

Allenstown Municipal Budget Committee
2020 Public Hearing
ARD School
10 ½ School Street
Allenstown, New Hampshire 03275
January 18, 2020

Call to Order

The Allenstown Municipal Budget Committee Public Hearing of January 18, 2020 was called to order at 9:00 am by Chair Keith Klawes. He called for the Pledge of Allegiance.

Introductions

Present on the Committee: Keith Klawes, Carol Angowski, Tiffany Ranfos, Deb Carney, Julie Keane, Dave Coolidge, Jim Rodger, Maureen Higham, Selectboard Representative; Jeffrey Venegas, Kris Raymond, School Board Representative; Ron Cox, Mike Juranty

Allenstown Staff: Derik Goodine, Town Administrator; Debbie Bender, Finance Director

Present from the School: Peter Warburton, SAU 53 Superintendent; Amber Wheeler, Business Administrator; Karen Guercia, Assistant Superintendent of Student Services; Kris Raymond, School Board Chair; Crystal Venegas, School Board member; Shannon Kruger, ARD Principal; Ginelle Czerula, AES Principal; Michael Sacharko, SPED Coordinator

Others present: Marc Boisvert, Highway Department; Kathleen Pelissier, Town Clerk/Tax Collector; Paul St. Germain, Fire Chief; Michael Stark, Police Chief; Jeff Backman, Allenstown Sewer Superintendent; Roxanne Chomas, Allenstown Sewer Assistant Superintendent; Robin McAfee, Chad Pelissier, Susan Hebert, Armand Verville, Claudette Verville, Lee Higham, Sandy McKenney, BOS & Planning Board; Jen Klawes

School Budget Presentation

Ms. Raymond began her presentation, saying that this was a good turnout for a public hearing and that she had provided copies of her presentation so that people could follow along. She said that she is the School Board Chair, Jody Moore is the Vice Chair, Carl Schaefer is a long-time member, Jamie Moore is a new member and Crystal Venegas, who is here and has already introduced herself, is also a member. Ms. Raymond stated that the proposed operating budget for 2020-21 is \$10,857,796; the default amount is \$10,672,762. She said that there are a lot of warrant articles this year because two new three-year contracts have been negotiated for the teachers and the paraprofessionals. The increases for the paraprofessionals are as follows: \$11,328 for 2020-21, a 2.0% raise; \$21,750 for 2021-22, a 1.75% raise; and \$15,063 for 2022-23, a 1.5% raise. The increases for the teachers are as follows: \$64,530 for 2020-21, a 1.5% raise; \$78,488 for 2021-22, a 1.25% raise; and \$72,491 for 2022-23, a 1.0% raise. Key to the contract, she said, was a change which was negotiated in the health insurance plan for the teachers, two plans lower, which will result in a savings of \$28,055 for the 2020-21 school year. As they did last year, Ms. Raymond said, they want to start putting money into trust funds for a rainy day. The first warrant article is the School Renovation/New Building capital reserve, which has been newly-created; the funds in the Facilities Acquisition trust fund will be moved into this new trust fund. The reason for the new fund, she

