

TOWN OF EATON, NEW HAMPSHIRE 03832
EVANS MEMORIAL BUILDING
BOARD OF SELECTMEN
PUBLIC HEARING ON THE BUDGET
February 8, 2024

The Public Hearing on the budget took place on Thursday, February 8, 2024 at the Eaton Town Hall and via Zoom. Present were Selectmen Richard Fortin, Edward Reilly and Greg Grinnell. The Public Hearing was called to order at 6 pm.

Copies of the budget, the proposed Warrant, proposed Zoning Ordinance amendments, the 2023 detailed payments and the Sources of Revenues were distributed.

Dick Fortin stated that the correct number of new residences over the last 12 years was 31, averaging 2.5 annually and noted that construction appears to be cyclical.

Greg Grinnell reviewed the revenues from last year and proposed for this year. Paul Hennigan questioned the increase in Building Permit fees. Greg Grinnell explained that the Board adopted new permit fees this year. Bill Weiss questioned the \$255,900 transferred last year. Dick Fortin explained that those funds came from the asphalt, new equipment, road reconstruction and equipment maintenance reserve funds to cover projects and purchases.

Ed Reilly reviewed the operating budget expenditures from last year versus the proposed operating budget for 2024. Ed Reilly noted that the Election line item was increased to reflect four elections in 2024 and that the Legal budget was increased to cover fees for bond counsel. Ed Reilly explained that the Personnel Administration budget increased to cover health insurance and retirement costs. David Sorensen questioned the increase in wages and Ed Reilly noted that employees received a 3% cost of living increase. Ed Reilly noted that the Town will be seeking a part-time person for the Planning and Zoning Boards. Laura Nash suggested researching a grant through the Lakes Region Planning Commission for the Master Plan update. Ed Reilly noted that the annual contract price for Freedom Fire increased to \$24,000 for this year and that Center Conway's contract remains at \$16,000. Don Gemmecke questioned the Solid Waste budget and asked if Eaton contracts with Conway. Dick Fortin explained that Conway's Solid Waste budget varies each year depending on testing and offsetting revenues and that the costs are split between Albany, Eaton and Conway based on property values. Ed Reilly noted that the Beach budget was increased to reflect a raise for the attendants and work to address safety issues at the beach entrance. David Sorensen questioned whether the Interest on TAN line item can be reduced to \$1 and that if borrowing is necessary, the fees can be taken from a different line item. Dick Fortin explained that the Town cannot overspend the bottom line and that this line item has always been used as a cushion. Dick Fortin stated that the operating budget increased by 3.7 percent and noted that he would not be in favor of reducing any line item. David Sorensen stated that there should be enough available funds in other line items to cover costs of borrowing. Peter Klose questioned if the unused funds raised go to the Fund Balance at the end of the year. Dick Fortin stated that any unused funds do go into the Fund Balance and that the Selectmen use those

funds the next year to reduce taxation. Don Gemmecke questioned whether the Town will be reassessed this year. Dick Fortin noted that the Assessor has raised his fee for 2024 and explained the annual work for building permits and current use changes.

Dick Fortin reviewed Articles 13 through 31 on the Warrant. Dick Fortin explained that Article 13 will be voted on by paper ballot at Town Meeting and the polls will remain open for one hour. Dick Fortin explained that the Selectmen have not yet had the opportunity to go through the cost estimates for the garage and noted that the consensus of voters who spoke with the Board, a 20-year bond term was the most favorable. Dick Fortin explained that approval of this Article does not mean that the entire amount must be spent and that the Board will work to obtain more concrete cost estimates for the building. Don Gemmecke questioned the role of Bond Counsel and Dick Fortin gave an overview of Counsel's role in the process. Bill Kittredge questioned the interest rates and Dick Fortin noted that the new spreadsheet gives the estimated rates based on prior bond sales. Ed Reilly stated that interest rates are based on amount of bonds issued and length of the bonds. Dick Fortin stated that the Selectmen have not ruled out borrowing from a private bank. Ann Jenkins stated that the interest rates will be dropping and questioned why these projects cannot be delayed. Dick Fortin stated that the Capital Improvements Committee held a Public Hearing to present their recommendations on the needs of the Town. Peter Klose stated that the final decision rests with the voters at Town Meeting. Jane Gray stated that the Town Hall addition was first discussed more than 20 years ago to address safety issues. Dick Fortin suggested reviewing all the Articles and then coming back to the two bond Articles at the end of the meeting.

Dick Fortin presented Article 14 and again noted that the vote will be by paper ballot. Bill Weiss questioned the tax impact of these two bond Articles. Dick Fortin explained that the estimated tax rate is on the spreadsheet and that the Board will review the information at the end of this Hearing. JoAnn Kelly questioned how the addition will keep employees safe. Dick Fortin explained that the question was addressed at the CIP and Bond Hearings and that the report is available for review.

