

Auburn Budget Committee Meeting
December 8, 2016
Auburn Town Hall

Members Present: Peter Miles, Chairman; David Wesche, Paula Marzloff, Dan Carpenter, Bert Ouellette, Alan Villeneuve and James Headd

Members Absent: Mary Beth Lufkin, Vice Chair

Others Present: Library Trustees Nancy Mayland, Jeanni Worster, Elizabeth Michaud and Alternate Trustee Joseph Foster; Library Director Kathy Gowney, Cemetery Trustee Don Dollard, Finance Director Adele Frisella and Town Administrator Bill Herman

Meeting called to order at 7:01 pm

Griffin Free Public Library

The Library Trustees and Library Director presented an operating budget exclusive of wages of \$38,404, which is an increase of \$1,223 from 2016. The budget provided a breakdown of estimated expenses and projects for the ensuing year.

Dan Carpenter noted the expenses for lending materials had increased, and Kathy Gowney noted the increase was largely due to the increased costs for the NH Downloadable Books service offered through the Griffin Free Public Library, which has been a popular service among patrons.

Paula Marzloff questioned the proposal to purchase a tablet arm chair. She felt it was a want and not a need, and indicated that she couldn't support the expenditure. Kathy Gowney noted they were interested in establishing a lounge-like area within the main front room. Currently there is limited seating for students who are studying and sit on the floor or adults who have work they want to do and bring their laptops. Alan Villeneuve indicated he did not understand the layout of the library and where these chairs would fit, also noting that if there are 14 students there, a couple of chairs won't solve the problem. Bert Ouellette reported he was in the library earlier in the day and feels there is plenty of room for the chairs where they are being proposed for use.

Paula Marzloff moved to approve Library Operating Expenses at \$38,404, seconded by Bert Ouellette. A vote was taken; Voting Yes were Dan, David, Bert, Alan and Jim. Voting No was Paula. The motion carried.

Cemeteries

Cemetery Trustee Don Dollard presented the proposed cemetery budget totaling \$36,200, which is an increase of \$5,750 from 2016. He noted the main increase is a line item of \$10,000 for work to be done in the Longmeadow Cemetery, but which will be covered through money available in a trust fund for the Longmeadow Cemetery. Bill Herman explained the Town had to operate under a gross budgeting basis where all anticipated expenses are budgeted, as will all anticipating off-setting revenues. That is what is happening here with this specific request.

Mr. Dollard reported the Trustees would like to work on Section 3 of the Longmeadow Cemetery, which used to be a pine grove. The work anticipated was to bring in loam, rototill the area to establish a better base and then re-seed the entire area. When asked, Mr. Dollard reported there was approximately \$40,000 available through the Trust Fund. A couple of committee members questioned if spending one-quarter of the Trust Fund monies on this effort was the best expenditure of the money. Paula Marzloff noted she used to mow the Longmeadow Cemetery and that there is not a good base of loam from which to grow grass. She indicated there were mainly weeds versus grass in this area.

During the coming year, Mr. Dollard reported the Trustees would like to paint the fence at the Auburn Village Cemetery; replace the roof on the vault at the Longmeadow Cemetery, performance maintenance work on the hearse house at the Village Cemetery an straighten a stone wall at the Village Cemetery.

Alan Villeneuve moved to approve the Cemetery budget at \$36,200. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Recreation Improvements

Jim Headd reported he had not been at the November 17th meeting when the Budget Committee considered the Recreation Improvement budget. In discussing the Committee's actions with the Board of Selectmen, the Selectmen were very concerned about the lack of funding for irrigation at Eddows Field and asked that the Committee re-consider the \$4,000 budget item to improve the irrigation system. He indicated the Selectmen were unanimous in their opinion the Town has invested time and money into putting fields on this property, and that the Town needs to do the best it can to provide water to an irrigation system and maintain the fields in the best condition we can. He acknowledged the proposal may not provide the optimum amount of water to the property, but the Selectmen were of the opinion it was better than not doing anything and was a small investment to improve current conditions.

Alan Villeneuve indicated he had looked at this further with a few of the individuals involved and felt it was only a band-aid approach to the issue of irrigation, particularly by having the artesian well connected to and feeding into the dug well. He noted the Town has provided fields on this site since the 1960s without irrigation, and that we have really only had a problem one year when there were drought conditions. He did not feel this was enough of a fix to warrant the expenditure. Paula Marzloff agreed with Alan, indicated the proposal was inadequate to the task and need at hand, and was not a permanent solution. She felt the Town needed to correct the drainage of the property before moving forward in this direction and potentially impacting Cohas watershed. Bert Ouellette felt the Town had been throwing money at irrigation for the past 20 years, and he agreed with Alan and Paula.

