

**Minutes of the
Litchfield Budget Committee Meeting
Held on October 6, 2016**

The Litchfield Budget Committee held a meeting on Thursday, October 6, 2016 at Campbell High School, One Highlander Court, Litchfield, NH 03052.

PRESENT: C Couture, (Chair), K Douglas (Vice Chair), C Pascucci, J Bourque, D Miller, A Cutter, R Keating, B Lemire (Selectmen's Representative), B Bourque (School Board Representative), T Brown (Town Administrator)

Absent:

1. CALL TO ORDER

Mrs. Couture called the meeting to order at 7:00 p.m.

• PLEDGE OF ALLEGIANCE

2. PUBLIC INPUT

There was no public input.

3. REVIEW/ADDITIONS TO AGENDA

Mrs. Couture indicated that the Budget Committee will begin with the Town Clerk and Tax Collection budgets for recommended changes and voting before reviewing town budgets scheduled for review.

4. REVIEW/ACCEPTANCE OF MINUTES

• September 29, 2016

MOTION: by Mr. Cutter

Move to approve the September 29, 2016 minutes

SECOND: by Mrs. Douglas

Vote: 8-0-1

The motion carried.

5. CORRESPONDENCE

Mrs. Couture announced the Budget Committee received the town wage implementation plan, the IT service contract, a question about IT that came this afternoon, and a response to the question sent to the NHMA regarding their lobbying status.

6. BUDGET REVIEW

(Note: Budget Items may not be discussed in the order they appear on the agenda.)

Road Agent 4311.1

Mr. Brown presented the 2017 Proposed Road Agent budget that totals \$44,658, with a projected increase of \$19,420. He indicated the increase is due to consulting engineering services and the storm water management permit required in 2017. He commented the permit should be issued at the end of November. Mr. Brown explained that the amount of \$20,000 budgeted is the best guess for what will be needed to begin the process. He indicated the town will take inventory of the storm water infrastructure and catch basins collection runoff, but does not know where that water goes. He noted samples from the runoff water will be tested and the town will develop a plan for storm water management that will be used over the life of the permit (5-8 years).

Mrs. Couture asked if there will be an annual cost. Mr. Brown indicated an annual cost is anticipated.

Mr. Pascucci asked what would happen if the funds are approved, but the permit does not come through next year. Mr. Brown indicated if the budget is approved, the town will begin engaging services and completing some of this work in anticipation of receipt of the permit. He noted that will be discussed with the Board of Selectmen.

Mr. Cutter asked if any grants are available to help offset the costs. Mr. Brown indicated there are some state grants, but they are geared toward communities with wastewater facilities. He commented he has not seen any direct grants.

Mr. Cutter asked if \$20,000 is necessary. Mr. Brown commented based on what he has been hearing from other communities, they are budgeting much higher amounts.

Mr. Cutter asked what will happen if the town ends up with the default budget. Mr. Brown commented the Board of Selectmen will have to find the funding somewhere else to comply with the permit.

Mr. Pascucci asked if this is a state or federal mandate. Mr. Brown indicated it is a federal mandate and once the town is into the process for one year, the costs will be better known.

Mr. Miller asked if the \$20,000 budgeted is to start the investigation. Mr. Brown indicated the town would engage an environmental engineering firm to start the plan. He noted the plan has to be EPA approved and then they will start the permit. He commented that cost is approximately \$5,000 - \$8,000, which leaves funds to use for the rest of the process (i.e. testing water, effecting repair resulting from any findings).

Mr. Keating asked if any companies have been identified. Mr. Brown indicated there are local environmental firms that can perform this work. He noted he has made some contact, but the Board of Selectmen have to develop an RFP and interview firms that are interested.

Mr. Lemire indicated that these companies are all aware of what has been mandated and of all the other towns that are impacted.

Mr. Brown noted there is a decrease in electricity and propane. He indicated they looked at historical usage and received a great price for propane through the school district. He commented there is an increase of \$1,000 for the highway building gable siding that has to be replaced so it does not leak.

Highways & Streets 4312.1

Mr. Brown presented the 2017 Proposed Highways & Streets budget that totals \$642,632, with a projected increase of \$57,424. He indicated the main driver road salt.

Mr. Bourque asked about the usage from the previous year. Mr. Brown indicated that 900 tons were used last year and 200 tons was recently ordered.

Mr. Cutter asked why the town is budgeting higher for 2017. Mr. Brown commented that the previous winter was mild and it is anticipated this winter will not be a mild one. He indicated that 1,765 tons were used in 2015; 1,837 tons in 2014; 1,743 tons in 2013; 856 tons in 2012.

Mr. Miller commented that \$58,000 was budgeted this year, but \$49,000 has been spent to date. Mr. Brown indicated that 200 tons were ordered, but it has not hit the accounting system yet.

