

Approved: March 22, 2018

Posted: March 23, 2018



## Special Town Council Meeting Minutes

Thursday, February 15, 2018, at 7:00 PM, in the Matthew Thornton Room

Chairman Harrington called the special meeting of the Town Council to order at 7:00 p.m. Present at the meeting were Vice Chairman Rothhaus, Councilor Albert, Councilor Boyd, Councilor Flood, Councilor Koenig, Councilor Thornton, Town Manager Eileen Cabanel, and Assistant Town Manager/Finance Director Paul Micali.

### Pledge of Allegiance

Chairman Harrington led in the Pledge of Allegiance.

### Announcements

Chairman Harrington expressed heartfelt condolences to the community of Majory Stoneman Douglas High School in Parkland, FL.

*A moment of silence was observed.*

### Public Hearing

#### **1. Public Hearing – Proposed Municipal 2018-19 Operating Budget and Warrant Articles**

Submitted by Town Manager Eileen Cabanel and Finance Director Paul T. Micali

The Town Council will hold a public hearing to discuss the following:

- 2018/19 Proposed Municipal Operating Budget
- Collective Bargaining Agreement(s), if any
- Proposed Issuance of Debt, if any
- Petitioned Bonds, if any
- Other Petitioned Warrant Articles, if any

These hearings are being held pursuant to the requirements of NH RSA 33:8-a (I), NH RSA 32:5, I, NH RSA 21:35, NH RSA 40:13 II-b and Town of Merrimack Charter Article 8-3.

#### 2018/19 Proposed Municipal Operating Budget

Town Manager Cabanel provided a [presentation](#). The estimated summary broke down the various components of the general fund budget, separated out self-supporting funds, which have matching revenue, State and Federal grants, and Capital Reserve Fund (CRF) withdrawals. The summary provided included changes that the Council discussed during its review. Last year's tax rate was \$4.90/\$1,000. Being projected, with the proposed budget, is \$5.17 or an increase of \$0.27.

The General Fund Operating increase is \$1,381,656 or 6.04%, CRF deposits decreased by \$57,000, Other Capital increased by \$324,490, which is primarily the HVAC system. The revenue figure has increased by \$768,470.

Overlay for abatements is decreased by \$37,171. Veterans' Credits is unchanged. In terms of Town value, the figure is expected to increase by \$20 million. That represents *new* value to the community.

Noting the 6.04% increase in the operating budget, Town Manager Cabanel stated increases included health insurance; \$282,000, short-term disability; \$38,000, Workers Comp.; \$44,000 (based on Town's claim history), general insurance; \$9,000, debt service; \$17,000, legal; \$25,000, voting booths; \$19,000, tipping fees; \$8,300, Recycling tipping fee; \$42,700, maintenance vehicles; \$50,000, elections; \$16,000, paving infrastructure; \$50,000, HVAC Town Hall; \$241,000, contractual raise (6 unions); \$413,000, comp. absences; \$56,000, non-union pay increase; \$111,186, staffing adjustment; \$37,000, Deputy Police Chief; \$21,000, custodian position; \$62,000, Fire overtime; \$27,000, and the new Police Special Investigation Unit (SIU); \$304,000. Reductions include maintenance-buildings & grounds; \$11,000, maintenance-office equipment; \$24,000 convincer grant; 20,000, CRF deposits; \$54,000, miscellaneous; \$21,040, and Fire Dept. reduction in part-time hours; \$41,000.

Town Manager Cabanel spoke of the number and amount of Workers' Compensation claims in the last year, which has resulted in the increase in that cost. She also spoke of the ongoing efforts to mitigate. The increase for legal is intended to assist with negotiating of contracts. The recycling tipping fee increased from \$25/ton to \$54/ton. The contract is for three years. Maintenance vehicles increase is related in large part to the ladder truck. Discussion has taken place around applying for an energy grant from the utilities companies to assist with the cost of the HVAC at Town Hall. The cost of contractual raises for the 6 unions was voter approved. Regarding compensated absences, the Town is required, by its auditors, to set aside sufficient funds to cover the cost of any sick/vaca. payout that would be required for each employee who is eligible for retirement.

