, fringe benefits and other cost items at the current staffing level for the ensuing year; and further to raise and appropriate the sum of Twenty-one thousand four hundred twelve dollars (\$21,412), such sum representing the additional costs attributable to the increase in salaries, fringe benefits and other cost items in year one of the new agreement over those that would be paid at current staffing levels. Costs items for FY 2015 will be presented to the voters for their approval in March 2015 in accordance with the terms of the collective bargaining agreement. (Recommended by the Board of Selectmen)*

Mary Beth Lufkin asked what would happen if the voters did not pass the warrant article? Mr. Herman indicated the parties would then need to resume negotiations and attempt to bring a different agreement back to the 2015 Town Meeting. Peter Miles noted the warrant article only raises funds for the first year of the two-year agreement. Mr. Herman reported that was the approach the Board of Selectmen chose, that the funding year to year would be raised by warrant article in that year. That follows the provisions of the current contract, which was not changed with this negotiation.

Alan Villeneuve inquired as to the cost items in the tentative agreement. Mr. Herman indicated call back pay of three hours for anyone who has left duty, but is called back (estimated annual cost \$5,510.01); the same step increase (2%) and COLA adjustment (1.3%) previously

approved for all Town employees (\$12,789.19); a Merit Increase pool for the positions covered by the Collective Bargaining Unit (\$1,267.50); and a shift differential of \$0.50 per hour for the Midnight shift (\$1,845.48).

Alan Villeneuve noted the Merit Increase process only provides a one month window for the Police Commission to take action. He thought under certain circumstances that may not be an adequate amount of time and hoped a failure to act within that time frame wouldn't be subject to a grievance. He indicated it might be something to consider in the future.

***Alan Villeneuve moved to have the Budget Committee recommend the warrant article for the Auburn Police Union Collective Bargaining Agreement and the raising of \$21,412 for FY 2014. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion passed unanimously.***

Ken Robinson thanked the Budget Committee for their support. He indicated there was hard work on both sides to reach the tentative agreement presented, and he felt it was in the best interests of the Town of Auburn to move forward with it.

### **Petition Warrant Article – Procurement Code**

Bill Herman provided the Budget Committee with a detailed Procurement Code that has come forward as a petition warrant article. He indicated there appears to be adequate signatures (25 or more), so the article will move forward to the voters. However, due to the length of the petition (16 pages), there is an expense that had not been anticipated when providing sections of the budget previously, and the Board of Selectmen wanted the Budget Committee to be aware in the event they wanted to address it.

Town Clerk Joanne Linxweiler indicated state statutes appear to require election officials to carry the entirety of a petition warrant article on the warrant and, for SB 2 communities, on the ballot. In sharing the material with the vendor of the Town's voting machine, it appears this warrant article will add five legal pages to the Town's ballot, and some additional programming for the voting machine. She indicated the vendor has advised her that these costs will be \$4,000 more than what had been anticipated previously.

Bill Herman indicated this would also affect the costs of printing and mailing the Deliberative Session flyer in January and the Voters Guide in February. The Deliberative Session flyer is normally eight-pages, while this warrant article will increase that to 20 or 24 pages. The Voters Guide is normally 24 pages, and this warrant article would increase that to 36 or 40 pages. The increased printing and postage costs are estimated to total \$1,751 more than the \$2,600 currently budgeted for these two publications. Combined, the Town is looking at an additional expense of \$5,751 to include this article on the ballot and include its text in these mailings to the voters.

Mary Beth Lufkin noted the Committee had previously approved \$5,000 for the new shelving at the library. She suggested they look at re-visiting the library budget and potentially defund that item in order to include these costs in the Town budget. Bert Ouellette understood her sentiments, but he felt at this late point in the budgeting process the Committee should not affect another budget, but decide whether to fund this increase or not.

Paula Marzloff voiced her opposition to the petition warrant article and indicated she was

prepared to move the Budget Committee not recommend the adoption of the article. Mr. Herman noted the article does not seek to raise any funds, so the Budget Committee is not asked to recommend or not recommend the article.

