



Budget Committee

Meeting Minutes
Monday, January 11, 2021

APPROVED

Jason Hood, Chairman (2021)	Present	Marcia Murphy, Vice Chair (2023)	Present
David Kelly (2021)	Present	Bill MacDuffie, Sr. (2022)	Present
David Merwin (2022)	Present	Sandy Miller (2022)	Absent
Salvatore Morgani (2021)	Present	Velvet Sweeny (2023)	Absent
Marcus Zuech (2021)	Present	Brett Walker, Selectman Ex-Officio	Present
April Rollins, Town Administrator (Zoom)	Present	Kimberley Edelmann, Minutes	Present

Present in the Room Included: Joe & Gayle Landry, Sharon MacDuffie, William MacDuffie Jr, Clinton Morgani, Gene Shaw, Dave Rapaylea, Dot Swenson, Leann Wesoja, Jim Zink-Mallioux

Present via Zoom Included: Michelle Carr, Mary Heath, Faith Partridge

Appointments: Jennifer Boyce, Franklin VNA & Hospice and Cherrie Murray, Franklin VNA & Hospice (both via Zoom)

Chairman Hood opened the meeting at 7:00 p.m.

1. Review & Accept Draft Minutes Minutes

Chairman Hood made a **motion** to accept the meeting minutes of December 14, 2020 as written. David Merwin noted that the minutes needed to reflect his attendance. Selectman Walker noted that Jen Hoyt had attended in person, not via Zoom. With corrections noted, David Kelly **seconded** the motion. The **motion passed unanimously**.

2. Appointment: Franklin VNA & Hospice

Representatives from Franklin VNA were invited by the Budget Committee to attend the meeting to explain their services and answer question. Chairman Hood gave the floor to Cherrie Murray.

Ms. Murray introduced herself as the Executive Assistance for Franklin VNA & Hospice, also known as the Visiting Nurse Association of Franklin. With her on Zoom was Jennifer Boyce, the Revenue Integrity Manager.

Ms. Murray noted that since 2012, possibly before then, the Town of Salisbury had generously given Franklin VNA a donation between \$2000 and \$2500 each year. For 2021, Franklin VNA was requesting \$2000.

Ms. Murray provided some history about Franklin VNA. They were established in 1945 and were a non-profit health care agency. They provide home health, hospice, private services, and education in the community. They had been supporting the Town of Salisbury for a long time. During the year ending July 31, 2020, they had provided Salisbury with 195 home health visits to residents of Salisbury along with community clinics. The visits to homes included skilled nurses, therapists, spiritual care, licensed nursing assistants. They also provided blood pressure and flu clinics. Due to Covid, some activities were put on hold. Since August 1, 2020, an additional 49 nursing visits had been provided to the residents of Salisbury.

Ms. Murray had been asked to provide statistics as to if there were any business that had to be written off that insurance didn't pay for in 2020. She reported that only 5 visits for residents in Salisbury for a total of \$757.

Ms. Murray noted that the Board of Directors had representatives from each town on it. The representative from Salisbury was Mason Donovan. He was also the Acting Treasurer.

Ms. Murray noted that Franklin VNA had been hit hard by Covid. In 2020, they had a net revenue loss of \$230,354. This was in part due to reduced patient visits, as the amount of referred therapy work was less as there were less elective surgeries. There were also closure of community health clinics. Medical supplies pricing increased. Due to staffing issues, they had to contract an RN from a staffing agency.

Franklin VNA was approved for a \$349,000 PPP loan. However, they had not yet heard back from the bank as to how much of that was going to be forgiven.

Franklin VNA made 11,121 home care & hospice visits in 2020, a decrease of 1,179 visits from 2019. It was believed Covid was the reason. Also, a lot of patients in the community were fearful of having visitors in their homes during that time. They did a lot of telehealth visits were not billed for, to check on people and answer questions that were not included in those numbers. For the entire year, 5500 visits were not paid by insurance companies.

Ms. Murray was happy to note that they had a 100% patient satisfaction rating as reported through surveys.