said, all gets down to the purpose of capital reserves. There is a need to do something with Allenstown schools, which are over 60 years old. The funds will allow them to study, design, plan, and partially fund the construction for renovation or the building of a new school. The second warrant article, she said, transfers the funds from the Facilities Acquisition Fund into the new School Renovation/New Building Fund. Next is the School Building Maintenance Trust Fund, to which they propose adding \$30,000. Next are the SPED Trust Fund, the Technology Replacement Trust Fund and the High School Tuition Trust Fund. The proposal is to put \$20,000 in each of these funds. Ms. Raymond emphasized that these trust funds are not funded from property taxes but from the School surplus as of June 30, 2020. Next, she said, is a visual of the School Board proposed budget of \$10,875,796 and the default budget of \$10,672,762 as presented in the first warrant article. She said that the Tax Implication Projection is on page 20 of the packets and projections of revenue are on page 19. She said she would talk more about revenue when they get to the Revenue Trend slide. Turning to demographics, she stated that there are 540 students, relatively flat from last year's number. AES has 201 students; ARD has 167; and 155 attend Pembroke Academy. The remaining 17 students are out of district placements, PACE students, and students at the Pembroke Academy alternative skills program. AES has ten students in its pre-K class and 40 kindergarteners. The average class size at AES is 17 students; it is 21 students at ARD. Ms. Raymond said that SPED costs are very high in all school districts, due in large measure to federal and State mandates. A total of 125 SPED students have been identified at the schools as follows: 34 at AES; 46 at ARD; 28 at Pembroke Academy; and 17 placed out of district, at PACE, and at the alternative skills program at Pembroke Academy. Displaying the six-year trend of SPED actual expenses, Ms. Raymond said the cost climbs every year. She also showed a comparison with other SAU 53 towns with K-8 schools. Next, Ms. Raymond said that three new staff additions are proposed. First is a Behavioral Specialist, a position fully-loaded with benefits and a pension. She said there has been a staff outcry for help because of the severe emotional needs of children living with opioid problems in their homes and those living with grandparents. This is not just an Allenstown problem, she said. It is everywhere. The Concord Monitor recently had an article about a letter the Concord Teachers Association sent to the School Board expressing feeling severely threatened, and an Allenstown teacher came to a School Board meeting to express concerns on this issue. The classroom of today is very different from that of five to ten years ago, and this crisis affects not only the child with severe emotional needs, but the entire classroom population. The proposed budget also includes two new part-time paraprofessionals for the kindergarten and grade one classes. The cost is \$28,000 and includes no benefits, as these are part-time positions. Continuing, Ms. Raymond said that the Health Insurance line shows a 3.2% increase. She said that the change in the teachers' insurance level – two plans lower – is not included because it has not yet been passed. Dental Insurance is up 3.9%, not surprising since it decreased last year, and the Pension line is the same at 17.8%. Ms. Raymond noted that the State does not fund these pensions. Tuition costs show a decrease of \$95,530 because the number of Pembroke Academy students will drop from 167 this year to 158 for the next school year. Pembroke Academy tuition, however, is up from \$12,823 to \$13,464. PACE tuition, she said, is relatively flat. Allenstown continues to have the highest number of students at PACE. Turning next to Allenstown's payments to SAU 53, Ms. Raymond said that, although the SAU's budget is up 0.39% this year, Allenstown's payment is down \$880, based on its portion of total SAU 53 students. Based on the shared service model, Allenstown receives one-third of the Superintendent's time, sharing with Chichester and Epsom. Allenstown gets one-fifth of the time of each of the following: Amber Wilder, Karen Guercia, the Payroll Processing Division and the Curriculum Director. They serve Pembroke and Deerfield, in addition to Allenstown, Chichester and Epsom. She said that the SAU gets a lot of work done for the five districts and eight school buildings. Next, looking at employee

information, Ms. Raymond said there were a lot of teacher retirements between 2015 and 2019. They have worked on replacing these teachers and have been at a steady state for the last couple of year. Next, she presented comparisons of voted area school budgets last year, and using the number of students in each school, calculated a cost per pupil. She said that last year Allenstown experienced a substantial SPED cost increase. In fact, SPED costs drive the budget up year after year. Ms. Raymond's next slide showed Allenstown's tax rate history; she noted that 60% of the tax rate is School costs. The Schools are supported largely by taxpayers. She said that during the last biennium budget deliberations in Concord, it was recognized that New Hampshire schools are vastly underfunded. It is the same pattern since the Claremont case in the 1990's; the situation has been exacerbated and gotten worse. However, the legislature passed increased school funding for 2020 and 2021. This is one-time funding and will cause an uptick in revenue, bringing this year's projection to \$5,293,485. This is exciting, but the downside is that, if they don't keep it up with additional funding, the tax rate will go back up again. Concord did a great job, but it is one-time funding only. She said that her last slide shows the School's surplus history, the amount returned to the Town. Last year, she said, because of unanticipated SPED expenses, they only turned back \$50,000.