Alan Villeneuve asked the Town Administrator if the Board of Selectmen could find funds from elsewhere within the Town budget to cover this expense. Mr. Herman felt that was a question perhaps better addressed to the Selectmen's representative, but he knew there were areas where these funds could be found. Jim Headd expressed a concern about where else in the budget would they find the funds. He felt the more appropriate course of action was to address the appropriation directly.

***Bert Ouellette moved to not fund the additional \$5,751, and that the funds be found from within the overall Town budget. Seconded by Paula Marzloff. A vote was taken: Voting Yes – Bert, Paula, Dave and Mary Beth. Voting No – Jim and Alan. The motion carried.***

### **School District Warrant Articles**

Alan Villeneuve reported that since the Committee's January 9<sup>th</sup> meeting, the School Board has received additional information on the proposed work to the elevator at the Auburn Village School, and it was determined the up-fit proposed would not reach the goal of an ADA complaint unit. The proposals would provide stability of function, but that was not enough value to sway the School Board to include the warrant article seeking \$74,500 in the School District Warrant. The School Board has withdrawn the article and will work for a more complete solution for next year.

Alan Villeneuve also reported the School Board is placing a final warrant article to discontinue the High School Transition Trust Fund created in 2011. He indicated this did not require any recommendation by the Budget Committee, and that any balance left in the fund would be transferred to the general fund.

### **Public Hearing – School District and Town Budgets**

At 7:40 PM, Peter Miles convened the public hearing on the proposed FY 2014-2015 School District budget & warrant articles and the FY 2014 Town budget and warrant articles.

The Chairman began the hearing by addressing the School District warrant.

*Warrant Article #2– Shall the District vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the Warrant, or as amended by vote of the first session, for the purposes set forth therein, totaling twelve million, four hundred ninety thousand, eight hundred eighty-six dollars (\$12,490,886)? Should this article be defeated, the default budget shall be twelve million, three hundred sixty-one thousand, six hundred seventy-two dollars (\$12,361,672), which is the same as last year, with certain adjustments required by previous action of the Auburn School District, or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. (This article does not include appropriations in any other warrant article.) (Recommended by the School Board) (Recommended by the Budget Committee)*

*Warrant Article #3 – Shall the District vote to raise and appropriate the sum of seventy-five*

*thousand dollars (\$75,000) to be placed in the Special Education Expendable Trust Fund established in March 2003? (Recommended by the School Board) (Recommended by the Budget Committee)*

*Warrant Article #4 – Shall the District vote to raise and appropriate the sum of ninety-three thousand one hundred dollars (\$93,100) for the purpose of funding Architectural and Engineering fees associated with a renovation and addition to the Auburn Village School? (Recommended by the School Board). (Recommended by the Budget Committee).*

There were no public comments or questions on the proposed School District budget or warrant articles.

The Chairman then addressed the Town Meeting warrant.

*Warrant Article #3 -- To see if the Town will vote to approve the cost items for FY 2014 included in the two-year collective bargaining agreement which resulted from negotiations between the Auburn Board of Selectmen and the Auburn Police Commission and the Auburn Police Union, Local 216 and which represents an estimated increase of \$21,412 over FY 2013 salaries, fringe benefits and other cost items at the current staffing level for the ensuing year; and further to raise and appropriate the sum of Twenty-one thousand four hundred twelve dollars (\$21,412), such sum representing the additional costs attributable to the increase in salaries, fringe benefits and other cost items in year one of the new agreement over those that would be paid at current staffing levels. Costs items for FY 2015 will be presented to the voters for their approval in March 2015 in accordance with the terms of the collective bargaining agreement. (Recommended by the Board of Selectmen) (Recommended by the Budget Committee)*

*Warrant Article #4 -- To see if the Town will vote to raise and appropriate the sum of Thirty-four thousand –six-hundred and seventy-five dollars (\$34,675) to implement a comprehensive mosquito control program to include the integration of various methods of reducing mosquito vector species of West Nile Virus and Eastern Equine Encephalitis. (Recommended by the Board of Selectmen) (Not Recommended by the Budget Committee)*

