

Auburn Budget Committee Meeting  
December 7, 2017  
Auburn Town Hall

Members Present: Peter Miles, Chairman; Kevin Downing, David Wesche, Paula Marzloff, Dan Carpenter, Keith Leclair and James Headd

Others Present: Tax Collector Susan Jenkins, Fire Chief Edward Gannon, Finance Director Adele Frisella and Town Administrator Bill Herman

Chairman Miles called the meeting to order at 7:00 pm

***Approval of Meeting Minutes***

**David Wesche moved to accept the minutes of the November 16, 2017 meeting as printed. Seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.**

***General Government***

*Software and Maintenance*

Requesting \$35,844, an increase of \$2,395 from 2017. Year to date expended \$31,181

Mr. Herman noted the Budget Committee requested at their November 16<sup>th</sup> meeting to have Tax Collector Susan Jenkins meet with them to discuss the proposed software enhancement to enable the Town to accept property tax payments online using credit & debit cards. Mrs. Jenkins noted the one-time start-up costs for this service would be \$2,300. An annual license fee of \$250 would be required to maintain the service. Mrs. Jenkins indicated she is asked on occasion whether the Town can accept these types of payments, so she looked into what was necessary to move in this direction. In meeting with the system vendor, they indicate potentially 10% of the taxpayers will use this service. She noted approximately half of the property tax payments now come through larger payment centers due to property tax payments being incorporated with mortgage payments. Mrs. Jenkins noted there would be both a convenience fee of approximately \$2 per transaction charged to the taxpayers who use this system, plus an additional fee they would be charged for credit card usage. She felt she did not know enough about the entire process to fully recommend moving in this direction, and she would like more time to look into this, talk with other communities our size to gauge their experience, etc. There was general sentiment expressed by Committee members not to fund this effort in 2018.

**David Wesche moved to approve General Government – Software & Maintenance at a total of \$33,544 by not including the \$2,300 for online tax payments, seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.**  
***Fire Department***

Fire Chief Gannon began by outlining for the Committee various projects the Department undertook by department members in 2017 including cleaning up the apparatus bays in the Safety Complex by removing drywall with black mold and replacing it with plywood to

solidify and clean-up the area. They also sealed around all windows and overhead doors to prevent as much heat loss as possible, and also installed a huge fan to force the warmer air from the ceiling area. The electrical drop cord system that supplies charging power to every vehicle was replaced due to shortages being experienced. The system was replaced with 20 amp outlets and 20 amp power cords. He indicated the department also instituted a vehicle maintenance program following an unanticipated repair to Engine 1 (the Quint pumper / ladder truck) that cost \$18,000. Through the department budget, he indicated he spent a total of \$47,000 on vehicle maintenance to bring all vehicles into good condition. Moving forward, they are instituting a regular vehicle inspection program to ensure maintenance of all vehicles. He further indicated NFPA Codes require annual pump tests of the pumps on the fire trucks. Tests conducted this year indicate the pumps on Engine 1 and Engine 2 both need to be re-built. He is handling the pump on Engine 1 this year, while he has included funds in his 2018 budget to handle Engine 2.

#### *Fire Department*

Requesting \$196,079, an increase of \$13,918 from 2017 (exclusive of wages and personnel costs). Year to date expended \$163,198

Overall, he indicated he has readjusted various lines and items within the budget, but his total proposed budget to 2018 is down by approximately \$4,000. Chief Gannon indicated he was able to do that by removing \$18,000 from the stipend line, which he felt was inflated in the past to potentially move towards a third full-time position.

Keith Leclair asked about the cost increase for dispatch service. Chief Gannon indicated it is a negotiated contract for five years, but he wants to put the service out to bid when the contract is due for renewal and see what else is out there. He noted the Town of Atkinson recently went out to bid, and the Town of Londonderry provided them with a very attractive package with good service that saved the community thousands of dollars.

Dan Carpenter asked about the status of the Command Vehicle. The Chief reported the vehicle had caught on fire at the scene of a motor vehicle accident. He indicated it was clearly an electrical fire in the front portion of vehicle. The vehicle is currently at Bentley Chevrolet in Derry while an attempt is being made to determine whether the problem originated from original Chevrolet electrical systems or from added electrical systems for lights, radios, etc. He indicated the vehicle is repairable, but will require a portion of the engine to be re-built and then all of the electronics. He is anticipating the vehicle will be out of service for months to come.

