

FREMONT BUDGET COMMITTEE MEETING
Fremont Town Hall, 295 Main Street, Fremont, NH 03044
January 9, 2019

Budget Committee Meeting at 6:30 PM & Public Hearing at 7 PM

CALL TO ORDER

Chair Mary Anderson called the January 9, 2019 Budget Committee meeting to order with the Pledge of Allegiance at 6:30 PM at the Fremont Town Hall in the basement meeting room. Present were: Budget Committee Chair Mary Anderson, Members Gene Cordes, Mary Jo Holmes, Pat Martel, Joe Miccile, Jonathan Starr, Brittany Thompson, and Josh Yokela; Superintendent Allyn Hutton, Business Administrator Susan Penny, Gordon Muench, Roger Barham, Neal Janvrin, Town Administrator Heidi Carlson, Road Agent Leon Holmes, Jr, Police Chief Jon Twiss, Suzy Twiss, Joe Nichols, Peter Morelli, Seth Wood, Keith Stanton, Fire Rescue Chief Richard Butler, Library Director Eric Abney, Martha Abney, Mike Nygren, Jeanne Nygren, Nicole Cloutier, Cheryl Bolduc, Mike Rydeen, Brian McGinn, Emily Philips, Matthew Thomas, Conservation Commission Chair Leanne Miner, Jon Benson, Recording Secretary Susan Perry, Kristina Edgerly, Joe Nichols, and Kevin Zukas. (May have been others but not all signed the sign-in sheet).

APPROVAL OF MINUTES (The minutes of December 19, 2018 were not addressed tonight)

SCHOOL WARRANT ARTICLES FOR CONSIDERATION AND RECOMMENDATION

OPERATING BUDGET

Ms. Anderson read the School District Operating Budget Warrant Article 4: operating budget: \$12,792,215 and default budget of \$12,686,630.

There was discussion about the collaboration between Fremont and Sanborn's School Administrations and the Budget Committee, to, in the end, have a GMR of 4.96% as opposed to 10.65%. Though the resulting percentage was high, it was not as high as it could have been. There was agreement between Fremont's Budget Committee and School Board to split the \$124,326.81 increase (to \$62,163.40, and the remainder to come out of the tuition trust fund if needed). Ms. Anderson agreed with the successful collaboration, but noted that the actual to be raised by taxes was \$821,000, which was almost \$2.00 on the tax rate just for the school budget. The budget was up \$329,000 over the last year's appropriation, even after the \$400,000 cuts requested by the Budget Committee were made. Mr. Yokela had watched last night's School Board meeting and felt there was good discussion and understanding of the Budget Committee's situation. He commended the Board for approving the budget even after drastic cuts were made, and for being aware that the tax increase was difficult for taxpayers. As a result of the adjusted budget, the default was now lower due to new legislation. Ms. Anderson noted that, on a \$200,000 house, the tax increase would be \$400.00. The Budget Committee signed the MS-27 and MS-DSB forms.

TOWN WARRANT ARTICLES FOR CONSIDERATION AND RECOMMENDATION

It was noted that only the Planning Board makes recommendations on Zoning Ordinance Warrant Articles by NH Statute. The Warrant Article numbering shown here is subject to change following the final Warrant being completed, so topics are also listed.

ARTICLE 10: OPERATING BUDGET – REVOTE ONE OPERATING BUDGET W/ HW REDUCTION OF \$7,499 (mower and sweeper)

Pat Martel made a motion to revote Fremont Town Warrant Article 10: Operating Budget (\$3,103,730; with default budget of \$3,033,630). Mary Jo Holmes seconded the motion. Motion passed 8:0.

ARTICLE 22: ADDITION OF TWO PARCELS TO THE TOWN FOREST

Conservation Commission Chair Leanne Miner showed a map of the parcels in question: one was purchased with land use tax funds (\$6,000) and the other was school-gifted. This would make them subject to the Town Forest Ordinance (no tax impact).

Pat Martel made a motion to approve Fremont Town Warrant Article 22: Addition of Two Parcels to the Town Forest. Gene Cordes seconded the motion. Motion passed 7:0:1 (abstention Jonathan Starr).

