

The Claremont City Council held a meeting on Thursday, June 16, 2016, in the Council Chambers of City Hall.

The meeting was called to order by Mayor Lovett at 6:30 p.m.

Members of the Council present were:

Ward I Councilor Carolyn Towle
Ward II Councilor Scott Pope
At-Large Councilor Keith Raymond
Mayor Charlene Lovett
At-Large Councilor Allen Damren
At-Large Councilor Bruce Temple
Ward III Councilor Nicholas Koloski
At-Large Councilor John Simonds

Absent:

Assistant Mayor Victor Bergeron

Also present were:

Guy Santagate, City Manager
Mary Walter, Finance Director

AGENDA (CHANGES)

None

CITIZEN'S FORUM

Terry Gould, Farmers Market Association Vice President, and Liza McSwain, Farmers Market and Mascoma Savings Bank, thanked the Council for its support of the Farmers Market. They also thanked Charlene Lovett for all of her work to make the Market a success and they thanked Mark Brislin, Parks and Recreation.

Bernie Folta, Ward 3, said he was very excited the Council was having this meeting to put its stamp on the budget.

BUDGET DISCUSSION

Fire Chief Rick Bergeron talked about the need for firefighter protective gear. It has a 10-year life expectancy and beyond that, there is no liability protection from the manufacturer. There are 19 sets that are either out or about to go out of compliance. They need to replace the 19 sets and

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then continue to purchase 5 new sets every year going forward. It will cost \$49,400 to replace all 19. The yearly CIP is \$9,500 and it needs to be adjusted to \$11,050.

There was a discussion about leasing versus buying. Mr. Santagate said a nonappropriation clause would be included in the lease.

Mr. Koloski asked if it would be appropriate to take the money from fund balance for this one-time purchase.

Bernie Folta, Ward 3, said he has heard the Claremont Fire Department has two ladder trucks and that is perceived to be an unnecessary luxury. He suggested selling one truck and use the money to fund this and other requirements in the Fire Department.

Five of the Councilors had sent in their suggested changes to the budget. Mayor Lovett gave an overview and then asked Councilors for their thoughts/suggestions.

[The City Manager's proposed budget would be a 16 cent decrease in the tax rate over the current year.]

Ms. Towle was concerned the change to the elderly exemptions was being overlooked. Mayor Lovett said that discussion would continue after the budget process.

Mr. Pope would like to maintain a level tax rate. His proposals would increase the 16 cent decrease.

Mr. Raymond doesn't want to keep level funding. Costs are increasing. Health insurance has increased. The state is not funding things that it used to. This is a bare bones budget.

Mr. Damren said there are changes that he will propose. They will maintain a tax decrease, but maybe not 16 cents.

Mr. Temple would like to maintain a 16 cent decrease or more. He is concerned with the tax burden. His biggest concerns are union contracts; health insurance 17% increase; and within a year or two, major money will need to be spent on repaving Washington Street. Since 2010 the state has downshifted about \$1 million to Claremont taxpayers. He suggested the City Manager reduce his proposed budget by \$250,000. He's nervous about the Downtown TIFD.

Mr. Koloski said he didn't get all of the emails from the five Councilors. His intent is to not raise taxes, however some things need to be added back that were requested.

Mr. Simonds would love to stay with the reduction, but some of the department head requests may need to be put back in.

Mayor Lovett said Assistant Mayor Bergeron had submitted his written comments and he said initially he had considered a tax rate increase, but after hearing from residents, that may not be the way to go.

Ms. Towle reminded everyone that Mr. Temple had talked about the potential increase in water and sewer rates and Councilors need to be cognizant of that.

Mayor Lovett said it sounds like there is a consensus to make changes, but not increase the budget if that can be helped. She said over the last seven years, the overall tax rate has increased \$11.02 and the City's portion increased \$3.11; the overall tax rate increase in the last seven years represents a 26.58% increase and the City valuation has decreased \$90.4 million and the tax commitment has increased \$4.8 million.