Non-union pay increase would be 3%. The increase for the staffing adjustment from part-time to full-time in the Tax Payer/Town Clerk's office is primarily for health insurance. The same is the case for the custodian position. The buildings and grounds have required additional manhours to maintain. Being proposed is a custodian position that would be shared between 3 departments; Town Hall, Police Department, and Parks and Recreation. The reduction in the part-time hours in the fire department was the result of the department no longer utilizing part-time. The SIU proposal was discussed in detail at the January 25<sup>th</sup> meeting. The \$304,000 increase includes wages and benefits for 2 new police officers (\$218,000) and the overtime (\$86,000) necessary up until the time the officers are trained and on the street.

Town Manager Cabanel continued, stating revenue generated through means other than taxes have a significant impact on the amount that must be raised through taxes. The increases in revenue projected for FY19 includes: motor vehicle permits; \$300,000, cable franchise fees; \$50,000, ambulance revenue; \$75,000, interest; \$250,000, sale of property; \$72,000, miscellaneous charges for services; \$41,470. Decreases include the convincer grant; \$20,000.

Last year \$4.9 million in revenue come from motor vehicle permit fees. The proposed budget anticipates \$5.2 million. Cable franchise fees are not fully expended each year. The accumulation of those funds has resulted in transfers to the general fund to offset the amount that has to be raised through taxes. For FY19, a total of \$250,000 is proposed to be utilized to offset taxes. Sale of property has historically been identified as a low number; however, actual amounts have been larger. When a property is tax deeded, the deed being paid off prior to the sale, results in the revenue listed under sale of property.

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Planned CRF purchases for the Fire Department include: South Fire Station Space Needs Assessment; \$25,000 (additional \$25,000 in General Government budget), Rescue 1 Breathing Air Cascade Replacement; \$25,000, Fire apparatus computer replacement; \$15,000, fire commend SUV (includes fit-up); \$39,000, fire suppression hose; \$17,000, Large Diameter Supply Hose; \$15,000 and portable radio replacement; \$298,000.

It was noted the item South Fire Station Space Needs Assessment, is truly representative of a space needs assessment for a public safety building.

Vice Chairman Rothhaus questioned if the assessment would put forward basic plans for what a safety complex would be like. Town Manager Cabanel stated the process would be like that which was undertaken with the Highway Garage assessment, e.g., interview existing employees, identify needs, potential layout. Vice Chairman Rothhaus questioned if the timing is right for such an assessment. Councilor Boyd commented he was finding it difficult to expend the funds on a space assessment at the south station when he believes the Council would like to see something more comprehensive. Whether the south station fits in that picture is unknown. Town Manager Cabanel reiterated it is a space needs study for a public safety building; police and fire.

Councilor Thornton questioned the cost for the assessment that was done for the Highway Garage and was told it was approx. \$60,000.

The department is looking at applying for a grant to assist in the cost of portable radio replacement.

Under road infrastructure: drainage improvements; \$200,000 (done yearly) and Seaverns Bridge Canoe Launch; \$50,000. Under Highway: H-29 spreader and plow fit-up; \$29,000, ¾ Ton pickup H-2; \$35,000, 6-Wheel dump truck, H-28; \$180,000, 8-wheel dump truck, H-34; \$180,000, athletic field groomer; \$35,000. D.W. Highway paving-crack sealing; \$50,000. Under Solid Waste: Trailer; \$70,000 and truck cab & chassis, Peterbilt; \$120,000.

Dawn Tuomala, Deputy Director/Town Engineer, Public Works Department (PWD), stated the Seaverns Bridge boat ramp is intended to be moved from the intersection of Amherst Road and Seaverns Bridge Road, which is very steep and has been eroding away, to Conservation Commission property across the street.

Councilor Thornton spoke of the relocation of the boat launch being an improvement to the Conservation parcel and questioned if the Conservation Fund could cover the cost. Deputy Director Tuomala stated the amount identified is based upon the agreement with the Commission, and that the actual cost is greater.

Pickup trucks and dump trucks are saved for every year. They need to be replaced on a regular basis. It is anticipated, now that the decision has been made to utilize the building envelope of the existing PWD facility for equipment storage, one of the benefits will be increased life expectancy of these items.

