

**Auburn Budget Committee Meeting
January 16, 2020
Minutes**

Members Present: Peter Miles, Chairman; Mary Beth Lufkin, Vice-Chair, Paula Marzloff, Dan Carpenter, David Wesche, Kevin Downing, Alan Villeneuve, and Keith Leclair

Others Present: School Superintendent William Rearick and Town Administrator William Herman

Chair Miles called the meeting to order at 6:29 PM and introduced the Board members.

Approval of Meeting Minutes

Meeting of December 12, 2019

Mr. Wesche motioned to accept the December 12, 2019 minutes. Mr. Carpenter seconded the motion. A vote was taken, Mr. Downing abstained due to absence from that meeting, the motion passed 6-0-1.

Budget Presentations:

Solid Waste/Landfill Monitoring (Bill Herman)

Bill Herman presented the proposed \$3,700 increase to the FY2020 budget for Solid Waste/Landfill Monitoring. Mr. Herman explained the reason for the increase is when the NHDES issued the renewal of the Town's Groundwater Management Permit (GMP) it required the installation of two additional monitoring wells downgradient of the landfill to help evaluate the extent of PFAS detected previously in groundwater samples from the property. Mr. Herman provided a proposal dated January 3, 2020 from Stantec Consulting Services, Inc. showing the scope of work and estimated cost which was \$3,700 above previously budgeted.

Mr. Villeneuve asked if the proposal would go out to bid and Mr. Herman indicated Stantec had been doing the work for many years and it would cost more to bring another vendor up to speed.

Mr. Villeneuve motioned to approve the \$3,700 increase for Solid Waste/Landfill Monitoring for the FY2020 budget. Mr. Wesche seconded the motion. A vote was taken, all were in favor, the motion carried unanimously.

Warrant Article #4 – Appropriation to Town Buildings Rehabilitation Capital Reserve Fund (Keith Leclair)

To see if the Town will vote to raise and appropriate the sum of Ninety-Eight Thousand (\$98,000) Dollars 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, 2019 with no additional amount to be raised by taxation in 2020. (Recommended by the Board of Selectmen)

Mr. Leclair reported the Board of Selectmen considered the input from the Budget Committee that the \$28,000 for improvements to the Pingree Hill Fire Station not be included in the FY 2020 operating budget, but rather be added to the funding sought for the Town Buildings Capital Reserve Fund. The Selectmen agreed to the suggestion and have increased the proposed funding for the Town Buildings Capital Reserve Fund from \$70,000 to \$98,000.

Mr. Villeneuve motioned to recommend Warrant Article #4 – \$98,000 appropriation to Town Buildings Rehabilitation Capital Reserve Fund. Mr. Wesche seconded the motion. A vote was taken, all were in favor, the motion carried unanimously.

Auburn School District Warrant Articles (Alan Villeneuve)

Mr. Villeneuve reviewed the four Warrant Articles for 2020 as drafted by the Auburn School Board.

Article #1 - Election of officers

- a) One School Board Member 3-year term
- b) Moderator 2-year term unexpired 2-year term

Mr. Villeneuve indicated Janice Baker's position on the School Board is up election and she will be running again.

Article #2 - Collective Bargaining Agreement

Mr. Villeneuve reported the School Board has reached a proposed three-year agreement with the Auburn Education Association that essentially is the same as the funding for Town employees -- 1.5% cost of living adjustment and step increases. The cost impact of the proposed contract would be:

FY 2020-2021	\$133,435
FY 2021-2022	\$113,257
FY 2022-2023	\$121,078

Mr. Villeneuve motioned to recommend the Collective Bargaining Agreement. Mr. Wesche seconded the motion. A vote was taken, all were in favor, the motion carried unanimously.

Article #3 - Operating Budget

The Budget Committee has already reviewed and acted upon the operating budget.

Article #4 - Sell property and deposit proceeds into School Construction Expendable Trust Fund

Mr. Villeneuve noted the School Board decreased the amount from the original proposed \$1,500,000 to \$900,000 at its meeting on January 14th.

Mr. Villeneuve explained if the warrant article is approved, the proceeds from the sale of property off Hooksett Road (Tax Map #10, Lot #19) would be added to the School Construction Expendable Trust Fund established in March 2002. Mr. Villeneuve noted the School District voters already authorized the School Board to sell the property in March 2016, but it was not clear how the proceeds of the sale were to be handled. He noted the parcel is not currently up for sale, but someone has expressed an interest in it. Before the parcel would be sold, he indicated the value would be reviewed in the form of an appraisal.