ARTICLE 23: ESTABLISH A CEMETERY MAINTENANCE TRUST FUND

This article is a way to set up a savings account for cemetery maintenance via cemetery lot sales as opposed to Town appropriation.

Gene Cordes made a motion to approve Fremont Town Warrant Article 23: Establishment of a Cemetery Maintenance Trust Fund. Joe Miccile seconded the motion. Motion passed 7:1 (nay, J. Yokela).

ARTICLE 24: PETITION – TOWN CLERK COMPENSATION CHANGED TO FEES (SUBMITTED BY NICOLE CLOUTIER)

This article would change the current compensation plan for the Town Clerk Tax Collector from an annual salary to statutory fees. Mike Nygren asked if this would change the position to a contracted one; Ms. Carlson replied that it could but that it was an IRS issue, as well as something that would be asked of DRA and the Town's Auditor. There was concern that the expected number of weekly hours for this elected position was 25, at a salary of \$25/hour (\$35,700 annually), but that it has reduced to 15 hours/week. Mr. Yokela mentioned that in 2017 last year, there was \$38,000 in statutory fees. For 2018 that number was estimated at just over \$40,000. Tonight, the Selectmen voted unanimously to not recommend this article 3:0.

Mary Jo Holmes made a motion to recommend Fremont Town Petition Warrant Article 24: Town Clerk Compensation Changed to Fees. Brittany Thompson seconded the motion. Motion failed 0 aye: 7 nay: 1 abstention (B. Thompson) – to read: “The Budget Committee does not recommend this article, 7 aye: 0 nay: 1 abstention (B. Thompson)”.

ARTICLE 25: PETITION – CHANGE THE TERM OF TAX COLLECTOR TOWN CLERK FROM 3 YEARS TO 1 YEAR (SUBMITTED BY JOSH YOKELA)

This article would change the current term of the elected position of Town Clerk Tax Collector from three years to one year. If approved by voters, this would be effective at the March 2020 voting. There is no tax impact. Mr. Yokela spoke as a petitioner (not Budget Committee member) and explained that he proposed this article to give the Town the opportunity to vote someone out who is not honoring the intended pretext of the elected position. He said that this is the only elected Town position that makes a living wage (all others have a stipend or nothing), therefore, it seemed more important to hold it accountable. The Selectmen did not recommend this article 3:0.

Josh Yokela made a motion to recommend Fremont Town Petition Warrant Article 25: To Change the Term of Tax Collector Town Clerk from 3 Years to 1 Year. Mary Jo Holmes seconded the motion. Motion failed 0 aye: 7 nay: 1 abstention (J. Yokela) – to read “not recommend 7:0:1”.

ARTICLE 26: PETITION – CHANGE THE PLANNING BOARD POSITIONS FROM APPOINTED TO ELECTED (SUBMITTED BY JOSH YOKELA)

Mr. Yokela said he petitioned this due to discussions online and in town about some votes that the Planning Board had made and in consideration of what was felt was of the best interest to the Town (appointed positions that never turn over and could not be held accountable). Mr. Cordes clarified that these positions do have end dates and that the job is to implement the regulations that exist. He explained that not a lot of people are interested, so the Town is fortunate to have capable people on the Board. Currently, there are seven (7) members and two (2) alternates. Of the seven members, six (6) are appointed and one (1) is a Selectmen representative. He did note that some have not been appointed due to comments made in public about applications, which is a serious matter.

Mary Jo Holmes made a motion to recommend Fremont Town Petition Warrant Article 26: To Change the Planning Board Positions from Appointed to Elected. Johnathan Starr seconded the motion. Motion failed 0 aye: 5 nay: 3 abstentions (to read “not recommend 5:0:3).

