

**Town of Chester
Budget Committee
Approved Minutes
April 9, 2018**

I. Meeting to Order

Chair Michael Weider called the meeting to order at 7:06 PM on Monday, April 9, 2018.

II. Pledge of Allegiance

Chair Weider led the meeting in the Pledge of Allegiance.

III. Attendance

Budget Committee Members:

Chair Michael Weider

Vice Chair Lamphere

Chuck Heuer

Becky Owens

Christina Gelinas

Brennan Holmes

Selectman Trask

Liaisons:

Absent:

Selectman Stephen D'Angelo

Brian Shankey

Kim Peterson School Board

Mike Romick School Board

IV. Announcements by the Chair – Welcome

1. Handouts

2. Public Hearing – Town of Chester – Proposed Warrant

Vice Chair Lamphere made a motion to open the public hearing for discussion on the '18-'19 warrant articles. Mr. Heuer seconded the motion. All in favor, the motion carried.

Chair Weider read proposed warrant articles:

#8 – no discussion

Article #9 – no discussion from public

Vice Chair Lamphere – This is the 4th or 5th time this will be coming to the legislative body, but it's the first time that the BOS and the BC have come forward in agreement that we need someone everyday overseeing what's going on. Department heads do not need day to day supervision, but this is imperative to have for appropriation size including the school and the town together, up in the \$17 million mark and no one overseeing the day to day operations. It's not fair to the selectmen that have full time jobs to try to oversee this. It is past time for us to have the position filled. At a previous time, a selectman shared a presentation and it was voted down. She urges the public to ask any questions and find out information if they have any concerns as this is crucial.

Maria Veale 346 Chester Street – Just curious if there was a job description but I'm interested in learning more about the position.

Selectman Trask – Two have been created so far, and they are working on ironing out the plan and the details.

Vice Chair Lamphere – Because it has been so long without an administrator, some department heads have been taking on jobs that are not for them to be doing but they've had to compensate.

Selectman Trask – As an example, the police chief did the sexual harassment training for the town. That's probably not his role, but he had to pick it up because there's no HR to do it.

Article #10 –

Peter Schoults 174 Wells Village Road- So we have the income and expense, but we have no idea what the assets and liabilities are; I don't know what the general unassigned fund balance is? Are we going to get a copy of the books?

Selectman Trask – Yes, the information will come out before the town meeting. We are currently at 16% in the general unassigned funds.

Vice Chair Lamphere – On page 67 there's an actual balance sheet and it's also available on the town website.

Article #11 –

Charles Myette 159 Fremont Road – The Wason Pond grade and reseed did not come to the Wason Pond Commission, they had said the little league program was

going to pay for that. The only thing left to do is cut out the ball fields and they said little league was going to pay for that.

Selectman Trask – It has been in the CIP for years, and it's been on a tiered amount.

Chair Weider – It's the legislative body that chooses what they'd like to see drawn down, not what has been put in. This year we'd be drawing down more than we'd be putting in. It is your choice at town meeting, what the length should be, items could be reduced, or removed from the CIP. If it gets voted for the BOS goes through with it, if it is removed, it goes back to the CIP and moved to another year. It can be amended up or down if you don't agree with the amounts. We've had quite a bit of discussion with all of the things and costs within the CIP. Why some of the things are here, why the cost is what it is, and if we agree with the amounts for items.

Peter Schoults 174 Wells Village Road - What happened to the '16 in an accident?

It was totaled.

Mr. Heuer – BC does not have the ability to recommend or not recommend line items, it has to be the whole thing, so that means that legislative body needs to come to the mic during town meeting to put forth what they would like to see.

Chair Weider – The BC may not recommend it as it is for the entire \$840,081 but it can be amended and changed at town meeting.

Article #12 –

Vice Chair Lamphere – This committee, what would the process be? Will the department heads go to planning board, they would vet it to see if it qualifies for CIP and would it be this new committee that determines what can be brought forward?

Selectman Trask – The BOS will decide how they would like this committee to run.

Chair Weider – The planning board can give things up which the BOS could then assign to the new committee. This new committee would truly report to the BOS, not the planning board or BC. It could be like what we currently have, or the process could look a little different.

Mr. Heuer – I don't see a conflict, I think the planning board would continue in their current role because it's ongoing, year over year of doing the plan, while this committee would be for the current year.

Selectman Trask – Every year we put things into the CIP, but it depends on what the BOS decides to do.

