

**Town of Auburn
Board of Selectmen
October 24, 2016
Town Hall
7:00 p.m.**

() Call to Order – Pledge of Allegiance

Approval of Accounts Payable for Week of October 24th, 2016
Consent Agenda – as of October 24th, 2016

() Appointments with the Board

John Batchelder – Acceptance of Mountain Road Extension

() FY 2017 Budget Presentations

- Legal Expenditures
- Solid Waste
- Health Officer
- Patriotic Purposes
- Proposal for Town Operations Study

() New Business

2016 Tax Rate

() Old Business

() Other Business

() Minutes

- October 17th, 2016 Public Meeting

() Non-Public Session

Pursuant to the provisions of RSA 91-A: 3, II (c) – Reputation of someone other than a member of the Board.

Note: "Any person with a disability who wishes to attend this public meeting and needs to be provided reasonable accommodations in order to participate, please contact the Board of Selectmen's Secretary at (603) 483-5052 x100, so that arrangements can be made."

Bill Herman

From: Denise Royce
Sent: Thursday, October 20, 2016 1:30 PM
To: Bill Herman
Subject: Mountain Road Extension

Bill,

John Batchelder would like to be placed on the BOS Agenda for Monday, October 24th to have the BOS accept the road for Mountain Road Extension. This was suggested by Dan Tatem as there were minor items that needed to be completed. I am in receipt of the signed approved road Deeds. Please let me know if you need anything further from me.

Please feel free to contact me with any questions or comments.

Thank you,

Denise Royce

Land Use Administrator
Town of Auburn
47 Chester Road
Auburn, NH 03032
603-483-5052 ext. 4
planning@townofauburnnh.com

2017 PROPOSED LEGAL EXPENDITURES
TOWN OF AUBURN

	1 Expended 2013	2 Expended 2014	3 Expended 2015	4 Budgeted 2016	5 Expended YTD 2016	6 Dept/Comm Request 2017	7 % Chg 16/17	8 BOS Approved 2017	9 Budget Comm Approved 2017
	As of December	As of December	As of December	As of December	As of December				
General Fund									
Legal Expenditures									
1 01-4153-3-350-1	110,117.96	114,274.95	50,557.37	60,000.00	11,552.10	50,000.00	20%		
Narrative for Column # 6									
Only one pending case currently active (assessing). Police Department desires access to legal counsel, which could be done through Town account with access through Selectmen's office as opposed to adding an additional line in the Police budget.									
2 01-4153-3-350-2	13,116.77	12,567.15	9,962.00	5,000.00	2,410.35	7,000.00	-29%		
Narrative for Column # 6									
Anticipate Unfair Labor Practice grievance to defend. Potential negotiations over items with Auburn Police Union.									
Legal Expenditures Total	123,234.73	126,842.10	60,519.37	65,000.00	13,962.45	57,000.00	14%	0.00	0.00
Grand Total:	123,234.73	126,842.10	60,519.37	65,000.00	13,962.45	57,000.00	14%	0.00	0.00

2017 PROPOSED SOLID WASTE
TOWN OF AUBURN

General Fund	1 Expended 2013	2 Expended 2014	3 Expended 2015	4 Budgeted 2016	5 Expended YTD 2016	6 Dept/Comm Request 2017	7 % Chg 16/17	8 BOS Approved 2017	9 Budget Comm Approved 2017
Solid Waste Disposal									
1 01-4324-3-390-1 Narrative for Column # 6 E-Waste collection day - \$4,000; Household Hazardous Waste Day Event - \$2,000; Shred Day Event - \$500	4,765.77	5,126.10	4,651.50	7,175.00	4,351.50	6,500.00	10%		
2 01-4324-5-390-0 Narrative for Column # 6 Landfill Monitoring	6,500.00	10,259.75	9,000.00	4,000.00	4,300.00	4,500.00	-11%		
Annual ground water sampling and report to NHDES of landfill property									
3 01-4324-5-390-1 Narrative for Column # 6 Roadside PickUp Container	0.00	150.00	200.00	750.00	200.00	500.00	50%		
Container at Highway Garage to handle materials picked up on Town roads									
Solid Waste Disposal Total	11,265.77	15,535.85	13,851.50	11,925.00	8,851.50	11,500.00	4%	0.00	0.00
Grand Total:	11,265.77	15,535.85	13,851.50	11,925.00	8,851.50	11,500.00	4%	0.00	0.00