Mr. Santagate asked if that included the revaluation year. Mayor Lovett said yes. Mr. Santagate said she might want to consider the net amount to be raised by taxes versus the tax rate.

Mr. Pope asked what the pre-revaluation tax rate was. Ms. Walter said the 2013 tax rate was \$36.25 and the tax rate now is \$41.33. The net amount to be raised from taxes dropped from \$10,587,348 to \$10,444,750.

Councilors agreed to review each department. Mr. Damren separated the personnel costs from the discretionary expenses for each department. Councilors asked questions and received answers for each department.

- Policy
- City Administration/Finance
- Elections
- Assessing
- Municipal Complex
 - There are a lot of areas that are out of ADA compliance in City Hall including Council Chambers. Ms. Walter said the City is trying to get an LCHIP grant to do an assessment of this building.
- Planning & Development
 - Mayor Lovett said this budget includes a full-time planner. Mr. Santagate said that all of the budgets in the past have included a full-time planner, but we have not been able to find the right person for the job.
 - Mr. Koloski would like to add \$40,000 to the \$5,000 that is in the budget for marketing.
 - Mr. Damren is opposed to that addition without knowing where it will be spent.
 - Mr. Pope feels the \$40,000 should be funded. It applies to Council goals.
 - Mayor Lovett read Mr. Bergeron's comments; he is in support of adding a full-time planner; he would vote against adding the marketing money without a detailed marketing plan.
- General Services

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- Ms. Walter said the City is trying to save the money in the Communication & Technology Capital Reserve to upgrade the financial accounting software which will need to be done in the next couple years. It's estimated to cost \$250,000-\$340,000.
- Mr. Damren suggested taking \$35,000 out of the Communication & Technology Capital Reserves for computers.
- Communications 911
- Police
- Fire
 - Ms. Walter said the Fire Chief has requested an additional \$49,400 to buy 19 sets of personal protection equipment to replace the ones that are out of compliance.
- Welfare
 - Mayor Lovett said if the need arises, the Welfare Director will come back to Council for additional funds
- Sanitation
- Streets & Roads
 - Ms. Walter said the \$100,000 for the LED Lighting Upgrade will come from fund balance.
 - Scott Sweet, Public Works Director, said they have gotten the approval for the loan, but they are still working on the contractor. There will be a \$50,000 rebate. Ms. Walter said whatever is not needed won't be taken out of fund balance
- Library
 - Mr. Damren asked if the \$6,500 for computer upgrades can be taken from Communication Technology Capital Reserve. Ms. Walter said yes.
- Debt retirement
- Cemetery
 - There was a discussion about some of the older cemetery books that need to be preserved. The estimated amount to do the work is \$10,000. There is a Capital Reserve line item, but Ms. Walter said a 2008 Resolution does not say that the Capital Reserve can be used for digital records. She said she would have to ask City Attorney Jane Taylor.
- Airport
 - There was a discussion about the price of fuel at the airport and about the Airport Advisory Board working on marketing the airport.
 - Fire Chief Rick Bergeron said keeping the fuel prices competitive is a good way to advertise the airport. Pilots shop around for the lowest prices and Claremont is one of the lowest.
- Parks
 - There was much discussion about adding \$3,000 for Arrowhead, adding \$13,000 for Summer Celebration (fireworks) and adding money for a maintenance person at the community center.
 - Mark Brislin, Parks and Recreation Director, said the maintenance person would spend three-fourths of their time in the parks and one-fourth of their time in the community center.

