



## Town Council Meeting Minutes

Wednesday, January 26, 2022, at 6:30 PM, in the Matthew Thornton Room



Chairman Koenig called the meeting to order at 6:30 pm. Present at the meeting were Chairman Koenig, Vice Chair Rothhaus, Councilor Harrington, Councilor Healey, Councilor Hunter, Councilor Murphy, Councilor Woods, and Town Manager Paul Micali.

### Public Comment

None.

- The Town Council will deliberate on the 2022/23 Budget

Mr. Casparius presented first to the Council as he had another meeting to attend, however the Council did not have any questions or comments for him, so he was dismissed early. Mr. Micali then spoke, stating that he provided the Council with a packet that summarizes the budget and breaks it down into components. He then provided the following updates/changes:

- Reduce the equipment/maintenance line by about \$10,000 since they currently have equipment in pretty good condition.
- Under the Communications section, the computer RMS (record management system) listed at \$34,000 can be removed as an adjustment to the budget as they will be getting a years' worth of maintenance for free with the system upgrade.
- They also have an upgrade agreement with SUAII for annual prevented maintenance security upgrade services for the 800mhz system that will be up and running around the end of March. These two accounts can be prorated to reduce to \$27,750 from the budget due to a years' worth of free maintenance for this system as well.
- Mr. Micali is still in negotiations with one union, so he would like to hold off on bringing a proposal for a non-union pay increase until he can get the union agreement finalized.
- The tax rate is at \$4.02, if they take into account the previously mentioned deductions, it will go down 1 penny if the Council is in agreement to these adjustments.
- Under Media, the unreserved balance was incorrectly listed as \$500,000 when it should be \$361,607. For this year, there is \$150,000 in revenue so they are projecting \$5,000 in interest. Appropriations are \$330,460, which will reduce the fund balance by \$175,460 to come up with an estimated ending balance as of June 30, 2022 of \$186,147.
- In the 2023 budget, he has \$250,000 from the franchise fees to help offset the tax rate, but he is still working on this and has some more ideas, he just needs to determine if they are feasible. He will provide more information in the coming weeks once he has more time to work on this.

Mr. Micali then asked the Council for their thoughts on the fund balance and what number they would feel comfortable keeping the balance at, as this will impact the tax rate. After explaining to the Council how this works, Vice Chair Rothhaus asked if cutting the fund balance could potentially cause a premature problem. Mr. Micali stated that the revenues have been pretty steady, and although more people are cutting the cable cord, many others are still not comfortable with streaming. Additionally, he shared that there are a lot more buildings and apartments going in place, so this increase has been helping keep the steadiness of the cable usage. The overall prediction of revenue is around \$300,000-\$400,000. Councilor Hunter asked that assuming everything stays steady for the next few years, if they take money from the fund balance this year but don't take any money from it in the following year if this will help the balance begin to grow again, in which Mr. Micali stated that it will slowly help the balance grow over the years.

Councilor Hunter then asked what the \$250,000 has for a rate impact, in which Mr. Micali stated it's about 5 cents, but he does have some ideas to help offset this. Councilor Healey asked if Media is supposed to be budgeted through the franchise fees and wanted to clarify that right now it would take everything in the fund balance to pay for the proposed Media budget. She also asked where they would get the extra money if they leave money in the fund balance. Mr. Micali stated that Media has revenues coming in from the cable franchise right now, and he is proposing diverting \$250,000, or whatever amount the Council is in agreement with, to general funds from the cable franchise fees. After some discussion, Chairman Koenig proposed \$200,000, in which the Council was in agreement with. Mr. Lavallee joined the discussion, agreeing with the Council that \$200,000 is a good amount as he would like to have one year of operational costs covered in case a large number of residents get rid of their cable.

### **General Government**

Councilor Healey asked about employee incentives/raises, stating that the number is higher than it has been in the past, so she is wondering what the reasoning behind this is. Mr. Micali stated that there are some adjustments that need to be done for certain positions, so this increase will give the Town Manager some flexibility in wage scales before presenting recommendations to the Council. Councilor Healey then asked about maintenance office equipment, as this significantly increased as well. Mr. Micali shared that this is because of the costs for the time clocks as they are budgeting for it this year as opposed to absorbing the costs from other sections of the budget. Councilor Healey then asked about education/training as this increased substantially as well, in which Mr. Micali stated this is because of Covid last year impacting education and training sessions, so the budget has increased to resume training and education opportunities.