2017 PROPOSED HEALTH ADMINISTRATION
TOWN OF AUBURN

General Fund	1 Expended 2013	2 Expended 2014	3 Expended 2015	4 Budgeted 2016	5 Expended YTD 2016	6 Dept/Comm Request 2017	7 % Chg 16/17	8 BOS Approved 2017	9 Budget Comm Approved 2017
Health Administration									
1 01-4411-2-250-1	24.86	0.00	25.30	100.00	17.28	100.00			
2 01-4411-6-645-1	280.00	170.00	175.00	350.00	105.00	350.00			
Health Administration Total	304.86	170.00	200.30	450.00	122.28	450.00	0%	0.00	0.00
Grand Total:	304.86	170.00	200.30	450.00	122.28	450.00	0%	0.00	0.00

2017 PROPOSED PATRIOTIC PURPOSES
TOWN OF AUBURN

		1	2	3	4	5	6	7	8	9
		Expend 2013	Budgeted 2014	Expended 2015	Budgeted 2016	Expended YTD 2016	Dept/Comm Request 2017	% Chg 16/17	BOS Approved 2017	Budget Comm Approved 2017
As of December		As of December	As of December	As of December	As of December	As of December				
General Fund										
Patriotic Purposes										
1 01-4583-0-001-1	Flags	2,540.00	602.79	1,641.84	1,500.00	1,899.00	1,650.00	-9%	0.00	
Narrative for Column # 6										
Replacement flags, poles and/or brackets for telephone pole display in center of Town, \$1,500; flags put out by cemetery headstones for Memorial Day, \$150.										
Patriotic Purposes Total		2,540.00	602.79	1,641.84	1,500.00	1,899.00	1,650.00	-9%	0.00	0.00
Grand Total:		2,540.00	602.79	1,641.84	1,500.00	1,899.00	1,650.00	-9%	0.00	0.00

Town of Auburn

Town Hall
47 Chester Road
P.O. Box 309
Auburn, NH 03032



Town Administrator

William G. Herman, CPM
Phone: (603) 483-5052 Ext. 111
Fax: (603) 483-0518
E-Mail:
townadmin@townofauburnnh.com

To: Board of Selectmen

From: Bill Herman, CPM, Town Administrator

Date: October 20, 2016

Re: General Town Government Operations Study

Based on the Board's indication that an operational review and risk analysis of Town Hall and general Town government operations would be conducted in 2017, I requested a quote from Municipal Resources, Inc. (MRI), for the cost of such an undertaking.

In addition, the Library Trustees had indicated an interest as well in this process, so we also asked MRI provide a cost for including the library operations in this process.

Unlike both the fire and police department reviews, it became clear fairly quickly that a larger team of function specialists would be required to cover the full functions and operations included in the Town Hall operations. Where a two-person team could handle the law enforcement or fire/EMS operations reviews, a team of five or six specialists could be required for a Town Hall operation.

As a result, in discussing this with MRI, their proposal breaks the Town Hall operations into two areas – general Town Hall functions (Administration, Human Resources, Finances, Town Clerk/Tax Collector and Welfare) and Planning, Zoning, Building Inspection, Code Enforcement and Assessing.

We are looking for direction from the Board for how you would like us to budget in this area. If we break the work into two separate projects perhaps done over two years, the cost for the general Town Hall functions would be \$8,500, while the cost for the various land use, building inspection and assessing functions would be \$6,500. If we chose to do them all at once, the cost would be \$15,000.

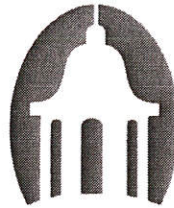
The cost for the review of the library operations is pegged at \$5,500. The Trustees have indicated to me they are interested in this process, but probably not until 2018.

Attached is the written proposal we have received from MRI for these efforts.

We are seeking the Board's direction for how you would like to approach this and how much you would want included in next year's budget for this effort.

Thank you for your consideration.

Attachment



August 30, 2016

William Herman, Town Administrator
Auburn Town Offices
47 Chester Road
PO Box 309
Auburn NH 03032

RE: Proposal for Town Operations Study

Dear Mr. Herman:

Municipal Resources, Inc. (MRI) is pleased to submit the following proposal for professional services to review the following general government functions/operations in the Town of Auburn:

- ✓ Selectmen's Office/Administration
- ✓ Finance and Human Resources
- ✓ Planning and Zoning
- ✓ Assessing
- ✓ Town Clerk
- ✓ Tax Collector
- ✓ Building Inspector/Code Enforcement
- ✓ Welfare
- ✓ Library

Given the degree of specialization these functions represent, it may be beneficial for the Town to divide these reviews into groups that could be done as funds allow. For the purposes of this proposal we will provide separate pricing for the functions that can be naturally grouped together. We suggest the following groupings:

