

*Office of the Select Board
Town of Orange, New Hampshire
Select Board Minutes and Joint Meeting with the Budget Committee
January 22, 2019*

Present:

- *Select Board:* Dorothy Heinrichs, Chair; Robert Ells, Tamara Fairbank (Budget Committee ex-officio), and Sandi Pierson (clerical).
- *Budget Committee:* David Stacy, Chair; Robert Proulx, Secretary; and Sophie Seace
- *Others:* Douglas Weekes, Aaron Allen, Scott Sanborn, Skip Smith, Beverly Ells, and Anita Garland. The Supervisors of the Checklist were also meeting: Laurie Sanborn, Beth DiFranseco, and Betsy Coble.

Select Board meeting opened at 6 PM. Attendance taken by the secretary.

Minutes: The minutes of January 8, 2019 were approved.

Current Use applications approved:

- Ronald Goodearl/100 New Colony Road/16.8 acres into current use.
- Richard Goodearl/147 New Colony Road/10.1 acres into current use.

Annual Audit:

- *MS-60-W:* The Board signed the MS-60W DRA form (audit request waiver). This exempts the town from the MS-60 (full audit intended for larger municipalities). RSA 41:31-c-II permits the waiver for towns under 750 population.
- *Auditor position:* Upon the resignation of Matt Angell, presently the town does not have an appointed auditor. Bob Ells reported that Catherine and Bruce Ells have declined assuming the position. The Board will seek other qualified candidates.

Capital Reserve Funds: Sandi submitted to the Board and Budget Committee a listing of the town's capital reserve funds, copies of the minutes of the town meetings showing when they were established, and who were appointed as agents to expend. She said that four of the reserves had no agents to expend included when they were established, which means by default it is the legislative body (the voters).

<i>Capital Reserve</i>	<i>Town meeting when established</i>	<i>Agents to expend</i>
Revaluation	March 14, 2000	None designated
Highway Equipment	March 14, 2000	None designated
Town House	March 14, 2000	None designated
Document Preservation	March 11, 2003	Select Board
Town Roads	March 14, 2006	None designated
Conservation Land	March 13, 2007	Select Board
Cemetery Monument	March 13, 2012	None designated (until following year)
Cemetery Monument	March 12, 2013	Select Board

Legal Expense
Orange Anniversary

March 8, 2016
March 14, 2018

Select Board
Select Board

After discussion, the Board unanimously approved placing articles on the warrant that will designate the Select Board as agents to expend on the following capital reserve funds: Revaluation, Highway Equipment, Town House, and Conservation Land.

The Board reviewed with Road Agent Scott Sanborn the wording of the Highway Equipment Capital Reserve, which includes a specific financing plan in 2000 to replace the earlier 1988 town truck. Because the town no longer owns the 1988 vehicle, they concurred to place an article on the warrant asking the voters to repurpose the Highway Equipment Capital Reserve “for the purchase of highway-related equipment.”

Secretary’s report:

- Sandi distributed to the Board and Budget Committee copies an article published by the NH Municipal Association that outlines the process of implementing a bond issue. She also distributed the DRA publication that lists suggested wording of warrant articles.

Reports from other Boards and Committees:

- Tamara noted that the Orange Historical Commission will meet on February 4, 2019 at 7 PM.

Public comment:

- Building permit applications: Doug Weekes submitted to the Board and Budget Committee a summary of the revenue received for building permit applications vs. the cost to the town for the inspection process by the building inspector. He said that between 2015 and 2018 the town received \$1,367.10 in building permit application fees and paid out \$4,995.05 in inspection costs; a loss to the town of \$3,627.10. He asked the Board to consider that the application fees should be more comparable to the cost to the town. Aaron Allen expressed concern of their possibly being an undue burden to some of the applicants. Bob Proulx suggested the Board look at what other towns are charging. After discussion, the Board concurred that the building permit fee schedule should be reviewed and application fees should be more in line with the cost to the town. The Board and Budget Committee thanked Doug for his research.

Bills and vouchers were reviewed and signed.