ARTICLE 27: PETITION – TOWN CLERK COMPENSATION CHANGED TO FEES AND SALARY COMBINATION (SUBMITTED BY JOSH YOKELA)

Based on the background of issues with this position (as noted above), Mr. Yokela petitioned this article to have the hours of the Town Clerk be the same as in 2014 (average of 26/week). The Tax Collector/Town Clerk would be paid by a base annual salary of \$17,000 and 50% of statutory fees collected while present in the town office. He felt that this would incentivize them to work as many hours as the person is able. The goal is to keep the \$35,700 salary, but decrease it in proportion to amount of hours worked, if the person elects to do so. He said that the Tax Collector/Town Clerk informed that there would be no change in the number of hours worked per week (data showing an average of 15 weekly hours), even though the pay was set based on the hours worked initially. He said the goal is not to have decreased hours but to have hours in line with those worked in 2014. Mr. Cordes mentioned that change in office takes time and that voters have the opportunity to assess performance and make a choice of elected employees. There has been some tension about this, dealing with the number of hours the clerk was working but that any decisions would not go into effect until the spring of 2020. The Selectmen voted to not recommend this article 3:0.

Nicole Cloutier (current Tax Collector/Town Clerk) said she worked an average of 20 hours a week and wondered what would happen when she works alone without things that accrue fees. Mr. Yokela said that she would get the stipend, but that she had the right to recalculate and cut hours as she saw fit. The hours were no longer being tracked, but he said the data that was provided to the Budget Committee, ending September 15th, showed an average of 15 hours/week.

Gene Cordes made a motion to allow non-resident employees to speak. Brittany Thompson seconded the motion. Motion passed 8:0.

Cheryl Bolduc asked if the Budget Committee was micro-managing the Clerk and Ms. Anderson replied that the issue was about the decrease in hours from 25 to 15/week at the same salary and that this was not fair to other town employees (none of whom makes

\$47/hour). It was not personal towards Ms. Cloutier. Mr. Yokela said this would be a long range goal that could help with accountability no matter who was in the position (if a person wants to be open certain times etc.) Mike Rydeen asked how fees were set; Ms. Carlson replied that fees are statutory. Ms. Anderson noted that before, the Tax Collector was making money because people were not paying taxes and that this was an issue, leading to the salary being used for many recent years.

Mary Jo Holmes made a motion to recommend Fremont Town Petition Warrant Article 27: Town Clerk Compensation Changed to Fees and Salary Combination. Pat Martel seconded the motion. Motion passed 4:3:1 (abstention from J. Yokela).

ENTER PUBLIC HEARING: 7:56 PM

The 2019 Public Budget Hearing commenced at 7:56 PM

THE SCHOOL DISTRICT 2019-20 BUDGET AND WARRANT ARTICLES were read individually and reviewed.

W.A. 1: DISTRICT OFFICERS

W.A. 2: CBA (teacher)

- FY20 \$67,947 increase
- FY21 \$67,207 increase
- FY22 \$58,361 increase

Highlights: 3 year contract; decrease in insurance percentage paid by the District; moderate salary increase (range of 1.5 – 4%); stipend position change; decrease in workshops (pool); work on accountability issues e.g. being on action plans/rewarding positive performance; personal day buyback to decrease substitute needs; and language about taking days off in May and June.

W.A. 3: SPECIAL MEETING IF W.A. 2 IS DEFEATED

W.A. 4: OPERATING BUDGET (\$12,792,215; WITH DEFAULT AS \$12,686,630)

Ms. Anderson said that the School Budget is \$329,000 over last year, after the Board cut \$400,000 at the request of the Budget Committee. The amount to be appropriated in taxes is \$821,000 which is almost a \$2.00 increase just in the school budget. The high school tuition rate is still substantial. She said this was not an easy budget and it is difficult to cut education. Personnel hours/days were cut rather than eliminating whole positions, so it could have been worse.

A member of the public asked about long-term fixes to the Sanborn tuition issue. Ms. Hutton said that the tuition contract expires in 2026 but there will be committees established soon that will begin to look at how to mitigate increases moving forward and there will be opportunity for community input. The new cost per pupil is \$19,807 (including capital expense). The tuition cost increase is \$158,000. Nicole Cloutier asked what would happen if the contract were broken. Ms. Hutton replied that the tuition cost is roughly \$4million/year so that \$28 million would be owed until 2026. Fremont would need to pay about half of this plus the cost of legal fees and another high school. Ms. Anderson felt capital costs would also need to be paid.

