

Municipal Budget Committee Meeting
Community Center
8 Whitten Street
Allentown, New Hampshire 03275
October 17, 2019

Call to Order

The Allentown Municipal Budget Committee Meeting of October 17, 2019 was called to order at 6:05 pm by Chair Keith Klawes. He called for the Pledge of Allegiance.

Introductions

Present on the Committee: Keith Klawes, Melaine Boisvert, Carol Angowski, Michael Juranty, Ron Cox, Julie Keane, Tiffany Ranfos, Deb Carney, Bobby Laflamme, and Sandy McKenney, Selectboard Representative

Excused: Jeffrey Venegas and Kris Raymond, School Board Representative

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

Review of September Minutes

Ms. Boisvert made a motion to accept the minutes of the September 19, 2019 meeting as written. Ms. Angowski seconded the motion. The motion carried. Mr. Coolidge abstained because he was absent from that meeting.

State of the Town

Mr. Goodine announced the Special Town Meeting scheduled for October 22, 2019, the purpose of which is to vote on proposed amendments to the Zoning Ordinance and the Suncook Infill Overlay District so as to expand allowable uses in the area of the China Mill. He said that the Planning Board has endorsed the purchase of two lots with 70 feet of frontage on Ferry Street across from Canal Street. This is the site of the old Boston & Maine Railroad and will enable Allentown to connect with the Hooksett portion of the Rail Trail. He reported on problems with the boiler at Town Hall.

Ms. McKenney said that the Selectboard has been reviewing department budgets and has only a few remaining to go over. She said that departments are keeping their budgets low, which is good.

Ms. Bender referred to the Committee's discussion during the last meeting of the \$235,000 balance in the 2018 operating budget. She explained that \$151,000 of that was encumbered. The auditors want to account for that amount differently. Specifically, they want the encumbered amount in a "Reserve for Encumbrances" account. Therefore, the operating budget balance is actually \$85,000.

Ms. Boisvert asked if this would be a new line in the budget.

Ms. Bender responded that it would not. It will not be in the budget anymore; it doesn't hit the operating budget. The Unassigned Fund Balance is reduced by the amount of the encumbrances and this will show in the balance sheet of the auditors. She added that encumbrances must be in a contract and approved by the Selectboard.

Ms. Bender said that the School will be getting \$1,663,417 in aid from the State over a two-year period. They will receive about \$400,000 this year and about \$1,200,000 next year.

Ms. Angowski asked if these dollars have a specific designation.

Ms. Bender responded that they are not.

Mr. Coolidge said this is recouping the four percent stabilization fund back to 2016.

Mr. Goodine said that these are one-time funds.

Chair Klawes added that the School Board will no doubt be cautious in the application of these funds, given their one-time nature.

Mr. Goodine said that Allenstown received \$56,000 for free or reduced-price school lunches.

Chair Klawes announced that the School Board will meet on October 28th at AES beginning at 6:00 pm to review the budget. He said that Ms. Raymond has asked that the December 5th and December 12th Municipal Budget Committee meetings be reserved for presentation of the School budget.

Mr. Juranty asked if there were limitations or stipulations regarding use of State funds.

Mr. Goodine said he is not sure.

Ms. Angowski said it would be great if they used the funds to increase the balances in their capital reserve accounts.

Chair Klawes cautioned that this Committee can only speculate at this time.

Review of Expenditure and Revenue Reports

- **Town**

Ms. Bender said that, looking at non-property tax revenue, they will be getting Meals and Rooms revenue from the State at the end of the year. One more Highway Block Grant will be coming on, so this revenue will be just about on budget. She reported that the town will receive about \$170,000 in Municipal Aid over the next two years. It is expected that this will be divided equally over the two years. The amount for this year is classified as unanticipated revenue; next year's amount will be in the operating budget.

Ms. Boisvert asked about the franchise fees.

Ms. Bender explained that this is from Comcast.

Mr. Cox noted that the Police Department expense for computer replacement under capital assets is over by 78%.

Ms. Bender explained that this will be offset by grant revenue.

Ms. Ranfos referenced the repair of the Library steps and asked if this was the same situation as that of the Police Department.

Ms. Bender said that it was similar. The Library received a \$5,000 grant, and the rest will come out of their capital reserve fund. She added that this was more than just a simple repair of the steps. It included the concrete as well as the ramp and railings.

