

**TOWN OF GILMANTON  
BUDGET COMMITTEE MEETING  
PUBLIC HEARING-BRIDGE WARRANT  
JANUARY 19, 2016**

**APPROVED**

**Members Present:** Brian Forst -Chair, Stan Bean- Vice Chair, Mark Sawyer- Member, Anne Kirby-Member, Michael Jean- Selectman's Rep, Richard Bakos-Sawyer Lake Rep and Richard Gelatt-Member

**Members Absent:** Robert Carpenter-School Board Rep

**Also Present:** Heather Carpenter – Recording Secretary & Heidi Jackson-Rhine –Assessing Administrator

**Meeting Opened at 7:00 P.M.** Renouncement of Warrant Article #19- Bridges

{Language in this document not to be used as voting material}

“To see if the Town will raise and appropriate the sum of \$125,000 for a bridge engineering study for the replacement of the Stage Road Bridge over Night Hawk Hollow Brook, NH DOT bridge #122/041 and the Stage Road Bridge over brook Beauty Hill Road, NH DOT bridge #106/041. Being Town owned and maintained bridges with critical deficiencies and limited loading capacity. The Town will be reimbursed 80% up to \$100,000 of the actual engineering cost by the New Hampshire Department of Transportation, NH DOT, through the New Hampshire DOT State Aid Bridge Program. The remaining 20% of the cost up to \$25,000 shall be funded by the Town through the withdrawal of the Bridge Capital Reserve Fund. This is a non-lapsing appropriation per RSA 32:7 VI majority vote required.”

**PUBLIC HEARING- BRIDGE WARRANT #19**

**MOTION:** by Stan Bean recommended for discussion

**Seconded:** by Anne Kirby

**Discussion:**

**Brian Forst-Q:** This has been to legal? When it talks about the \$100,000 and the \$25,000 that's just breaking down how that's going... The thing that bothers me is that it says the remaining 20% of cost up to \$25,000 shall be funded by the Town up to \$25,000 through withdrawal from the Capital Reserve. We are going to withdraw the \$125,000 from the Capital Reserve.

**Michael Jean- A:** We are but next year we are going to re-deposit it at a warrant article.

**Brian Forst-** Ok, yep

**Michael Jean-** Because I was hoping we could do it in the same warrant article.

**Brian Forst-** No that would be confusing. Do you see what I'm saying?

**Stan Bean-** You're right down here at the end...

**Brian Forst-** The whole \$125,000 is going to be withdrawn.

**Richard Bakos-** So you either add the withdrawal from the Bridge Capital Reserve Fund after the \$100,000 also or make some wordage that it's all \$125,000.

**Brian Forst-** Right and I think we've warned it, twice now.

**Heidi Jackson-Rhine-** Yes

**Brian Forst-** First time there wasn't an exact dollar amount and I would think I would just request that somebody makes sure on this language.

**Michael Jean-** I think it's been to the attorney.

**Brian Forst-** And that may be but, I am not a legal mind and I read it and wonder about it.

**Heidi Jackson-Rhine-** I think it's worth a pointed question, absolutely.

**Brian Forst-** The full amount of \$125,000 has to be pulled from the Capital Reserve to fund the project and then the state is going to reimburse you 80% up to \$100,000.

**Anne Kirby-** It's almost like after the \$125,000 is where they should say, through a withdrawal from the Capital Reserve Fund, put it there then it explains...

**Richard Bakos-** That's better, I think.

**Anne Kirby-** that 80% is going to be reimbursed. That's what they should do.

**Brian Forst-** Right, let me go right here. Article 11 talks about the dump truck and if you look at the language it says, "to see if the Town will vote to raise and appropriate the sum of \$175,000 to purchase and equip a six wheel dump truck and further to fund this appropriation by withdrawing the \$175,000 from the previously established", that's how I think that language should read right out of the gate. Then it should go on to say, talking about the bridges and talk about how it's going to be reimbursed.

**Steve Bedard- Q:** But does it mean you have to, that we are actually going to pull that money out by this year? Is it a year thing with a non-lapsing appropriation? So we have to spend this money all that following year, right, because it's non-lapsing?

**Brian Forst- A:** Well it's not going to be pulled out until something happens.

**Stan Bean-Q:** Whenever they enter into the agreement with the contract with the engineers to start the study, then we obligate it and non-lapsing means that it can go into next year.

**Steve Bedard-** Right, that's what I'm saying, we are obligated going into next year.

**Stan Bean-** Correct

**Steve Bedard-** But do we anticipate actually taking this money out this year?

**Stan Bean-** We have to appropriate the full amount because we operate on a gross appropriation amount.

**Steve Bedard-** If we are going to do that then we have to have the \$125,000 in the revenue in the Capital Reserve.

**Stan Bean-** Right. Then Brian's right, that language needs to be there...

**Brian Forst-** That is what we are going to do.

**Steve Bedard-** when it comes to this (show paper) it has to be in there too. Our Capital Reserves were in here last year and the year before that and the year before that but they are not in here this year.

**Brian Forst- Q:** Ok, we are going to have a whole discussion on that. Any more questions on the Article? Does the Budget Committee support this article in spirit, I guess that's how I'd like to say it? We need to see the language better?

**Collective Committee-A:** Yes

**Steve Bedard-** We support in principle.

**Brian Forst-** I will make sure I get a hold of Paul and explain my concerns with the language used.

**Heidi Jackson-Rhine-** Yes

**Brian Forst-** Mike has heard and he can go back and say, I think it's a matter of...

**Michael Jean-** The way he worded it is kind of weird.

**Brian Forst-** I think that change of that first paragraph to read that we are going to raise and appropriate, we are going to withdraw the \$125,000 from the Bridge Capital Reserve Fund for the appropriation and then go on to talk about the other...

**Michael Jean-** and we will be reimbursed 80% of it from the state.

**Brian Forst-** Right. I think it's really simple.

**Heidi Jackson-Rhine-** I agree.

**Richard Bakos-Q:** I have a question just in general, maybe you can fill me in. How many bridges in this town?

**Stan Bean-A:** Four

**Brian Forst-** Four I think that we are responsible for.

**Richard Bakos-** There was an article in the Laconia Daily Sun that listed Crystal Lake Bridges as a part of this, Maggie Hassan wants to put 48 million for bridges.

**Brian Forst-** The first Crystal Lake Bridge at the dam.

**Richard Bakos-** They were listing three bridges in there for Gilmanton I thought.

**Michael Jean-** There are three bridges on the list.

**Richard Bakos-** but they're not these three?

**Michael Jean-** This is two of them.

**Brian Forst-** I think what Rich is referring to is, they are talking about this ten year plan that Maggie Hassan has just put forth and I think that would be State Bridges.

**Richard Bakos-** That's why I asked how many bridges are in this Town.

**Michael Jean-** I think it includes the state funding for the 80% of our bridges.

**Richard Bakos-** That is my question. The way I read that article was three, do we have state owned bridges in the Town?

**Brian Forst and Stan Bean-** Yes

**Richard Bakos-** That's what I'm saying, how many do we have?

**Steve Bedard-** The dam is state owned.

**Brian Forst-** The Bridge at the dam at Crystal Lake is state owned.

**Steve Bedard-** and there are three other ones.

**Richard Bakos-** Who owns the dam?

**Anne Kirby and Steve Bedard-** The state.

**Richard Bakos-** How come I have to own my own dam?

**Brian Forst-** Because you got a damn good deal (laughter)

**Michael Jean-** How many acers?

**Brian Forst-** Sawyer Lake was a manmade lake.

**Richard Bakos-** Crystal Lake is not manmade? Why is there a dam there then?

**Brian Forst-** Because at some point they put a dam in there to control water flow.

**Richard Bakos-** ok so it's a natural lake, ok that it explains it.

**Steve Bedard-** Shell Camp?

**Michael Jean-** They are the ones that lower and raise the water?

**Richard Bakos-** Shell Camp I thought didn't lower it? I didn't think it went up and down and that was the problem they were having stagnate water?