W.A. 5: APPROPRIATE \$200,000 TO ELLIS SCHOOL BUILDING AND GROUNDS MAINTENANCE FUND FROM FUND BALANCE

The estimated cost for the roof repair project is \$175,000. Where budgetary bids have been used until money is secured actual future bids might come in lower.

THE FREMONT TOWN WARRANT ARTICLES WERE REVIEWED (Highlights are noted for each)

WARRANTS 2-9 were related to zoning. It was suggested that this information be explained more to taxpayers (e.g. via Vimeo/video recordings of the public meetings, copies in the library, etc.)

WARRANT ARTICLE 10: OPERATING BUDGET (\$3,103,730 WITH DEFAULT AS \$3,033,630)

- \$70,000 increase over the default budget and approximately \$130,000 from last year's appropriated budget. Of this, \$60,000 is related to trash (new proposed trash contract). If the budget does not pass, there will be changes to trash collections. The new contract has the Town paying the contract monthly fees (up approximately 3% from prior year) and includes additional monthly processing fees for recycling, based on the current market conditions/pricing). Ms. Cloutier asked if there was an option for multi-family homes; Ms. Carlson said that additional bins cannot be purchased and that in 2008 the decision was to use toters to get a handle on trash and promote recycling (\$40,000 was saved in tipping fees at that time). Plastic bags are the biggest contaminants to the stream because they can get caught on the separators. A flyer is being created and posted on the website that will show what is recyclable. People can buy their own recycling toters or get the bins from the Town, but only one toter per legal household/dwelling unit, is allowed.
- 2% wage increases for permanent employees

- \$8,000 worth of changes related to the full-time highway position approved by voters in 2018 (wages and benefits for the full year)
- \$60,000 increase in the Police Department budget, primarily in wages due to the matrix (after a state wage study was done, recommendation was a \$2.50/officer pay increase with \$1.00 shift differential to help with retention of qualified officers)
- \$10,000 increase in Fire Rescue Department budget (weekend duty stipend for the full year, and aging out of protective gear/uniforms which have a 10 year life)
- Default budget details what is included/not included
- Decreases in elections and debt service

Reference was made to the summary forms used by the Town throughout the budget year, and the State forms MS 737 and MS DTB which are prepared for the NH Department of Revenue. All forms were distributed and reviewed as the budget meeting continued.

WARRANT ARTICLE 11: HIRE AN ADDITIONAL FULL-TIME POLICE OFFICER (\$41,386, which covers 5 months of wages, benefits, gear, equipment and testing). Chief Twiss made a presentation:

- The Police department is dangerously understaffed
- State and FBI statistics show that Fremont has minimal full-time staffing compared to similar towns (towns of less than 10,000 should have 2.3 officers per thousand; Fremont's staffing rate is 1.5).
- With a normal compliment of 5 full-time officers in total (2 are new and being trained currently), there is a big hit when someone leaves; also, it is difficult to fill vacations so some are denied due to lack of coverage.
- There is a need for a 6th officer, with the dangerous issues of the opioid crisis/overdosing, stabbings, and public/school safety (officer presence at Ellis School could be more regular with a 6th full-time officer).
- With a volunteer/call Fire Rescue Department, they are not always available during the day. A Police Officer on duty is the first one to a call and they have had to do CPR multiple times.
- Ms. Cloutier asked why the Budget Committee would vote this article down. Mr. Yokela and Ms. Anderson replied that there were numerous important articles up for vote this year, but the Committee could not approve every one, as they need to think of taxpayers as well. Mr. Yokela felt that having an EMS person on call at night/on weekends when response time is long is more important. Ms. Cloutier felt that public safety should be of top priority; Brian McGinn agreed that having sufficient police presence in Town was important for all residents. Mr. Miccile mentioned that there were other important costly issues to consider, such as roadwork, and that the Committee was responsible as to how taxpayers could afford increases. Mr. Starr noted that the Committee did look at budgets line by line. The Committee recommends the bottom line budget and separates items to be voted by the Town. History has shown that taxpayers have voted down many of the articles if there are too many. Matthew Thomas said that in the past two years, taxpayers have voted for everything except a new Police Officer and an addition to the Historic Museum; he felt more people should participate in the Deliberative Session.