Mr. Miller asked how much salt is in the shed. Mr. Pinciario indicated approximately 500 tons is in the shed.

Mr. Miller asked if the town will need 2,200 tons or can less be budgeted. Mr. Brown commented we are budgeting for a 12 month period. He indicated that when looking back at the last three years the town is averaging approximately 1,700 tons per year. He noted we always start with a full salt shed. Mr. Pinciario indicated the previous winter wiped out the town's salt supply.

Mrs. Couture asked why the line for tree removals has increased. Mr. Pinciario explained that because the drought is killing the trees, it has created a serious problem on the bike path. He indicated that he has marked several trees for removal before they fall down and will mark more. Mr. Lemire commented that the drought is weakening the root systems.

Mr. Cutter asked how overtime works in the Road Agent's office. Mr. Brown indicated that line is primarily for winter storms, although there can still be different events throughout the year that occur and require overtime.

Mrs. Couture asked if the wages have increased in those lines. Mr. Brown indicated this winter was a mild winter and usage was down. Mr. Lemire clarified that the overtime line is used for our own staff and not for contracted people the town may use.

Mr. Cutter asked if the amount budgeted for mailbox replacement is used for mailboxes the town's plows may hit. Mr. Brown affirmed that is the purpose for those funds. He explained in

winter when a mailbox is hit, the town puts out a concrete bucket with a post and replaces the mailbox in the spring.

Mr. Cutter asked about the vehicle lease included in the budget. Mr. Brown explained last fall the engine in the road agent truck the highway foreman drives died and we traded it in to lease a new vehicle. He indicated that it is anticipated operating this vehicle will span 7 or 8 years. Mr. Brown commented when we have disposable vehicles we purchase them with cash, but we try to lease vehicles that will be used for a longer period. He noted in this case our budget was restricted and we had not reserve fund we could use to purchase a truck.

Information Technology 4150.2

Mr. Brown presented the 2017 Proposed Information Technology budget that totals \$90,445, with a projected decrease of \$38,484.

Mr. Cutter indicated there was a question regarding the Cisco systems and maintenance, for which there appears to be a 100% increase in that line. He noted that Mr. Brunelle provided the information requested.

Planning Board 4191.1

Mr. Brown presented the 2017 Proposed Planning Board budget that totals \$39,618, with a projected decrease of \$14,409. He indicated the decrease is due to the reduction of hours for the administrative assistant from 21 hours to 16 hours, which includes reductions in health and dental insurance.

Mrs. Bourque asked if that is a permanent change. Mr. Brown indicated it is permanent and the appropriate amount of hours necessary for this position.

Mrs. Couture asked about the increase in mileage and tolls. Mr. Brown indicated the increase is because three new board members will be attending training workshops.

Zoning Board 4191.3

Mr. Brown presented the 2017 Proposed Zoning Board budget that totals \$596. He indicated there are no changes to the budget. Troy – unchanged budget –

General Government Buildings 4194.1

Mr. Brown presented the 2017 Proposed General Government Buildings budget that totals \$88,905, with a projected decrease of \$6,573.

Mr. Cutter commented the prisoner program has been included in the budget and asked if there is a planned usage. Mr. Brown indicated that funds for the program are included in this budget, the Cemeteries budget and the Conservation budget.

Mr. Lynch indicated that the program will be used for painting and brush cutting. He commented that it has been challenging to complete these tasks this year with changes in personnel. He noted that the town hopes to schedule one more week with the program this year.

Mrs. Couture asked if replacements for furniture and fixtures are planned. Mr. Lynch indicated that would depend on what breaks at the town hall.

Cemeteries 4195

Mr. Brown presented the 2017 Proposed Cemeteries budget that totals \$7,483. He indicated there is no change in the budget.

Health Agencies 4415

Mr. Brown commented on the 2017 Health Agencies budget and indicated that these actual requests from the agencies will be placed in a special warrant article and not included in the budget.

Fire Hydrants 4220.9

Mr. Brown presented the 2017 Proposed Fire Hydrants budget that totals \$296,128. He indicated there is no change in the budget.

Mr. Miller asked if development occurs in the town, does the hydrant budget change if new hydrants are added. Mr. Brown indicated that a hydrant is added once per year, but the increase is not seen until the following year. He conveyed that he has heard there will be a substantial increase to this budget in the near future with regard to water lines. He noted the town is in discussions with St. Gobain regarding how to lessen the burdent to the town.

Code Enforcement 4241.2

Mr. Brown presented the 2017 Proposed Code Enforcement budget that totals \$79,804, with an increase of \$1,886.

Mrs. Couture asked why a temporary inspector would be used. Mr. Lynch indicated the temporary inspector is used when the inspector is on vacation.