**Michael Jean-** No, they dropped it down two feet this year.

**Richard Bakos-** Ok, I understand it now.

**Brian Forst-** It's just like Locke Lake in Barnstead, similar.

**Michael Jean-** I thought if it was over a certain acreage that the state...

**Richard Bakos-** That's the difference between a pond and a lake and we are just over it. We are just barely a lake.

#### **REVENUE DISCUSSION-**

**Brian Forst-** Ok, do we want to take up minutes or do we want to discuss our revenue? What I want to do tonight is, I want to go over these anticipated revenues and I want to make Budget Committee recommendations.

**Anne Kirby-** Can we?

**Brian Forst-** Well, last year in the Town report there seemed to be our recommendation on revenue and I don't believe we ever made those recommendations.

**Richard Bakos-** No we didn't.

**Brian Forst-** So, I think this year I would like us to make these recommendations so that when they show up we can actually stand behind what's being put to paper.

**Richard Bakos-** One of the major questions on what we supposedly recommended last year, I don't have it front of me but it showed about \$300,000 coming from the capital funds, the Capital Reserves but no I'm talking 2015, 2014 we definitely got them, we show them here. 2015 there not on here but they are on the annual report for about three hundred something thousand. Do you know what those are Mike? Do you have the annual report right there?

**Richard Bakos-** It's on this page, \$346,500 we supposedly recommended. It doesn't show up, I can't find it in minutes, I can't find it in payments, I can't find it in warrant articles, I don't know where it came from.

**Stan Bean-** We did not recommend any revenues last year what so ever.

**Richard Bakos-** I know, that's what I'm saying. It's in that column that we recommended but I can't even find out where it came from. I don't ever remember revenues being distributed to us.

**Stan Bean-** That's because we signed a blank...

**Richard Bakos-** I don't ever remember revenues being distributed to us in all the years that I've been here but I'm in tune to it now. I just don't know where that 347 came from, I went looking through that report, warrant articles or anything else.

**Steve Bedard-** Even when you count up the warrant articles you don't come to that number.

**Richard Bakos-** There is warrant articles in the for a \$112,000 and \$5,800 which come out of warrant articles but this 347 is just there.

**Brian Forst-** Then you come over here to other, the Selectman's estimated revenues are \$148,315 and ours are \$46,301. What is other miscellaneous revenues? I don't know where these numbers...

**Heidi Jackson- Rhine-** Can I ask what page you are on?

**Brian Forst-** its page 126 in last year's annual report.

**Heidi Jackson-Rhine-** So, it's the MS 7.

**Richard Bakos-** Yes

**Anne Kirby-** So, is that the thing you guys signed before the numbers where plugged into it?

**Steve Bedard-** That's the one.

**Anne Kirby-** So, somebody plugged in all these crazy numbers.

**Steve Bedard-** That's the one.

**Richard Bakos-** But then, this says we were going to raise a million seven in revenues but the MS 434 that we sent to the state only showed a million two and this sheet that we just got said that we got a million six, six three this year. So there is the four hundred thousand.

**Brian Forst-** That was raised by an additional tax rate.

**Anne Kirby-** Oooh.

**Steve Bedard-** That's what was put on the form, not what we actually raised then?

**Richard Bakos-** Nothing is matching here. The form says one thing, we put into the state which is called the MS 434, I have to do the same thing for Sawyer Lake. You have to put in your re-estimated revenues on September 1<sup>st</sup>. That went in and only showed a million two in revenues, everything was showing down. So of course that raised the tax rate way up and now we come to find out that the million seven was closer to reality even with the 327 in there. So it's like we came around the bend but we came out to the same place but we still paid higher taxes.

**Steve Bedard-** We still have that money, we didn't lose that money.

**Richard Bakos-** Right, the Undesignated Fund Balance almost doubled.

**Anne Kirby-** Right, that's where it is.

**Richard Bakos-** But we took it all from people that couldn't afford it and put it in a place that we don't need. If you look at the cash flow of the Town, in December you get over five million dollars plus you have this Undesignated Fund Balance of a million six plus I don't know how much is left over from last year. So you probably have seven or eight million dollars in cash at the end of the year. You can't spend that in six months and in July comes, we pay our tax bill again, you have more cash, and we made it through the year so you don't really need that high of an Undesignated Fund Balance. The quote buying down the taxes has always been a legitimate thing because the cash flow is so good here because we built up the cash and we have never had to borrow because of December and July.

**Brian Forst-** We haven't had to take a tax anticipation out.

**Steve Bedard-** Right. So the Selectmen are the sole determination of whether to use that Undesignated Fund Balance?

**Brian Forst-** When you go to tax setting, yes. You go down to DRA, they sit down and they say this is what you need to have to meet your obligations, this is what your estimated revenues are, this is what your tax rate is. Then you can say, we would like to take, they generally give you an equation, if you took \$100,000 from the Undesignated Fund Balance it will buy your tax rate down a quarter or whatever it is. The Selectmen have the right at that point to say ok we would like to take this amount of money to keep the tax rate, you know if you have a year where it has risen a little more than normal. Over the three years I was involved in at that point it was 05' to 08', the thought process was to let the tax rate go up very modestly, in other words if you bought it down \$150,000 and your tax rate went up a nickel or ten cents that was easier to digest than buying it down to zero.

**Richard Bakos-** For every hundred thousand it is twenty-two cents.

**Anne Kirby-** So, last year March, when this was due...

**Richard Bakos-** No, its September.

**Anne Kirby-** Which September, did you just do it this past September?

**Richard Bakos-** Yes. The state requires estimated revenues on September 1<sup>st</sup>. this report is done in March to say what we are projecting for the year and you send in the estimated revenues at the time but the re-estimate is done in September because you've got eight month actuals and a good idea what's coming in.

**Anne Kirby-** So it was Rachel and Don who made the decision, you guys didn't tap into the Undesignated Fund Balance?

**Michael Jean-** No, they tapped into it for the last few years.

**Anne Kirby-** They had.

**Michael Jean-** Yes for the last three years.

**Anne Kirby-** I remember seeing something in the paper about it.

**Michael Jean-** We are right on the border line of what the state recommended.

**Richard Bakos-** but in this case you didn't even need to do that you raised four hundred thousand (\$400,000) more than you needed because you had the revenues there beyond what you projected.

**Anne Kirby-** But did you know that?

**Steve Bedard-** They didn't know at the time I bet.

**Michael Jean-** Our revenues were late being put in and everything else.

**Richard Bakos-** The Tax Collector in the office has the revenues right up to date as of September. They know what they are getting from motor vehicles and she's always had that. So you knew in September that your revenues were going to be higher than you estimated because vehicles were higher than the prior year. Deb knows all that information and always passes that forward.

**Heidi Jackson-Rhine-** I don't know what was submitted, I don't know if that's a document, I certainly don't have it. You were saying there is a document submitted to the state.

**Richard Bakos-** Yes. It is the MS 434.

**Heidi Jackson-Rhine-** I am not familiar with that document.

**Richard Bakos-** It used to be called the MS 34 but now they have this new system, what it is estimated revenues. What I am saying is that as of September 1<sup>st</sup> Deb knows exactly where she is on motor vehicles because she keeps track of that all the time, so you had all the information in revenues.

**Steve Bedard-** So, since we raised this, say \$400,000 extra by taxes that got deposited in our account. Is there any reason the Selectmen could ask for that money to go to reach the tax rate this year?

**Richard Bakos-** That's exactly what we are trying to come up with. My understanding is you want to keep the Undesignated Revenue at a million three, is that correct?