Chair Weider – This committee would only handle the town, not the school side of it, they'd still continue how they currently work as there is a separate part of the CIP for the school. In about 5 years there would be a lot for a big capital drawn down for the school.

Mr. Heuer – One more thing I'd like to point out to the BOS. This committee is made up of mostly volunteers right? I'm not sure you'd want to put a lot onto this committee of volunteers as it's a lot of work. Maybe just the current year, this would help the planning board because they have a lot on their plate.

Article #13 – no public comment

Chair Weider – We receive a block grant based upon the number of miles through the town for a special account for highway, roadwork or capital investments.

Article #14 –

Selectman Trask – What's the total amount we're going to spend on highways with these two warrants?

Chair Weider - \$750,000 on road repair. There are a vetted set of roads that the money was given to from the CIP last year. Right up front, there was an outside firm that determined which roads were in the most desperate need for repair to help prevent some future costs. There are a few roads that are scheduled and this is the first significant draw down for road repairs with significant impact to the town. High priority, high cost, medium priority, medium cost etc.

Mr. Heuer – Sounds like an awful lot of money, but it's a drop in the bucket when you look at how much work needs to be done.

Selectman Trask – Over the next 7 years, it's approximately \$26.5 million for road repair. We can't afford that, we just have to be smart on which roads we repair first and which ones we don't just yet.

Article #15 –

Selectman Trask – The final number should be around \$35,000 given there's no more snow.

Chair Weider – This is only for plowing, sanding, and salting for winter maintenance, that's it. Once we know the final number, we'll amend the first number of the article to bring the total to the \$105,000.

Article #16 – no comments

Article #17 –

Chair Weider – This is an accelerated plan, to raise and appropriate now, and draw down next year.

Article #18 –

Vice Chair Lamphere – A portion of this funding is for a part time position

Selectman Trask – For uploading of content, the school is looking to get the children involved in the actual filming of some of the content which is exciting but they'll need someone to help with that additional content.

Article #19-

Vice Chair Lamphere – 2022 is the 300th anniversary of the town of Chester and a committee has been meeting and working aggressively on a big celebration, that will begin a year prior to the anniversary and end at the town fair in 2022.

Article #20 – no comments

Article #21 – no comments

Chair Weider- Any other questions on the warrant itself?

Andrew Hadik 135 Chester Street – Does this include the revenues as well?

Chair Weider - With this we have a set of revenues, proposed by the BOS:

\$3,061,622 for Town of Chester – The chair read through the larger estimated revenues and the BC realized that the highway block grant and meals and rooms, the numbers are transposed.

Andrew Hadik 135 Chester Street – Under highway block grant and rooms, are those numbers transposed? (Yes.) Under recycling: paper and magazine are going to \$0, batteries will most likely go to \$0 and plastics will go to \$0. Public access TV, is that jump due to what's being withdrawn from the PACT? (Yes.) I was told not too long ago by someone on the cable committee that the franchise fee Comcast subscribers are currently paying are going to double. (It has to go through the BOS)

A year ago China instituted their Golden Sword and Divine Sea Goddess plans to interrupt the flow of foreign garbage as there was not much good separation going

on in the US and millions of loads are coming back unopened. Counties that originally had allowed foreign waste, will no longer be accepting it. There's going to be a very huge paradigm shift and it's going to get much worse.
Selectman Trask- I was able to attend that presentation on Friday, however I worked today

Charles Myette 159 Fremont Road – I noticed the glass and bottles weren't listed as revenues, which would probably be \$0 anyway. My understanding is that Spring Hill Farm rental of \$10,200 will not be happening this year. An RFP was brought in for hay rental, but there will probably be a cost, not a revenue from that.

Chair Weider – Revenues from state and federal side are not being dispersed throughout the towns as much, so part of the revenues we used to see will not be given out as they had previously. We continue to see drivers from state and federal sides pushing on the town costs and it is not being matched by the state any longer.

Mr. Heuer – We attended an annual workshop and there was a representative there from DRA or LGC and has nothing good to say about revenues coming, this probably won't be getting better in the future either.

No further comments.

Mr. Heuer made a motion to close public hearing. Vice Chair Lamphere seconded the motion. All in favor, the public hearing closed.

Conservation Commission and Strategic Land –

Andrew Hadik
Charles Myette
Jeremy Owens

Chair Weider - No talk of dollars, names, or location. That can be covered in non-public.