*Warrant Article #5 -- To see if the Town will vote to raise and appropriate the sum of Twenty-five-thousand dollars (\$25,000) to be placed into the Town Buildings Rehabilitation Capital Reserve Fund previously established. This sum to come from the unreserved fund balance (surplus) as of December 31, 2013 with no amount to be raised by taxation. (Recommended by the Board of Selectmen) (Not Recommended by the Budget Committee)*

*Warrant Article #6 -- To see if the Town will vote to raise and appropriate the sum of seventy-two thousand, six hundred ninety-six dollars (\$72,696) as the second year payment towards a seven-year municipal lease/purchase agreement for a new replacement Quint pumper truck for the Auburn Fire Department. This sum to come from the unreserved fund balance (surplus) as of December 31, 2013 with no amount to be raised by taxation. (Recommended by the Board of Selectmen) (Recommended by the Budget Committee)*

*Warrant Article #7 -- To see if the Town will vote to authorize the Board of Selectmen to enter into a three-year lease/purchase agreement for \$45,500 for the purpose of acquiring a new four-wheel drive replacement of the Fire Command Vehicle for the Auburn Fire Department, and to raise and appropriate the sum of Fifteen-thousand-seven hundred and seventy-seven dollars (\$15,777) for the first year's payment for that purpose. This lease agreement contains a*



*non-appropriation clause. (Recommended by the Board of Selectmen) (Not Recommended by the Budget Committee)*

*Warrant Article #8 -- To see if the Town will vote to raise and appropriate the sum of Five hundred dollars (\$500) for Big Brothers Big Sisters of Greater Manchester to support the mentoring programs services to youth, families and mentors of Auburn, and to authorize this cost to be placed in the Town's operating budget as an annual expense in future years. (Recommended by the Board of Selectmen) (Not Recommended by the Budget Committee)*

*Warrant Article #10 -- Shall the Town raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$5,054,873? Should this article be defeated, the default budget shall be \$5,007,108, which is the same as last year with certain adjustments required by previous action of the Town of Auburn or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. NOTE: This operating budget warrant article does not include appropriations contained in any other warrant article. (Recommended by the Budget Committee)*

Chris Trickett noted Warrant Articles #6 and \$7 propose to spend money from the Town's undesignated fund balance. Yet, when he looks at the FY 2013 budget and expenditures it appears to indicate the budget was overspent by approximately \$10,000, not leaving any surplus funds. So how could there be surplus funds to make these proposed appropriations? Bill Herman reported the budget report was simply a report of expenditures, but does not address any off-setting revenues. He specifically noted that there were approximately \$32,000 in FEMA funds which off-set some expenses listed, while there was also approximately \$28,000 in landfill closure funds received that were designated to cover associated with the investigation of the landfill property. The Undesignated Fund Balance is not an amount in a bank account, but rather an accounting number on a balance sheet. The Town is in a strong financial position, having an audited fund balance of \$1.2 million last year. Finance Director Adele Frisella agreed with the representation, and further indicated at this point, it was anticipated the FY 2013 fund balance would be \$1.2 to \$1.3 million..

Alan Villeneuve asked if there was anything that required the Town's budget article to appear last on the warrant. Bill Herman indicated there was not, but that it appeared it had traditionally been the last article. Alan recommended reversing the order of the petition warrant article (currently #9) and the budget warrant article (currently #10) as he feared the budget article would be lost in the pages to follow the petition warrant article. Jim Headd felt that was a very good suggestion.

There were no other public comments or questions on the proposed town budget or warrant articles.

The Chairman closed the public hearing at 8:00 PM

The Budget Committee members signed copies of the Town and School District budget documents to be posted with the warrants for the School District and the Town Meetings.

**Adjourn**

**Jim Headd moved to adjourn the meeting at 8:02 PM. Seconded by Dave Wesche. A**

***vote was taken; all were in agreement, the motion carried unanimously.***

The meeting adjourned at 8:02 PM.