### **Assessing**

No questions from the Council.

### **Fire**

Councilor Hunter shared his concern over the south fire department. He would like to see some funds from the budget used to improve the exterior of the building. Mr. Micali stated that there is \$18,150 in the budget for building grounds and repairs for all three stations, and he has spoken to the Chief about completing any repairs that need to be done.

### **Police**

Chairman Koenig did want to mention the increased cost of ammo but understands that the police have no control over this as it is very difficult to find ammo currently. Chairman Koenig also noted that they removed the Police's request for new handguns, in which Mr. Micali stated that they're buying handguns out of this year's budget through their savings of open positions instead. Vice Chair Rothhaus asked about the tolls for unmarked vehicles despite the Merrimack tolls being removed. Mr. Micali stated that this amount is for the tolls in Concord in case any police cars have to travel there, and the cost is \$350 per year.

### **Communications**

Councilor Hunter asked about the new dispatcher, specifically what the impact would be if they do not include an additional dispatcher this year. Mr. Micali provided a brief overview of this before handing the discussion over to Deputy Chief Tarleton. Mr. Micali shared that there should be two dispatchers on at a time for safety reasons as well as a backup for bathroom and lunch breaks. Deputy Chief Tarleton agreed with Mr. Micali, adding that with the town growing, the call lines have been increasing and there needs to be a second person on overnights for busy calls.

**MOTION** made by Councilor Harrington and seconded by Councilor Hunter to make the reductions in the total of \$61,750 in the budget coming out of the 83-34 and 83-35 lines to the Communications budget as presented by Town Manager Paul Micali.

**MOTION CARRIES 7-0-0**

#### **Code Enforcement**

No questions from the Council.

#### **DPW Admin**

No questions from the Council.

#### **Highway**

Councilor Healey asked about office supplies, specifically how this increased to \$2,200 despite not seeming to be used much in the previous years. Highway Operations Manager Lori Barrett shared that this is mostly for carbon copy paper, binders, and employee worksheets that get filled out daily.

#### **Solid Waste**

**MOTION** made by Councilor Harrington and seconded by Councilor Murphy to decrease the line item 83-33 by \$10,000 making it \$30,000 as presented by Town Manager Paul Micali.

**MOTION CARRIES 6-1-0** *with Councilor Woods in Opposition*

Vice Chair Rothhaus asked about the status of the office trailer, which was removed from the budget. DPW Director Kyle Fox shared that this is a work in progress, with the most damage being to the floor. Although this project does not need to be completed this year, they are planning on tearing up the carpet this spring to investigate how they should fix it. Additionally, they want to repaint the roof to give it some more longevity, with plans to present an official upgrade proposal in next year's budget.

#### **Library**

Regarding wages, Chairman Koenig asked if there was an overall general percentage that was offered for raises or if they are individual specific raises. Yvette Couser stated she believes it is a 6% raise increase based on cost of living, but she can double check this.

#### **Equipment Maintenance**

No questions from the Council.

#### **Building and Grounds**

No questions from the Council.

#### **Community Development**

No questions from the Council.

#### **Town Clerk/Tax Collector**

Regarding the budget request to change the part-time employee to a full-time employee, Councilor Hunter asked what the impact would be on the tax rate, in which Mr. Micali stated it would be about 1 penny. Councilor Hunter shared that he is still on the fence with this, believing that online transactions should be a smoother process, but he understands that the tax office cannot change this themselves. Councilor Woods shared that he thinks there would be flexibility offered to the office if they increased the personnel by one, so he is in support of adding this position into the budget.

Councilor Healey agreed with Councilor Woods, stating that there has been a significant increase in the office's workload and paperwork since Covid began and online transactions and paper ballots became available to the public.

**MOTION made by Councilor Woods and seconded by Councilor Healey to add in the \$40,372 back in the budget to move the part-time employee to full-time.**

**MOTION CARRIES 7-0-0**

**Welfare**

No questions from the Council.

**Debt Service**

No questions from the Council.

**Wastewater**

No questions from the Council.

**Media**

No questions from the Council.

**Fire Protection**

No questions from the Council.

**Fire Outside Details**

No questions from the Council.

**Police Outside Details**

No questions from the Council.

**Parks and Recreation Revolving Fund**

No questions from the Council.