Significant initial interest then had a tough time getting people back together. Once we solidified what the group would be we decided what our plan would be moving forward. Next year we'll have to do strategy sessions and ask departments what their needs would be looking 20 years out because everyone is too busy to get together for meetings. This year, we wanted to look around to see are there any properties that from a strategic standpoint that it might make sense or that might be causing such issues from a cost avoidance perspective, it may make sense to try to look at possibly purchasing. We did look around and we found a piece that because of location would be problematic for the town down the road. Traffic on a narrow side road, and the road is already in not great shape, the

access points are not in great shape for access to the state roads, PD and FD impact, schools would have a large impact, housing on the groundwater and ground quality because of so many houses on such a small property, wildlife impact. From a cost avoidance perspective, how long against the purchase price could we see an impact? It has enough of a strategic impact that we decided to bring it up, and an opportunity like this doesn't happen too often.

The seller came forward to planning, ZBA, with the owner going through some of these things, the seller saw some challenges and with the overall impact to the town and school budget, it's doing our due diligence, very few parcels of this large size are still available in Chester.

Mr. Myette - .87 students per household the payback on this investment is on an 8 year period because it's upside down on the taxes unless there's a difference in the tax structure. If you made an investment today taking into consideration the cost avoidance and what the impact is to certain developments, it's a way for us to look at one area in particular.

Chair Weider – Would there be easements on this property or would it be town owned land?

Mr. Myette – It would be town owned land on the outskirts of town. There's an access through and there are benefits it could be used for a green belt, or a cemetery.

Vice Chair Lamphere – There is still an impact on the PD and FD. Every time that a development wants to go in, are you going to come and ask the town to buy that land?

Chair Weider – Wason Pond was different, it was made for recreation. 106 acres where we had nothing and now ball fields and recreation programs are being developed.

Mr. Myette – How do we sort control increases in the long run for the taxpayers? This is the first time where we've looked and the property is costing us money. We recognize that the timing isn't good for us to meet and discuss and plan things out, but it is worth discussion at this point.

Mr. Heuer – Is there an established state standard for how many kids will be sent to school...?

Mr. Hadik – There is, the state looks at 4 areas for the population study, Windham is the most relevant because they're the ones that have I93 coming through as well. It used to be 1.5 kids going to school on average and if that were the case, the payback would be 3 years; we're using the conservative .87 and getting the 8 year payback. Phased over a number of years, property tax values – 4 newest

subdivisions in Chester, 74 homes and coming up with an average. Also, phasing in the impact fee revenues under Chester's current impact fee which was approximately \$7,000 for each house but that's a one-time thing. Ties in with the population study I did in 2016, it would increase the population by about 3.33%. There was a proration done off of the town budget; on the school budget, it was much more detailed. No personal information or ages, we got exactly how many K students, how many Chester Academy students, how many Pinkerton students, how many out of district placements that are \$100,000 each and we came up with fractional ratios that could be tied back and compared that based upon the 74 homes to the number of houses in this subdivision, the school supplied the cost for each of those categories. The municipal budget increase would be most impactful to the roads because the roads are in really bad shape and the increased use of the roads could accelerate the deterioration of those roads. The revenue costs and the costs avoided were combined which came out with a cumulative bond bank, just a hair under 2.5% and the payout period pays out in the 7th year. These numbers were looked at by other folks as well.

Mr. Myette – These are tangible numbers that can be added up, there are other things that can't be added up, the storm water, the pinch points that flood out and we'll have to start rebuilding culverts and two or three areas have been identified in Chester,

Vice Chair Lamphere – Why are you here? What are the next steps?

Mr. Myette – To get the word out and get a warrant article out for a bond possibly for this year.

Selectman Trask – Posting date has to be by the 16th, the public hearing is the 19th, bond hearing has been posted for a week from Thursday.

Chair Weider – This would be something we'd have to vote on next Monday. BC any other public questions?

Vice Chair Lamphere – If this doesn't move forward, is the seller going to move forward with their original plan?
(Yes.)

Mr. Heuer- When you look at the current tax burden that we have going forward with this year what's happening with the school, what's happening with the town. We're a bedroom community; we don't have the business to keep this up.

Mr. Hadik – We thought it was important to come to the town, and 66% is required for the vote so it's an uphill battle.

Vice Chair Lamphere – The current use loss, the tax loss, and the impact fee loss, need to be considered against your anticipated expenses.