Salvatore Morgani asked if Franklin VNA was subject to UBTI (Unrelated Business Taxable Income) regulations. Ms. Murray noted that she was not a finance person. She did not that the Franklin VNA was a non-profit and therefore fell under non-profit tax laws.

Jennifer Boyce noted that there was no unrelated income that was not related to what they do for patients. She did not believe there was unrelated income.

Salvatore Morgani asked about the visits to Salisbury and how many patients that represented. Until July 31, it was 10 patients. From August to December, it was another 5 patients. That's excluding the Community Health Clinics.

Salvatore Morgani asked about the capital. Jennifer Boyce noted that there were no savings accounts and two investment accounts; one was worth \$1,700,000 the other was worth \$1,200,000. Mr. Morgani believed the \$2,900,000 in investments would be earning taxable unrelated business income. Ms. Boyce offered to get back to Mr. Morgani with a definitive answer, but he replied, "That's okay. I think you've answered all my questions. Thank you very much."

Marcus Zuech offered that he wondered if it was appropriate for the Town to be donating to Franklin VNA this year.

Selectman Walker noted that the gross receipts for 2019 were \$2,300,000 with operating expenses \$2,900,00. He asked how the shortfall was covered? Ms. Boyce explained that the investments carried them through the months were they overspent revenue. Selectman Walker asked if it was safe to say that the VNA provides significant unreimbursed services. Ms. Boyce replied, "Yes, we do."

Selectman Walker said he was supportive of donating \$2000 to a charitable agency running at a deficit. The budget currently showed \$3000. However, the agency was requesting \$2000.

If all of the Towns Franklin VNA services donated the amounts requested of each Town, the total would be \$27,900.

Mr. Morgani reiterated that he would not support giving \$2000 to an agency with \$2,900,000 in investments and providing care to only 15 people in Salisbury.

Chairman Hood thanked Jennifer Boyce and Cherrie Murray for coming to the meeting.

Chairman Hood made a **motion** to approve \$2000 for Franklin VNA. Selectman Walker **seconded** the motion. Marcia Murphy felt Sal Morgani made a good point. She felt they do help a lot of people and that the Town should be grateful for their work. However, with so many expenses coming, it seemed even \$2000 was too much for this year. Further discussion about finances, investments, and the economy in general lead to a split vote, 4 to 4. The **motion did not pass**. The committee was not sure how to deal with the result of the vote and decided to vote again before the Public Hearing.

3. Budget Work

4197-05 - ARA Association Dues - Selectman Walker explained that the line was overspent in 2020 due to work done on the emergency plan. Revenue from a grant offset the cost. Salvatore Morgani made a **motion** to approve the line at \$4,500. Selectman Walker **seconded**. The motion **passed** with all in favor.

4220-85 FD FEMA Assistance FF Grant - Fire Chief Bill MacDuffie Jr informed the committee about a grant the Fire Department was applying for to purchase \$80,000 worth of radios. The new line was added to cover the 5% match. Chairman Hood made a **motion** to approve the Fire Department budget at \$53,738.63. Selectman Walker **seconded**. The motion **passed** with all in favor.

4323 Recycling - Chairman Hood noted that container rentals had been bounced around between the Recycling and Transfer Station departments over the years. They would continue that way for 2021, with "Recycling Container Rentals" in one department and "Demolition Debris Container Rental" in the other. Chairman Hood made a **motion** to approve the Recycling budget at \$10,246. Marcus Zuech **seconded**. The motion **passed** with all in favor.

4324 Transfer Station - Selectman Walker explained that sometimes the bills received were confusing, resulting in fees being posted under the wrong line item, however, he felt the overall budget for the Transfer Station was reasonable. He also noted that better compaction of trash would help reduce costs, especially since MSW hauling charges were increasing by 18% in the 2021 contract. The department overspent by \$8,000 in 2020. Selectman Walker noted the actual cost for 2021 would be another \$10,000 higher than what was spent in 2020. David Merwin made a **motion** to approve the Transfer Station budget at \$117,732. Salvatore Morgani **seconded**. The motion **passed** with all in favor.