Chair Klaves thanked Ms. Raymond for her presentation and presented the School Warrant Articles, noting that the Budget Committee will meet after this Public Hearing to make recommendations for Articles 6 through 12.

1. Shall the Allenstown School District vote to raise and appropriate as an operating budget, not including appropriations by special warrant article 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 \$10,857,796? Should this article be defeated, the operating budget shall be \$10,672,762 which is the same as last year, with certain adjustments required by previous action of the Allenstown School District, or by law, or the governing body may hold one special meeting in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only.

School Board Recommends Approval Budget Committee Recommends Approval

2. Shall the Allenstown School District vote to approve the cost items set forth in the collective bargaining agreement reached between the Allenstown School Board and the Allenstown Para-Professional Association for the 2020/21, 2021/22, and 2022/23 fiscal years, which calls for the following estimated increases in salaries and benefits at the current staffing level: 2020/21 \$11,328 2021/22 \$21,750
2022/23 \$15,063 and further to raise and appropriate the sum of \$11,328 for the 2020/21 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels? School Board Recommends Approval Budget Committee Recommends Approval

3. Shall the Allenstown School District, if Article #2 is defeated, authorize the governing body to call one special meeting, at its option, to address Article #2 cost items only? (Majority vote)

4. Shall the Allenstown School District vote to approve the cost items set forth in the collective bargaining agreement reached between the Allenstown School Board and the Allenstown Teachers Association for the 2020/21, 2021/22, and 2022/23 fiscal years, which calls for the following estimated increases in salaries and benefits at the current staffing level: 2020/21 \$64,530 2021/22 \$78,488 2022/23 \$72,491 and further to raise and appropriate the sum of \$64,530 for the 2020/21 fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement

over those that would be paid at current staffing levels? School Board Recommends Approval
Budget Committee Recommends Approval

5. Shall the Allenstown School District, if Article #4 is defeated, authorize the governing body to call one special meeting, at its option, to address Article #4 cost items only? (Majority vote)

6. Shall the Allenstown School District vote to establish an Allenstown School Renovation/New Building Capital Reserve Fund under the provisions of RSA 35:1 for the purpose of studying, designing, planning, and partially funding the construction, renovation or building of new school building(s), and to raise and appropriate the sum of (\$20,000) to be placed in this Fund, this sum to come from the June 30, 2020 unassigned fund balance available for transfer on July 1, 2020. Further to name the School Board as agents to expend from said fund. (NO AMOUNT TO BE RAISED FROM 2020/21 TAXATION.) Majority vote required. School Board Recommends Approval

7. Shall the Allenstown School District vote to discontinue the Facilities Acquisition Capital Reserve Fund created in 2007, the full balance of (\$5,843.53) plus any additional interest shall become part of the June 30, 2020 unassigned fund balance. (Majority Vote Required) School Board Recommends Approval

8. Contingent upon the passage of articles 6 and 7, shall the Allenstown School District vote to raise and appropriate the sum of (\$5,843.53), and any additional interest earned through June 30, 2020, to be added to the newly established Renovation/New Building Capital Reserve Fund with such amount to be funded from the June 30, 2020 unassigned fund balance available for transfer on July 1, 2020. (NO AMOUNT WILL BE RAISED FROM FY2020/21 TAXATION.) School Board Recommends Approval

9. Shall the Allenstown School District vote to raise and appropriate the sum of (\$30,000) to be added to the School Building Maintenance Expendable Trust Fund previously established, with such amount to be funded from the June 30, 2020 unassigned fund balance available for transfer on July 1, 2020. (NO AMOUNT WILL BE RAISED FROM FY 2020/21 TAXATION.) School Board Recommends Approval

10. Shall the Allenstown School District vote to raise and appropriate the sum of (\$20,000) to be added to the Special Education General Expendable Trust Fund previously established, with such amount to be funded from the June 30, 2020 unassigned fund balance available for transfer on July 1, 2020. (NO AMOUNT WILL BE RAISED FROM FY 2020/21 TAXATION.) School Board Recommends Approval