Selectman Trask – Should also calculate the lost opportunity cost of having that money. It's also not being able to use that money on roads, you have to calculate the time that the roads will be better, and if you wait 5 years to repair that exact road, you need to know the cost.

Mr. Hadik – The current use penalty fees go into the current use fund and they're not used to offset budget expenses which are why it wasn't included.

Selectman Trask – The current in use fees could be used to make the bond payments.

Mr. Myette – As a committee we have talked about being able to put a significant amount into making the bond payments.

John Lamphere 527 Fremont Road – Is the conservation committee willing to pay for this property with their funds from money they've collected and bond the rest?

Mr. Myette – Yes, we couldn't extract all of it, but a large percentage.

Vice Chair Lamphere – Are you willing to commit your future revenues from other projects to the bond payment annually?

Mr. Myette – We haven't had that discussion, but the dollar amount that comes in on an annual basis, isn't enough to cover that bond so we would still have to get the bond and cover it with taxation.

Mr. Lamphere – Who told you to skew the numbers and what the town would be gaining as far as current use?

Mr. Hadik – No one told me, but in a non-public session, it took a lot of work to come up with a cost avoidance set of calculations, I questioned if the loss of the current use should be shown as lost revenue, but it's not like an impact fee, it goes into a fund as a separate type of revenue. Either there's an acquisition and a fee, or not acquisition and no fee. We can't predict how much will be coming in in the future. We don't know which properties will raise what, we can't promise money that we don't know if we'll have it. Jenkins Farm was the last set of concrete numbers and that was 4 years ago and the value is much lower than what we're seeing but when asked for anything else, no numbers were given because if we have another recession, we'll be back at \$7500.

Mr. Lamphere – Have you people walked this land? Are you familiar with this land, how rough it is? Did you say you wanted to put a fire station there? Why build a fire station on a road that has no access?

Mr. Myette – We just know that there won't be easements put onto it, it's a large piece of property and it could be used for a number of things.

Chair Weider – DOT between Route 101 and Exit 4A, will go through another expansion to open the ride ways on both sides. Chester is going to build out when they look for land because we become the most desirable land.

Mr. Lamphere – I heard that traffic would be impacting two intersections, would most of that be headed toward exit 3 on 101 instead of into town?

Mr. Hadik – I think it could have a big impact on traffic through town, it was not a significant percentage of how many would go off to another state road. A significant majority of the traffic study for example.

Mr. Lamphere – We have a development that can only be accessed by a road in Sandown, how does the town handle the PD and FD there?

Mr. Hadik – Chester has a mutual aid agreement, so our highway equipment does not have to go out of Chester to service that area. That is more geared toward a senior community and the development that is being planned on this parcel does not seem to be geared toward senior living.

Mr. Lamphere – Have we ever talked about changing the town lines and turning that land over to another town?

Mr. Hadik – Given that this is a development situation, I doubt the developer would be okay with that.

Voting

Article #8 – 7- 0 –0

Article #9 – 7-0-0

Article #10 – 7- 0- 0

Article #11 – 5-2-0

Article #12- no vote

Article #13- 7-0-0

Article #14- 7-0-0

Article #15-7-0-0

Article #16 -7-0-0

Article #17-4-3-0

Article #19 – 7-0-0

Article #20- no vote

Article #21- 7-0-0

Mr. Heuer made a motion to move into non-public Vice Chair Lamphere seconded the motion. Moved into nonpublic at 9:20pm RSA C: D for reputation and negotiation

Selectman Trask made a motion to come out of non-public. Mr. Holmes seconded the motion all in favor.

Mr. Heuer made a motion to seal the minutes for 90 days. Dr. Owens seconded the motion, all in favor. The motion carried.

V. Public Comment – none

VI. BOS Update –

**VII. School Board Update-
Qualitative Update:**

VIII. Other Committee Updates –

IX. Minutes – pushed to April 16, 2018

- 1. March 19, 2018**
- 2. March 26, 2018**
- 3. April 2, 2018**

X. Old Business –

XI. New Business –

XII. Member Comments

XIII. Public Comments

XIV. Next Meeting Date – April 16, 2018 at 7:00pm –

XVI. Adjourn -

Selectman Trask made a motion to adjourn. Mr. Holmes seconded the motion. All in favor, the Budget Committee meeting of April 9, 2018 adjourned at 10:42pm.

Respectfully Submitted,

Sarah DeLisle, Recording Secretary