4325 Solid Waste Clean Up - The contract engineering services amount had increased due to the new contract. Selectman Walker made a **motion** to update and approve the Solid Waste Clean Up budget at \$8670. Bill MacDuffie Sr **seconded**. The motion **passed** with all in favor.

4550 Library - Michelle Carr, Chair of the Library Trustees, explained that the Library was asking for level funding in 2021. In 2020, the Trustees voted to put in a sign using the Kepper Fund. They were not aware that they could not use the fund at that time; it had not been part of the 2020 budget presented to the Town. So they used Town funds, not something they wanted to do. To remedy that, the Library was asking that for their 2021 budget, the taxpayers fund \$41,723 and the Library donor funds \$3745, for a total of \$45,468. Selectman Walker explained that the Library had to submit their gross budget; they could not expend from the budget without it being appropriated, even if it was from the Kepper Fund. He believed there would be an offsetting revenue from the Kepper Fund. Marcus Zuech made a **motion** to set the Library budget at \$45,468. Bill MacDuffie Sr **seconded**. The motion **passed** with all in favor.

4919 Agency Funds / Conservation Commission - Level funded at \$0. Chairman Hood made a motion to set the Agency Funds budget at \$0. Marcus Zuech **seconded**. The motion **passed** with all in favor.

5400 Transfers to Trust Funds - Level funded at \$0. Dave Merwin made a **motion** to set the Transfers to Trust Funds budget to \$0. Salvatore Morgani **seconded**. The motion **passed** with all in favor.

4909 Capital Outlay - Other Than Buildings - Level funded at \$0. Salvatore Morgani made a **motion** to set the Capital Outlay Other Than Buildings budget to \$0. Dave Merwin **seconded**. The motion **passed** with all in favor.

4. Warrant Articles

The Budget Committee reviewed the Warrant Articles (WA) recommended by the Board of Selectmen.

WA #3 - Reassessment CRF - Level funded. Selectman Walker made a **motion** to recommend the article at \$7400. Salvatore Morgani **seconded**. The motion **passed** with all in favor.

WA #4 - Buildings & Grounds CRF - Level funded. Marcus Zuech made a **motion** to recommend the article at \$2500. Dave Kelly **seconded**. The motion **passed** with all in favor.

WA #5 - Defibrillator & Maintenance ETF - Level funded. Dave Kelly made a **motion** to recommend the article at \$2400. Salvatore Morgani **seconded**. The motion **passed** with all in favor.

WA #6 - Emergency Services / Fire Rescue Equipment CRF - Increased from 2020. Chairman Hood noted that a new engine needed to be purchased in 2026 for \$500,000. The service life for engines was expected to be 20 years, but Salisbury had been pushing well past that. The fund was underfunded at a current balance of \$159,188. The Selectboard recommended funding more in 2021 to help catch up. If not, a loan would be needed in 2026. David Kelly made a **motion** to recommend the article at \$49,000. Marcus Zuech **seconded**. The motion **passed** with all in favor.

WA #7 - Cistern & Dry Hydrant Maintenance and Repair ETF - Selectman Walker noted that \$10,000 in 2020 seemed like a lot. However, he and the Fire Chief agreed \$2500 was okay for 2021. Selectman Walker made a **motion** to recommend the article at \$2500. Dave Merwin **seconded**. The motion **passed** with all in favor.

WA #8 - Air Pack Equipment & Maintenance ETF - Fire Chief Bill MacDuffie Jr noted that all of the air packs needed to be replaced at the same time. Dave Kelly made a **motion** to recommend the article at \$8700. Salvatore Morgani **seconded**. The motion **passed** with all in favor.

WA #9 - Recreation CRF - Selectman Walker made a **motion** to recommend the article at \$1000. David Merwin **seconded**. The motion **passed** with all in favor.

WA #10 - Police Department CRF - Selectman Walker explained that the Selectboard proposed discontinuing the fund, with a couple thousand dollars remaining. Other than the recent purchase of a speed sign, they did not envision a need for the fund. Originally the fund was established for the purchase of cruisers, then amended for any PD equipment and other related equipment. Dave Kelly made a **motion** to recommend the article. Marcus Zuech **seconded**. The motion **passed** with all in favor.