Dan Carpenter moved to not amend the Recreation Improvement budget to include \$4,000 for irrigation. Seconded by Paula Marzloff. A vote was taken. Voting Yes – Dan, David, Bert, Alan, Paula. Voting No – Jim. The motion carried.

Paula Marzloff moved to request the Board of Selectmen perform an adequate study of the property, its drainage and irrigation, and to develop a viable solution for improvement to be proposed next year. Seconded by Dan Carpenter. A vote was taken; all were in favor, the motion carried unanimously.

Financial Administration

Audit

Requesting \$13,500, an increase of \$1,500 from 2016. Year to date expended \$9,500

David Wesche moved to approve Audit at \$13,500. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Assessing

Requesting \$27,000, level funded from 2016. Year to date expended \$21,287.51

Alan Villeneuve asked when the Town was facing its next revaluation. Bill Herman reported 2017 is the fourth year of a five year contract. In 2018, the Town will face a statistical update as opposed to a full revaluation, and the cost will be \$85,000 instead of \$27,000.

Alan Villeneuve moved to approve Assessing at \$27,000. Seconded by David Wesche. A vote was taken; all were in favor, the motion carried unanimously.

Personnel Administration

Health Insurance

Requesting \$282,066, an increase of \$13,457 from 2016. Year to date expended \$238,616.45

Dental Insurance

Requesting \$14,395, a decrease of \$1,225 from 2016. Year to date expended \$13,958.86

Disability Insurance

Requesting \$7,586, a decrease of \$685 from 2016. Year to date expended \$6,531.54

Life Insurance

Requesting \$3,000, an increase of \$1,312 from 2016. Year to date expended \$1,912.50

David Wesche moved to approve Health Insurance, Dental Insurance, Disability Insurance and Life Insurance at a total of \$307,047. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Police Department

Shift Differential

Requesting \$7,589, level funded from 2016. Year to date expended \$3,862.13

Paula Marzloff moved to approve Police Shift Differential at \$7,589. Seconded by Alan Villeneuve. A vote was taken; all were in favor, the motion carried unanimously.

General Government Buildings

Bill Herman reported the Committee is seeing a new report under the area of General Government Buildings as the Board of Selectmen agreed to include all of the Town's utility expenses of telephone, electric and heat under the General Government Buildings account. This is inclusive of the Town Hall, Safety Complex, Pingree Hill Fire Station, Highway Garage and recreation properties. He reported the Finance Director prepared the spreadsheet with the changes in order to provide the Committee with the history of these accounts which had been spread across multiple department budget accounts. Once the accounts are entered into the Town's fund accounting system, we would not be able to provide past history.

Telephone

Requesting \$23,650, a reduction of \$100 from 2016. Year to date expended \$18,799.61

Paula Marzloff moved to approve Telephone at \$23,650. Seconded by David Wesche. A vote was taken; all were in favor, the motion carried unanimously.

Electric

Requesting \$23,100, a reduction of \$3,005 from 2016. Year to date expended \$17,941.32

David Wesche moved to approve Electric at \$23,100. Seconded by Bert Ouellette. A vote was taken; all were in favor, the motion carried unanimously.

Heating Oil / Propane

Requesting \$30,000, a reduction of \$7,000 from 2016. Year to date expended \$14,135.67

David Wesche moved to approve Heating Oil / Propane at \$30,000. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Repairs & Maintenance

Requesting \$5,900, a reduction of \$100 from 2016. Year to date expended \$7,368.41

Bert Ouellette moved to approve Repairs & Maintenance at \$5,900. Seconded by Alan Villeneuve. A vote was taken; all were in favor, the motion carried unanimously.

Municipal Property Mowing

Requesting \$28,000, level funded from 2016. Year to date expended \$22,866

Dan Carpenter asked how the property mowing service had been. Bill Herman indicated the Town was pleased with their vendor, but would likely be going out to bid jointly with the Auburn School District for 2017 season to see if a joint bid by both entities may benefit both entities.