A used Peterbilt that was purchased when the Town first took over the Solid Facility and is utilized for transporting of trash to be disposed of is being replaced.

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Total General Fund CRF; \$1,454,311.

The sewer fund does not impact the tax rate (funding is derived from sewer user fees). Items listed within the CRF for purchase in FY19 include: manhole/sewer line rehab; \$25,000, 1 front-end loader replacement; \$200,000, replacement of OEM lights with LED lights; \$48,000, and replacement of 1 sludge pump; \$25,000.

Total CRF purchases: \$1,752,311.

Capital Reserve Funds are established as a means of saving for capital (large) expenses to avoid fluctuations in the tax rate. When a deposit is made to a CRF, it is an expense to the general fund (operating budget). Monies must be raised through taxes to cover that expense.

The Capital Improvements Plan (CIP) is the planning process that identifies the long-term needs of the Town. It is updated every year so that it continually projects out over a six-year period. The total cost of each item is spread out over the 6 years. The amount to be expended from and deposited into the CRFs is based on the CIP. The CIP, by law, goes before both the Town Council and the Planning Board.

When the time comes to make the planned purchase, the cost is shown as an expense in the operating budget; however, the monies are transferred (expended) out of the CRF and appear in the operating budget as revenue to offset the expense, e.g. the same dollar amount that was listed as an expense is also listed as a revenue.

Planned CRF deposits include: ambulance; \$80,000 (reduction of \$35,000 from FY18), communications equipment (police dispatch); \$125,000 (reduction of \$60,000 from FY18), computer equipment; \$35,000, D.W. Highway; \$50,000, Fire equipment; \$250,000 (increase of \$58,000 from FY18), Highway Equipment; 400,000 (increase of \$75,000), Library building maintenance fund; \$75,000 (increase of \$40,000), property revaluation; \$15,000, Solid Waste disposal; \$125,000 (increase of \$25,000), traffic signal pre-emption; \$5,000 (decrease of \$10,000), GIS; \$20,000, road infrastructure; \$450,000 (decrease of \$150,000). Total FY19 deposits to the CRF represent a decrease of \$57,000 compared with deposits made in FY18.

Every year \$50,000 is put into the D.W. Highway CRF. Every 5 years half of the cost associated with the area that is the Town's urban compact is paid in cash.

The deposit for fire equipment is generally at \$250,000. In FY18 the amount was reduced because the Town purchased an ambulance. Highway equipment shows an increase related to the cost of vehicles increasing and the fund not keeping up with that increase.

A presentation on the proposed expenditure (\$241,000) for HVAC at Town Hall was provided at the February 8<sup>th</sup> meeting.

Kyle Fox, Director, Public Works Department, stated the HVAC replacement project to be for the east wing of Town Hall; first floor in particular. A study was commissioned by H.L. Turner. The report inventoried all the systems in the east wing of the Town Hall from all three floors, indicated where each of the systems was lacking, and provided two options (with cost estimates) for addressing the

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situation, particularly with the first floor where the packaged terminal air conditioning (PTAC) units are located (17). The units are loud, not energy efficient, and have a relatively short lifespan. They don't provide ventilated air to the workspace. Last year two of units caught on fire.

Option 1 (\$140,000) replaces the PTAC units with similar DX units with gas furnaces. Option 2 (\$241,500) removes the PTAC units and installs two central air handling units on the lower level. Presently, with the PTAC units in place, each office space can control its own temperature. This variable air volume system would allow for that. There is additional cost to being able to do that. The report goes on to address life cycle costs for each of the two options. Because the centralized system operates so much more efficiently, uses much less energy, and has a lifespan that is more than double the PTACs, the return on investment is 8 years.

Option 2 was broken down into two categories; the first is the system that would provide temperature control in each office. That would involve air handling units with variable air volume heating coils (hot water system) for the heat and an air compressor (air conditioning). That cost was estimated at \$241,000. This type of system has a lower life-cycle cost, is energy efficient, and maintains zone flexibility. The cons are the high initial cost, the need to construct ductwork and hot water coils, and taking up of some of the interior space in Town Hall.