**Michael Jean-** I believe that's the figure the state gave us.

**Richard Bakos-** No the state required 5% that would be 10%. You're double what the state requirement is.

**Michael Jean-** The number I have is 10% they wanted.

**Richard Bakos –** That's not what Paul reported at the meeting. He said, when we asked him these questions that ...

**Heidi Jackson-Rhine-** They have a range.

**Richard Bakos-** It's 5-17%. So 5% is the minimum of your gross. If your gross budget is thirteen million for school and for town, 5% of that is six hundred fifty thousand. So thirteen million or a million three is 10%. So we need somewhere over 5% and what they have been carrying in the past is about 7%. My point is, with the cash that we have and the way the funds have been worked over the years, we've never had to borrow money because we have the cash flow. There is no reason to have a million three sitting in a fund.

**Anne Kirby-** So we might not need 10% is what you are saying.

**Richard Bakos-** Yes

**Anne Kirby-** Now I understand what you are saying. It's up to the Selectmen to make that decision.

**Richard Bakos-** I just think they didn't make a good one this Fall.

**Brian Forst-** How do you want to handle our recommendation? Do you want to go through this line by line? We have numbers here. Am I to assume that when it says 2016 estimated revenues, who made those estimates?

**Michael Jean-** That would be Paul and Marie.

**Richard Bakos-** Can I ask a question? Why are we estimating low?

**Michael Jean-** I've asked some of your questions and we didn't have a meeting tonight so it will be next week before we get information on this. I have questions on all of this.

**Richard Bakos-** In my estimation or the way I would be doing this if I were doing this. I would have my estimates a little higher for revenues so that your tax rate is lower and if for some reason your revenues don't come in you've got the Undesignated Fund Balance to draw from. Why have a high Undesignated Fund Balance and go low on the revenues. It's like you're going high on one and low on the other and your squeezing the tax payer.

**Stan Bean-** Well, the estimated revenue is supposed to be the best guess that anybody can make on them. You don't pad those numbers one way or the other to try to, you don't over estimate them on purpose.

**Richard Bakos-** I'm not saying that. I am saying that if you look at for example, the motor vehicle revenue, we've had 623 to 696 to 756 and now they're cutting it down by 50,000. Why not put it equal to last year's 750, another 50,000. I'm saying be close to last year's number. Vehicles aren't going down in this town so be close to last year's number, there is \$50,000 right there.

**Michael Jean-** They went down roughly \$40,000.

**Richard Bakos-** That's what the estimate is down, why do that? The same when it comes to rooms and meals tax. That's continued to be in the 180, 179 range, why go to 150? We haven't seen 150 or less since 2012 or 2011. So, there is \$25,000, there is 75. You look at the Police Department Revenue, you know that's going to be higher because we told that \$52,000 went out this year in bills.

**Brian Forst-** That one depends on Detail. That one is if you get that work.

**Richard Bakos-** Right but the \$22,000 they put in is what the budget is. So another 10,000 there is not out of line, because that would be about the mark up. I am trying to do what Stan suggested, I'm not padding it. I am trying to come up with a better estimate.

**Brian Forst-** Trying to get it closer to realistic.

**Michael Jean-** If you go back on Police Detail 2013 they had 12,000, 2014 they had 73 and then it went down to 44.

**Richard Bakos-** Do you do it on a cash basis? So you might had some money that should've been in 2014 in 2013 and went into 2014 because they collected it late.

**Michael Jean-** I don't know what happened back then.

**Richard Bakos-** I'm saying, if you run on a cash basis which I believe the Town is, that's what had to happen. That's why when Steve asked the question on receivables we were told 42,000 was police details against 42,000 in expense, there's got to be another 10,000 in receivables but that's not going to go until this year's revenues. So you already have 10,000 in revenues this year.

**Michael Jean-** The details from the Police is a wash.

**Richard Bakos-** No it's not, it's a markup. He said he marks it up. We make money on the details.

**Michael Jean-** Whatever we make is an expense.

**Richard Bakos-** That's not true, that is not what he said. He the cost this year was 42,000 and he billed out 52 but you haven't collected the last amount of money. The Details are always making money because they always throw in an extra fee.

**Steve Bedard-** I hope so or why would we be doing it.

**Richard Bakos-** Why would we do a wash that makes no sense?

**Michael Jean-** They charge \$60 per hour, cops get paid \$40 per hour plus workman's comp and retirement.

**Richard Bakos-** Yes, so 5%. It's supposed to be a profit center, it's supposed to make money. That's what we've always been told, if we are doing it for a break even then we should not send them out on detail.

**Steve Bedard-** Brian got after them a couple of years ago about increasing their budget so that it was profitable.

**Richard Bakos-** Exactly and that's what Joe Collins said that he was going to do and he did it.

**Michael Jean-** We are going to have to look at the final figures on that.

**Richard Bakos-** I'm only going by what Chief Currier told us.

**Brian Forst-** Anyway, when you look at the first line here, are we going to get no cable franchise fees?

**Richard Bakos-** No that got reversed.

**Brian Forst-** Ok, so that got reversed so that's why that's dropped.

**Michael Jean-** 50,000, no cable fee.

**Richard Bakos-** There was no cable fee, it was a tax on the cable users in the town. If you had cable you had to pay but if you had Direct TV there was no payment.

**Heidi Jackson-Rhine-** I just wanted to clarify that the report you have in front of you was the updated revenue report. Specifically I just looked at the line for the P.D. and it's up roughly \$7,000 because of that deposit that was discussed.

{Discussion on the correct paper work is had.}

**Brian Forst-** Ok, so I'm going to look at 119 page 1 and we are going to look at property taxes. In the 2016 estimated revenue is \$15,000.

**Heidi Jackson-Rhine-** That is only the abatement line. The top line, the Property tax revenue line would be completed after the budget was put in and the difference fact out.

**Richard Bakos-** So the 1291 on the back you would have to add 15,000 to get the revenue, to get the right number.

**Brian Forst-** So this isn't clear. I am going to skip to the last page so I can begin to understand.

**Steve Bedard-** The stuff on the last page isn't right either, the stuff in-between is what's ok.

**Brian Forst-** Stan's with me.

**Stan Bean-** No none of its right. Anticipated revenue should be shown in positive dollar amounts.

**Richard Bakos-** Alright, great but the software is backwards, that's all.

**Steve Bedard-** It still works out the same way. The addition is the same, back me up on this Rich.

**Richard Bakos-** Exactly, they've just reversed the signs. They are using a minus for credits because that's the way the system identifies credits and debits are no mark, and revenue is a credit.

**Steve Bedard-** QuickBooks is the same and it drives you crazy.

**Brian Forst-** I understand that piece of it except for when you had actual revenue, year to date property tax revenue of 1,744,523 dollars and you have nothing in the estimated revenue line for 16', how can that come out right?

**Richard Bakos-** That's because they haven't done the tax rate yet so you don't know what the estimated revenues are.

**Heidi Jackson-Rhine-** That's the number DRA decides we are to collect based on...

**Richard Bakos-** We decided but you have to come up with the estimated revenues first, you have to vote on the budget, subtract the revenue, that's property abatements and that's the number they put in there.

**Brian Forst-** ok, that's why that number doesn't exist yet.

**Anne Kirby-** what would be easier for some of us to understand would be on the last page for those past three years, 13', 14', 15' if they subtracted that...

**Brian Forst-** No if you added that seventeen, 1.7 back into it ...

**Anne Kirby-** Well, so that it shows even on that page.

**Richard Bakos-** It would be comparable.

**Anne Kirby-** Right. That to me would have helped me understand.

**Stan Bean-** I thought the anticipated revenue was everything except what we were going to get from property taxes. That's the way it's always been.

**Richard Bakos-** That's exactly right. They are taking this right out of their computer system. They gave us a sheet and it just had all this on one line, so we asked for the details instead of taking that sheet and expanding it, they gave us right out of their system.