11. Shall the Allenstown School District vote to raise and appropriate the sum of (\$20,000) to be added to the Technology Replacement Expendable Trust Fund previously established, with such amount to be funded from the June 30, 2020 unassigned fund balance available for transfer on July 1, 2020. (NO AMOUNT WILL BE RAISED FROM FY 2020/21 TAXATION.) School Board Recommends Approval

12. Shall the Allenstown School District vote to raise and appropriate the sum of (\$20,000) to be added to the High School Tuition Expendable Trust Fund previously established, such amount to be funded from the June 30, 2020 unassigned fund balance available for transfer on July 1, 2020. (NO AMOUNT WILL BE RAISED FROM FY 2020/21 TAXATION.) School Board Recommends Approval

13. Shall the School District authorize the School Board to accept on behalf of the District, without further action by the voters, gifts, legacies and devises of real or personal property which may become available to the District during the fiscal year? School Board Recommends Approval

Chair Klawes said that he would next present the Town Warrant Articles 10 – 24.

ARTICLE 10 Town Operating Budget

Shall the Town of Allenstown 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 \$4,085,970. Should this article be defeated, the default budget shall be \$4,061,783 which is the same as last year, with certain adjustments required by previous action of the Town of Allenstown or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. (Majority vote required)

Tax Impact of Proposed Budget = \$9.38

Tax Impact of Default Budget = \$9.30

Recommended by the Board of Selectmen

Recommended by the Budget Committee

ARTICLE 11 Sewer Operating Budget

Shall the Town of Allenstown raise and appropriate as an operating budget for the Allenstown Sewer Commission, 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 \$2,299,192. Should this article be defeated, the default budget shall be \$2,258,241, which is the same as last year, with certain adjustments required by previous action of the Town of Allenstown or by law; or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only. (Majority vote required)

TAX IMPACT OF WARRANT ARTICLE 11 = \$0.00

Recommended by the Board of Selectmen

Recommended by the Budget Committee

ARTICLE 12 Fire Safety Equipment Capital Reserve Fund

To see if the Town of Allenstown will vote to raise and appropriate the sum of \$10,000 to be added to the Fire Safety Equipment Capital Reserve Fund previously established. This sum to come from unassigned fund balance. (Majority vote required)

TAX IMPACT OF WARRANT ARTICLE 12 = \$0.00

Recommended by the Board of Selectmen

Recommended by the Budget Committee

ARTICLE 13 Library Capital Reserve Fund

To see if the Town of Allenstown will vote to raise and appropriate the sum of \$2,469.13 to be added to the Library Capital Reserve Fund previously established. This sum to come from unassigned fund balance. (Majority Vote Required)

TAX IMPACT OF WARRANT ARTICLE 13 = \$0.00

Recommended by the Board of Selectmen

Recommended by the Budget Committee

ARTICLE 14 Public Safety Facilities Capital Reserve Fund

To see if the Town of Allenstown will vote to raise and appropriate the sum of \$20,000 to be added to the Public Safety Facilities Capital Reserve Fund previously established. This sum to come from unassigned fund balance. (Majority vote required)

TAX IMPACT OF WARRANT ARTICLE 14 = \$0.00

Recommended by the Board of Selectmen

Recommended by the Budget Committee

ARTICLE 15 Streetlight Capital Reserve Fund

To see if the Town of Allenstown will vote to raise and appropriate the sum of \$6,500 to be added to the Streetlight Capital Reserve Fund previously established. This sum to come from unassigned fund balance. (Majority vote required)

TAX IMPACT OF WARRANT ARTICLE 15 = \$0.00

Recommended by the Board of Selectmen

Recommended by the Budget Committee

ARTICLE 16 Landfill Capital Reserve Fund

To see if the Town of Allenstown will vote to raise and appropriate the sum of \$17,525 to be added to the Landfill Capital Reserve Fund previously established. This sum to come from unassigned fund balance. (Majority vote required)