**Keith Leclair moved to approve Fire Department at \$196,079, seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.**

#### ***Ambulance***

##### *Derry Ambulance Services*

Requesting \$83,896, an increase of \$3,807 from 2017. Year to date expended \$80,082.50

Chief Gannon reported this is also a negotiated contract and the Town just renewed the service for seven years. He indicated Derry is not the only service in town, but when needed, they are the best service in town. He felt they gave Auburn the fastest service and the highest level of ability of any other potential service around. He felt all things considered, they were the best bang for the buck.

**David Wesche moved to approve Derry Ambulance Services at \$83,896, seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.**

### ***Machinery, Vehicles & Equipment***

#### *Fire Apparatus Lease/Purchase*

Requesting \$72,696, level funded from 2017. Year to date expended \$72,695.61

Chief Gannon noted this was the lease/purchase payment for Engine One (the Quint ladder/pumper truck).

**Paula Marzloff moved to approve Fire Apparatus Lease/Purchase at \$72,696, seconded by David Wesche. A vote was taken; all were in favor, the motion carried unanimously.**

### ***Emergency Management***

#### *Emergency Management*

Requesting \$8,427, an increase of \$7,726 from 2017. Year to date expended \$125.54

Chief Gannon, who serves as Emergency Management Director, noted the increase and focus of this budget proposal is for the establishment of a citizen notification system for any sort of emergencies in the area or other information sharing. The system, which is web based, will enable easy distribution of messages over multiple mediums including Twitter, Facebook, Instagram, Nixel, web sites and others. He indicated anyone can opt in to receive information and various geo-fences can be established within the database so community segments; area segments; specific groups (i.e. – Seniors Well Check or school population), specific areas of interest (i.e. – FEMA notices, school notices, road closure notices, etc.) and others can be established.

He indicated the MRI reviews of both the Police Department and Fire Department indicated some sort of emergency notification system should be established. This proposed system would be managed through the Safety Complex with APD Records Manager Melissa Gates and Chief Gannon serving as co-administrators. He chose to include the expense in the Emergency Management budget as it will serve multiple departments. The Chief described the system as a “very robust system” that emergency officials will be able to access as needed through their smart phones.

The Chief noted the initial cost to acquire and set-up the system is \$8,100, while currently the annual cost of maintaining the system including all updates will be \$7,200.

Keith Leclair asked several operational questions and wondered if it were possible for the School District to become a sub-set of the system. He indicated the school district pays to have something similar for the distribution of school notices and information, and wondered if this might be something the Town and School District could share. Chief Gannon indicated he felt it could and Principal Collins could be included as an administrator for the “school segment” of the system.

**Jim Headd moved to approve Emergency Management at \$8,427, seconded by Kevin Downing. A vote was taken; all were in favor, the motion carried unanimously.**

### ***Improvements other than Buildings***

#### ***Road Reconstruction***

Requesting \$800,000, level funded from 2017. Year to date expended \$694,231.35

Jim Headd reported the Board of Selectmen had discussed this at length with Road Agent Mike Dross and determined the Town is nearing the end of a long process of repairing all of its roads and drainage systems. He indicated the Town was down to approximately 11 different roads or sections of roads that have been identified for work, and the Road Agent anticipates being able to complete work on six of them in 2018 including Rockwood Terrace, Dartmouth Drive, Lovers Lane, Walnut Drive, Acorn Avenue and Joan Drive. He indicated the Selectmen felt it was best to stay the course in funding to complete this work.

Peter Miles expressed his concern for the totality of budget proposals and costs from both the Town and School District, and with the proposed school renovation in 2018 he believes it would be best to reduce the funding in road reconstruction and spread the final work over a little longer time period.

Keith Leclair indicated he had some of the same sentiments, but also understood the interest in completing the work and process on the town roads. It was determined that, if approved, the first payment on a potential bond for a school renovation project would not be due until early 2019. As a result, he indicated there is no expense to actually off-set in 2018 if the bond is approved, the impact would not be felt until 2019.

