

Town of Candia Municipal Budget Committee

Approved Meeting Minutes

Meeting Date: November 19th, 2020
Location: Town Office Building
Zoom Meeting ID# 81655968817
Attendees: Lynn Chivers
Dick Snow (attended via Zoom)
Jodi Hedstrom
Susan Gill
Katrina Niles
Bob Stout
Todd Keating
Stephanie Helmig
Kaycee Vitale
Absent: Sue Young

Chairman Chivers opened the meeting at 7:00 PM

Pledge of Allegiance

Approval of the Minutes from October 28, 2020

- Keep names and titles consistent throughout the notes
- Change the last name of Donna to Becker from Hetzel on pages 3 & 5
- Jodi Hedstrom motions to approve minutes as amended
- Katrina Niles seconds the motion
- Selectman Young absent from vote
- Motion passes 8 approve-0 oppose-1 absent

Presentation from Mike Davey regarding the new HVAC system for the School

- Hardcopies of the presentation were distributed at the meeting
- Mike works for EEI, an energy efficiency company based out of Merrimack NH
- In 2018, the Turner Group out of Concord, NH identified different building code issues and long-term problems of the school resulting in \$3.6 million dollars in recommended near term projects and improvements for the school. EEI revisited those issues and reevaluated for energy efficiency.
 - There are various parts of the building that are built during different decades with different conditions.
 - The current ventilation system is not up to current codes
 - Only one system is on the roof and the rest are under making it hard to service the units
 - It does not allow for a fire ceiling
 - The ventilation units are near the end of their useful life
 - The roof is approaching the end of its useful life.
 - The handrails are not up to code.
 - The building is mostly fluorescent lighting and upgrading to LED would have significant cost savings.
 - The insulation is poor.
 - The building currently uses oil and it is suggested to switch to propane for additional energy savings.
- Examples were shown of the Manchester School District and the cost spent and the energy savings because of the changes that were made. (Refer to audio for details.)
- Pictures of the initial findings and potential projects were shown.
- Recommendations include
 - Do the roof all at once for warranty considerations
 - The ventilation should be a high priority item
 - LED lights, convert to propane, and insulation are more for energy efficiency but are recommended
 - Handrails and fire safety are an immediate high priority item.

- The budget for these recommendations comes to about \$2.4 million if done as a project, coming in lower than the Turner group estimation.
 - The resulting project would have an annual energy savings of \$24,000
- There is a proposed warrant article to fund this project.
- We can fund the project through a CIP where we can pick a project every year and fund it, or through a lease and get all the projects done at once and realize the energy savings immediately.
 - *CIP*
 - Pros:
 - It is feasible with a single school to diligently budget 1-2 items a year and finish all projects in the next 7-8 years
 - No interest paid
 - Cons:
 - Wide range of projects pricing meaning the budget would flex year to year.
 - If done over 7 years the rough estimate would be about \$330,000/year not including construction inflation.
 - The building would need to wait 7 years before it is fully code compliant
 - *Comprehensive with a Lease*
 - Pros:
 - All projects completed in a single summer
 - Interest rates are low
 - Full energy savings would be realized in year 1
 - Budget impact would be about \$180,000/year after the realized energy savings
 - Lease allows for early payoff
 - Cons:
 - Interest costs
 - Major project for one summer and the school would have limited use for that time.

Vote on Preliminary Town Budget Recommendations

- A new budget was received with an attached memo explaining all the line item reductions resulting in a \$140,000 decrease in 2021 Town Budget.
 - Jodi Hedstrom asked if the cruiser was eliminated from the budget?
 - Chairman Chivers answered that they encumbered it.
 - Jodi Hedstrom asked if the Town Administrator was still an item in the budget and where would they have an office?
 - Selectman Brien Brock answered that the Town Administrator was still an item in the budget and there is some space either upstairs or downstairs for an office.
 - Stephanie Helmig asked if there was a job description for the Town Administrator?
 - Selectman Brock said there is a job description just not one specific to Candia.
- Selectman Boyd Chivers did a run down of how the Selectman came to the new budget number.
 - In short, the Selectman took the 2020 budget and increased it by 4%, took the proposed 2021 budget and subtracted the difference resulting in \$149,000 that needed to be cut. Between cuts and encumbrances, we were able to reduce the budget by a little over \$146,000.
 - Bob Stout wanted to publicly thank the Selectman for hearing the concerns of the Budget Committee, going back to the department heads and lowering the budget from a 10% increase to a little over 4% increase.
 - Selectman Boyd Chivers noted that the new proposed budget would result in a \$0.25/1000 increase to the tax rate.
 - Selectman Brock mentioned that when going back to the Select board it was important for them to keep in the Town Administrator position so they had to make cuts elsewhere.
 - Selectman Boyd Chivers said there were multiple grants that we missed out on by not having this position in place already. Discussion ensued around the Town Administrator duties and why the need now, refer to audio for details.
 - Todd Keating pointed out that because of encumbrances, \$87,000 of the budget was not necessarily cut. He also expressed his caution and concern about putting in a Town Administrator for \$100,000 as a permanent addition to the budget going forward when we are saying that we needed someone this year specifically due to COVID.