TAX IMPACT OF WARRANT ARTICLE 16 = \$0.00

Recommended by the Board of Selectmen

Recommended by the Budget Committee

ARTICLE 17 Highway Equipment Capital Reserve Fund

To see if the Town of Allenstown will vote to raise and appropriate the sum of \$15,000 to be added to the Highway Equipment Capital Reserve Fund previously established. This sum to come from unassigned fund balance. (Majority vote required)

TAX IMPACT OF WARRANT ARTICLE 17 = \$0.00

Recommended by the Board of Selectmen
Recommended by the Budget Committee

ARTICLE 18 Town Building/Maintenance Capital Reserve Fund

To see if the Town of Allenstown will vote to raise and appropriate the sum of \$20,000 to be added to the Town Building/Maintenance Capital Reserve Fund previously established. This sum to come from unassigned fund balance. (Majority vote required)

TAX IMPACT OF WARRANT ARTICLE 18 = \$0.00

Recommended by the Board of Selectmen
Recommended by the Budget Committee

ARTICLE 19 Economic Development Capital Reserve Fund

To see if the Town of Allenstown will vote to raise and appropriate the sum of \$20,000 to be added to the Economic Development Capital Reserve Fund previously established. This sum to come from unassigned fund balance. (Majority vote required)

TAX IMPACT OF WARRANT ARTICLE 19 = \$0.00

Recommended by the Board of Selectmen
Recommended by the Budget Committee

ARTICLE 20 Assessing Valuation Update Capital Reserve Fund

To see if the Town of Allenstown will vote to raise and appropriate the sum of \$16,800 to be added to the Assessing Valuation Update Capital Reserve Fund previously established. This sum to come from unassigned fund balance. It is anticipated that a revaluation will take place in 2022. (Majority vote required)

TAX IMPACT OF WARRANT ARTICLE 20 = \$0.00

Recommended by the Board of Selectmen
Recommended by the Budget Committee

ARTICLE 21 Establish and Fund Road Repair and Paving Capital Reserve Fund

To see if the Town of Allenstown will authorize the establishment of a Road Repair and Paving Capital Reserve Fund to be used for road repairs and paving. Furthermore, to raise and appropriate the sum of \$50,000 to be placed in this Fund and to appoint the selectmen as agents to expend from the fund. This sum to come from unassigned fund balance. (Majority vote required)

TAX IMPACT OF WARRANT ARTICLE 21 = \$0.00

Recommended by the Board of Selectmen
Recommended by the Budget Committee

ARTICLE 22 Parks and Recreation Projects Capital Reserve Fund

To see if the Town of Allenstown will vote to raise and appropriate the sum of \$30,000 to be added to the Parks and Recreation Projects Capital Reserve Fund previously established. This sum to come from unassigned fund balance. (Majority vote required.)

TAX IMPACT OF WARRANT ARTICLE 22 = \$0.00

Recommended by the Board of Selectmen
Recommended by the Budget Committee

ARTICLE 23 Highway Facilities Capital Reserve Fund

To see if the Town of Allenstown will vote to raise and appropriate the sum of \$25,000 to be added to the Highway Facilities Capital Reserve Fund previously established. This sum to come from unassigned fund balance. (Majority vote required)

TAX IMPACT OF WARRANT ARTICLE 23 = \$0.00

Recommended by the Board of Selectmen
Recommended by the Budget Committee

ARTICLE 24 Petition Article for five-member Board

Are you in favor of increasing the Board of Selectmen to five members?

Chair Klawes next introduced Town Administrator Derik Goodine.