**Brian Forst-** Ok, so if I take really quickly and I add the last line, the grand total line of \$1,291,242 and I add back in this year's property tax of \$1,744,523, I come up with 3,035,765 three million thirty-five thousand seven hundred sixty-five dollars. The year to date is three million four hundred five four thirty seven (\$3,405,437). So that would make these estimates, in my eyes, four hundred thousand dollars shy.

**Richard Bakos-** No matter how you do it you are four short.

**Steve Bedard-** No matter how you flip it...

**Anne Kirby-** Yes, we are just getting it different ways.

**Brian Forst-** We are all in the same skillet. We are all throwing a pancake in the air and it's all landing in the same spot.

**Steve Bedard-** That's right. It's the same pancake.

**Brian Forst-** It's just this paper makes it...

**Stan Bean-** I would use this paper to start my fire in the fire place. That's about what I see this being worth.

**Anne Kirby-** Well, maybe the little lines in between the beginning and end, as Steve said, show a few things...

**Richard Bakos-** All you have to do on the first column on the last page, if you have the 2013 year to date received three million seven. You subtract the twenty two forty from that and that will give you your revenues, comparably speaking.

**Anne Kirby-** To this year.

**Richard Bakos-** Right.

**Brian Forst-** So that's how you can get your revenues for 13', 14', and 15'. Except...

**Richard Bakos-** Except in 14' you've got the capital reserve money of three hundred and twenty-three thousand that's in there. You have to take that out also. So you have to take the 3723 minus the million seven one one, minus the three twenty three and that will get you to the number you want. In 2015 you just take out the taxes cause there was no capital reserve money that was put in, that I could see.

**Brian Forst-** What your saying is that line that is transferred from capital reserve fund, that's revenue that went into the town taken out of capital reserves was put into the...

**Richard Bakos-** Right.

**Stan Bean-** That shouldn't even show as a revenue.

**Richard Bakos-** Yes it should, based on the way the state form M 434 is set up Stan, it has to.

**Stan Bean-** That must be a different way of doing it then.

**Richard Bakos-** Then what?

**Stan Bean-** I realize I have been out of it for a few years but we used to go through the anticipated revenues and because the withdrawal from capital reserves had already been, you know, we had already paid into the capital reserve before.

**Richard Bakos-** You are absolutely correct but what they've done is they've changed the form. It's like that school meals a couple of years ago, they have to add it to the top to take it out the bottom and do all that. It is just the way it is. So to get to a number... about a million and a half in 2013, it's about a million seven in 2014, and 2015 is about a million six, sixty-six, something like that.

**Anne Kirby-** It just seems like 1.3 is a little low.

**Richard Bakos-** It should be like a million five, a million six, basically.

**Steve Bedard-** Right.

**Richard Bakos-** To avoid the tax burden on the people and then you probably take it out of the...

**Brian Forst-** Ok, forget that language. To make it realistic it should be four hundred thousand dollars more than it is.

**Richard Bakos-** Four hundred, less the fifty for the franchise fees. So you are talking about three fifty.

**Anne Kirby-** Where in this document shows way underestimated estimated revenues from departments?

**Richard Bakos-** That's why you go line by line and you see under interest and penalties, it's a hundred and five thousand last year, they are only doing eighty thousand this year, and the year before that was one twenty three. So, again on a cash basis, as Steve was saying there is a trend and you kind of have to take all three years, add them together and dived by three and that's your trend. Because get flop overs of cash basis accounting.

**Brian Forst-** Just because I want to sit here and do it. If I take, so I don't spend the time doing this and then be wrong, if I take the end number from 13' which is three million seven hundred thirty thousand nine fifty nine ...

**Richard Bakos-** Subtract that twenty two forty, gets you to about a million four ninety.

**Brian Forst-** Then I got to take the sixty-five capital reserve. So that comes up with 1,425,636.55.

**Richard Bakos-** I did that without a calculator. Mrs. Nolan my fifth grade teacher would be so proud of me.

**Brian Forst-** She would. So that is about the revenue stream of that year.

**Richard Bakos-** Exactly. You take out the million seven one one of 2014 and three twenty three it comes out to about a million sevenish, I think.

**Brian Forst-** On 14' is a million seven?

**Richard Bakos-** Approximately

**Heidi Jackson-Rhine-** One, six, eight, zero, and change.

**Richard Bakos-** I rounded, so one six eight zero.

**Anne Kirby-** That's good, that's close.

**Heidi Jackson-Rhine-** Then for 15' add one six six one.

**Anne Kirby-** And there were no capital, is that because there were no capital...

**Heidi Jackson- Rhine-** Those were all rounded...

**Richard Bakos-** We don't know where that three hundred forty seven that's listed on the annual report, if that was ever taken out. We don't know where it came from and I don't think it was ever taken out, so I don't know.

**Heidi Jackson-Rhine-** Which number?

**Richard Bakos-** There is three hundred and forty seven thousand on the annual report that says that was coming from capital reserve in 2015 and that's part of the revenues that are listed there but I don't know what warrant article that was and I don't think it was ever used. So I don't know, I couldn't figure that out.

**Brian Forst-** If I was to sit and do this, here is what I come up with. The revenues over the last three years have been 1.4 million, almost 1.68 and 1.66. Now we have a number estimated in front of us of 1.29.

**Richard Bakos-** You have to add back the fifteen that was taken out, that's abatement. It really means a million three zero six to be a comparable number.

**Brian Forst-** A million three zero six is a comparable number.

**Anne Kirby-** Oh, for this year, got it.

**Brian Forst-** It is a hundred and twenty thousand less than 13'. It's three hundred fifty, sixty thousand less than 14'.

**Richard Bakos-** And the only difference is the franchise cable fee, as Anne just said. Otherwise everything should be similar.

**Brian Forst-** Everything should be somewhat similar and 15' is three hundred and sixty thousand less again.

**Richard Bakos-** So at twenty-two cents a hundred thousand, three fifty is seventy- seven cents.

**Brian Forst-** On the tax rate.

**Richard Bakos-** On the tax rate. That's starting to be real money.

**Brian Forst-** Is what I am coming up with, Stan, making some sense even though this paper would be better to make airplanes out of it and start throwing them over there.

**Stan Bean-** Yup, yup, yup but I don't know if they would work as airplanes either.

**Anne Kirby-** Does the Budget Committee say the estimate is low and just say, hey figure it out or do we actually, do we have the authority to even do anything?

**Brian Forst-** Well, somebody gave us authority last year to put this estimate in this book and so I guess what I am asking you people is, do you want to take the authority to actually make an estimate that we put in this book. Understanding that this estimate in front of us, some of us feel is very conservative.

**Richard Bakos-** I think in that book it also had a Selectman's recommendation. So we can just say if they want to put in a million three, we are suggesting a million six and that be part of the budget that is approved at the Deliberative Session and that's the name of that song.

**Steve Bedard-** Or we can make a recommendation to the Selectman and they can adopt it and we can be all set to go.

**Richard Bakos-** Either way. I think what's happened, as Stan has said before, we have gotten these in the past. We didn't get one last year or the year before that I recall.

**Stan Bean-** Nope

**Richard Bakos-** I asked for this because I noticed we didn't have it yet. We got one from the school. We get one from the school every year that ties out.

**Stan Bean-** Right and I don't feel comfortable, personally, recommending something when we don't have the resources here right now, to explain to us what some of these differences are.

**Anne Kirby-** Asking Marie why, is that what you mean?

**Stan Bean-** Well, I think Marie or the department, Paul or somebody ought be able to sit down and tell us.

**Steve Bedard-** I've got no interest in doing that. We have already been through all that.

**Stan Bean-** I'm just saying. That's why I don't want to make a recommendation because I don't have anything to go on, really, other than...

**Brian Forst-** We've got the last three years.

**Stan Bean-** We've got the last three years if you want to take that average and go with it, ok but I would really like to know what is so different this year that some of these things were brought down so much.

**Anne Kirby-** I think I remember Marie saying, we asked her something and she said she did her best, she kind of did the best based on what she saw. Maybe she is conservative...