- Selectman Boyd Chivers noted that surrounding towns also have a Town Administrator and the job would provide the necessary point of contact between the public, the town office, and the Selectman. Discussion ensued, refer to audio for details.
- Bob Stout motioned to recommend the Town Budget of \$3,100,230
 - Katrina Niles seconds the motion
 - 5 in Favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, Katrina Niles)
 - 3 opposed (Todd Keating, Stephanie Helmig, and Dick Snow)
 - Motion passes 5-3
- Todd Keating asked the Selectman for more information around the Town Administrator, their job duties, the impact on the town, and the impact on other town employees job duties to help him with his upcoming final decision.
 - Selectman Boyd Chivers said that the job description and the salary came from consulting with Municipal Resources. He also said that he would get the full list of responsibilities for the next meeting.

Budget Committee to Formulate Questions for Joint Meeting with School Board

- Stephanie Helmig presented a change to the School Budget
 - The Health Insurance was estimated at a 10% increase but came back with a 6.2% increase resulting in a budget reduction of \$26,334.42. An update budget will be presented at the December 3rd meeting.
- Jodi Hedstrom presented that we are currently spending \$25,000/student to educate in Candia. Has it become non-viable to keep a school here in Candia with the stalling population? Are there plans in the SAU to combine efforts so our students do not have to have co-ed sports teams and can participate in honors society?
 - Matthew Woodrow mentioned that there is State Aid and other considerations and the actual cost per pupil is around \$15,500.
 - Chairman Chivers clarified saying that Jodi was speaking to how much it costs to educate a child, and Matt was referring to how much it costs Candia to educate a child.
 - Matt Woodrow said that the declining population is up for debate, it is estimated that the next two years of Kindergarten are the highest they have ever been. There are homes being built in the area and the area has become more attractive due to COVID. He suggests that this is more a town wide discussion if a town still wants to support a school.
 - Discussion ensued around the cost going forward and what the town would want. Refer to audio for details.
- Chairman Chivers went through each line item and the School Warrant Articles asked for any questions that need to be proposed at the December 3rd meeting. Discussion on each line item can be heard on the audio recording.
- Chairman Chivers said that the budget represents a 4.9% increase (a little less due to the insurance) in the operating budget.
 - Todd Keating asked if there was a way to see the last 5 years budget and what was budgeted vs. what was spent.
 - Chairman Chivers pointed out that it is in section 2 of the binder.
 - Todd Keating said it started at \$7.7 Million (4 years ago) and now we are at \$9.2 million with a population decrease.
- Below are the questions posed by the Budget Committee that will be asked at the joint meeting on December 3rd
 - What is the staffing for special education and paraprofessionals? How many employees and how many students receive services?
 - Why is there such a big increase in the Nurse budget line?
 - Warrant article #2 – How many members of the public typically participate in school board meeting? What was the participation before and after COVID-19 began? Why is the school not able to use the same type of equipment that is used by the town for meetings?
 - Warrant article #3 – Please explain the escape clause. Why are we not introducing this as a bond? Why does the wording in the warrant article not name who the contract is with and exactly what work is going to be done? What happens if new problems arise while the contractors are working on the issues listed and the costs increase?

Review and make recommendations on Non-Petitioned Warrant Articles

Chairman Chivers said that all charities that were approved for monies last year have picked up their money.

- Bob Stout suggested that we hold off on voting on the charitable warrant articles until more research was done around how the services helped Candia residents. The consensus is that the vote will happen within the next few meetings.

To see if the town will vote to raise and appropriate the sum of Three Thousand Five Hundred Dollars (\$3,500) to be placed in the existing Smyth Memorial Building Fund. Said funds to be expended under the direction of the Board of Selectmen.

(Recommended by the Board of Selectmen by a vote of 5 to 0)

- 0 in Favor
- 7 opposed (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, Katrina Niles, Todd Keating, Stephanie Helmig)
- 1 abstains (Dick Snow)
- Motion to **not** recommend by 7-0-1

To see if the town will vote to rise and appropriate the sum of Two Thousand Five Hundred Dollars (\$2,500) to be placed in the existing Town Office Building Maintenance Fund. Said funds to be expended under the direction of the Board of Selectmen.

(Recommended by the Board of Selectmen by a vote of 5 to 0)

- 7 in Favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, Katrina Niles, Todd Keating, Stephanie Helmig)
- 0 opposed
- 1 abstains (Dick Snow)
- Motion to recommend by 7-0-1

To see if the Town will vote to raise and appropriate the sum of Twenty Thousand Dollars (\$20,000) to be placed in the existing Revaluation Capital Reserve fund for the Future Revaluation of the municipality. Said funds to be expended under the direction of the Board of Selectmen

(Recommended by the Board of Selectmen by a vote of 5 to 0)

- 7 in Favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, Katrina Niles, Todd Keating, Stephanie Helmig)
- 0 opposed
- 1 abstains (Dick Snow)
- Motion to recommend by 7-0-1

To see if the Town will vote to raise and appropriate the sum of Four Thousand Dollars (\$4,000) for the operation and maintenance of the Fitts Museum Said funds to be expended under the direction of the Trustees of the Fitts Museum. (By request of the Trustees of the Fitts Museum).