The contractor for Eversource was inhouse earlier in the week to conduct the initial walkthrough. He commented having the units in the attic would work fine. The negative is the loss of the storage space.

The second category would have air handling units with a forced hot air furnace rather than the hot water system. The cost is \$200,000. The significant difference is the sharing of ductwork for heating and cooling. Pros include lower life-cycle cost, energy efficient. Cons are high initial cost, need to construct ductwork, loss of storage space, and loss of zone flexibility.

When asked, Director Fox stated the amount of square footage that would be lost has not yet been determined as the system has not been designed.

Graphs were displayed showing monthly energy costs for each system. The cost to operate the PTAC units in the summer is about the same as operating the central system in the summer. The significant difference is in the heating cost. Graphs were displayed depicting the total system life cycle cost. Big differences include replacement of the PTAC units every 10 years, higher overall maintenance cost, and higher energy costs.

Eversource is paying a contractor to do an energy assessment study on the building. They will be in-house on Tuesday. The HVAC guy was in-house earlier in the week; looked at the system, reviewed building drawings, etc.

When asked if Eversource would offer rebates, etc., Director Fox stated they may. That is part of what their determination will be. The building assessment will result in a recommendation for the type of system. Eversource will consider that and what H.L. Turner has recommended.

Director Fox stated the recommendations received would be brought before the Council for discussion/approval.

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Councilor Thornton remarked, at the end of the day, we don't know what this will cost. Director Fox responded it is safe to say the upper limit is the \$241,000. Councilor Thornton stated he does not wish to increase the tax rate for an item whose cost is not known. He suggested utilizing the unreserved fund balance.

Town Manager Cabanel questioned if the Council has another opportunity for consideration after the additional information is provided, e.g., make changes before the budget is put before the public. Assistant Town Manager/Finance Director Micali stated the Council can make a change to the bottom line of the budget at the Deliberative Session. This meeting was the last opportunity to change what is placed on the Warrant heading into the Deliberative Session. After that the only time the Council would have to be able to a project like this is if at the end of the fiscal year there is savings that could be used. Town Manager Cabanel commented there often is unexpended appropriations at year-end. She could not say that the amount would be sufficient to cover the cost of this project particularly given a commitment already made to the Police Department's overtime for the SIU unit, and the hiring of new officers by April 1<sup>st</sup>.

When asked, Director Fox stated it would be his hope to have the additional information prior to the Deliberative Session. Assistant Town Manager/Finance Director Micali stated a request would be made that the assessment be concluded as quickly as possible.

Vice Chairman Rothhaus commented the 2<sup>nd</sup> category of Option 2 results in the loss of the ability to control the individual room temperature. He spoke of the configuration of the spaces and his belief the space would work without the individualized control. Town Manager Cabanel stated the 2<sup>nd</sup> category under Option 2 would work.

Director Fox commented on brought up the question of creating three zones with the contractor who did not see the configuration that way. The contractor stated the Memorial Conference Room should be its own zone, the Town Manager's Office and H.R. Coordinator's Office (wall being the south face of the building) would be a zone, etc. There would likely be at least 4-5 zones. The trouble part is the Town Manager's conference room and the Town Council Chambers because they are in the middle of that area of the building. There are currently no heating units in that area.

Vice Chairman Rothhaus questioned if the introduction of outside air would come with Option 1. Director Fox stated that to be the case.

Vice Chairman Rothhaus spoke of the return on investment as the deciding factor for him.

Councilor Flood commented the replacement of ductwork is a permanent enhancement of the infrastructure. She stated she would support the first category of Option 2.

Chairman Harrington suggested there would be a savings if the units were placed in the attic. Director Fox stated, for the main trunk line, there would be no obstacles to work around. She suggested the total cost would be less than \$200,000. Director Fox stated his opinion that is safe to say. That information will be included in the report.

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**MOTION made by Councilor Boyd and seconded by Councilor Koenig to reduce the appropriation for the HVAC system from Two Hundred Forty One Thousand Dollars (\$241,000) to Two Hundred Thousand Dollars (\$200,000)**

**ON THE QUESTION**

Councilor Thornton commented Director Fox has indicated it could go lower than that. He questioned why the amount would not be reduced to \$180,000.

