

TOWN OF ALLENSTOWN  
Budget Committee  
16 School Street  
Allenstown, New Hampshire 03275  
January 8, 2015

**Call to Order.**

The Allenstown Budget Committee Meeting for January 8, 2015 was called to order by the Chair at 6:02pm.

**Roll Call.**

Present on the Board: Dave Coolidge, Jeff Gryval, Dave Eaton, Keith Klawes, Melanie Boisvert, Carol Angowski, Jerry McKenney, and Deb Carney.

Excused: Mike Frascinella, Tom Irzyk, Stephanie Tallini, and Dave Coolidge.

**Others Present.**

Residents of Allenstown:

Others Present:

Other Public Officials: Dana Clement, Sewer Commission; Larry Anderson, Sewer Commission and Jeff Backman, Sewer Commission.

Allenstown Staff: Shaun Mulholland, Town Administrator.

The Chair stated there are five positions open for the Budget Committee; a one year and four three year positions. He stated starting Mr. McKenney will not be running for re-election. Mrs. Carney asked who is not on it anymore besides Mrs. Merrill and Mr. Caporale. The Chair stated Mr. LaFleur, LaFleur and Mrs. Touchette are also not on it anymore.

**Sewer Bond Warrant Article**

The Chair stated they have the Sewer Bond and he is not going to read it and asked Mr. Clement to discuss it. Mr. Clement stated the wording has been revised a number of times. He stated they are hoping this is the wording that can appear on the Warrant. He stated Mr. Mulholland is

putting a sentence in there stating “will not impact taxes”. He explained the package to the Budget Committee which included the Sewer Bond and two pages from DES

Mr. Clement explained they are trying to take advantage of a problem that DES has for up to a \$400,000 grant. He stated the Federal government is putting requirements into their permits they have to get to operate the waste water plant. He stated they are required to do Asset Management. He stated they started this a couple of years ago which puts them ahead of other communities. He stated DES is trying to incentivize it by offering the money.

Mr. Clement explained the way it works is like the BioMag Process where they have to get the voters to vote to accept the indebtedness however when it comes time to pay off the loan, in the case of 2009 it was 50% forgiveness so they only had to pay back half of it. He stated this program is 100% forgiveness. Mrs. Boisvert asked who is forgiving it. Mr. Clement stated he thinks its Federal money the State has and in order to get the money they have to sign a note.

Mr. Clement stated it is a loan subject to interest which is about 1- 1 ½ %. Mrs. Boisvert clarified the Federal government is giving them the money to do the Asset Management and once they finish the piece of compliance and they are saying they don't have to give it all back. Mr. Clement stated that is correct.

Ms. Angowski asked Mr. Clement to touch a little bit on the reserve accounts. Mr. Clement stated this program requires that for five years they put 2% of their annual operating budget into a reserve account which is to be used for Asset Management. He stated two percent of our budget is about \$40,000 a year and they typically put more aside. He stated the second page of the package explains more what Asset Management is.

Mrs. Boisvert asked if there is a timeframe on this. Mr. Clement stated this program will go on as long as they have a waste water program. Mrs. Boisvert asked if there is a timeframe this piece has to be completed by. Mr. Clement stated he has not seen a timeframe however he tends to believe it will be used up within the first year. Ms. Angowski asked if there are any penalties if they don't do this. Mr. Clement stated there are no penalties.

Mr. Klawes asked when the loan gets forgiven. Mr. Clement stated when the first payment is due. He stated the last time they started making payments when construction commenced however, interest didn't start accumulating until after the first year. He stated they went over three or four months when the first payment was due. He stated they got a payoff figure including interest and made the payment.

Mr. Klawes asked if there is a share of the cost with Pembroke since they share the same facility. Mr. Clement stated if a portion of this is used at the facility, then Pembroke would pay a portion

of the cost. He stated if a portion of this is used in the Allenstown collection system that would be Allenstown expense. He stated they work to keep those two expenses separate as well as the trucks which come in.

Ms. Angowski stated it seems like they need to seek financing somewhere and the repayment will come from the DES grant. Mr. Clement stated that DES will provide the financing. Mrs. Carney stated it doesn't affect the taxpayer at all, they just need the approval. Mr. Clement stated it wouldn't affect the taxpayer unless they defaulted but its 100% forgiveness so the taxpayers won't have to pay it.

Mrs. Boisvert asked what exactly they are going to do with \$30,000. Mr. Clement stated right away \$12,000 is going to pay for the annual software payments for ViewWorks which is Asset Management software. He stated Asset Management is for everything that the Sewer Department has jurisdiction over. Mrs. Boisvert stated the Federal Department is funding so that our Sewer Department can appropriately management what they would define as assets to move forward in compliance with the Federal government. Mr. Clement stated that is correct.