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- There was discussion about making the maintenance person part time, or hiring a full time person half way through the year.
- There was discussion that if you add a person in Parks & Recreation, the other departments may want to discuss adding people.
- Mr. Temple reminded everyone about the upcoming union negotiations, Washington Street repaving, and Fire SAFER grant position(s), which will be ending this coming year. Ms. Walter said the COPS grant position(s) and the retirement increases also need to be considered.
- Mr. Damren said the upcoming proposed water and sewer rate increases are staggering. He suggested any unspent money in Parks and CSBCC be encumbered to pay for contracted repairs of the facility.
- Mr. Santagate said, regarding the \$13,000 for fireworks, that they have already been paid for, for this year. Going forward, he said a lot of people would be willing to contribute to future fireworks. He thinks this should not be funded and the money should be raised outside. He offered the first \$100 and said if each Councilor gave \$100, that would be \$1,000.

Mr. Damren summarized the proposed changes:

Arrowhead & Fireworks \$16,000

Maintenance person \$62,000

\$35,000 & \$6,500 Library to be taken out of a Capital Reserve (net reduction of \$44,500)

\$49,400 for Fire turnout gear

That is \$83,000 or 11.8 cents on the tax rate. Mr. Damren said he thinks the preservation of the cemetery records is a given.

Mayor Lovett asked the public for comments about what was heard tonight.

Mr. Santagate said they haven't gotten around to the revenue side. He said there is good news on the revenue side, better than expected.

Jim Feleen, Ward 2, was gratified there is strong support for the Parks maintenance position. He said delaying a full time person would be logistically very difficult.

Bernie Folta, Ward 3, wondered if the reserve fund can be changed to embrace the new possible use of preserving the cemetery books. He thinks the maintenance person should be for maintenance and not for cleaning. He wished there was a consultant that could look at the efficiency, effectiveness and innovation, of the City government.

Chuck Allen, Ward 3 resident and Arrowhead Recreation Area representative, said the Arrowhead line item is for the City, nothing goes toward the Arrowhead Recreation Club. They do maintenance of the lodge facility on their own.

Nancy Merrill, Planning and Development Director, talked about marketing. She said this line has gone from about \$90,000 when she first got here to \$5,000 for this coming year. She asked Council to consider removing the \$20,000 the CDA pays for revenue so CDA can utilize that money for marketing. She makes a marketing plan every year as part of her job and she discusses it with her supervisor (City Manager). Mr. Santagate said one of the guidelines he uses for marketing is the Master Plan.

Ms. Walter talked about revenues. Land Use Change Taxes will net \$40,000; Interest on Taxes up \$144,000; Government Revenue is up \$15,000; Motor Vehicle Fees up over \$200,000; Primex Credit \$158,000; for roughly \$450,000. She said this money wasn't budgeted, so it will drop into fund balance.

Mayor Lovett pointed out that no money has been budgeted for roads and maintenance in this next budget.

Councilors discussed possibilities.

Mr. Temple talked about the Main Street Project from the Diner to Esersky Bridge and asked if funds would come out of fund balance if the project comes in over budget. Mr. Santagate said the City would have to do that. Mr. Temple talked about the North and Main Streets Project and how to handle it if the project overruns the budget.

Mr. Temple reminded everyone about the "hits" that are coming: unions, paving Washington Street, water & sewer rates, SAFER grants and COPS grants.

Mr. Temple is in favor of a percentage cut and let the City Manager figure out where to take it from. Mr. Santagate clarified that would be on the total budget, not individual departments. Mr. Temple said yes.

Council agreed to tentatively approve the following budget motions.

A motion was made by Mr. Damren and seconded by Mr. Temple for discussion to approve a 1% reduction on the entire budget amount (\$169,493, or 24 cent reduction per thousand).

Councilors discussed then voted.

Voice vote: motion failed 1-7 with Ms. Towle, Mr. Pope, Mr. Raymond, Mr. Temple, Mr. Koloski, Mr. Simonds and Mayor Lovett voting no.

A motion was made by Mr. Damren and seconded by Mr. Raymond to take \$35,000 from the Communications & Technology Capital Reserve to be put into General Services.

Voice vote: motion carried 8-0.

A motion was made by Mr. Pope and seconded by Mr. Koloski to add \$40,000 to the marketing line item in the Planning and Development budget.

