

OSSIPEE BUDGET COMMITTEE

MEETING MINUTES

February 6, 2019

Minutes recorded by and summarized by Laura Nash, Budget Committee Recording Secretary, amendments are noted by ***bold/italic*** type.

Call to Order: Chairman, Joe Goss called the meeting to order at 6:34 PM.

Attendance by Roll Call: – Joe Goss-Chairman, Jonathan Smith, Donna Gridley, Lynne Parker, Marie McConarty, Louise Sutherland, and Sandra “Sam” Martin- Selectmen’s Rep.

Absent: Roland Millette and Rick Morgan-Selectmen’s Rep.

Late Arrival: Ellen White, Town Administrator

Meeting Minutes: The Meeting Minutes from 01/16/2019 were reviewed.

A **Motion** by Parker to approve the minutes of 01/16/2019 Budget Committee meeting as presented. Smith seconded. No discussion. All others voted in favor. No opposition. Martin abstained. **Motion passed 6-0-1.**

2019 Proposed Budget Reviews:

Warrant Articles & Petition: Joe Goss read through each warrant article and petition listed as follows:

Town Road Repair & Improvements – 300,000.00, Add to Bridge Repair and/or Replacement Fund – 20,000.00, Add to Sidewalk Expendable Trust Fund -25,000.00, Purchase Police Cruiser & Equipment – 43,000.00, Town Building Improvements – 10,000.00, Add to Revaluation Capital Reserve – 15,000.00, Annual Water Bond Payment – 58,580.00, Add to Invasive Species Control (Milfoil) Fund – 22,185.00, Town Records Restoration - Moose Plate Grant – 9,988.00, Town Records Restoration - Town-Funded – 22,470.00, Add to Benefit Pay Expendable Trust Fund – 20,000.00, Purchase new Plow Truck, Full Size 6-Wheeler – 175,000.00, Purchase new Plow Truck, F-550 – 95,000.00, Computer & Telephone Phone System Upgrade – 30,000.00, OEDC Ctr. Ossipee Village Playground – 60,000.00, Constitution Park Playground – 32,000.00, PETITION - Ossipee Garden Club – 400.00, PETITION - Ossipee Dog Park – 9,500.00, PETITION - OCC Upgrades – 66,100.00, PETITION – GMCG – 2,000.00, with Warrant Articles Totaling = \$1,016,223.00.

Goss addressed the revised revenue report and questioned the figure use to set the tax rate in September 2018 versus the actual revenues for 2018. A lengthy discussion ensued over how last year’s figures were calculated, the amount of revenues generated, and how much funding was used from surplus to offset the 2018 tax rate. Smith spoke directly with Ellen White, Town Administrator via telephone to have questions answered. Smith conveyed the outcome to the committee, but members still had questions and concerns. Smith commented he believes the surplus fund should be used to purchase tangible items (i.e. Highway truck, police cruiser, or emergency uses) and not to offset the tax rate each year.

Goss stated the budget committee is going to cut an amount from the bottom line and the Board of Selectmen will need to figure out where to make the cuts. Parker noted she has a problem with no budget committee member involved with the employee contract negotiations, which increases the budget 2 – 3% each year.

Public Input:

Tammy White asked what is meant by short falls. Smith explained when they set the tax rate on the projected revenues coming into the town but when the revenues are less than projected, it’s called a shortfall.

Dave Huckins suggested when new employees are hired; they don't receive the big benefits package that long-term employees are receiving, as a means of reducing some of the operating budget. McConarty responded it's already being done. But the employees within the union contract is a set rate until re-negotiations take place.

Tammy White asked why the town needs a new police cruiser, if the state police and sheriff's department answers a lot of the calls. The cruiser are only good for 5 years and are on a 1-cruiser, one year and 2-cruisers the next year. Tammy White referenced an incident where no Ossipee Police answered a call and the State Police responded. Martin responded unless Ms. White knew the specific circumstances, she should not be surmising with ambiguous statements.