WA #11 - Land Acquisition CRF - Repurpose the fund. (2/3rds majority vote required to pass)

Selectman Walker noted that Warrant Articles 11 through 14 are all related. He explained that he had been analyzing how much the Town had been spending on hauling trash. That led to investigating the option of getting a trash compactor for the Transfer Station. His break-even analysis of various scenarios for trash compaction was discussed with the Committee. Discussion about the use of a compactor took place.

Selectman Walker noted that the high end estimate for the compactor project was \$66,000. There was already \$20,000 in the Transfer Station CRF. Repurposing the \$52,976 would make the funds available immediately. He said he the Land Acquisition fund had never been used.

Marcus Zuech made a **motion** to recommend Warrant Article #11 to **repurpose** the Land Acquisition CRF to be the same as the Transfer Station / Recycling CRF. David Kelly **seconded**. The motion **passed** with all except Bill MacDuffie Sr in favor.

WA #12 - Land Acquisition CRF - Discontinue the fund. This article would be null & void if WA #11 passed.

Selectman Walker noted that discontinuing the fund would result in the \$52,976 in the fund moving into the unassigned fund balance where it would not be available for appropriation until 2022.

Marcus Zuech made a **motion** to recommend Warrant Article #12 to **discontinue** the Land Acquisition CRF. David Kelly **seconded**. The motion **passed** with all in favor.

WA #13 - Trash Compactor - Lease / purchase a trash compactor. This article would also be null & void if WA #11 passed. David Kelly made a **motion** to recommend the article at \$7500. Dave Merwin **seconded**. The motion **passed** with all in favor.

WA #14 - Transfer Station / Recycling CRF - Brett Walker made a **motion** to recommend the article at \$40,000. Marcus Zuech **seconded**. The motion **passed** with all in favor.

WA #15 - Estimated Tax Impact - To see if the Town would vote to adopt the provisions of RSA 32:5 V-b. Excerpt from RSA 32:5: "V-b. Any town may vote to require that the annual budget and all special warrant articles having a tax impact, as determined by the governing body, shall contain a notation stating the estimated tax impact of the article. The determination of the estimated tax impact shall be subject to approval by the governing body." Selectman Walker noted that once approved, this would allow estimate tax impact to be noted in future warrant articles and at Town Meeting.

David Kelly made a **motion** to recommend the article. Bill MacDuffie Sr **seconded**. The motion **passed** with all in favor.

5. Other Business - 2021 Town Meeting

Town Clerk Jim Zink-Mallioux talked about one option being considered for 2021 Town Meeting where the meeting would be virtual, probably held via Zoom.

To do a virtual meeting, two meetings would be held. The first would be to explain the articles. A week of feedback to the Selectboard would follow. The second meeting would be for further discussion. After that, drive by voting would be used for the Warrant Articles. The voting of officials could be held on a different day.

It was noted that absentee ballots could be used to vote for Town Officials, but not for Warrant Articles.

A final decision about how Town Meeting would be held had not yet been made.

Town Clerk Zink-Mallioux explained that, by law, letters would need to be sent to registered voters notifying them of the meeting format and details. Therefore, the postage budget would need to be increased by \$650.

Selectman Walker made a **motion** to increase the Town Clerk Postage budget line by \$650. Marcus Zuech **seconded**. The motion **passed** with all in favor.

6. Next Meetings & Adjourn

Chairman Hood noted that a meeting with the Selectman may be scheduled in the future. The Public Hearing for the budgets was scheduled for Monday, February 8. The Public Hearing would start at 7 pm, but the Budget Committee would likely meet with the Selectboard a half hour prior.

Marcus Zuech made a **motion** to adjourn. Salvatore Morgani seconded. The motion **passed** with all in favor. The meeting was adjourned at 9:28 pm.

Respectfully Submitted,

Kimberley Brown Edelmann
Salisbury Municipal Assistant