Alan Villeneuve moved to approve Municipal Property Mowing at \$28,000. Seconded by Dan Carpenter. A vote was taken; all were in favor, the motion carried unanimously.

Plant Costs

Requesting \$4,810, an increase of \$2,960 from 2016. Year to date expended \$1,609.

Bill Herman noted the increase in this area is the cost of two self-storage units the Town has taken to store some equipment and items that had been in the former fire & police station building. The self-storage units cost for 12 months is \$2,760.

David Wesche moved to approve Plant Costs at \$4,810. Seconded by Jim Headd. A vote was taken; all were in favor, the motion carried unanimously.

Bottled Water

Requesting \$300, level funded from 2016. Year to date expended \$238.23

Janitorial Supplies

Requesting \$400, level funded from 2016. Year to date expended \$45.84

Alan Villeneuve moved to approve Bottled Water at \$300 and Janitorial Supplies at \$400. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Insurance

Municipal Property Liability

Requesting \$66,877, an increase of \$2,942 from 2016. Year to date expended \$63,935

Unemployment Compensation

Requesting \$1,623, an increase of \$643 from 2016. Year to date expended \$0

Workers' Compensation

Requesting \$38,071, an increase of \$3,461 from 2016. Year to date expended \$16,913.48

Insurance Retention (Claims)

Requesting \$3,000, level funded from 2016. Year to date expended \$7,033

David Wesche moved to approve Municipal Property Liability, Unemployment Compensation, Workers' Compensation and Insurance Retention (Claims) at a total of \$109,571. Seconded by Dan Carpenter. A vote was taken; all were in favor, the motion carried unanimously.

General Government

General Reimbursement

Requesting \$4,200, level funded from 2016. Year to date expended \$3,070.98

Alan Villeneuve moved to approve General Reimbursement at \$4,200. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

General Consulting Services

Requesting \$30,990, an increase of \$17,450 from 2016. Year to date expended \$7,008

Bill Herman reported the increase is mainly due to a planned operational review and risk analysis on all Town Hall operations by Municipal Resources, Inc., which had done similar reviews of the Fire Department and Police Department in 2016. A potential review of the library was under consideration for 2018. David Wesche asked if staffing levels were going to be part of the review, and Bill Herman indicated that is one of the specific interests of the Board of Selectmen, as is how the Town should handle overall property maintenance and management. The Selectmen have asked for that to also be something the review addresses.

Bert Ouellette moved to approve General Consulting Services at \$30,990. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Contracts, Software and Maintenance

Requesting \$33,449, an increase of \$3,896 from 2016. Year to date expended \$23,672.40

Alan Villeneuve asked if the Online Building Permit program would be an annual expense, and Bill Herman indicated it would be. He also noted the Building Inspector and Board of Selectmen are looking at a modest adjustment to building permit fees in order to have the fees paid by building permits cover the cost of the online system. But an amendment to the Town's Zoning Ordinance would need to be approved in order to raise building permit fees.

Paula Marzloff moved to approve Contracts, Software and Maintenance at \$33,449. Seconded by Dan Carpenter. A vote was taken; all were in favor, the motion carried unanimously.

Tax Map Update

Requesting \$6,100, an increase of \$600 from 2016. Year to date expended \$7,900

David Wesche moved to approve Tax Map Updates at \$6,100. Seconded by Alan Villeneuve. A vote was taken; all were in favor, the motion carried unanimously.

General Recording Fees

Requesting \$600, an increase of \$100 from 2016. Year to date expended \$537.19

Alan Villeneuve moved to approve General Recording Fees at \$600. Seconded by Dan Carpenter. A vote was taken; all were in favor, the motion carried unanimously.

Bank Charges / Fees

Requesting \$150, level funded from 2016. Year to date expended \$0

Paula Marzloff moved to approve Bank Charges / Fees at \$150. Seconded by Dan Carpenter. A vote was taken; all were in favor, the motion carried unanimously.

Office Equipment

Requesting \$5,500, level funded from 2016. Year to date expended \$2,490.47

Alan Villeneuve asked how many computers would planned to be replaced, and Adele Frisella indicated two were planned on. He asked how large was the Town's computer network, and Ms. Frisella indicated there were approximately 12 computers total in the Town Hall.

Bert Ouellette moved to approve Office Equipment at \$5,500. Seconded by David Wesche. A vote was taken; all were in favor, the motion carried unanimously.