WARRANT ARTICLES & PETITIONS

Martin read line items which have already been cut or reduced by the Board of Selectmen, as follows:

Town Road Repair & Improvements – was \$350,000.00 reduced to \$300,000.00,

Highway Equipment Capital Reserve – was cut \$30,000.00,

Town Building Improvements – was \$25,000.00 was reduced to \$10,000.00,

Solid Waste – was cut \$20,000.00. The rest remained the same.

1. Town Road Repair & Improvements – \$300,000.00

A **Motion** by McConarty to accept the Warrant Article in the amount of \$300,000.00 for Town & Road Improvements. Sutherland seconded. With no further discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

2. Add to Bridge Repair and/or Replacement Fund – \$20,000.00

A **Motion** by Smith to accept the Warrant Article in the amount of \$20,000.00 for Add to Bridge Repair and/or Replacement Fund. Parker seconded. With no discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

3. Add to Sidewalk Expendable Trust Fund - \$25,000.00

A **Motion** by McConarty to accept the Warrant Article in the amount of \$25,000.00 for Add to Sidewalk Expendable Trust Fund. Sutherland seconded. Discussion: Concerns were raised over how much is in the account and no work has been done. Martin noted this past year was held up by the State NHDOT on other jobs. This additional \$25,000.00 is to extend the sidewalks done Folsom Rd. and Granit Hill but has not been approved by the State, thus far. With no further discussion. Goss called for a vote.

Smith – No Sutherland – No Gridley – No McConarty – No Parker – No

Abstained: Martin and Goss **Motion failed 0-5-2.**

4. Purchase Police Cruiser & Equipment – \$43,000.00

A **Motion** by Gridley to accept the Warrant Article in the amount of \$43,000.00 for Purchase Police Cruiser & Equipment. Smith seconded. Discussion: This year is the buy 1- cruiser year cycle, next year is to buy 2-cruisers and the new cruisers are supposed to last longer. The life expectancy of a cruiser is 5 years and the expenditure is to come from the surplus account. With no discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

5. Town Building Improvements – \$10,000.00

A **Motion** by McConarty to accept the Warrant Article in the amount of \$10,000.00 for Town Building Improvements. Parker seconded. Discussion over which buildings are covered under this line item. With no further discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

6. Add to Revaluation Capital Reserve – \$15,000.00

A **Motion** by McConarty to accept the Warrant Article in the amount of \$15,000.00 for Add to Revaluation Capital Reserve – 15,000.00. Parker seconded. Discussion: Revaluation total cost is \$94,000.00 but there is currently \$83,000.00 in reserve. The revaluation was moved up a year. Goss questioned isn't this the Town Assessor job. It was explained the assessor revalues one quarter of the town each for 4 years and the 5th year is when the assessment values are changed. But during those 4 years, the data is collected and stored until each section of the town is complete. With no further discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

7. Annual Water Bond Payment – \$58,580.00

A **Motion** by Smith to accept the Warrant Article in the amount of \$58,580.00 for Annual Water Bond Payment. McConarty seconded. No discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

8. Add to Invasive Species Control (Milfoil) Fund – \$22,185.00

A **Motion** by Smith to accept the Warrant Article in the amount of \$22,185.00 for Add to Invasive Species Control (Milfoil) Fund. McConarty seconded. No discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

9. Town Records Restoration - Moose Plate Grant – \$9,988.00

A **Motion** by Smith to accept the Warrant Article in the amount of \$9,988.00 for Town Records Restoration - Moose Plate Grant. Gridley seconded. No discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

10. Town Records Restoration - Town-Funded – \$22,470.00

A **Motion** by McConarty to accept the Warrant Article in the amount of \$22,470.00 for Town Records Restoration - Town-Funded. Parker seconded. No discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

11. Add to Benefit Pay Expendable Trust Fund – \$20,000.00

A **Motion** by McConarty to accept the Warrant Article in the amount of \$20,000.00 for Add to Benefit Pay Expendable Trust Fund. Parker seconded. Discussion on the number of employees possibly retiring in the next year. With no further discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