*JOINT MEETING WITH THE BUDGET COMMITTEE
TO DRAFT THE PROPOSED 2019 BUDGET*

Budget Committee handouts included a 2018-2019 budget summary, 2018 spending by category spreadsheet, and a preliminary MS-7.

Officer nomination:

- Bob motioned for Dave Stacy to continue as Chair of the Budget Committee for 2019. Sophie Seace seconded. Motion passed unanimously in favor.

Municipal operating budget:

The Select Board and Budget Committee unanimously concurred on the following recommendations for 2019.

- Salaries: \$27,000 (level funded) This includes a \$375 increase in the treasurer's salary, approved at the January 8, 2019 Select Board meeting. Bob Proulx explained that in 2019 the deputy treasurer's workload will significantly decrease and more of the work will be assumed by the treasurer. In light of this, they expect the deputy treasurer's salary to decrease considerably thus having no impact on the overall expense, in effect it is expected to decrease.
- Elections and Registrations: \$1,200. For elections in 2019, there is only town officer voting on March 12 and town meeting on March 13.
- Financial Administration (registering deeds): \$200 (level funded)
- Revaluation of Property: \$4500 (level funded)
- Legal Expense: \$3,000. The quote for the 2019 attorney retainer fee from Drummond Woodsum (formerly Gardner, Fulton and Waugh) was \$5000 due to the unanticipated increase in legal work done in 2018. Bob Proulx explained that the excess was due to the legal challenge to the town by property owners who maintained they did not need a driveway permit in order to build a home. He felt that the matter has concluded and excessive legal work would not be necessary in 2019. Bob Proulx said the review by the attorney of the town clerk's software used for online vehicle registration (security assurance) was also a one-time legal expense in 2018. The Board will contact the attorney, request the town remain at \$2000 for the retainer, and explain the rationale.
- FICA: \$2,500 (level funded)
- Planning and Zoning: \$500 (level funded)
- General Government Buildings: \$6,500. This is a \$500 increase. The minor maintenance projects scheduled to be completed in 2019 were reviewed with Skip.
- Cemeteries: \$3,500. This is a \$500 increase due to tree removal at the Church Cemetery.
- Insurance: \$1,584 (decrease of \$180). This is based on the actual quote from the Primex.
- Memberships: \$1,750 (increase of \$50). This is based on actual requests.
- Officer Expenses: \$7,500 (level funded). The Budget Committee and Select Board support the request by the Supervisors of the Checklist to acquire a computer and printer at a cost of \$920 necessary for their work. After discussion with the Supervisors, it was agreed using the computer in the town's clerk office was not feasible. Due to a number of one-time expenses in 2018, this line item did not need to be increased to accommodate the computer and printer.
- Police: \$0.00. The town is covered by the NH State Police at no cost.
- Ambulance: \$10,636 (increase of \$4,016). This is based on the actual quote from the Town of Canaan, which recently acquired the Canaan FAST service. The original quote from Canaan FAST was \$15,000.
- Fire: \$14,296 (increase of \$1,364). This is based on the actual quote from the Town of Canaan.
- Building inspection: \$1,500 (level funded)
- Emergency Management: \$300 (level funded)