**Richard Bakos-** She was being overly conservative as an account would do...

**Steve Bedard-** And she didn't look at 2013, & 2014.

**Anne Kirby-** No she didn't.

**Richard Bakos-** At the time she didn't know this years was a million six because remember we asked for the receivables, and they finally got it in and she was surprised that we had almost a million six, almost a million seven this year. Marie is a very nice person and she is a good accountant but is not a Director of Finance, so she does not project, she takes it the way it is. Somebody should've been looking at this and doing a project of this based on what you had said. As a businessman, you look at the last three years and you know what's going on and you see it and you make a judgment.

**Brian Forst-** In business it's pretty easy to look at your monthly and say we're on target or we are off target or what's going on...

**Richard Bakos-** You do a budget, you look at it a year in advance and you say here are my top five customers, what am I going to do next year in them. And then as you get to the year, you get to June, are we half way there or three quarters or...

**Brian Forst-** Or you get half way through and someone isn't doing, then you go drum up some more.

**Richard Bakos-** Exactly, but here is the situation. These are pretty tried and true. The biggest piece of this is the vehicle.

**Anne Kirby-** Well, on the Vehicle when you look at that one, that's a little low estimate as is, I have to agree with you, the Rooms and Meals. I don't know why Rooms and Meals would drop \$29,000 in a year, I really don't. Motor vehicles too, it seems a pretty substantial difference. Those are the two that really jump out, besides the Police and Fire but I don't understand those because those are up and down so I would be afraid to even, kind of like what Stan said.

**Richard Bakos-** That's why, I think you have to talk, that's why I asked Currier what he billed. He told me they billed 52,000 and there is 42,000 in expenses or there about, they had a ten thousand dollar gain. If it's a cash basis you could have some coming over from last year and going on to next year.

**Steve Bedard-** Yes

**Richard Bakos-** That's where the receivable numbers would've been nice to know too. What was not paid at the end of the year so that we could, which should be part of this year's projection. If you are ten thousand light or twenty thousand light in money coming in for the Police, you know then you are twenty thousand before you even have a first detail, so you have that cushion.

**Steve Bedard-** I am going to make a decision on what I am going to spend at the end of the year before January 1 based on how much money is in the account. I might be getting a big check from a customer last week in December, I am not going to cash that or deposit that in my account right now, I am going to wait to the first of the year.

**Richard Bakos-** That's because you're a cash based company and you pay taxes on cash basis but in this case we like to see it in right year, we don't want it in the next year because we want those revenues to show. If we know it's going to be in the next year our estimates should be higher by that amount that was not collected the prior year.

**Steve Bedard-** Right.

**Brian Forst-** I understand Stanley's statement about that nobody can back this, the logic of this, nobody can back it up. I understand Steve saying, that we've only asked and asked and asked what your reasoning for doing this is, and we don't seem to get any solid answer.

**Steve Bedard-** We never do.

**Brian Forst-** As an elected board do we wish to try and bring some rhythm to this or do we wish to just... I guess if we're not going to make a recommendation I would prefer this column here wouldn't have a number in it.

**Stan Bean-** That would be my position.

**Richard Bakos-** I think we have to on those sheets, make a recommendation because we are doing the operating budget, we have to review the revenues to come up with a tax rate. That is our job.

**Stan Bean-** It is not our job to come up with a tax rate.

**Richard Bakos-** Effectively it is Stan because we do the operating budget, we see what the revenues are, we say what the capital improvements going to be, we say what the cash is going to be. We are setting the rate if it's done correctly.

**Brian Forst-** We are influencing the rate.

**Richard Bakos-** Well no, we have our own recommendation right there in the book.

**Brian Forst-** Right but the rate setting would actually be the job of the Selectmen and they can do Undesignated Fund balance.

**Richard Bakos-** I am talking about the gross rate. This is it and how they manipulate the cash is what they do but we give our recommendation for the cash. Here is what we should be raising, how you raise it and what the assessed value is of the town is up to other people, that's a divisional problem.

**Steve Bedard-** If we have a form that we are supposed to be responsible for and a number we are supposed to project even though the numbers we have we may not feel overly comfortable with. I think that there is questions, I have tons of questions...

**Michael Jean-** I have tons of questions.

**Steve Bedard-** We aren't going to get the answers to those. I think we have to make the determination ourselves to forge ahead with what we have or not.

**Stan Bean-** Well just a few minutes ago we were talking about taking the averages of the last three years and using it. Take motor vehicles permit fees, unless my calculator didn't work right, I added the three together, divided by three and I came up with a projection of six hundred and ninety- three thousand rather than seven hundred and thirteen thousand.

**Richard Bakos-** You would project vehicles that way because you don't have less vehicles. You have more people coming in, more people buying cars, you have newer cars, so that is going to rise.

**Stan Bean-** Not necessarily, it has a little bit.

**Richard Bakos-** I would say the sixty to seventy thousand dollars a year is not a little bit. Six twenty three to six ninety six is seventy-three thousand and then the next year it went up sixty thousand.

**Stan Bean-** I just don't know if that trend is necessarily going to continue. Take another on then and do the same with it.

**Richard Bakos-** If it's not going to go up it's at least going to stay the same, so it should at least be seven fifty.

**Anne Kirby-** I don't think it would go down, not on vehicles.

**Richard Bakos-** As Brian said, you get new cars in but after five years you kind of pay a flat rate. Doesn't it flat line then?

**Brian Forst-** Your first two years are your big hits then it diminishes over a period of time and I don't know if it's five years or seven years...

**Heidi Jackson-Rhine-** It's five years. Its' 18%, 12%, 9%, 6%...

**Brian Forst-** It eventually flat lines then it's that number forever.

**Richard Bakos-** On your particular bill and then you have new trucks, new cars and new vehicles that are coming in.

**Brian Forst-** The thing I would tend to argue here is, no vehicle gets cheaper. The reason this raises up every year is if you do buy a new vehicle the vehicle cost more than it did a year before and the rate stays the same.

**Steve Bedard-** I've bought five mini- vans in a row, all the same vehicle, they all cost more every single year I buy one.

**Richard Bakos-** What a shock!

**Brian Forst-** The percentage rate is the same. The list price is more and that list price is what this tax is based on. A percentage of list price.

**Rich Gelatt-** And the town tells you what that list price is, not what you paid.

**Steve Bedard-** If you take the motor vehicles over the last three years. Can you tell me roughly what percentage they were up every year over that three year period?

**Brian Forst-** If they went up sixty thousand dollars on six hundred thousand then...

**Richard Bakos-** They went up 8-9%.

**Steve Bedard-** About 8 % a year?

**Michael Jean-** Even if we figured it was going to be flat you would be adding forty-three thousand to it.

**Richard Bakos-** Yup and when I just went down the columns and wrote my numbers there, I put plus fifty there. I came up with over a hundred something thousand just eye balling it there and what I guesstimate it at. When it comes to building permits I have no idea where we are going to be. That's the kind of thing you would take the three years and average it out and use the average method.

**Brian Forst-** When you are looking at 22,300, 18,200 and 21,300 and it's being estimated at 17,800, that's less than any of the three.

**Richard Bakos-** The average is about twenty thousand and change.

**Steve Bedard-** If you look at motor vehicles and you look at decals, fourteen thousand, fourteen thousand, fourteen thousand, and twelve thousand. What's up with that?

**Richard Bakos-** Maybe they're skipping this year, I don't know.

**Steve Bedard-** You know what I'm saying.

**Richard Bakos-** It doesn't make accounting sense the way it is though. If you are in a corporation and you're doing this, you want to make sure you make your numbers, you kind of low ball your revenues to make sure you make them and you beat budget but this is a different situation. This is just the opposite, we are putting a tax burden on people so you want to be as

close to real as possible and maybe over a little just so that, since you have the reserve fund you can take from if you don't make the numbers and you're not impacting the towns people and you make it up on next year's tax rate, if it's that egregious.