12. Purchase new Plow Truck, Full Size 6-Wheeler – \$175,000.00

A **Motion** by Smith to accept the Warrant Article in the amount of \$175,000.00 for Purchase new Plow Truck, Full Size 6-Wheeler. Gridley seconded. Discussion over the need for a new truck outweighing the amount to keep repairing. With no further discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

13. Purchase new Plow Truck, F-550 – \$95,000.00

A **Motion** by Gridley to accept the Warrant Article in the amount of \$95,000.00 for Purchase new Plow Truck, F-550. Sutherland seconded. No Discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

14. Computer & Telephone Phone System Upgrade – \$30,000.00

A **Motion** by Gridley to accept the Warrant Article in the amount of \$30,000.00 for Computer & Telephone Phone System Upgrade. Sutherland seconded. Discussion: Martin explained this amount is for the new voice over system, and replace phones that may die. With no further discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

15. OEDC Ctr. Ossipee Village Playground – \$60,000.00

A **Motion** by McConarty to accept the Warrant Article in the amount of \$60,000.00 for OEDC Ctr. Ossipee Village Playground. Smith seconded. Discussion: Gridley commented she is no longer on the EDC because of the playground. She believes it does not represent economic development but community service. The EDC is looking to have the playground located in the town park on Moultonville Street. Ellen White (who just arrived) noted EDC has applied for a grant but just in case they do not receive the grant; EDC wanted to submit a warrant article for the full amount. Discussion over the cost is twice as much as the next playground respect and there is no drawing submitted with the application. With no further discussion. Goss called for a vote.

Smith – No Sutherland – No Gridley – No McConarty – No Parker – No

Abstained: Martin and Goss **Motion failed 0-5-2.**

White answered a previous question of the committee; if they could amend the amount on the warrant articles and the answer is no. The committee can either recommend or not recommend a warrant article.

16. Constitution Park Playground – \$32,000.00

A **Motion** by Smith to accept the Warrant Article in the amount of \$32,000.00 for Constitution Park Playground. McConarty seconded. Discussion: Martin noted there will be two tether ball stations added at no cost to the tax payers. With no further discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

17. PETITION - Ossipee Garden Club – \$400.00

A **Motion** by McConarty to accept the Warrant Article in the amount of \$400.00 for PETITION - Ossipee Garden Club. Smith seconded. Discussion: Smith commented the Garden Club members were taking the money out of their own pockets to add these gardens to help beautify the town. This amount is minimal and

should be funded. The committee identified the current and future sites they work on. With no further discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

18. PETITION - Ossipee Dog Park – \$9,500.00

A **Motion** by Smith to accept the Warrant Article in the amount of \$9,500.00 for PETITION - Ossipee Dog Park. McConarty seconded. Discussion. Consensus was not in favor. With no further discussion. Goss called for a vote.

Smith – No Sutherland – No Gridley – No McConarty – No Parker – No

Abstained: Martin and Goss **Motion failed 0-5-2.**

19. PETITION - OCC Upgrades – \$66,100.00

A **Motion** by Sutherland to accept the Warrant Article in the amount of \$66,100.00 for PETITION - OCC Upgrades. Parker seconded. Discussion. The Committee acknowledge the amount requested is half the amount required for the renovations. The committee discussed OCC's obligations under their lease agreement, versus the appraised value of the building. White noted, OCC has tried to stay within their operating budget to provide the services and building maintenance but at this point, the repairs are getting ahead of them. With no further discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

20. PETITION – GMCG – \$2,000.00

A **Motion** by Smith to accept the Warrant Article in the amount of \$2,000.00 for PETITION – GMCG. Sutherland seconded. Discussion ensued over the funds requested for water quality testing and monitoring. White explained the invoices received were for time, supplies, and monetary value for volunteer hours equating to \$12,000 - \$13,000.00 per season. Discussion continued over who the results are sent to, are other towns receiving the same bill, and volunteer monitoring versus required monitoring. With no further discussion. Goss called for a vote.