TOWN WARRANT ARTICLE 12: PAY FREMONT FIRE RESCUE CALL MEMBERS AN HOURLY RATE TO PROVIDE EVENING AND WEEKEND COVERAGE (\$66,000, to cover 9 months). If passed, the cost in 2020 would be about \$95,775)

- Volunteerism is declining (Fremont is not unique)
- The current group of fire rescue volunteers is dedicated but busy
- This would pay for nighttime and weekend calls (\$7.25/hour minimum wage pay when the volunteer goes on call – to guarantee the person will be available during that time)
- About 80-90% of call volume nationwide is EMS (vs. fire)
- This is a way to provide something to those who volunteer (while on call, they cannot drink, need to be local, etc.)
- There has been discussion about updating how the Fire Rescue Department is compensated (hourly vs. points)
- Other towns are going with on-call systems also, so, Fremont can lose volunteers who go to another place/schedule
- It was noted that the Police Department responds to all medical calls in Fremont and wait for on-call Raymond Ambulance. Ms. Cloutier mentioned an instance that happened within her family, for which she waited 16 minutes for the ambulance to arrive from Raymond; she felt that support for this Article was important.

TOWN WARRANT ARTICLE 13: CREATE A TOWN EXPENDABLE TRUST FUND FOR COMPUTER SERVER REPLACEMENTS (\$4,000)

This is a savings account to address the replacement of computer servers (approximately every five to six years). It is a new fund so that the every five to six year spike can be saved over time.

TOWN WARRANT ARTICLE 14: CONTRIBUTION TO THE LIBRARY BUILDING EXPENDABLE TOWN TRUST FUND (\$5,000)

- This is a savings account to address an aging building (about 17 years old) (furnaces, A/C units, siding, doors)
- Alpha Co. has been hired to review the building; a few safety issues were found and completed last year. They are prioritizing a list which will be presented during the next budget season.

TOWN WARRANT ARTICLE 15: APPROVE THE BOARD OF SLECTMEN ENTERING A NEW TRASH/RECYCLING COLLECTION CONTRACT

- After an RFP and bid process this fall, a five (5) year contract is currently being reviewed, with Waste Management for curbside collection, transport and disposal of solid waste and recyclables with an annual increase of 3%. The average annual increase would be \$8,923. The 2019 cost of \$284,370 is included in the operating budget; no additional funds are to be raised for 2019 in this Warrant Article.
- The current trash contract is on an extension with Waste management through April 30, 2019. Unless the Town authorizes this contract, annual charges cannot be in the default budget, and the Town cannot enter into a multi-year contract. It is important that taxpayers know that if this Article fails, it goes back to square one with no pick up on May 1, 2019; or drastic changes to services to try and stay within the last contract amount budgeted (2018).

TOWN WARRANT ARTICLE 16: FIRE TRUCK CAPITAL RESERVE FUND CONTRIBUTION (\$50,000)

Currently, there is \$152,000 in the fund. Fire Rescue Department is behind schedule on a new truck replacement (the tanker is dated 1989 and the standard is 20 years). The cost of the last truck was \$470,000.

TOWN WARRANT ARTICLE 17: BRIDGE CAPITAL RESERVE FUND (\$25,000)

- Currently looking at Martin Road and Scribner Road bridges
- \$117,000 in the fund now
- State pays 80%; Town pays 20% on approved NH Bridge Aid Program work
- Engineering has not been complete yet – trying to see where Fremont is on the list for bridge work

TOWN WARRANT ARTICLE 18: HIGHWAY EQUIPMENT CAPITAL RESERVE FUND (\$25,000)

- Road Agent estimates that the Town owns \$433,000 in Highway Department equipment presently
- This is a savings account to help fund the cost when replacements are necessary
- Approximately \$50,000 is in the account now
- The cost to replace the 1-ton truck is estimated at \$60,000

TOWN WARRANT ARTICLE 19: FUNDING HIGHWAY PAVING & IMPROVEMENTS TO CHESTER RD (\$279,388 to grind/reclaim/pave)