Paula Marzloff felt it would be best for the Town to handle as much of the road work as possible in 2018, and then begin to scale back the remaining work and expense beginning in 2019.

**Peter Miles moved to approve Road Reconstruction at \$700,000, seconded by David Wesche for discussion.**

Dan Carpenter said he would feel better off funding road reconstruction at \$800,000 in 2018 and doing as much work as possible before any potential school bond is in effect, and then begin to reduce the level of expenditure the following year.

Jim Headd stressed the Town was moving towards the final deposit on work and projects that was begun in 1993. He was concerned about potentially scaling things back too far

before they were completed and potentially start to lose the improvement that had been made.

Peter Miles felt the perception of the voters is important to consider and if expenditures were increased or remained high in one area, voters may well reduce them in other areas which could put the school renovation project in jeopardy.

Keith Leclair asked if it was possible for the Town to encumber the balance of the 2017 road reconstruction budget for use in 2018. Mr. Herman indicated it was possible for the Board of Selectmen to do that, but they had specifically decided not to do that and instead allow the balance to lapse to the undesignated fund balance. Mr. Leclair felt it made more sense to encumber the \$40,000 to \$50,000 that is expected to be remaining from the 2017 budget, and then raising an additional \$700,000 in 2018 for a total budget of \$740,000 to \$750,000.

Mrs. Marzloff and Mr. Carpenter both indicated they felt that was a sound approach that they could support. Mr. Herman noted the encumbering of funds is ultimately a decision made by the Board of Selectmen, but the Budget Committee can certainly provide their recommendation and advice to the Selectmen.

**David Wesche proposed to amend the motion on the floor to approve Road Reconstruction at \$700,000 contingent upon the encumbering of the balance of the 2017 road reconstruction budget for use on Rockwood Terrace in 2018. Mr. Miles was agreeable to the friendly amendment, which now becomes the main motion.**

**Motion on the floor is to approve Road Reconstruction at \$700,000 contingent upon the encumbering of the balance of the 2017 road reconstruction budget for use on Rockwood Terrace in 2018. A vote was taken, all were in favor, the motion carried unanimously.**

Mr. Herman indicated this budget adjustment will be presented to the Board of Selectmen at their next meeting on December 18<sup>th</sup>. He will report the Selectmen's action back to the Budget Committee at their next meeting on December 21<sup>st</sup> in the event the Committee felt they needed to reconsider this issue.

### ***Financial Administration***

#### ***Audit***

Requesting \$14,000, an increase of \$500 from 2017. Year to date expended \$10,500

Ms. Frisella reported this amount covers both the annual financial audit, as well as a separate effort to address the Government Accounting Standards Board (GASB) rule (GASB 54) which requires public sector employers to account for the financial implications of their long-term obligations to retirees.

**David Wesche moved to approve Audit at \$14,000, seconded by Paula Marzloff. A vote was taken; all were in favor, the motion carried unanimously.**

### *Annual Assessing Update*

Requesting \$86,400, an increase of \$59,400 from 2017. Year to date expended \$22,958.30

Mr. Herman reported the Committee had already approved the amount of \$83,400 which is the contracted amount to provide the revaluation work required in 2018, in addition to annual pick-up work. In signing the contract for the revaluation work, the Board of Selectmen agreed the Town should require a performance bond by the vendor for this work, so the project cost was increased by an additional \$2,985 to cover the bond. As a result, the Board is requesting to raise the previously approved \$83,400 for this effort to \$86,400.

Dan Carpenter indicated he thought the Town was doing a rolling review of one-fifth of the Town each year. Mr. Herman indicated that is correct, but said even with that work, the Town is required to perform a revaluation once every five years. However, by doing the ongoing work, the Town is able to perform a statistical update as it plans in 2018 as opposed to a full measure and list process which, instead of \$86,000, would more likely cost closer to \$200,000+. Mr. Carpenter asked what the expense would be for assessing in 2019, and Mr. Herman indicated it would return to the normal annual cost of approximately \$27,000.