Vice Chairman Rothhaus stated his preference to wait until the Deliberative Session to lower the amount further given the exact cost is not yet known.

Councilor Albert stated a concern with lowering the amount to a point where the necessary allocation is not available.

Councilor Boyd stated his preference to wait until the Deliberative Session to address the possibility of lowering the amount further.

Councilor Flood commented on the idea of having some contingency amount built in. She is pleased with the compromise the motion provides.

Town Manager Cabanel stated her belief the number will be reduced whether it be through a grant/rebate, updated information from Eversource or the contractor, etc. She believes a new figure will be available in time for the Deliberative Session.

**MOTION CARRIED 7-0-0**

Councilor Albert spoke of the increase in legal fees (\$25,000). He questioned what was expended out of last year's allocation and was informed it was approx. \$98,000. He stated the desire to keep the funding level flat.

Town Manager Cabanel commented prior to her time with the Town the budget for legal counsel was greater. She has done a good deal of the negotiations herself without the benefit of legal counsel except to review documents. This year there are 5 contracts coming up. Although she has done that before, it is difficult, and requires nearly all her time. She requested some of the increase be approved.

**MOTION made by Councilor Thornton and seconded by Councilor Boyd to reduce the amount of the overall allocation to legal fees to One Hundred Five Thousand Dollars (\$105,000)**

**ON THE QUESTION**

Councilor Koenig stated his opposition commented reducing the requested \$25,000 increase by \$20,000 is too great of a reduction in that area. He stated he would likely support a reduction of \$10,000. He spoke of the need for legal council support noting the potential for other items requiring legal guidance/representation.

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**AMENDED MOTION made by Councilor Albert and seconded by Councilor Boyd to reduce the amount of the allocation to legal fees to One Hundred Ten Thousand Dollars (\$110,000)**

**MOTION CARRIED 4-3-0**

*Councilors Koenig, Flood, and Harrington voted in opposition*

Total appropriation is \$34,511,890. Estimated tax rate is \$5.15, which is an increase of \$0.25.

Town Manager Cabanel noted the increased Town value, which could reduce the overall increase by \$0.03. The Town's value is one of the data points used to calculate the tax rate. Approx. \$20 million is anticipated in *new* value, which would result in a decrease of \$0.03.

*Chairman Harrington declared the Public Hearing open at 8:48 p.m.*

No public comment was offered.

*Chairman Harrington declared the Public Hearing closed at 8:49 p.m.*

**MOTION made by Councilor Boyd and seconded by Councilor Albert to move to the Warrant a proposed Municipal 2018-2019 Operating Budget of Thirty Four Million Five Hundred Eleven Thousand Eight Hundred Ninety Dollars (\$34,511,890). MOTION CARRIED 6-0-0**

*Councilor Flood left the meeting prior to the vote.*

Collective Bargaining Agreement(s), if any - None

Proposed Issuance of Debt, if any - None

Petitioned Bonds, if any - None

Other Petitioned Warrant Articles, if any - None

Assistant Town Manager/Finance Director Micali spoke of the Warrant Article the Council requested be put on the Ballot.

### **New Business**

#### **1. Review of the 2018-2019 Default Budget**

Submitted by Town Manager Eileen Cabanel and Finance Director Paul T. Micali The Town Council will review the 2018-2019 Default Budget.

Town Manager Cabanel explained the default budget is the amount of the same appropriations as contained in the operating budget authorized for the previous year, reduced and increased, as the case may be, by debt service, contracts, and other obligations previously incurred or mandated by law, and reduced by one-time expenses contained in the operating budget.

A breakdown of these costs was included as part of the [agenda](#) packet.



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The total default budget starts with a calculation of \$34,898,873. From there contractual obligations are added; \$365,665. Health insurance increase is 274,002, short-term disability cost (for the union contracts) is \$30,360, and the New Hampshire Retirement System costs are \$21,435. The one-time expense of an election is added; \$16,266. Reductions are taken for the amount of last year's CRF expenditures (\$3,921,040). The prior year's debt service (\$1,249,208) is reduced and the coming year's debt service added in (\$1,253,954). Total default budget is \$31,690,307.