Dick Fortin explained that Article 16 is to combine asphalt with road reconstruction and maintenance and noted that it is easier to have all funds in one account. Dick Fortin noted that the Asphalt Reserve Fund will be closed and that the \$33,000 balance will be placed into the Fund Balance. Ed Reilly stated that the money is slated to be placed into a new Capital Reserve fund and that it is easier to have one fund for all road costs rather than multiple accounts. Dick Fortin stated that the Road Agent suggested creating one fund so that roads could be reconstructed and paved as needed.

Dick Fortin stated that Article 17 is to change the purpose of the existing road maintenance fund to include asphalt. John Hartman questioned how use of the funds are justified and asked whether quotes are obtained for each job. Dick Fortin stated that the Board has estimates for paving each road and noted that this fund is to allow the Highway Department to work on roads each year. John Hartman questioned who oversees this fund and Dick Fortin stated that the Selectmen discuss costs with the Road Agent. Steve Farrell stated that the jobs could be put out to bid for the market price and that the Selectmen could then reject all bids.

Dick Fortin explained that Article 18 funds the new capital reserve fund and that the \$30,000 from fund balance is the monies from the dissolved asphalt account. Ann Jenkins questioned whether this money can be used for anything other than road reconstruction. Dick Fortin stated that this fund cannot be used for anything other than the stated purpose.

Dick Fortin stated that Article 19 places funds aside for the purchase of a new truck and that Article 20 puts funds aside for large repair costs.

Dick Fortin stated that Article 21 is to raise funds for gravel. Helon Hoffer questioned where last year's funds went. Road Agent Heath explained that each year gravel is placed on the roads throughout Town.

Dick Fortin stated that Article 22 is for this year's grader lease payment and noted that the last payment is in 2026.

Dick Fortin explained that Article 23 addressed the ownership of the South Eaton Meetinghouse and that this issue has been worked on over the past few years. Dick Fortin stated that tax records show the Town owns the property but that the Church Parish believed they owned the property. Dick Fortin stated that after much research, Town Counsel has indicated that this is the best way to proceed to clear up the issue. A Zoom attendee questioned whether the South Eaton Meeting House Parish would be able to convey the property in the future or whether there would be restrictions. Dick Fortin stated that the Selectmen will further discuss that issue.

Dick Fortin stated that Article 24 merely designates land already owned by the Town as Town Forest so that it is clear where the timber harvest proceeds are placed. Dick Fortin stated that Article 25 is a housekeeping issue that permits funds from the sale of a cemetery plot to be deposited directly into the Cemetery Trust Fund.

Dick Fortin reviewed petitioned Articles 26 through 30.

Dick Fortin directed attention to the updated bond payment estimates. Bill Weiss questioned the increase in taxes. Dick Fortin noted that the estimated increase in the municipal tax rate for this year for all Articles not including the bonds is approximately 87-cents. Dick Fortin stated that the bonds will impact tax rates beginning in 2025. George Diller noted that using a private bank for these projects may be the best option. Greg Grinnell stated that the Board has been reviewing both options and that until the Town votes in March, the Board only has estimates. Ann Jenkins questioned when that information will be available. Dick Fortin stated that actual interest rates will not be known until funds are actually borrowed. Kim Bowker stated that residents are voting on the project and trusting the Selectmen to act in the best interest of the Town.

Bill Weiss questioned the tax impact if both projects are approved. Dick Fortin stated that if both projects are bonded for 20 years, the estimated impact will be \$1.02 for the first year. John Hartman questioned the school tax rate as there are possible bonds for maintenance of the buildings. Dick Fortin stated that the School District handles those issues and that the Selectmen do not have that information.

JoAnn Kelly questioned how the addition would keep employees safe. Greg Grinnell explained that there will be two locked offices and that there will be limited access to records and staff. Helon Hoffer questioned when the voters will be told about the interest rates. Dick Fortin stated that if the voters approve the projects, the Selectmen will proceed with obtaining concrete costs for borrowing. David Condoulis questioned whether interest rates from a private bank can be obtained. Dick Fortin noted that interest rates cannot be guaranteed three months in advance. Helon Hoffer noted that the terms of the bond is not within the Warrant Article which means the voters are putting the final decision in the hands of the Selectmen. Ann Jenkins questioned whether thought has been put into converting the existing Town Hall into secure offices. Jane Gray stated that any work within the Town Hall would require that the entire building be brought up to current building and fire codes and would cost more than the addition.

Laura Nash made a motion, seconded by Paul Hennigan, to adjourn this Public Hearing. Motion unanimously carried. Dick Fortin closed the Public Hearing at 8:01 pm.

Respectfully submitted,

Lianne Boelzner

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