**Michael Jean-** Why don't we go line by line to come up with our estimate?

**Richard Bakos-** I think we just go with a million six like Brian said.

**Steve Bedard-** It would be nice to do that but I think we should come up with something a little better...

**Richard Bakos-** I don't think that's something we should do, Stan said somebody should come back to us but it should about a million six range I think. The only thing that came out is, Anne said it's the fifty thousand in franchise fees. We know we're not going to get that this year. We don't know what the receivable balance is at the end of the year. Do you happen to know how much the town is owed at the end of the year for all these revenues? Its January 19<sup>th</sup> we should know that number by now.

**Heidi Jackson-Rhine-** How much is outstanding?

**Richard Bakos-** Outstanding bills that the town hasn't paid. For example; I go back to Robin, she said I billed out 52,000 in details. How much of that 52,000 wasn't paid as of December 31<sup>st</sup>?

**Heidi Jackson Rhine-** I don't think the town bills out on a large number of things that I think you might have spoken to. One more specific would be Fire and that is a third party billing company that is involved. Based on the requirements...

**Richard Bakos-** So there's not much, so these numbers should be pretty close then.

**Heidi Jackson-Rhine-** I think so.

**Richard Bakos-** Is yield tax paid at the time that somebody comes to get the permit or do they do it after the fact? Don't they get permits to cut trees, isn't that what the yield tax is?

**Heidi Jackson-Rhine-** Yes. That is paid when the report is filed which can be a year or more, potentially.

**Richard Bakos-** So there could be a lot out there that, so that's another receivable.

**Heidi Jackson Rhine-** To me that's the kind of thing you can't project.

**Michael Jean-** We have 93,000 roughly, waiting for the insurance company.

**Richard Bakos-** Where is that showing? It doesn't show on here.

**Heidi Jackson- Rhine-** I don't think it shows on here.

**Richard Bakos-** That should be in estimated revenue, shouldn't it? Wouldn't that be miscellaneous revenues?

**Steve Bedard-** It's listed under reimbursements on page 6.

**Richard Bakos-** It should be in there somewhere, so that's ninety thousand that we just came up with.

**Steve Bedard-** That's why I thought it would be a good idea to go through here and fix the details, fix that if it's not it there.

**Richard Bakos-** Your other Insurance Income should be 93,000 is what you're saying?

**Michael Jean-** For reimbursement?

**Richard Bakos-** Yes, shouldn't that be in estimated revenues?

**Michael Jean-** I'm not sure if it should be in that item line or...

**Richard Bakos-** It says other insurance income.

**Michael Jean-** It should've been in there but why wasn't 2015 higher because we had a lot of insurance claims on 2015?

**Richard Bakos-** There's another question for the accounting department. Where did that money go? Did they net it against the expense?

**Michael Jean-** That money was received from the insurance before Marie starts because that 93 has been in there since Marie started.

**Heidi Jackson-Rhine-** Have we received anything back from insurance?

**Michael Jean-** We've got a meeting with the insurance company on that.

**Heidi Jackson-Rhine-** So they haven't paid anything on that?

**Michael Jean-** I think they paid some of the...

**Heidi Jackson-Rhine-** They paid the bills directly, they haven't paid anything that's owed back to the town.

**Richard Bakos-** So it's all direct, that makes sense. You paid for it and then they reimburse you or if they paid direct then.

**Michael Jean-** I think we paid and that's the 93 and they got pay...

**Richard Bakos-** So, the other wouldn't show, because as Heidi said, it was paid directly.

**Michael Jean-** The clean-up company I believe they paid direct. The miscellaneous stuff order to replace computers, electrician, and...

**Richard Bakos-** Just like it says other miscellaneous revenue 68,000 in 2014, nothing in 2015. It would be nice to know what the 68,000 was in 2014.

**Michael Jean-** Yeah because that was a big jump from the year before.

**Steve Bedard-** There are a lot of things like that.

**Brian Forst-** I think the whole story here is that things can be all over the place.

**Michael Jean-** Recycling...

**Steve Bedard-** Oh recycling don't get me started. We haven't shipped any aluminum in two years, we are stock piling aluminum cans.

**Michael Jean-** We are.

**Brian Forst-** The price might go down some more, hold on to it.

**Steve Bedard-** Every town ships right away, not stock pile.

**Michael Jean-** Steel the same way.

**Steve Bedard-** Some of it like the mix paper, we are lucky we got 750. The mixed paper market is gone.

**Richard Bakos-** I still have some of that \$3.75 gas in my jet ski and I'm holding on to it. Cause it's going to be worth something next year. (Laughter)

**Steve Bedard-** Direct him to clean it up.

**Michael Jean-** He was told at our last meeting to ship the aluminum, to ship the steel and clean up that place.

**Richard Bakos-** Take whatever money you can get for it. Iran got a 150 billion dollars in the last few days and the price to produce their barrel is twelve dollars. It is the lowest in the world. So we are going to get twelve dollar oil out of Iran. So that means the Saudis have to match it. We may be back to twenty-nine, nine again when we were all kids.

**Anne Kirby-** And the entire state of North Dakota, and Texas are going to go bust.

**Richard Bakos-** Alaska too.

**Steve Bedard-** Do we want to just make a recommendation over our recommendation about the amount and not go through these line by line? As long as we feel when we do go through them line by line it appears not unreasonable.

**Richard Gelatt-** If we don't know where these numbers came from and they don't seem reasonable with trends over the last three years...

**Richard Bakos-** We know where they came from.

**Richard Gelatt-** Well we know where they came from but we have no assurance that they numbers are accurate.

**Richard Bakos-** I hope they're accurate.

**Steve Bedard-** We do for 2013, 2014 and we do for 2015. The bottom line number is probably accurate. So we can make a recommendation based on those three numbers and what we think the projected revenue for 2016.

**Brian Forst-** Can I make this brief for everyone here. Right here in our by-laws, RSA. "Duties and authorities of the budget committee- the first is to prepare a budget as provided and if authorized a default budget for submission to annual special meeting"... Paragraph two; "to confer with the governing body or bodies and with other officers, department heads and other officials relative to estimated costs, revenues anticipated and services performed to the extent deemed necessary by the budget committee. It shall be the duty of all such officers and other persons to furnish such pertinent information to the budget committee." (RSA 32:16)

**Stan Bean-** That's where my concern is, I don't feel that we've had sufficient information provided on the anticipated revenues and I don't know how we can sit here and guesstimate something.

**Richard Bakos-** That unfortunately is our only choice at this point, so if you're not comfortable with that then we can't do it. It's January 19<sup>th</sup> and what do we do when we go before the town. Tell them we don't know how much is coming in because no one told us?

**Brian Forst-** Yes, I think we do.

**Stan Bean-** I would be perfectly willing to stand up and stand up and say, I'm sorry folks, as far as I am concerned, as a member of this Budget Committee, I did not have sufficient information to be able to give a number I felt comfortable with.

**Richard Bakos-** So that throws it over to the Select board, doesn't it? Are you comfortable with that Michael?

**Anne Kirby-** Are you talking about this as a Select board?

**Michael Jean-** I was hoping to do it tonight but we didn't meet tonight so it's going to be next week.

**Anne Kirby-** So before Deliberative Session you will have had this conversation, your conversation about this.

**Michael Jean-** Yes, I think we should be at a million five, not a million six.

**Brian Forst-** I guess I don't care what you guys do. Here is what, I have a question from this committee. I think this is where I would like to go. I would like to get together with the Selectmen, as your Chairman, and I would like to express our discomfort with the way things have been provided to us. I do believe we have asked and asked and asked, with all due respect been told what a mess this all is, what a mess this is and it is still a mess. Now we have to go

before the tax payer and say this is what we recommend for budget but we don't really know what to recommend for revenue.