Copy Machine Lease

Requesting \$1,200, level funded from 2016. Year to date expended \$990

Alan Villeneuve moved to approve Copy Machine Lease at \$1,200. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Newsletter

Requesting \$17,000, level funded from 2016. Year to date expended \$14,388.21

Alan Villeneuve moved to approve Newsletter at \$17,000. Seconded by Dan Carpenter. A vote was taken; all were in favor, the motion carried unanimously.

Postage

Requesting \$8,000, a reduction of \$1,000 from 2016. Year to date expended \$5,273.54

Bert Ouellette moved to approve Postage at \$8,000. Seconded by David Wesche. A vote was taken; all were in favor, the motion carried unanimously.

Conferences, Seminars & Dues

Requesting \$2,500, level funded from 2016. Year to date expended \$975

Alan Villeneuve asked who is covered by this line item. Bill Herman reported the Board of Selectmen, the Budget Committee, the Town Administrator, the Finance Director and the Executive Assistant.

David Wesche moved to approve Conference, Seminars & Dues at \$2,500. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Office Supplies

Requesting \$7,500, a decrease of \$500 from 2016. Year to date expended \$5,153.38

Alan Villeneuve moved to approve Office Supplies at \$7,500. Seconded by Bert Ouellette. A vote was taken; all were in favor, the motion carried unanimously.

Advertising

Requesting \$1,000, level funded from 2016. Year to date expended \$536.96

Alan Villeneuve moved to approve Advertising at \$1,000. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Miscellaneous Budget Expenditures

Requesting \$400, level funded from 2016. Year to date expended \$200

Alan Villeneuve moved to approve Miscellaneous Budget Expenditures at \$400. Seconded by David Wesche. A vote was taken; all were in favor, the motion carried unanimously.

Other Public Safety

Town Details

Requesting \$1,000, level funded from 2016. Year to date expended \$1,084.23

Paula Marzloff moved to approve Town Details at \$1,000. Seconded by Dan Carpenter. A vote was taken; all were in favor, the motion carried unanimously.

Improvements Other than Buildings

Road Reconstruction

Requesting \$800,000, level funded from 2016. Year to date expended \$838,318

The Board of Selectman and Road Agent are anticipating reconstructing Walnut Drive, Acorn Avenue and Joan Drive; placing the top coat of pavement on Dearborn Road, and doing reconstruction of a portion of Lovers Lane and Nutt Road.

Members of the Budget Committee commented on the progress that has been made on Town roads over the past decade or so, and that it was good to see the progress and planning for the follow-through in this area.

Alan Villeneuve moved to approve Road Reconstruction at \$800,000. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

The Chairman recessed the meeting at 8:12 PM. The meeting reconvened at 8:20 PM

2017 Salaries and Wages

Bill Herman outlined for the Committee a two-page spreadsheet Finance Director Adele Frisella had prepared which provides a three year history (2014, 2015 and 2016) for salaries and wages, the default budget amount for 2017 if no changes are made to wages; and then three potential budgeting options for 2017 including a 0.8% COLA, a 2% Step increase or a combined 0.8% COLA and a 2% Step. Mr. Herman indicated when the Joint Personnel Board comprised of the Board of Selectmen, Library Trustees and Police Commission met on November 22nd, they unanimously voted to recommend a COLA and a Step for a combined 2.8% be budgeted in 2017.

There was general discussion concerning the differences between the three proposals and what the Board of Selectmen were requesting. Jim Headd stated the Board of Selectmen were in favor of budgeting a combined 2.8% increase for both a COLA and a Step increase. Alan Villeneuve felt the Budget Committee did not need the three different alternatives, but should only be looking at the Selectmen's recommendation. He indicated he was in support of the proposed 2.8% COLA and Step.

Alan Villeneuve asked if the budget spreadsheet included funding for the additional full-time officer sought by the Police Department. Mr. Herman indicated that it did as the Board of Selectmen favored the addition of the position. He noted for FY 2017, the position is budgeted for the last six months of the year at a cost of approximately \$40,000, and the part-time officer line was also reduced by \$40,000. Mr. Villeneuve indicated he had more of a concern for the level of coverage and service for a town the size of Auburn, and wondered if this was an appropriate position to include. Several other committee members voiced similar sentiments, and asked how many full-time officers the department currently had. Mr. Herman indicated there were currently eight full-time officers including the Chief. Several Committee members felt they should have had more of a conversation on this item with the Police Commissioners and the Police Department when they were before the Budget Committee. Mr. Herman noted the general standard for the appropriate level of coverage is one full-time officer for every 500 residents. With Auburn's 5,200 residents, that would translate to 10 full-time officers. He also noted that, as the MRI review of the department indicated, the days of reliance on part-time officers has passed for a number of reasons, and the Department was having a hard time getting part-time officer to work shifts necessary, resulting in a significant amount of overtime for full-time officers if various shifts are going to be covered.