Councilors discussed then voted.

Voice vote: motion carried 8-0.

There was a discussion about the 19 sets of Fire Department personal gear (\$49,400 to purchase or \$11,300/year to lease).

A motion was made by Mr. Damren and seconded by Ms. Towle to add \$11,300 to Fire to lease 19 sets of personal gear for a period of 5 years.

Mr. Pope sees leasing as a way of bonding. He would prefer to purchase them outright.

Mr. Koloski is not in favor of leasing.

Voice vote: motion failed 1-7 with Ms. Towle, Mr. Raymond, Mr. Pope, Mayor Lovett, Mr. Temple, Mr. Koloski and Mr. Simonds voting no.

A motion was made by Mr. Damren and seconded by Mr. Simonds to add \$49,400 to the Fire Department to purchase 19 sets of personal gear.

Voice vote: motion carried 8-0.

A motion was made by Mr. Damren and seconded by Mr. Raymond to add \$6,500 to Library for replacement of technology with offset to come from the Communication/Technology Capital Reserve.

Voice vote: motion carried 8-0.

A motion was made by Mr. Simonds and seconded by Mr. Damren to add \$8,745 to Cemetery for preservation of cemetery records.

Mr. Koloski would like to change the trust fund to fund this. Ms. Walter said it would take at least a month to process. It was the consensus of the Council to pursue this.

Mr. Simonds withdrew his motion and Mr. Damren withdrew his second.

A motion was made by Mr. Simonds and seconded by Mr. Pope for discussion to add \$62,000 to the Parks and CSBCC budgets for a maintenance person.

Mayor Lovett would be opposed, but would be in favor of putting \$31,000 in the budget with the focus to be true maintenance in the CSBCC.

Mr. Koloski believes this position has to happen, but doesn't believe we can afford it. Just like the cemetery records, he doesn't want to lose sight of this.

Mr. Koloski is mindful of adding a position now when shortly they will be discussing police and fire positions when those grants end.

Voice vote: motion failed 2-6 with Mr. Raymond, Mr. Pope, Mayor Lovett, Mr. Damren, Mr. Temple and Mr. Koloski voting no.

A motion was made by Ms. Lovett and seconded by Mr. Damren to add \$31,000 into the CSBCC budget to be dedicated for maintenance.

Councilors discussed the motion.

Mr. Simonds will vote no, because he would like to hear from the director how much money he would need for a half-time person.

Mayor Lovett would like to see what \$31,000 does. She is not in favor of a full time position.

Voice vote: motion failed 4-4 with Ms. Towle, Mr. Raymond, Mr. Temple and Mr. Simonds voting no.

Mr. Simonds suggested bringing this up again at the next meeting.

Mr. Raymond agreed with Mr. Santagate that for the Summer Celebration the community would be willing to donate.

A motion was made by Mr. Koloski and seconded by Mr. Damren to add \$13,000 into the Parks budget for Summer Celebration.

Voice vote: motion carried 5-3 with Mr. Raymond, Ms. Towle and Mr. Temple voting no.

A motion was made by Mr. Damren and seconded by Mr. Raymond to add \$3,000 to Arrowhead.

Voice vote: motion carried 8-0.

Ms. Walter said these changes added \$70,400 and approximately 10 cents to the tax rate.

Mayor Lovett said that is still negative 6 cents from last year.

There was a discussion about money for paving. Mr. Damren will send out his suggested cuts. Mayor Lovett will do the same. Mr. Santagate asked Councilors to put in their suggestions for what they want to include and exclude. He asked permission to coordinate with Mr. Damren. Mayor Lovett said yes.

CONSULTATION WITH LEGAL COUNSEL

None

ADJOURNMENT

At 10:17 p.m., a motion was made by Mr. Raymond and seconded by Mr. Damren to adjourn.

Voice vote: motion carried 8-0.

Respectfully Submitted,

Dorée M. Russell
Clerk to the Council