Councilor Koenig noted the overall amount of increase to the operating budget resulting from an increase in Workers' Compensation insurance (\$44,000), and the amount attributed to union contracts (\$21,435) and asked for clarification of the remaining \$22,565 increase.

Assistant Town Manager/Finance Director Micali responded the calculations for the costs associated with the union contracts included a workers' comp. increase. That was able to be included as the increase in that cost was related to the known/approved salary increase figure. The \$21,435 is related to rate increases that were not known when the contract amounts were approved. The total increase associated with union contracts was approx. \$37,000 of the \$44,000 total increase.

Councilor Koenig expressed frustration with the concept the cost of health insurance for non-union employees is not part of the calculation of a default budget. Town Manager Cabanel agreed.

Councilor Koenig stated the law needs to be changed. Non-union employees have implied if not legal contracts that include health insurance. From an ethics perspective, there is no way the Council would take away health insurance.

Vice Chairman Rothhaus questioned if increases in costs such as fuel would have an impact on the default budget and was informed they would not; not a contracted item.

Councilor Koenig stated once the default budget is put into play, it comes back to the Council to determine how it is expended. At that point, the Council could choose to spend the funds on health insurance and take it away from something else.

Councilor Koenig asked for additional information to be provided on the CRF reductions noting concern with the voters simply seeing the option of a default budget that is several million dollars less than the proposed budget.

Chairman Harrington stated part of the difficulty is in ensuring the public is aware there are millions of dollars identified under allocations for which taxes do not have to be raised as the expenditures were saved for through the CRF. It is because the Town is required to gross budget that all expenditures must be first identified, and offsetting revenue is identified in another area of the budget.

Town Manager Cabanel stated the Council does not need to include the CRF purchases in the budget because it is the agent to expend. Policy of the Town has been, for full disclosure, to add them to the budget.

Councilor Albert stated concern with there being a misconception on the part of the voters. He questioned the logic behind gross budgeting. Vice Chairman Rothhaus commented if the Council wishes to withdraw/expend from a CRF, a public hearing is conducted. However, the logic of showing it in the budget was to get this aspect of the Town's financial information in the public view during a time when the larger portion of taxpayers are drawn to this information.

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Town Manager Cabanel noted the Public Hearing around putting funds into the CRFs is part of the Public Hearing on the budget. The law requires that Public Hearing take place. When you expend from the CRFs, there is no requirement, by law, for a public hearing.

Assistant Town Manager/Finance Director Micali commented after a period where there was a budgeting error, it was determined all CRF withdrawals would be included in the budget, and gross appropriation would be used for the sake of additional transparency.

Councilor Koenig stated his recollection that was certainly part of the reasoning. He remarked transparency is ultimately the goal; the desire was and is to ensure voters understand where the funds are going, and do not have the feeling the Council is moving funds around. When changing the form of Government, the Council was identified as the fiduciary agent providing the authorization to expend these funds. With the budgeting issue that happened with the bridge fund, etc. it became obvious the Council would garner more public support in transparency. He stated he would have concern if the process were to be changed.

He noted these same concerns have existed budget after budget, and the effort is made to inform the voters of the items included in the budget.

Councilor Albert stated appreciation for the historical information.

Town Manager Cabanel provided an explanation of the default tax rate comparison document, which was intended to highlight the process.

The default appropriation is reduced by the estimated default revenue and increased by the tax overlay and veterans exemptions to get at the amount to be raised by taxes.

From there, the Town's valuation is used to calculate the cost per thousand of assessed value. The Town's total valuation amount is used; you take the decimal point and move it over three points as the tax rate is based on value per thousand and divide the amount to be raised by taxes by the Town's valuation to determine the per thousand cost.

The difference between the proposed and default budgets is \$0.33/thousand. Assistant Town Manager/Finance Director Micali addressed the revenue and appropriation comparisons, which resulted in the \$0.33/thousand differential.

Town Manager Cabanel explained, should the default budget be put into play, and the Council choose to make the CRF expenditures, the cuts that would have to be made to the operating budget total \$1,125,272.