Mr. Goodine expressed thanks to those in the audience for being at the public hearing. He then thanked the Budget Committee for its hard work, as well as his staff, the Finance Director, the Selectboard members, the department heads and their staffs, and the Sewer Department for all of their assistance with the budget. He said he is proud of the reduction in the municipal portion of the budget. In August, department heads received memos saying that they should produce budgets with minimal increases to the municipal portion of the tax rate. This, he said, gets tougher every year. They used 2.2% as the COLA for the wage scale, in spite of the fact that the COLA was at 2.5% at the end of the year. The proposed 2020 Town Budget submitted by the department heads will result in a 2.56% increase in spending from the 2019 Budget. This year’s proposed budget is \$101,947 higher than the 2019 Budget, and only \$24,187 higher than the 2020 Default Budget. There were countless hours spent reviewing and asking questions in the creation of the 2020 Budget. He said it seems they had more Budget Committee meetings this year. Good questions were asked, so please never stop asking, he said. Personnel costs are where one finds much of the increases for the upcoming year. While health and dental insurance rates are higher this year, the budget lines for personnel related costs are actually reduced this year in the proposed budget. In the Executive, Town Clerk/Tax Collector, and Finance Budgets, increases are mostly due to personnel costs, he said. Most of the other items in these budgets are level funded or reduced with just some minor increases, mostly in technology and IT service-related lines. Looking closer at the Town Clerk Budget, the increases are due to the number of elections being held in 2020 – the Presidential Primary, the Town Election, and the Presidential Election in the fall. The Assessing Department Budget holds the line in 2020. Legal Services are being budgeted \$10,000 higher for the coming year because of unresolved lawsuits.

Hopefully, the money won't have to be used, but it is there to defend the Town when necessary. In the Personnel Costs lines, there is a net decrease to all those combined expenses. While health insurance rates are up 7% and dental rates are up 3%, those budget lines are decreased by \$10,000 and \$1,600 respectively. This is due to tightening up the budget lines. The Police Department is now fully staffed, and the costs of NH State Retirement are up due to that. Unemployment Insurance has been increased to \$4,000 from \$0 because a surplus in the fund allowed Allenstown to not have to budget for this for the last few years. Worker's Compensation has also decreased by \$10,200. Overall the budgets that are included in the Personnel Cost lines are decreased by a total of \$13,700 or 1.88%. The Planning Board and ZBA budgets are decreased by \$290. There are increases in these budgets, however; Contracted Services and Advertising costs are projected to increase due to an uptick in development in Allenstown, which is a positive thing about which we are very excited. Brady Sullivan has purchased the China Mill property and has plans for apartments in the main building and some other buildings on the property. Another developer is looking at siting an assisted living facility at the corner of Chester Turnpike and Route 28. Some variances are needed, as this type of facility is not currently allowed in an Industrial/Commercial zone. Also, the developer wants a four-story, 60-foot high building, where the ordinance currently allows only three stories and 45 feet. If this goes forward, it will mean about 50 new jobs and a \$16 million investment. General Government Buildings has a net decrease of \$1,900 due to a reduction in the Salary line and the Repairs and Maintenance line. Much of the Town Office renovations and repairs are completed. Property Insurance has increased this year. It should have been increased last year, but wasn't. The actual cost of the insurance has come down this year by \$4,400, but it still needs to be increased to cover the premium cost. The reason for the increase is that there is better coverage and limits for cyber-crime and IT related issues. Increases to Town payroll, Town property values, and claim experience ratings were also factors in the increased cost. As mentioned, the Police Department is now fully staffed, causing an increase in those budget lines in addition to wage increases. Overall though, reductions to the telephone/modem, gasoline, heating fuel, and dispatch in the Police Department have helped to offset more than half of the increases. The Ambulance Budget had a decrease for four consecutive years, with a huge reduction from \$180,333 in 2018 to \$118,200 in 2019. Unfortunately, the unreserved fund balance has dried up, and for 2020, the budget is \$174,410. This is still less than 2018 though. The Fire Department Budget has increased due to personnel costs, turnout gear costs, and dispatch cost. They also have some reductions in the training and sewer accounts, as well as fuel and radio maintenance. The Building Inspector remains on a contractual basis, and the Town has hired a part-time Code Enforcement Officer who works four hours a week. Though young, he brings a lot of experience to the position and does good work, by all accounts, Mr. Goodine reported. The money for both positions comes out of the same budget line. There was also a reduction in the part-time staffing costs in this department, so there is an overall decrease in the budget. Emergency Management has increased because the Town now has a person who gets a yearly stipend for this position; thus, there is an increase in the salary line of \$3,000. With reductions in the training and equipment lines, however, the increase comes in at \$2,650. The Town's Emergency Management Plan is due for a five-year update in 2020, and that process will start in February. The Highway Department Budget is split into two parts because of the way the State Model Chart of Accounts is written, even though we see the operation as one department. The first part (4311) has increased due to increases in the personnel costs, vehicle repairs, and some other smaller increases scattered over a few other budget lines. There is a reduction of \$1,000 in the Diesel Fuel line and a reduction of \$200 in the Drug Testing line. Overall though, 73% of the increase in the 4311 Highway Accounts is offset by reductions in the second part of the Highway Budget