- Chester Road has had no work done in 20 years
- Engineering study found places where the road is failing (2 spots hit water about 3 feet high)
- This was the best of three options that included just going over the road or completely finish coat at \$413,000

TOWN WARRANT ARTICLE 20: MOSQUITO CONTROL PROGRAM

- Same program for 10 years: mostly, treatment of larval mosquitos in wetlands.
- Does include emergent spraying nearing end of season when flying mosquitos are at the highest risk. This spraying includes the playing fields at Memorial Park, Ellis School; and the parking lots at the Safety Complex and Fremont Public Library

TOWN WARRANT ARTICLE 21: HISTORIC MUSEUM CAPITAL RESERVE FUND CONTRIBUTION (\$15,000)

Matthew Thomas said he could not support voting this in, as he felt that public safety comes first. He felt that this could be brought forward again in the future.

There was discussion about the Warrant being the responsibility of the Board of Selectmen. To keep the entire process as part of this evening's discussion, the Board decided to do it now. The Selectmen had a meeting posted for this evening, and are still in session.

Selectman Neal Janvrin made a motion to withdraw Town Warrant Article 21 for the contribution to the Historic Museum Capital Reserve Fund. Selectman Roger Barham seconded the motion. Motion passed 3:0.

The Board's final Warrant (that is posted) will be renumbered based on this change as well.

TOWN WARRANT ARTICLE 22: ADD 2 ADDITIONAL PARCELS TO THE DESIGNATED OAK RIDGE TOWN FOREST

Of these two parcels, one property was purchased with land use tax funding (\$6,000) and the other was gifted by the Fremont School Board. school-gifted. Carlson held up the map that Conservation Chair Leanne Miner had presented earlier to show where these parcels lie, in relation to Main Street and the Fremont Public library, as well as where the Oak Ridge Town Forest land abuts it. Another privately owned parcel in between is also being looked at by the Commission.

TOWN WARRANT ARTICLE 23: CREATE A TOWN TRUST FUND FOR CEMETERY MAINTENANCE

Matthew Thomas said that things have not been addressed such as fallen trees, fences, etc. This article would use cemetery lot sale proceeds for funding of cemetery maintenance. Leavitt Cemetery lots will generate funds over time. Another location is being considered. It was discussed that the fee for cemetery lots is presently \$300 and pending a Selectmen's Public Hearing, will increase to \$350 based on the recommendation of the Cemetery Trustees. Carlson added that it is not anticipated that this fund would ever completely take the place of an operating budget.

PETITION WARRANT ARTICLE 24: CHANGE CURRENT COMPENSATION PLAN FOR TOWN CLERK TAX COLLECTOR FROM AN ANNUAL SALARY TO STATUTORY FEES.

PETITION WARRANT ARTICLE 25: CHANGE THE TERM OF TAX COLLECTOR TOWN CLERK FROM 3 YEARS TO 1 YEAR

PETITION WARRANT ARTICLE 26: CHANGE THE PLANNING BOARD POSITIONS FROM APPOINTED TO ELECTED

PETITION WARRANT ARTICLE 27: TOWN CLERK TAX COLLECTOR COMPENSATION CHANGED TO FEES AND SALARY COMBINATION

- Nicole Cloutier said she was asking that fees pay for her wages. She said that most districts are going to a salary system, are not part-time, and that Fremont's pay is lower than other towns its size.
- Ms. Anderson noted that there is a tax impact since fees to go the town now, and that fees were for everything. She reiterated that the issue was that the weekly hours have decreased from the intended 25 to 15 (based on the Town's record data), which yields an hourly rate \$46/hour, which is a lot.
- Ms. Martel said that the Town loses money since fees do not go to the general fund, and that if people could not afford taxes, the lien increases so the Town Clerk Tax Collector would be paid more.
- Mr. Miccile asked how much the Town was expected to not get toward the general fund if this passed (\$40,000 this year vs. \$35,700 currently paid in salary).

ADJOURNMENT

At 9:47 PM, Mary Jo Holmes made a motion to adjourn. Joe Miccile seconded the motion. Motion passed 8:0.

Respectfully submitted,

Susan Perry
Recording Secretary