Mr. Clement stated this all goes back to the Clean Water Act of 1972 when the law came down that the towns have to stop putting the sewer in the rivers. He stated the local communities only had to come up with five cents on the dollar to build the treatment plants and upgrade the infrastructure however the assets have been neglected and failing. He stated the Federal government mandated the towns to update the infrastructure and added an Asset Management program to the permits to tell them what the assets are and how they are working.

Mrs. Boisvert asked if the Sewer Department has the means to check the sewer lines so they can write the report for the government. Mr. Clement stated either that or they want to see the communities are contracting it out to make sure the systems are being taken care of. He explained these regulations have been in the Clean Water Act and it has taken all this time for them to carry out the mandates.

Ms. Angowski asked if \$30,000 is sufficient to do the Asset Management. Mr. Clement stated it is not enough however it will help.

The Chair asked if the Selectmen have reviewed it. Mr. Mulholland stated this is the first time they have seen this revision of it. He stated the Board will be reviewing the warrants again. He asked Mr. Clement if they were planning on including the explanatory section because he doesn't think that will be allowed. Mr. Clement stated the explanatory is just for the Boards to understand and it will not be in the warrant. The Chair asked for an electronic copy of the warrant article.

The Chair asked if DRA has reviewed this warrant article. Mr. Clement stated they haven't seen it in this form just the original. Mr. Mulholland stated the Sewer Commission can't submit it but the town can. He stated it only took a day for a response from DRA last time however everyone else is doing it now so it may take longer. He stated he will send the Chair any changes after the Select Board reviews this.

The Chair stated they have the public hearing on January 17, 2015 and should they vote tonight as to whether or not they recommend it. Mr. Mulholland stated they have until the third Thursday in January to vote on it. He recommended they vote on it at the public hearing. He stated they can send it out to the Budget Committee since the Select Board isn't meeting until the 20<sup>th</sup>. There was discussion of doing a vote on Sewer Bond at the public hearing. Mr. Mulholland will continue to update the Budget Committee on changes to the wording on the Sewer Bond as they occur.

### **Discussion of Public Hearing Schedule**

The Chair stated the next time they will meet will be January 17, 2015 at 9:00am at the Parish Hall. He stated they will do the School Budget and then the Town. He stated they will meet afterwards to approve and sign the MS-737 and the School's form to approve and sign. Mr. Mulholland stated they are supposed to have something for them to sign.

Mrs. Boisvert stated she has to work on Jan 17 and 31<sup>st</sup> and it would be easier for her to go to the town hall to sign them. Mr. Mulholland stated he can also have those who can't be at the meeting do an electronic signature.

### **Other Business**

Mr. Klawes asked what the percentage they are assessed at is or the ratio is at for the taxes. Mr. Mulholland stated he doesn't have the exact number and can get them for him. He stated he thinks they are pretty close to 100% ~~120%~~. Mr. Klawes is so it keeps the tax rates among towns a bit closer together. Mr. Mulholland stated it is not so much to compare the rates between one town to another and is more for fairness. Mr. Gryval stated they had an issue in the past with the Assessing company they were using was not agreeing with the State's numbers which is why they have a new assessing company, Avatar.

Mr. Mulholland stated another thing to keep in mind is if they get a petition warrant article which includes money they are going to have to do something because the Select Board doesn't meet until January 20<sup>th</sup>. He stated he has to post the budget within seven days and they can't do it on the deliberative session days. He suggested the Budget Committee meet with the Select Board if

they have any petition warrant articles. He stated they will know on Tuesday if there will be any petition warrant articles.

Motion. Mr. McKenney made a motion to adjourn. Mrs. Carney seconded the Motion. There was no additional discussion.

A Roll Call Vote was taken: Mr. McKenney-Yes; Mr. Gryval- Yes; Mr. Eaton – Yes;; Mr. Klawes – Yes; Mrs. Boisvert – Yes; Ms. Angowski – Yes; and Mrs. Carney-Yes. The Chair declared the Motion passed.

The Chair declared the meeting adjourned at 6:35pm.

TOWN OF ALLENSTOWN  
 BUDGET COMMITTEE  
 MEETING MINUTES  
 January 8, 2015

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**Signature Page**

<b>Original Approval:</b>	
 DAVID EATON, CHAIRMAN	2/8/2015 DATE

<b>Amendment Approvals:</b>		
<b>Amendment Description:</b>	<b>Approval:</b>	<b>Date:</b>
General: change 'Mrs. Angowski' to 'Ms. Angowski'; Page 1: 5th paragraph: changed 'LaFleur' to 'LaFleur' Page 2: 2 <sup>nd</sup> paragraph: change 'BioMeg' to 'BioMag'	 DAVID EATON, CHAIRMAN	2/8/2015 DATE

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