- **General Town Hall Functions:** Admin, HR, Finance, Town Clerk/Tax Collector, and Welfare

In order to be most efficient and avoid the expense of sending 5 or 6 specialists to Auburn for the general Town Hall functions, we propose using a generalist (or two) to complete the onsite interviews and collect information about the various functions. That information would then be provided to a specialist that would conduct the necessary follow-up by phone/e-mail with the appropriate staff in Auburn. **The cost for this review would be \$8,500.00**

- **Planning, Zoning, Building Inspection, Code enforcement, Assessing:** This review would likely necessitate an onsite review by one or two specialists, and perhaps some interaction with the Planning Board, ZBA, and Assessing Contractor. **The cost for this review would be \$6,500.00**
- **Library:** This review would be completed by a consultant specializing in library services and would involve interaction with staff and Trustees. **The cost for this review would be \$5,500.00**

SCOPE OF WORK

The study will consist of an analysis of the provision of the above services in the Town of Auburn. Using this review as a basis, MRI will make recommendations for improvements that are to take into consideration the current and future financial ability of the Town, appropriate modifications to the delivery systems to provide optimum response time and service to the entire Town, location or expansion of physical facilities and equipment, and whether the current organization is appropriate or should be modified. We will spend time with the key personnel in each department and town leaders to gain an understanding of the organizational, operational, and management systems and approaches currently in place, and then compare and contrast the current structures against contemporary "best practice".

The study shall consist of the following components:

1. A comprehensive risk assessment.
2. Internal operations staff and management resources.
3. Analysis of policies and procedures for each department.
4. A financial sustainability analysis, which will include current organizational configurations accompanied by the identification of potential efficiencies and service improvements.
5. Analysis of the structure and delivery of services, including training and benchmarking against established best practices.

Specific items to be addressed will include, but not be limited to, the following:

1. Identify service needs based on the characteristics of the community, applicable statutory and regulatory requirements, and comparison with current ability to fulfill the needs and expectations.



William Herman, Town Administrator
RE: Town Operations Study
August 30, 2016
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2. Evaluate whether there are recommended changes to improve efficiency and delivery of service for each department.
3. Evaluate appropriate operational staffing, supervision, and management.
4. Evaluation of departmental policies, procedures, and internal controls. Include possible recommendations that may improve the current policies, procedures, training, and delivery of services in the most cost effective manner.

INFORMATION TO BE PROVIDED BY THE TOWN OF AUBURN

MRI structures our proposals as a partnership with a community. As such, we ask that a contact person be identified for each department and that will assist in scheduling and gathering information/documentation deemed necessary by the consulting team. It is our goal that each of our team members becomes familiar with the departments to be reviewed and the community so that we can arrive in your community and "hit the ground running", thus asking more informed questions and providing the community with a better value in terms of product depth and quality.

The results of our assessment will be presented in a written report and may be presented in a work session format designated by Town officials. During this work session, the MRI team will explain, interpret, and expand upon the information in the report and answer questions.

MRI PERSONNEL IN CHARGE

Alan S. Gould, President, will serve as Principal-In-Charge of this engagement. Other Project Team members will be assigned based upon specific needs.

I look forward to the opportunity to discuss this proposal further.

Sincerely,



Alan S. Gould
President
(603) 279-0352 x320
(603) 765-5998 Cell
agould@mrigov.com





2016
\$20.25

Tax Rate Breakdown Auburn

Municipal Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Municipal	\$2,899,972	\$654,335,959	\$4.43
County	\$711,798	\$654,335,959	\$1.09
Local Education	\$8,022,067	\$654,335,959	\$12.26
State Education	\$1,596,724	\$646,343,259	\$2.47
Total	\$13,230,561		\$20.25

Village Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Total			

Tax Commitment Calculation	
Total Municipal Tax Effort	\$13,230,561
War Service Credits	(\$166,500)
Village District Tax Effort	
Total Property Tax Commitment	\$13,064,061

Stephan Hamilton
Director of Municipal and Property Division
New Hampshire Department of Revenue Administration

10/18/2016

Appropriations and Revenues

Municipal Accounting Overview

Description	Appropriation	Revenue
Total Appropriation	\$5,300,231	
Net Revenues (Not Including Fund Balance)		(\$2,614,646)
Fund Balance Voted Surplus		(\$84,000)
Fund Balance to Reduce Taxes		\$0
War Service Credits	\$166,500	
Special Adjustment	\$0	
Actual Overlay Used	\$131,887	
Net Required Local Tax Effort	\$2,899,972	