**Richard Bakos-** Not only that, even at the last meeting when I went over the Fire Chiefs salary with him and we went line by line to kind out this still doesn't tie out. That his number, that we calculated was higher than what is in the budget. That's not about past anything that is about current information that's not right.

**Brian Forst-** Then there is the whole thing with, I don't know how many of you have been privy to the emails, and Rich brought up a point on the deduction for buy back. If someone is buying back their insurance they are getting paid a buy back. Well, that is divided over a period of time and the answer we got is the insurance plan is a fiscal policy. That doesn't matter.

**Richard Bakos-** They over deducted from the employees this year by one full week and they are going to make it up next June, they said. But someone like Chief Collins, who retired in December, lost an extra weeks deduction, it like 50, 60, 70 bucks.

**Brian Forst-** If you are running your pay roll on a January 1 to December 31<sup>st</sup> that deduction needs to be run on a January 1 to December 31<sup>st</sup>.

**Steve Bedard-** It does when you push the button. Push the button it happens, the deduction happens automatically when you do payroll. If it's in there, it gets deducted and you're done.

**Richard Gelatt-** If the software is reasonable.

**Steve Bedard-** You would think if it works with QuickBooks...

**Richard Bakos-** It's not even that in this case. In 2015 you have fifty-three pay periods. They took the twenty five hundred dollar reimbursement and divided it by fifty-two, which is \$48.07 and that's what they paid them every week, except they paid them fifty-three weeks. So, anybody that got reimbursed, got reimbursed twenty-five hundred forty eight dollars and seven cents and conversely they did the same thing with the deduction for those people that contribute to their health insurance, they took an extra week from them. It's that simple.

**Anne Kirby-** That's an easy one not to do wrong.

**Richard Bakos-** That's right.

**Brian Forst-** And what you said Steve, I agree with you, that you put it in and you push the button and it's done. Somebody once said to me that the computer is only as good as the person feeding it. So if we aren't putting the right stuff in and we are pushing the button then we are getting the wrong stuff out.

**Steve Bedard-** That's why I brought this up last year because it was obvious when we were asking for a numbers, that somebody was entering the wrong numbers in there. They weren't using a program that did it for them, they were totaling things, and they were totaling things themselves, is where it happened. I was assuming, crazy, that would be resolved in 2015 and we wouldn't have to have that happen again but apparently we went through the same procedure in 2015, to a certain extent. So the bottom line with me is, if we are required by law to come up with a number on that form.

**Brian Forst-** No, it's supposed to be provided with that number, which we are provided with that number but I don't think we agree with it. Stan has made the point, that how can you agree with it because it's...

**Steve Bedard-** Then my recommendation is, because we have to try to resolve this somehow. We can't through our hands up and say, we didn't get the numbers, we're innocent, blame the Selectmen.

**Brian Forst-** No, no, I don't want to put blame anywhere. I just don't want to do the wrong thing.

**Richard Bakos-** I don't think you blame the Selectmen in this case either.

**Steve Bedard-** I think we make a recommendation based upon what we've seen over the last three years and that we think their number should be around. Then they can make that determination and tell us what the number is.

**Anne Kirby-** At least to say after all this conversation, it sounds like everyone thinks it's lower than it should be by a couple of hundred thousand dollars. I mean even that to be communicated to somebody. I don't know because otherwise, you're right you walk away knowing it's not quite right.

**Steve Bedard-** If they decide that they are going to put in the 1.2 in, does everyone here feel comfortable with signing off on the 1.2? I don't think we do. My suggestion would be to word it however you want it to, that we believe that it should be around 1.55M...

**Brian Forst-** Here is my opinion that after reading this. This is the law that we are supposed to abide by. So, making some recommendation to these numbers is not what we are supposed to do. We are supposed to be given the numbers to recommend. We don't agree with the numbers and I think Heather's been here scribbling on paper now for an hour on all of our discussion on this and the basis of our discussion which is now public minutes is that we don't agree with this. Is that a safe...

**Steve Bedard-** I agree with you, we don't agree with this but we as people on the Budget Committee, it says it's really not our responsibility however...

**Brian Forst-** No, no it doesn't say that it's not our responsibility. It says that we are to confer with the governing body. So we need to go confer with the governing body.

**Anne Kirby-** and we want to confer.

**Steve Bedard-** Go confer, that's great but we should confirm...

**Brian Forst-** But we have conferred a whole bunch and we haven't gotten anywhere and I get it.

**Steve Bedard-** I think when we confer with them we should have a number that we think is closer than to what is...

**Brian Forst-** I think, we have somewhat drummed that number up. That we think it's in the area of 300-350,000 dollars shy. The number being proposed is 300-350,000 dollars shy of what possibly what the recommendation could be. In respect to Stan and what Stanley said, we don't have the information in front of us that helped establish these numbers. We've asked the question and we kind of got the answer that this is my best guess. Best guess based on what? I think it time to put a little pressure on and say obviously we have the Selectmen's rep sitting here saying they're going to look at this, he doesn't agree with this.

**Michael Jean-** I don't agree with it. I can't speak for the other two because we haven't spoken about this yet. I'm just going down quick figure that I would put down on it.

**Steve Bedard-** We all are talking the same thing here.

**Brian Forst-** We are all talking the same thing. My next step is, we get some minutes to clean up and then I want to talk with you people about, we need to set up a meeting for after

Deliberative because last year I had to do it in short notice. We have to look at what happens at Deliberative and decided if our recommendation is still standing. So I feel that we aren't putting any signature on any MS anything until we see it with numbers on it. I feel that we could have that discussion at that meeting, given that the Selectmen have a period of time and the town administrator has a period of time to give us a better number or maybe this is their number, you know what I mean. Before we are putting numbers to an MS 7 and an MS 434 we are going to have that meeting when we are going to discuss if that's our recommendation. Is that making any sense?

**Steve Bedard-** Yes, I would like to put us...

**Brian Forst-** We can go to Deliberative Steve. I have no problem sitting in front of people and doing just what Stanley said. We don't agree with this but this is the information we were given and unless there is better information at that point. Deliberative is a week away, week and a half away, 30<sup>th</sup> of January. It's not very far away.

**Steve Bedard-** I would like to start laying the ground work for that. So we are not just putting our hands up at Deliberative session. My suggestion would be that we do a motion now to suggest what we've been talking about. A formal motion and that is recorded in the minutes as a formal motion because a lot of times when people look through the minutes, they look for where the motions are. About you going to see the Selectmen to deal with this problem because it is a huge problem. We've set this so when it comes time, if we have to do this at Deliberative session, we can say hey we noticed the Selectmen, we noticed the town back in January 19<sup>th</sup> that this was a problem. Do you see what I'm saying? I am just trying to put ourselves in the best position so that down the road when they start pointing figures, we can say hey we don't know what the answers are now. We asked way back, we asked on the 19<sup>th</sup>, we had made a motion and this is what we've done. That's all I am trying to do at this point.

**Brian Forst-** Yup

**Richard Gelatt-** We can see the trends that are shown on this form. My question is will we be at the same point or whoever is on the committee in one year, not knowing what came in or what needs to go out. If the numbers need to come from us, the numbers need to come from departments and those that collect money and all that. Is it a function of personnel that perhaps some of the dollars didn't get put in the till or what happened? The town gets less and less money that get into the records or a discrepancy somewhere on bring the number up to us.

**Brian Forst-** I am going to make a statement right now that may go down as popular or unpopular but I'm going to make it any way. There is a line in this budget that we have worked on over the last month called Administration and I don't feel that line ought to be funded what it's being funded at if this is the administration we've got. We aren't able to come up with numbers or follow numbers.

**Michael Jean-** There is one other big line that we've missed here, is the sale of town properties.

**Brian Forst-** Right, Rich brought up that we aren't selling any property this year. I don't know, I don't know the answer to that question.