- Highway: \$100,000 (level funded). Road Agent Scott Sanborn submitted to the Board and Budget Committee a spreadsheet summarizing 2017 and 2018 appropriations and expenditures and his request for 2019. He recapped the work done in 2018, including the mitigation work done on Burnt Hill Road and how the funds from FEMA and the one-time SB-38 grant were used. Scott stated that roadside mowing has not been done for a number of years and recommends it in 2019. Scott's initial request for the highway budget was \$111,250, which included \$7,500 for pavement repairs. After a lengthy discussion about the anticipated bond warrant article for paving and the 2019 capital reserve deposit (see below), Scott, the Board, and the Budget Committee concurred to level fund the highway budget at \$100,000.
- Solid waste: \$15,829 (increase of \$1,784). This is based on the actual quote from the Town of Canaan.
- Health agencies: \$3,500 (decrease of \$700). The decrease is due to three agencies not requesting 2019 appropriations. Bob Proulx thanked Health Officer Doug Weekes for the itemization of anticipated expenditures for his office, which is part of this line item.
- Direct Assistance (Welfare): \$3000 (level funded)
- Library (contribution to Canaan Library): \$4000 (level funded)
- Culture and Recreation: \$200 (level funded)
- Timber Harvest Monitor: \$1.00. This essentially keeps the line item open for possible expenditures, though they are not anticipated at this time.
- Conservation Commission: \$500 (level funded). Conservation Commission Chair Dorothy Heinrichs stated that the appropriation will allow for the limited printing of the updated Natural Resources Inventory, which will be ready by town meeting.
- Interest on Tax Anticipation Note: \$3,500 (level funded)
- Buildings Capital Outlay: \$1,000.00 (level funded). Bob Proulx recapped many of the projects at the Town House that Skip Smith completed, which includes improved lighting in the Select Board's office, basement window well covers, cleaning of the Town House exterior, and improved outside lighting. Skip said work this year will include finishing the exterior and interior lighting projects and some minor trim work in the Select Board's office. This led into a discussion about larger projects needing attention, such as structural concerns and the electrical wiring in the original section of the Town House. These projects will be more researched, including LCHIP matching grant funding to defray the costs. Also discussed were the large pine trees in proximity to the Town House and the need for exterior painting. Aaron Allen offered to get an estimate on the painting.

Total proposed 2019 budget: \$217,996.00

Capital Reserves:

After discussion, the Board and Committee voted to fund the following capital reserves which will be placed on the warrant:

- Highway Equipment Capital Reserve Fund: \$6,000
- Town House Capital Reserve Fund: \$2,000
- Revaluation Capital Reserve Fund: \$4,000
- Town Roads Improvement Capital Reserve Fund: \$10,000

Total proposed 2019 capital reserve contributions: \$22,000.00

Anticipated revenue (offsets municipal budget):

- Yield taxes: \$5,000
- Interest and penalties on delinquent taxes: \$3,000
- Inventory penalties: \$1,500
- Business licenses, permits and fees: \$120
- Motor vehicle permit fees: \$60,000
- Building permits: \$200
- Other licenses, permits and fees: \$700
- Meals and Rooms Tax distribution: \$17,000
- Highway Block Grant: \$28,000
- State Forest reimbursement: \$3,000
- Statewide voter checklist: \$225
- Interest on investments: \$30
- Municipal fees: \$1,000

Total estimated revenues: \$119,775.00

BUDGET SUMMARY

	2018	2019
Operating budget	\$212,662.00	\$217,996.00
Capital reserves	\$22,000.00	\$22,000.00
Total Appropriations	\$234,662.00	\$239,996.00
Less Estimated Revenues	\$118,760.00	\$119,775.00
Estimated amt, to be raised by taxes	\$115,902.00	\$120,221.00

Bond Issue: The Select Board, Budget Committee, and Road Agent Scott Sanborn discussed the paving bond issue slated to be on the 2019 warrant. Scott provided information regarding the various terms offered by Mascoma Savings Bank and the property tax impacts. These will be available at the public hearing prior to town meeting.

Initially it was agreed that if they level funded the highway budget at \$100,000, the Board would include a separate warrant article for \$7,500 for paving repairs, and that an affirmative vote on the bond issue would negate the \$7,500 article. After discussion about the current balance of the Town Roads Capital Reserve Fund and the anticipated 2019 \$10,000 deposit, it was agreed to not include a separate \$7,500 article on the warrant. After reviewing the scope of the paving work to be done, the estimated costs from Blaktop, and the capital reserve funds anticipated being available, the Select Board, Road Agent and Budget Committee concurred to present the bond article at \$175,000. A bond at Mascoma Savings Bank is anticipated at 3.15% interest for seven years, with payments at approximately \$2,300 per month.

The bond issue is voted on at town meeting, is by paper ballot, and requires a two-thirds majority vote to pass.

Bob Proulx announced that the public hearing on the budget and bond issue is scheduled for February 13, 2019 at 7 PM.

Meeting adjourned 8:00 PM.

Dorothy Behlen Heinrichs

Robert Ells

Tamara Fairbank