(4312). 4312 sees reductions in Construction Services, which are paving and construction related expenses, as well as reductions in the Stormwater MS4 (federally mandated) budget lines. This program is going into its second year of development and implementation. There are increase in the areas of construction supplies, salt and winter sand. Overall, the total increase between the two Highway Budgets is \$6,480. As a side note on the construction services reduction, Warrant Article #21 creates and funds a capital reserve fund, Road Repair and Paving Capital Reserve Fund. A Road Surface Maintenance Program is being created to rate the various town roads and rank them. Then, a budget will be created for the various maintenance and paving techniques that can be used to keep our roads in good condition. Eventually, most of the Construction Services money will end up being budgeted in this new reserve fund. This year, \$50,000 being placed in that capital reserve fund. This all is part of the CIP program. There is a small reduction the Streetlight Account. The Solid Waste Contract is increased by approximately \$3,500 for trash collection and \$2,000 for trash disposal. There is also an increase in the attendant's salary line. There are also a couple of reductions in maintenance expense and supplies. The Health Inspector Department is actually increased by \$50 for Training and Mileage. Other than that, it's a flat budget. Regarding Animal Control, a small \$50 cut to this small budget can be found in ACO supplies. Welfare Administration has a small increase in the salary line and a \$30 increase in dues and publications. As for Welfare Costs, that budget is decreased by \$6,550, with cuts in rent and burial costs. Social Services has increased by \$790, reflecting an increase in the contribution to the Merrimack-Belknap Community Action Program. Parks and Recreation costs are up \$1,500 altogether. The increases are scattered between maintenance salaries, sewer, equipment repairs/maintenance, and electricity. There are also small reductions in the landscape maintenance and heat budget lines. The Library is flat funded. The Patriotic Purposes accounts are both flat funded, and the Conservation Commission is increased to \$10 from \$1, only as a rounding exercise. Old Allentown Meeting House has two small increases in the telephone/modem line and the electricity line. The EDC Budget has been increased to finance activities and events that they create and sponsor, minutes to their meetings, and supplies or materials they need to operate. Mr. Goodine expressed kudos to this Committee for its work and dedication to building community spirit and promoting quality of life and place activities. Debt Service is flat funded and is for a TAN note, should there be a need to borrow money because of a problem with tax dollars not coming in on a timely basis. The Capital Outlay Budget is slightly increased due to the lease costs for highway vehicles and police vehicles. Mr. Goodine stated that the capital reserve amounts have already been covered by Chair Klawes. The Spending Analysis chart depicts the 2.56% increase for 2020 and shows a history of the municipal tax rate: 10.04/thousand in 2017, 10.12/thousand in 2018, 9.68/thousand in 2019, and 9.38/thousand (estimated) for 2020. He stated that the projected increase in non-property tax revenue of \$1,316,700 more than offsets the increase in the operating budget.

Chair Klawes reminded the audience that the Deliberative Session will be held here at the ARD School on Saturday, February 1st at 9:00 am, with a snow date of Wednesday, February 5th at 6:00 pm. Voting will take place on March 10th at St. John's Parish Hall from 8:00 am until 7:00 pm.

Ms. Angowski made a motion to adjourn at 10:16 am. Mr. Cox seconded the motion, which carried unanimously, and the meeting was adjourned.

