



TOWN COUNCIL – AGENDA REQUEST FORM

THIS FORM WILL BECOME PART OF THE BACKGROUND INFORMATION USED BY THE COUNCIL AND PUBLIC

Please submit Agenda Request Form, **including back up information, 8 days prior** to the requested meeting date. **Public Hearing requests must be submitted 20 days prior to requested meeting date to meet publication deadlines** (exceptions may be authorized by the Town Manager, Chairman/Vice Chair).

MEETING INFORMATION

Date Submitted: May 11, 2018
Submitted by: Finance Director Paul T. Micali
Department: Finance
Speakers:

Date of Meeting: May 24, 2018
Time Required: 15 minutes
Background Info. Supplied: Yes: No:

CATEGORY OF BUSINESS (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

Appointment:	<input checked="" type="checkbox"/>	Recognition/Resignation/Retirement:	<input type="checkbox"/>
<i>Public Hearing:</i>	<input type="checkbox"/>	Old Business:	<input type="checkbox"/>
New Business:	<input type="checkbox"/>	Consent Agenda:	<input type="checkbox"/>
Nonpublic:	<input type="checkbox"/>	Other:	<input type="checkbox"/>

TITLE OF ITEM

Department of Revenue Administration (DRA) Update - Changes to RSA 35:5, Capital Reserve Funds of Counties, Towns, Districts, and Water Departments

DESCRIPTION OF ITEM

Town Council to be presented with the details of RSA 35:5 and its effect with how the Town deposits money into Capital Reserve Funds (CRF).

REFERENCE (IF KNOWN)

RSA:	35:5	Warrant Article:	
Charter Article:		Town Meeting:	
Other:		N/A	

EQUIPMENT REQUIRED (PLEASE PLACE AN "X" IN THE APPROPRIATE BOX)

Projector:	<input type="checkbox"/>	Grant Requirements:	<input type="checkbox"/>
Easel:	<input type="checkbox"/>	Joint Meeting:	<input type="checkbox"/>
Special Seating:	<input type="checkbox"/>	Other:	<input type="checkbox"/>
Laptop:	<input type="checkbox"/>	None:	<input type="checkbox"/>

CONTACT INFORMATION

Name:	Paul T. Micali	Address:	8 Baboosic Lake Road
Phone Number:	424-7075	Email Address:	pmicali@merrimacknh.gov

APPROVAL

Town Manager: Yes No: Chair/Vice Chair: Yes No:

Memo



TO: Town Council
ATTN: Town Manager Eileen Cabanel

FROM: Finance Director Paul T. Micali

DATE: May 15, 2018

RE: RSA 35-5

RSA 35-5(below) is how the Town deposits money into Capital Reserve Funds (CRF). In the past, the Town used to just include these deposits in the budget and the appropriation warrant article. In August of 2017, the legislature added six (6) words which will change the way the Town Council presents its budget to the voters. They are “**therefor under a special warrant article.**” We will now have to present either one lump-sum article for these deposits or individual articles for each CRF fund. On Average we deposit into 15 different CRF.

This change came to my attention when the Town was getting ready for final Department of Revenue Administration (DRA) approval of the warrant for the voters. I was informed that since we have a Charter the change would not affect the Town. In researching the Charter, Chapter 8-4 letter H references RSA 32-3, VI (see below). So in an effort to not have to change the warrant and have a new public hearing I contact DRA and asked them to allow the Town to proceed as we have for the past 23+ years in including the CRF deposits in the budget. As a condition of DRA accepting this proposal they asked the Town to do the following:

1. Issue a letter (see attached) to the Trustee of Trust Funds telling them the date that they should receive the CRF deposits.
2. Have DRA come to a Town Council Meeting to discuss the change.
3. Make the change in the CRF Deposits for the 2019-20 budget.

35:5 Payments Into Fund. – There may be paid into any such capital reserve fund, except as provided in RSA 35:7, such amounts as may from time to time be raised and appropriated **therefor under a special warrant article**, from any source other than money given to the town, district, or county for charitable purposes. Such amounts shall be within the limits as provided in RSA 35:8, and any such town, district, or county may also vote to transfer to said fund, under a special warrant article in the case of a town or district, any of its unencumbered surplus funds remaining on hand at the end of any fiscal year.

Source. 1943, 160:4, eff. May 5, 1943. 2000, 224:4, eff. July 31, 2000. 2017, 127:1, eff. Aug. 15, 2017.

32:3 Definitions. –

VI. "Special warrant article" means any article in the warrant for an annual or special meeting which proposes an appropriation by the meeting and which:

- (a) Is submitted by petition; or
- (b) Calls for an appropriation of an amount to be raised by the issuance of bonds or notes pursuant to RSA 33; or
- (c) **Calls for an appropriation to or from a separate fund created pursuant to statute, including but not limited to a capital reserve fund under RSA 35, or trust fund under RSA 31:19-a; or**
- (d) Is designated in the warrant, by the governing body, as a special warrant article, or as a nonlapsing or

nontransferable appropriation; or

(e) Calls for an appropriation of an amount for a capital project under RSA 32:7-a.

Source. 1993, 332:1, eff. Aug. 28, 1993. 1996, 214:1, eff. Aug. 9, 1996. 2003, 95:1, eff. Aug. 5, 2003. 2012, 181:1, eff. Aug. 10, 2012; 186:4, eff. June 11, 2012. 2013, 109:1, eff. Aug. 23, 2013.

To: Chairman of the Trustee of Trust Funds
From: Paul T Micali
Subject: Capital Reserve Transfers
Date: April 11, 2018

As part of the DRA concession to allow the Town to include the CRF deposits in the budget and not on separate warrant articles, below you will find a list of CRF deposits in the 2018-19 budget. The Town will be sending the Trustee of Trust funds a check no later than the 1st Friday in December.

01-03-8510-0-4915	Ambulance	\$80,000
01-01-8510-0-4915	Computer Equipment	35,000
01-05-8510-0-4915	Communication CRF	125,000
01-08-8510-0-4915	Daniel Webster Highway	50,000
01-03-8510-0-4915	Fire Equipment	250,000
01-08-8510-0-4915	Road Infrastructure	450,000
01-08-8510-0-4915	Highway Equipment	400,000
01-15-8510-0-4915	Library Building Maintenance Fund	75,000
01-09-8510-0-4915	Solid Waste Disposal	125,000
01-02-8510-0-4915	Property Revaluation	15,000
01-08-8510-0-4915	Traffic Pre-emption	5,000
01-21-8510-0-4915	GIS	20,000
01-01-8510-0-4915	Milfoil	10,000
31-10-8510-0-4909	Sewer Infrastructure Improvements	<u>300,000</u>
		1,997,000

Paul T Micali
Finance Director

TITLE III
TOWNS, CITIES, VILLAGE DISTRICTS, AND
UNINCORPORATED PLACES

CHAPTER 35
CAPITAL RESERVE FUNDS OF COUNTIES, TOWNS, DISTRICTS, AND
WATER DEPARTMENTS

Section 35:5

35:5 Payments Into Fund. – There may be paid into any such capital reserve fund, except as provided in RSA 35:7, such amounts as may from time to time be raised and appropriated therefor under a special warrant article, from any source other than money given to the town, district, or county for charitable purposes. Such amounts shall be within the limits as provided in RSA 35:8, and any such town, district, or county may also vote to transfer to said fund, under a special warrant article in the case of a town or district, any of its unencumbered surplus funds remaining on hand at the end of any fiscal year.

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