**Revenue**

**MOTION made by Councilor Harrington and seconded by Councilor Healey to move \$36,195,627 to the Public Hearing for the Town budget for the year 2022-2023.**

**MOTION CARRIES 7-0-0**

**Capital Reserve Funds**

Mr. Micali shared the following:

- General Fund is \$2,002,500. This is an increase of \$122,500 from last year.
- Major increases were for ambulance, highway equipment, and road infrastructure.
- Decrease in Solid Waste CFR.
- \$2,500 came from revaluation from the assessing.

Councilor Healey asked what would happen if the rate was kept flat with last year, in which Mr. Micali stated that the tax rate is flatlined from last year despite the increase because of the town valuation. He then stated that the big one for this, which is the road infrastructure (\$105,000), is coming out of the fund balance, so even though that would decrease you would have to decrease the corresponding revenue of \$105,000.

Mr. Micali then shared that they are projecting \$929,500 of the fund balance for property tax relief and presented a PowerPoint to the Council to further explain the CRFs and tax base.

Chairman Koenig asked for more information on why \$105,000 is needed to be added for road infrastructure, in which Mr. Micali said there are a series of drainage projects as well as the future route 3 bridge work. Mr. Fox added that the funding plan comes from the CIP, and in this fiscal year the proposed expenditures are \$275,000 for storm water and drainage, \$375,000 for the first part of the Woodland Dr. drainage project, \$200,000 for repaving a section of DW Highway, the Seaverns Bridge canoe launch, the Souhegan River trail, and the Depot St. boat ramp. Councilor Healey asked which department in the government is responsible for the rivers and any work that needs to be done for erosion and whatnot, in which Mr. Micali stated that for the Depot St boat ramp, this is the town's responsibility to fix as they are supposed to maintain it and this project is to repair it. For Seaverns Bridge canoe launch, this is a request from the town, so the town is responsible for paying for this as well. After some discussion, Chairman Koenig shared that he recommends reducing the CRF (\$200,000) by \$55,000 and moving the \$55,000 to offset taxes.

**MOTION made by Councilor Harrington and seconded by Councilor Healey to decrease the road infrastructure Capital Reserve Fund by \$55,000.**

Before votes were called, Councilor Hunter asked what the percentage increase of the tax rate would be compared to last year, in which Mr. Micali stated it would be 4.97%.

**MOTION CARRIES 7-0-0**

**MOTION made by Councilor Healey and seconded by Councilor Murphy to move \$1,947,500 for the General Fund Capital Reserve Fund to be moved to the Public Hearing.**

**MOTION CARRIES 7-0-0**

After voting, Mr. Micali moved on to share that there is a Wastewater Sewer CRF in the amount of \$500,000, flatlined from last year, and this money comes out of user fees.

**MOTION made by Councilor Hunter and seconded by Councilor Harrington to move \$500,000 for the Wastewater Sewer Capital Reserve Fund to be moved to the Public Hearing.**

**MOTION CARRIES 7-0-0**

Mr. Micali then moved on to bonds. Up first was the Wastewater Treatment fund Phase V bond, which is in the amount of \$10,102,750 and is a 20-year bond.

**MOTION made by Councilor Murphy and seconded by Vice Chair Rothhaus to move \$10,102,750 for the Wastewater Treatment fund Phase V bond to be moved to the Public Hearing.**

**MOTION CARRIES 7-0-0**

Lastly, Mr. Micali stated that the final bond is for the new ladder truck for the fire department, in the amount of \$1,500,000. He also wanted to share that they had discussed a 10-year bond, but since they last talked, the AARPA money has come out with some final rules and regulations that are less stringent than when they had originally discussed this, but he still does not recommend this option but wants to discuss this further with the Council.

**Approved: February 24, 2022**

**Posted: March 1, 2022**

**MOTION made by Councilor Harrington and seconded by Councilor Healey to move \$1,500,000 for the Fire Ladder Truck bond to be moved to the Public Hearing.**

**MOTION CARRIES 7-0-0**

Before adjourning, Councilor Murphy wanted to share that tomorrow at 6:30 pm there will be an online public information meeting to address cancer concerns hosted by NH Department of Health and Human Services. Registration is required, but anybody interested can call NHDHHS Cancer Program at (603) 271-4959 or register online at [jsi.zoom.us](https://jsi.zoom.us). This meeting will also be recorded and available for viewing on social media platforms and on Channel 22.

**ADJOURN**

**MOTION made by Councilor Woods and seconded by Councilor Healey to adjourn the meeting.**

**MOTION CARRIES 7-0-0**

The meeting adjourned at 9:02 pm

Respectfully submitted by Jennifer Steagald