**MOTION made by Councilor Boyd and seconded by Councilor Thornton to move the default budget in the amount of Thirty One Million Fix Hundred Ninety Thousand Three Hundred Seven Dollars (\$31,690,307) to the Warrant. MOTION CARRIED 6-0-0**

## **2. Review of 2018 Town Warrant**

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Submitted by Finance Director Paul T. Micali The Town Council to review and make recommendations on each article of the 2018 Town Warrant

***Chairman Harrington read the following into the record:***

“The State of New Hampshire

To the inhabitants of the Town of Merrimack in the County of Hillsborough in said state, qualified to vote in town affairs:

You are hereby notified that the First Session (Deliberative) of the Annual Meeting of the Town of Merrimack will be held at the Mastricola Upper Elementary School’s All-Purpose Room on Baboosic Lake Road in said Merrimack on Wednesday, March 14, 2018 (snow date Thursday, March 15, 2018), at 7:00 o’clock in the evening (pm) for explanation, discussion, and debate of each Warrant Article. Warrant Articles may be amended at this session per RSA 40:13, IV.

You are hereby notified that the Second Session (Ballot voting) of the Annual Meeting of the Town of Merrimack will be held on Tuesday, April 10, 2018, at 7:00 o’clock in the forenoon (am) for the choice of town officers elected by official ballot, to vote on questions required by law to be inserted on the Official Ballot, and to vote on all Warrant Articles from the First Session on Official Ballot per RSA 40:13, VII. The polling places for the election of town officers, and other actions required to be inserted on the ballot, will open on said date at 7:00 o’clock in the forenoon (am) and will not close earlier than 7:00 o’clock in the evening (pm).

The three aforementioned polling places will be as follows:

James Mastricola Upper Elementary School All-Purpose Room, 26 Baboosic Lake Road  
St. John Neumann Church, 708 Milford Road (Route 101A)  
Merrimack Middle School, 31 Madeline Bennett Lane

**Article 1**

To choose all necessary town officers for the ensuing year.

**Article 2**

Shall the Town vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$34,511,890. Should this article be defeated, the default budget shall be \$31,690,307, which is the same as last year, with certain adjustments required by previous action of the Town or by law; or the Town Council may hold one (1) special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. (Recommended by the Town Council 6-0-0)

**Article 3**

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Shall the town vote to adopt an all veterans property tax credit in accordance with RSA 72:28-b in the amount of \$500. If adopted, the credit will be available to any resident or the spouse or surviving spouse of any resident who (1) served not less than 90-days on active service in the arm forces of the United States and was honorably discharged or was an officer honorably separated from service and (2) is not eligible for and not receiving a credit for veterans who served in a qualifying way or armed conflict or for veterans with a service connected disability. If adopted the credit will be in the amount of \$500 which is the same amount as the credit for a veteran who served in a qualifying war were armed conflict. If this all veterans tax credit is adopted, any person desiring to receive the credit shall file an application with the assessors by April 15 of the applicable tax year. If adopted, this amendment shall become effective as of April 1, 2018. (Majority vote required)."

Councilor Koenig questioned whether the credit should be identified as "all veterans property tax credit" or "all veterans tax credit". It is referred to as both.

Assistant Town Manager/Finance Director Micali stated the RSA refers to it as "all veterans tax credit". The word "property" will be deleted, and the title will be written in initial caps and placed in quotes. Replace "were" with "or" following "who served in a qualifying war" to be consistent with the RSA.

*Councilor Rothhaus recused himself as he would take benefit of this should it pass.*

**MOTION made by Councilor Boyd and seconded by Councilor Albert to move the Town Warrant to Deliberative Session. MOTION CARRIED 6-0-0**

**Comments from the Press** - None

**Comments from the Public** - None

**Comments from the Council**

Councilor Albert thanked the Administration for the presentation on the HVAC system. He stated a desire to continue to be provided with that type of presentation to allow those watching from home to follow the discussion more easily.

The Council expressed gratitude to the staff for all the work that has gone into the budget preparation, and the Townspeople for their consideration.

**Adjourn**

**MOTION made by Councilor Boyd and seconded by Councilor Thornton to adjourn the meeting. MOTION CARRIED 6-0-0**

*The February 15, 2018 special meeting of the Town Council was adjourned at 9:49 p.m.*

Submitted by Dawn MacMillan