County Apportionment

Description	Appropriation	Revenue
Net County Apportionment	\$711,798	
Net Required County Tax Effort	\$711,798	

Education

Description	Appropriation	Revenue
Net Local School Appropriations	\$11,568,696	
Net Cooperative School Appropriations		
Net Education Grant		(\$1,949,905)
Locally Retained State Education Tax		(\$1,596,724)
Net Required Local Education Tax Effort	\$8,022,067	
State Education Tax	\$1,596,724	
State Education Tax Not Retained	\$0	
Net Required State Education Tax Effort	\$1,596,724	

Valuation

Municipal (MS-1)

Description	Current Year	Prior Year
Total Assessment Valuation with Utilities	\$654,335,959	\$644,613,765
Total Assessment Valuation without Utilities	\$646,343,259	\$636,621,065

Village (MS-1V)

Description	Current Year
-------------	--------------

Auburn

Tax Commitment Verification

2016 Tax Commitment Verification - RSA 76:10 II

Description	Amount
Total Property Tax Commitment	\$13,064,061
1/2% Amount	\$65,320
Acceptable High	\$13,129,381
Acceptable Low	\$12,998,741

If the amount of your total warrant varies by more than 1/2%, the MS-1 form used to calculate the tax rate might not be correct. The tax rate will need to be recalculated. Contact your assessors immediately and call us at 603.230.5090 before you issue the bills. See RSA 76:10, II

Commitment Amount	
Less amount for any applicable Tax Increment Financing Districts (TIF)	
Net amount after TIF adjustment	

Under penalties of perjury, I verify the amount above was the 2016 commitment amount on the property tax warrant.

Tax Collector/Deputy Signature:

Date:

Requirements for Semi-Annual Billing

Pursuant to RSA 76:15-a

76:15-a Semi-Annual Collection of Taxes in Certain Towns and Cities - I. Taxes shall be collected in the following manner in towns and cities which adopt the provisions of this section in the manner set out in RSA 76:15-b. A partial payment of the taxes assessed on April 1 in any tax year shall be computed by taking the prior year's assessed valuation times 1/2 of the previous year's tax rate; provided, however, that whenever it shall appear to the selectmen or assessors that certain individual properties have physically changed in valuation, they may use the current year's appraisal times 1/2 the previous year's tax rate to compute the partial payment.

Auburn	Total Tax Rate	Semi-Annual Tax Rate
Total 2016 Tax Rate	\$20.25	\$10.13

Associated Villages

No associated Villages to report

Fund Balance Retention

Enterprise Funds and Current Year Bonds

\$0

General Fund Operating Expenses

\$15,630,820

Final Overlay

\$131,887

DRA has provided a reference range of fund balance retention amounts below. Please utilize these ranges in the determination of the adequacy of your municipality's unrestricted fund balance, as currently defined in GASB Statement 54. Retention amounts, as part of the municipality's stabilization fund policy [1], should be assessed dependent upon your governments own long-term forecasts and special circumstances. Please note that current best practices published by GFOA recommend, at a minimum, that "...general purpose governments, regardless of size, maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures." [2],[3]

[1] The National Advisory Council on State and Local Budgeting (NACSLB), (1998), *Framework for Improved State and Local Government Budgeting: Recommended Budget Practices (4.1)*, pg. 17.

[2] Government Finance Officers Association (GFOA), (2009), *Best Practice: Determining the Appropriate Level of Unrestricted Fund Balance in the General Fund*.

[3] Government Finance Officers Association (GFOA), (2011), *Best Practice: Replenishing General Fund Balance*.

2016 Fund Balance Retention Guidelines: Auburn

Description	Amount
Current Amount Retained (10.62%)	\$1,660,759
17% Retained (<i>Maximum Recommended</i>)	\$2,657,239
10% Retained	\$1,563,082
8% Retained	\$1,250,466
5% Retained (<i>Minimum Recommended</i>)	\$781,541

2016 RSA 198:4-b II School Fund Balance Retention Guidelines: Auburn

If a school district has adopted RSA 198:4-b II by a vote of the legislative body, the school district may retain year-end unassigned general funds in an amount not to exceed, in any fiscal year, 2.5 percent of the current fiscal year's net assessment pursuant to RSA 198:5, for the purpose of having funds on hand to use as a revenue source for emergency expenditures and overexpenditures under RSA 32:11, or to be used as a revenue source to reduce the tax rate. This retained fund balance is not cumulative. The maximum allowed fund balance retention has been calculated as:

	Net Assessment	2.5% of Net Assessment
Local School	\$9,618,791	\$240,470