Mr. Villeneuve indicated the School District also put an investment into the property in the form of engineering work, which he believes was close to \$100,000, in addition to its original purchase price of \$650,000. He said the School District would like to have the funds invested placed in the reserve fund to potentially be able to purchase a neighboring piece of property to be able to address parking for the school and to better connect the Griffin Library with the school in the future. Mrs. Marzloff indicated she would prefer to see the proceeds returned to the taxpayers.

Mary Beth Lufkin joined the meeting at 7:04 PM

Mr. Villeneuve proposed putting \$750,000 into the ETF fund with any excess proceeds from the sale returned to the taxpayers, but cautioned funds returned from the school budget this year would reflect a decrease in the tax rate for one year only, and hit hard the second year when there is no credit potentially of this size. Mrs. Marzloff noted the public had an expectation when the property was purchased for a new school and the School Board ultimately went in a different direction with the addition, they would expect to have that returned.

Mr. Herman shared a map of the area for review by the Board.

Mr. Downing noted he liked the idea of connectivity for the school and library. He indicated this was done in Candia and worked out well.

Mr. Carpenter noted he would prefer not to see the sale proceeds used to chip away at little things that should be budgeted for each year, and also would hate to see the school accept the first offer on the table unless it is a good one.

Mr. Villeneuve noted some pending zoning changes may increase the value of the parcel if approved by the voters.

Mr. Leclair indicated the Board of Selectmen had its 2020 Goal Setting meeting earlier in the day and identified one goal as working together with the School District to pursue property adjacent to the school property that could provide better connection to the library and provide parking for both the School District and the Town.

Mr. Villeneuve noted any purchase of property would have to go before the voters, so the taxpayers will have the opportunity to say whether they want to spend the money or not for that purpose.

Mr. Leclair asked why the amount was lowered and Mr. Villeneuve indicated the School has to file with the NHDRA and have a number and that is the number the School Board selected. The number could be changed at Deliberative Session. Mr. Herman indicated the School Board could change the number up until such time as the warrant has been posted or it could be changed at the Deliberative Session by the voters. He said the Budget Committee cannot change the number, it can only recommend or not recommend. Superintendent Rearick noted the property could be sold anytime within the five-year window and the value could go up or down. Mr. Herman indicated the Budget Committee could vote to recommend or not recommend contingent upon changing to a different number.

Mr. Leclair recommended having this well memorialized in the event the Board changes in the next five years.

Mr. Villeneuve believed the engineering was done in 2004 for tracking purposes.

Mr. Leclair noted he was comfortable with \$700,000.

Vice-Chair Lufkin motioned to recommend Article #4 based on the approval of up to \$700,000, the approval of above \$700,000 would not be recommended by this Board.

Mr. Villeneuve indicated he would be comfortable with \$750,000 not with \$700,000 as there is at least \$100,000 in engineering costs. Superintendent Rearick added there is a buyer lurking, but what if it doesn't materialize, the cost to buy will also escalate. Vice-Chair Lufkin asked what would happen if the School didn't buy the parcel for parking they have interest in and Mr. Villeneuve noted there are other capital improvements the School could do. There were no upgrades to the middle portion of the school while either side has seen upgrades.

Mr. Herman clarified the funds being discussed would not actually come back to the Town; they would be held by the School District and treated as a one-time revenue source that would ultimately reduce the local school portion of the tax rate for that one year.

Vice-Chair Lufkin amended her motion to recommend Article #4 based on the approval of up to \$750,000. Mr. Downing seconded the motion. A vote was taken: Mr. Carpenter – aye, Mr. Downing – aye, Mr. Villeneuve – aye, Chair Miles – aye, Mr. Wesche – aye, Mrs. Marzloff – nay and Vice-Chair Lufkin – aye. Motion carried 7-1-0.

Public Hearing – Town & School District Budgets and Warrant Articles

Chair Miles convened the public hearing at 7:41 PM on the proposed operating budgets and warrant articles for the Town of Auburn and Auburn School District for the purpose of receiving public comment.

The Chair noted there were no members of the public present and the Budget Committee has already considered and made recommendations on the operating budgets and warrant articles.

The Chair closed the public hearing at 7:42 PM.

Superintendent Rearick circulated the official School Budget for 2020-2021 (NHDRA Form MS-27) for signatures of the Budget Committee members.

Town Administrator Herman noted the Town budget has not been released by NHDRA until they have reviewed the Default Budget. He indicated they will be reaching out to the Budget Committee members to come into the Town Hall for signatures as soon as it is ready.

Adjourn

Mrs. Marzloff moved to adjourn the meeting at 7:45 PM, seconded by Vice-Chair Lufkin. A vote was taken; all were in agreement, the motion carried unanimously.

Respectfully submitted,

Nancy J. Hoijer,
Recording Secretary