**David Wesche moved to approve Annual Assessing Update at a total of \$86,400, seconded by Keith Leclair. A vote was taken; all were in favor, the motion carried unanimously.**

### ***Insurance***

#### *Municipal Property & Liability*

Requesting \$70,714, an increase of \$3,837 from 2017. Year to date expended \$69,819

#### *Unemployment Compensation*

Requesting \$1,191, a decrease of \$432 from 2017. Year to date expended \$92.33

#### *Workers' Compensation*

Requesting \$40,160, an increase of \$2,089 from 2017. Year to date expended \$38,071

#### *Insurance Retention (Claims)*

Requesting \$3,000, level funded from 2017. Year to date expended \$1,190

Mr. Herman reported the Town's coverage is through a public sector risk management pool known as Public Risk Management Exchange (Primex). The Town entered into a three-year program beginning in 2018 that provides a guaranteed rate increase cap of 8% for all three years.

Keith Leclair asked if the Town can purchase insurance in the private market. Mr. Herman noted it could. Several important items to consider though is the amount and depth of training programs the Town receives generally free of charge through Primex as part of its services that private insurance providers do not offer. Also, municipalities have a statutory

cap in terms of liability claims set at \$275,000. If a municipality purchases traditional insurance coverage through a private vendor, the municipality is not protected by the liability cap. He also noted most private insurance providers do not provide all of the various coverages that may be unique to municipal governments, like coverage for landfill properties.

**David Wesche moved to approve Insurance at a total of \$115,065, seconded by Kevin Downing. A vote was taken; all were in favor, the motion carried unanimously.**

### ***Police Department***

#### ***Shift Differential***

Requesting \$7,589, level funded from 2017. Year to date expended \$5,511.38

Mr. Herman reported under the terms of the collective bargaining agreement with the Auburn Police Union, the Town provides a shift differential of \$0.50 per hour for officers who work the 4 PM to Midnight shift and a shift differential of \$1.00 per hour for officers who work the Midnight to 8 AM shift. This is a set amount regardless of the officer or their individual rate of pay. Ms. Frisella also noted this account includes the payroll-related benefits of either Social Security, Medicare and/or NH Retirement System for this expense.

After discussion concerning past expenditures and potential schedules, most committee members felt a lower budget amount would still provide full funding for the Town's obligation.

**Keith Leclair moved to approve Police Shift Differential at \$6,500, seconded by David Wesche. A vote was taken; all were in favor, the motion carried unanimously.**

### ***Solid Waste***

#### ***Hazardous Waste***

Requesting \$8,500, an increase of \$2,000 from 2017. Year to date expended \$10,267

Mr. Herman reported the Budget Committee had previously approved a requested budget amount of \$6,500, which included \$2,000 for a Household Hazardous Waste Collection event held with the Towns of Nottingham and Raymond. Since submitting the budget, the 2017 event was held and Auburn had the largest participation of any of the three communities (105 households from Auburn, 86 households from Raymond and 47 from Nottingham) which resulted in a total expenses of \$5,915.57 for Auburn. In anticipation of another successful year in 2018, the Board of Selectmen agreed to include an additional \$2,000 for a total of \$4,000 in the 2018 budget for this activity.

Dan Carpenter wondered if the Town might fare better if it operated its own event. Mr. Herman indicated it certainly could be looked into, but his sense was proportionally, Auburn would experience this type of event whether it ran by itself or joined others. Historically, Auburn has benefited from the multi-town approach and the sharing of costs.

**Keith Leclair moved to approve Hazardous Waste at \$8,500, seconded by Dan Carpenter. A vote was taken; all were in favor, the motion carried unanimously.**

***Other Business***

Mr. Herman reported the Budget Committee should be able to wrap up work on the Town budget at its next meeting, which is scheduled for Thursday, December 21<sup>st</sup>. He anticipates having all the final budget pieces for the Committee, in addition to the warrant articles seeking funding to appear on the Town warrant. He indicated the required Public Hearing on the budget, and likely a meeting ahead of time to handle any outstanding items for the Town or School District, would be held on Thursday, January 11, 2018.

***Adjourn***

**David Wesche moved to adjourn the meeting at 8:25 PM. Seconded by Paula Marzloff. A vote was taken; all were in agreement, the motion carried unanimously.**