**Heidi Jackson-Rhine-** I do know the answer to that question if you would like to hear the answer to it. Looking at the list of available properties by the year that they were deeded, there were a handful, I don't know the exact number, that were hold at deliberative session last year but a member of conservation, previously anyhow, for conservation and planning's for review.

They did not, in time for this warrant get that information back. Outside of those remaining properties there are only two properties that their deed time frame is expired on and they are very specific, very complicated and not likely to be able to be publicly auctioned. There is a lot of legal mumbo jumbo, family associations, and very specific issues with those two properties that wouldn't even make them of interest to public auction. Needless to say there will be no, as you have seen, there will be no public auction of town owed property unless the final property closing from this past year goes back up because that was already voted on. There wouldn't be any additional line this year.

**Brian Forst-** So in essence, nothing coming down the pike.

**Heidi Jackson- Rhine-** It's too late. It's pretty dismal looking for this year.

**Brian Forst-** There is roughly 120,000 in revenue off the table.

**Michael Jean-** The other thing I just noticed looking through here. Transferred from Capital Reserve funds, they've got that zeroed out this year. We are going to be transferring \$175,000 for the dump truck...

**Brian Forst-** A \$125,000 for Bridge Fund

**Michael Jean-** \$125,000 for the Bridge Fund, \$38,000 for the Command Vehicle...

**Richard Bakos-** That doesn't affect your tax rate because if you put it here then you also have to put it in your expense budget too.

**Stan Bean-** Right

**Michael Jean-** We have it in the expense budget, it should be here.

**Brian Forst-** It should be in the anticipated...

**Stan Bean-** If that's the way we are going to do business then it needs to be in here.

**Michael Jean-** You got almost four hundred thousand. You take that million two and four hundred thousand to it just on that one line, you have a million six.

**Stan Bean-** Right

**Richard Bakos-** forgetting that we are saying that the million two should be closer to a million four, million five, or \$1.55M.

**Michael Jean-** In the past years they've had 325 in 14'.

**Brian Forst-** I sat there and took that out. When I said the anticipated revenues over the last three years, were in the 1.5-1.6 area we had taken out those capital reserve monies. The numbers that were put back in, I took back out.

**Michael Jean-** We didn't have any capital reserve last year.

**Brian Forst-** Right, I sat here and leveled the playing field. The anticipated revenues where in the 1.5-1.6 area. So, I think 1.5 is a much...

**Richard Bakos-** I came to the 1.5, taking the 1.66 less the franchise fees for 50,000 and the property at 100,000. I just rounded down to a million five.

**Brian Forst-** Now that Stanley has shown me this for us to make that 1.5 recommendation at this point doesn't sound right but I think 1.5 is a more practical number than 1.2.

**Steve Bedard-** Absolutely, that's all I'm after. We aren't an exact science.

**Brian Forst-** I will make the step tomorrow to get on the Selectmen's agenda and speak to them. We were given this and we're not comfortable with that being our recommendation. What is the justification behind the numbers? Is that fair for me to go and have that discussion?

**Stan Bean-** Absolutely.

**Steve Bedard-** I would really like to have us make a motion and back that motion, so it's in the minutes that we've done that.

**Brian Forst-** I will entertain a motion.

**Mark Sawyer-** Seconded it.

**Brian Forst-** No I want to hear the motion.

**Steve Bedard-** Because of the confusion, please feel free to edit this.

**Brian Forst-** No this is a motion then you guys are going to vote on it.

**Richard Bakos-** You've already been seconded your good.

**Steve Bedard-** That given the numbers that have been presented to us for revenue. Given the revenue estimates we are recommending our Chairman go meet with the Selectmen to discuss this issue.

I just want it in there that it is a serious thing and that we want to fix or resolve, obviously we can't operate like this going forward.

**Stan Bean-** In order for the Budget Committee to make a recommendation or make a suggestion on what the anticipated revenue is we need better information and we would like our Chairman to meet with the Selectmen and resolve the issue.

**Steve Bedard-** What he said.

**Brian Forst-** We have a motion on what he said and it's already seconded by Mark.

**Stan Bean-** Thank you Mark.

**MOTION:** by Steve Bedard and Stan Bean - In order for the Budget Committee to make a recommendation or make a suggestion on what the anticipated revenue is we need better information and we would like our Chairman to meet with the Selectmen and resolve the issue.

**Seconded:** by Mark Sawyer

**Board votes unanimously in favor.**

**Richard Bakos-** In bring this one step further how do we feel about the budgets that have been presented that we have already voted on that we know the salaries are incorrect and there is other bad accounting in there.

**Brian Forst-** I brought this up on Super Saturday. We did the best we could, we had to go with what was presented but I really, in the privy in what you all have done, I wish to discuss all of this. I'm not 100% comfortable with how things went.

**Stan Bean-** I think you have a unanimous feeling on that.

**Brian Forst-** You know what I mean. Is it my feeling or does it get a little bit worse every year. I do understand that people have been dealt the cards they've been dealt and they've got to straighten it out but how much does it take to straighten it out.

**Michael Jean-** I think a lot. The mess that they found, they found a horrible mess.

**Richard Bakos-** That's 2015, we are talking 2016 and they presented a budget. You had the payroll figures, you knew what people were getting paid. How come we couldn't get payroll figures accurate for people? That has nothing to do with the mess.

**Michael Jean-** Last year they added in another week to the salary employees that were paid a yearly salary.

**Richard Bakos-** Has that been adjudicated? You were going to get the information for us on the agreements that they signed.

**Michael Jean-** We are still trying to pull that information together.

**Richard Bakos-** So we don't know if that is right or wrong.

**Michael Jean-** The files that we have are a mess.

**Steve Bedard-** I think you have this unless you have a town administrator who is really on the ball. I think that because you basically have a volunteer Selectmen, board of Selectmen that may or may not be professionals, some are some aren't. This is what you are going to get. I think for me I was anticipating it being so much better than last year and because we had glitches this year, it seemed like it was worse. Maybe that's what it was. Like the problems that Rich mentioned, like payroll. Payroll is so easy, it shouldn't be a problem, that anybody should be able to do that. That's my feeling

**Richard Bakos-** There was certainly enough warning about the 53 weeks vs 52 weeks. We said it last year, we said it this Fall when we first met and still.

**Steve Bedard-** Keep in mind when you mentioned that, I thought I better budget for that, I have to think about that.

**Richard Bakos-** It's going to hit you every four to five years no matter what you do.

**Richard Gelatt-** One thing I noticed is, I've been in town a little bit, over ten years. When I first was introduced to the transfer station I conversed with some of the employees and they were saying at the point and time that was, the transfer station collected and sold enough of the recyclables that the transfer station was self-supporting.

**Richard Bakos-** Not even close. It cost \$270,000 to run that transfer station and we've never sold more than \$60,000 a year so it's not self-sufficient, never has been.

**Richard Gelatt-** well my point was that the employees never got a raise but if that is not true I can understand.

## **MINUTES-**

### **Approval of January 6, 2016 minutes for Public Hearing- Town**

**Motion for approval:** by Richard Bakos

**Second:** by Mark Sawyer

**Board voted unanimously to accept the minutes as amended.**

### **Approval of January 9, 2016 minutes for Super Saturday-Town**

**Motion for approval:** by Stan Bean

**Second:** by Mark Sawyer

**Board voted unanimously to accept the minutes as amended.**

### **Approval of January 13th 2016 minutes for Public Hearing-School**

**Motion for approval:** by Stan Bean

**Second:** by Michael Jean

**Board voted unanimously to accept the minutes as amended.**

**Conclusion-**

**Waiting until both Deliberative Sessions are over to have another meeting.**

**Motion to Adjourn:** by Anne Kirby

**Motion seconded:** Richard Gelatt

Board voted unanimously to adjourn

**Adjournment:** 8:43 p.m.

Respectfully submitted,

Heather Carpenter