Ms. Ranfos noted that Police training hours are more than double.

Mr. Goodine said that two new officers were trained.

Ms. Bender added that the Police Chief plans to remove this account and add these amounts to payroll. It was set up to account for paying officers while at training and paying other officers overtime to cover their shifts.

Ms. Boisvert asked about the fact that 79% of the Police Fuel line is unspent.

Mr. Goodine said that perhaps the Police Chief feared that fuel would jump to four dollars per gallon.

Ms. Bender said the Chief is also concerned that the State pumps will be shut down, as they are very old and there is no guarantee that they will be replaced.

Chair Klawes said that predicting fuel costs is a gamble because a war could alter prices dramatically.

Ms. Ranfos said that the bottom line left in the Police budget overall is about 30%, which is where it should be at this time of the year.

Mr. Juranty asked about line items versus bottom line accounts. He asked if departments are free to take from one line and use it for something else.

Ms. Bender said that department heads are responsible for the bottom line; Allentown does not move dollars from one line to another during the year. This is in the interest of transparency and helps in preparing budgets in subsequent years.

Ms. Angowski asked about the election of a new Road Agent.

Mr. Goodine said that no one has come forward yet to announce that they are seeking the position.

Chair Klawes stated that they would look at the trust funds at the next meeting. He said that Ms. Raymond has Amber Wheeler, the Chief Financial Officer, looking into the how the revenue from the State can be used. She said it may all have to go back to the town.

Mr. Coolidge noted that it is taxpayer dollars.

Chair Klawes said they probably have to spend it or give it to the town.

Mr. Goodine noted that the School's budget increase was about \$500,000 this year.

- **Sewer**

Ms. Ranfos asked about the Sewer Plant revenue from Pembroke.

Ms. Bender said that she made an error there and will have it fixed by the next meeting.

Ms. Ranfos asked about the line items for Commissioner stipends.

Ms. Bender said those are stipends for the Sewer Commissioners. Expenses not designated to a particular operation are divided among the three sewer entities this way: Collection is five percent; Plant is 85%; and Hauled Waste is ten percent.

Ms. Boisvert asked about the legal line budget, which is underspent by a lot.

Chair Klawes said they might have budgeted for legal fees relating to the easements they are seeking and have not been billed yet.

Mr. Cox asked what would happen with the funds if there is money left over.

Chair Klawes said they keep the sewer bills down in Allenstown, as opposed to Pembroke whose rates are about 25% higher. Excess funds can be used for this or for plant improvements.

Mr. Goodine said the Sewer Department will be receiving \$419,000 from the State for the Library Street project. Since it is behind schedule, it has not yet received the funds.

Mr. Juranty noted that sewer rent collections are low.

Ms. Bender said they will catch up. She only has data through June.

- **School**

Chair Klawes noted that School expenses are pretty much on track.

Mr. Cox asked Chair Klawes from whom he gets the School budget reports.

Chair Klawes said that Ms. Raymond gets them from Amber Wheeler and passes them to him.

Mr. Cox said he is gathering that history for the work of his committee.

New Business

- **Scheduling of Budget Presentations and Reviews**

Chair Klawes stated that they would have their first budget presentation at their November 7th meeting. He said they had a really good process last year, with one large budget and one or more small ones at each meeting. He hopes to cover all town budgets in the three November meetings and the School budget in the first two meetings of December. This way, they should not have to meet in January.

Mr. Cox said that he will miss the December 12th meeting because of a planned vacation.

Chair Klawes noted that a snowstorm might force them to reschedule a meeting at some point.

Mr. Cox asked if they will be meeting at the Fire Station.

Chair Klawes said that he will be checking with the Fire Chief. That venue would be better for conversation and for presentations.

- **Other New Business**

Mr. Goodine explained for the benefit of new members, the procedure for finding materials on the town website.

Chair Klawes said he just had a message from Ms. Raymond, saying a warrant article passed in 2016 allows the School Board to act as agent to spend unanticipated revenue.

Mr. Cox reported that he gets feedback from citizens who want to interact regarding the budget process and don't know how to get involved. He suggested that Mr. Goodine create a Q & A section on the website. He added that there is no social way to be involved other than to come to meetings.

Adjournment

Ms. Angowski made a motion to adjourn at 7:08 pm. Mr. Cox seconded the motion, which carried unanimously.

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