Alan Villeneuve moved to approve Salaries and Wages with a combined 2.8% COLA and Step increases at a total amount of \$1,860,938.24. Seconded by David Wesche. A vote was taken; all were in favor, the motion carried unanimously.

Warrant Articles

Town Buildings Rehabilitation Capital Reserve Fund

“To see if the Town will vote to raise and appropriate the sum of Forty-two-thousand dollars (\$42,000) 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, 2016 with no amount to be raised by taxation in 2017.”

The Board of Selectman is recommending the article, and the Budget Committee is being asked whether they recommend or do not recommend the article. Alan Villeneuve asked if this appropriation would bring the fund up to the \$100,000 amount and Mr. Herman said that it would. Dan Carpenter asked what work had been paid for in the past year from the fund. Mr. Herman reported the roofs of the library and highway garage had been replaced; the Town Hall parking lot lights had been converted to LED; and the foundation of the library had been repaired.

Alan Villeneuve moved for the Budget Committee to recommend approval of the Town Building Rehabilitation Capital Reserve Fund warrant article as presented. Seconded by David Wesche. A vote was taken; all were in favor, the motion carried unanimously.

Accrued Benefits Expendable Trust Fund

“To see if the Town will vote to raise and appropriate the sum of Thirteen-thousand dollars (\$13,000) to be placed into the Accrued Benefits Expendable Trust Fund previously established. This sum to come from the unreserved fund balance (surplus) as of December 31, 2016 with no amount to be raised by taxation in 2017.”

The Board of Selectman is recommending the article, and the Budget Committee is being asked whether they recommend or do not recommend the article. Alan Villeneuve asked if this appropriation would bring the fund up to the \$50,000 amount and Mr. Herman said that it would. He indicated two long-term employees retired in 2016 resulting in the pay out of accrued leave. Mr. Herman noted the Town has approximately a \$100,000 exposure in this area, but not everyone was going to leave at the same time or in the same year. It had been felt \$50,000 was a fair amount to carry for this potential expense. Alan Villeneuve expressed concern for trimming the Town expenses and potential used of the undesignated fund balance in order to leave a larger balance that the Selectmen then might consider using to reduce the overall tax rate. Mr. Herman noted the Board has adopted a policy that indicates they will look to maintain a fund balance of between eight percent and 17% of the total town, school district and county appropriations. The Town's fund balance of approximately \$1.6 million in 2016 represented approximately 10%, so at the low end of the range the Board supports.

David Wesche moved for the Budget Committee to recommend approval of the Accrued Benefits Expendable Trust Fund warrant article as presented. Seconded by Dan Carpenter. A vote was taken. Voting Yes – Dan, Dave, Bert, Paula and Jim. Voting No – Alan. The motion carried.

Funding of Collective Bargaining Agreement

“To see if the Town will vote to approve the cost items for year two of a three-year collective bargaining agreement which resulted from negotiations between the Auburn Board of Selectmen, the Auburn Police Commission and the Auburn Police Union, Local 216 and which represents an estimated increase of \$9,167 over FY 2016 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 Nine thousand one hundred sixty-seven dollars (\$9,167), such sum representing the negotiated increase over 2016 salaries, fringe benefits and other cost items at the current staffing levels.”

The Board of Selectman is recommending the article, and the Budget Committee is being asked whether they recommend or do not recommend the article. Bill Herman indicated this amount reflects providing funding for a 0.8% COLA and a 2% Step Increase for the positions included in the collective bargaining agreement with the Auburn Police Union.

Alan Villeneuve moved for the Budget Committee to recommend approval of the Collective Bargaining Agreement funding warrant article as presented. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.

Adjourn

Paula Marzloff moved to adjourn the meeting at 9:05 PM. Seconded by Jim Headd. A vote was taken; all were in agreement, the motion carried unanimously.

The meeting adjourned at 9:05 PM.