Smith – No Sutherland – No Gridley – No McConarty – No Parker – No

Abstained: Martin and Goss **Motion failed 0-5-2.**

Discussion:

Goss and Smith reworked the numbers for Warrant Articles & Petitions to come up with a bottom line figure \$7,062,801 for the 2019 budget. Thus increasing the tax rate by 6.3% for the 2019 budget. A lengthy discussion on where to cut the budget by \$200,000.00, resulting in wanting to increase the bottom line figure by 3% over the 2018 final budget figure.

A **Motion** by Parker to hold the bottom line figure increase to 3% over 2018. Smith seconded. Discussion: McConarty questioned about smaller departments that do not have 3% to cut, where's the money to come from? White explained they would move money around from other line items in the department that has a surplus. With no further discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – No Parker – Yes

Abstained: Martin and Goss **Motion passed 4-1-2.**

Smith explained further to McConarty how the process works for the Board of Selectmen to move money around to manage each department's budget and how to present to the taxpayers.

A **Motion** by Parker to reconsider the previous vote to hold the bottom line figure increase to 3% over 2018. Smith seconded. With no further discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

No Opposition. Abstained: Martin and Goss **Motion passed 5-0-2.**

A New **Motion** by Gridley to hold the bottom line figure increase to 3% over 2018. Smith seconded. No further discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes McConarty – Yes Parker – Yes

Abstained: Martin and Goss **Motion passed 5-0-2.**

White requested to have the final figures by Wednesday morning, so she can prepare for the public hearing that night. Goss and Smith are to prepare the figures and Goss is to have them to White in the morning.

9:00 PM - McConarty and Martin requested to leave. Goss approved.

09:15 PM – Ellen White excused herself from the meeting.

The committee proceeded to recalculate each line item of the operating budget with the 3% increase over the 2018 budget. Smith and Gridley suggested the operating budget for 2018 and compare to the 2019 proposed operating budget, the increase was 4.17%. So take the 2018 operating budgets bottom line add 3% and that's the 2019 proposed operating budgets bottom line, which includes warrant articles resulting in an overall 4.23% increase. Numbers crunching continued.

Goss suggested taking the 2018 Operating budget bottom line, plus 3%, plus 2019 revenue figure, minus 2019 Overlay and War Service credit, plus 2019 Budget Committee Approved Warrant Articles, but it calculated to 5.58% which is higher percentage than he cared to allow. Discussion on lowering the increase to 2%, number crunching continued.

Smith suggested taking the 2018 Operating budget bottom line, plus 2%, plus 2019 revenue figure, minus 2019 Overlay and War Service credit, plus 2019 Budget Committee Approved Warrant Articles, it calculates to a 4.2% overall increase including warrant articles.

A New **Motion** by Smith to adopt a 2% increase over 2018 the operating budget and the warrant articles totaling \$929,223.00 as adopted, thus creating a 4.2% increase. Parker seconded. No further discussion. Goss called for a vote.

Smith – Yes Sutherland – Yes Gridley – Yes Parker – Yes

Abstained: Goss **Motion passed 5-0-1.**

Any Other Business Which May Come Before This Meeting

None presented.

Upcoming Meetings:

- Wednesday, **February 13, 2019** - Budget Committee Public Hearing – 6:30 pm at Town Hall for 2019 Proposed Budget. (Budget Committee members to meet - 6:00pm at the Town Hall).
- Tuesday, **March 12, 2019** – Election Day
- Wednesday, **March 13, 2019** – Town of Ossipee Annual Town Meeting

Adjournment:

A **Motion** by Smith to adjourn the meeting. Sutherland seconded. No further discussion. A unanimous vote was taken. **Motion passed 5-0.**

The meeting adjourned at 9:30 p.m.

Next Meeting: **February 13, 2019 @ 6:30 pm**

Minutes approved by majority vote of the Board on –

Date

Joe Goss, Chairman
Budget Committee