(Recommended by the Board of Selectmen by a vote of 5 to 0)

- 7 in Favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, Katrina Niles, Todd Keating, Stephanie Helmig)
- 0 opposed
- 1 abstains (Dick Snow)
- Motion to recommend by 7-0-1

To see if the town will vote to raise and appropriate the sum of One Hundred Fifty Thousand Dollars (\$150,000) for Excess Winter Road Maintenance, these funds will not be used unless the operating winter maintenance funds are exhausted. This will be non-transferable appropriation, said funds to be expended under the direction of the Board of Selectmen

(Recommended by the Board of Selectmen by a vote of 5 to 0)

- 7 in Favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, Katrina Niles, Todd Keating, Stephanie Helmig)
- 0 opposed

- 1 abstains (Dick Snow)
- Motion to recommend by 7-0-1

To see if the town will vote to raise and appropriate the sum of Two Hundred Thousand Dollars (\$200,000) for the southeast portion of Currier Road. Said funds to expended under the direction of the Board of Selectmen.

(Recommended by the Board of Selectmen by a vote of 5 to 0)

- 7 in Favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, Katrina Niles, Todd Keating, Stephanie Helmig)
- 0 opposed
- 1 abstains (Dick Snow)
- Motion to recommend by 7-0-1

To see if the town will raise and appropriate the sum of One Hundred Fifty Thousand Dollars (\$150,000) for the final phase of Healey Road reconstruction Said funds to be expended under the direction of the Board of Selectmen

(Recommended by the Board of Selectmen by a vote of 5 to 0)

- 6 in Favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, Katrina Niles, Stephanie Helmig)
- 1 opposed (Todd Keating)
- 1 abstains (Dick Snow)
- Motion to recommend by 6-1-1

Shall the town modify the Veteran's Tax Credit in accordance with RSA 72:28, II from its current tax credit of \$300 00 per year to \$500 00P (Majority vote required)

(Recommended by the Board of Selectmen by a vote of 5 to 0)

- 7 in Favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, Katrina Niles, Todd Keating, Stephanie Helmig)
- 0 opposed
- 1 abstains (Dick Snow)
- Motion to recommend by 7-0-1

To see if the Town will vote to raise and appropriate the sum of One Hundred Thirty-Six Nine Hundred Ninety dollars (\$136,990) for the operating expenses of the Public Library. Funds are to be expended under the direction of the Smyth Public Association.

- 7 in Favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, Katrina Niles, Todd Keating, Stephanie Helmig)
- 0 opposed
- 1 abstains (Dick Snow)
- Motion to recommend by 7-0-1

To see if the Town will vote to raise and appropriate the sum of Fifty Thousand Dollars (\$50,000) to be deposited in the Fire Apparatus Capital Reserve Fund, established under RSA 35:1I at the March 1991 Town Meeting, for the future purchase of the fire apparatus and equipment with the Selectmen appointed as agents.

- 7 in Favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, Katrina Niles, Todd Keating, Stephanie Helmig)
- 0 opposed
- 1 abstains (Dick Snow)
- Motion to recommend by 7-0-1

To see if the Town will vote to raise and appropriate the sum of Fifty Thousand (\$50,000) to be deposited in the Fire Station Infrastructure and Grounds Reserve Fund under the provisions of RSA 35:1 at the March 2017 Town Meeting, for purpose of providing for major capital investments in the fire station infrastructure and grounds to keep the building and property sound, functional and

well into the future with the Selectmen appointed as agents.

- 7 in Favor (Chairman Chivers, Jodi Hedstrom, Susan Gill, Bob Stout, Katrina Niles, Todd Keating, Stephanie Helmig)
- 0 opposed
- 1 abstains (Dick Snow)
- Motion to recommend by 7-0-1

To see if the Town will vote to raise and appropriate the sum of Eighteen Thousand Six Hundred Dollars (\$18,600) for the 10-year update of the Natural Resource Inventory (NRI). This document, in conjunction with the Master Plan, will reflect the town's need to meet current standards for best management practices and land use planning. Said funds to be expended under the direction of the Conservation Commission.

- Chairman Chivers said she would contact the Conservation Commission to get clarity on the Warrant Article.
- No vote took place
- Rudy Cartier, (attending via zoom) explained that the Natural Resource Inventory is something that is done under RSA 36A by the town to identify where our natural resources are that need to be protected. There is a coordination effort with the Planning Board and the Natural Resource Inventory to ensure that when decisions are made when approving town projects that natural resources are not infringed upon.
 - Chairman Chivers asked who is the head of the Conservation Commission?
 - Rudy Cartier answered Judy Lyndsey
 - Chairman Chivers will contact her for specifics around how this money will be spent.

With there being no further business,
Bob Stout moves to adjourn the meeting
Susan Gill seconds the motion
All in favor
Meeting was adjourned at 9:31 pm

Submitted by: Kaycee Vitale, Administrative Assistant