Mrs. Couture asked about the increase in the dues, licenses and subscriptions line. Mr. Lynch indicated the costs have not increased in five years, but are increasing next year.

Mr. Miller asked why \$2,000 has been spent for vehicle repair and maintenance for the last two years. Mr. Brown indicated the vehicle had major repairs over the last two years.

Health 4411.1

Mr. Brown presented the 2017 Proposed Health budget that totals \$1,755, with an increase of \$119. He indicated the stipend has been increased to \$1,500.

Conservation 4611.2

Mr. Brown presented the 2017 Proposed Conservation Commission budget that totals \$2,860, with an increase of \$1,100. He indicated that the Commission was discussing trying to raise money to pay on an hourly basis for trail maintenance work. He noted that the prisoner program was suggested, which is the reason for the increase. Mr. Brown commented that \$200 was added to the property maintenance line for additional equipment that will be needed for the prisoners to use for trail maintenance.

Mr. Brown updated the Budget Committee with regard to the 2017 Proposed Police budget. He indicated that the amount for uniforms in the Community Service and Detail lines were in error and have been corrected. He reported that a new dispatcher has been hired and the adjustment has been made to the Police Support budget. Mr. Brown noted any time we make any changes to wages it will have an impact on the personnel budget and the numbers for benefits and taxes will change. He commented the Police Chief is in the process of recruiting a new Captain position and a new full time police officer, for which there may be changes.

- **VOTING : TOWN BUDGET**

(Note: Budget Items may not be discussed in the order they appear on the agenda.)

- **Town Budget**

Board of Selectmen 4130.1

With reference to background checks, Mrs. Couture commented there is concern because it does not seem as if the town has been completing criminal record checks according to policy. Mr. Brown indicated that there are at least five individuals that have to have background investigations and criminal record checks every other year.

Town Meeting 4130.3

Mr. Brown indicated that an adjustment was made to the Wages line (130) for the Moderator and Checklist Supervisors as the town carried forward wages for four elections. He noted the budget has been reduced by \$2,101 for a revised total of \$7,339.

Town Clerk 4140.1

Mr. Brown indicated that an adjustment was made to the Software line (342) to reflect the new software license quote. He noted the budget has been increased for a revised total of \$113,414.

MOTION: by Mr. Cutter

Move to approve a bottom line of \$113,414 for the 2017 Town Clerk budget

SECOND: by Mrs. Bourque

Mrs. Couture mentioned to the Budget Committee that at this time we make changes, but we do not vote the bottom line until late December or early January.

Mr. Cutter withdrew his motion and Mrs. Bourque withdrew her second.

MOTION: by Mrs. Douglas

Move to reduce Line 130, Wages, Clerk, in the 2017 Town Clerk budget by \$8,180

SECOND: by Mr. Pascucci

Mrs. Douglas believes the part time position should be presented to the voters to maintain transparency and for open discussion.

Mr. Miller asked if there is something that states there is a need for late evening hours?

Mr. Brown explained the reason this was brought forward is because we have aging staff and we do not want to be in a situation where we do not have trained staff if we lose one or both employees. He indicated the intent is to hire someone part time and have them trained and certified, which takes approximately 6-8 months. He noted the benefit is that we can expand late evenings. Mr. Brown commented this is a proactive approach.

Mr. Bourque agreed that being proactive is a good idea. He asked if anyone has spoken to the employees about when they plan to retire.

Mrs. Briand indicated they have been asked, but no information was provided.

Mrs. Douglas indicated she would support the position if it were just to train the person to take over for one of the full time clerks, but she is under the impression the position would remain even after that occurs.

Mr. Miller commented there is no way of knowing how long the town will have that position until someone else retires.

Mrs. Briand indicated there are two clerks and she does not want to be in the position of not having a trained replacement.

Mrs. Douglas asked if the town is going to keep that position after the replacement occurs.

Mr. Pascucci commented if hours are expanded the public gets used to it. Mr. Lemire commented if someone did retire and we had to cut back on that other position, we would have to reduce the expanded hours.

Mr. Pascucci commented that explanation makes the case for why the position should be on the warrant. He indicated government services cannot be cut. Mr. Lemire indicated they can and we have.

Mr. Pascucci commented the town will have to deal with that situation if it happens. He indicated this is a new position. He noted it is easier to open later and close later on certain evenings.

Mr. Keating asked if the Board of Selectmen would find funds for the position if the town ended up with the default budget. Mr. Brown commented the default budget means that money is tight and the “no means no” situation impacts us whereas we cannot hire anyone for that vacant position if the article is not approved.

Mr. Lemire commented what we are talking about is hiring someone and training them ahead of time.

Mrs. Bourque indicated it is a succession plan. She commented that she understands the point that it would be a permanent position, but she believes it is good business to hire for succession.

Mr. Pascucci commented this is a new position.

Mrs. Douglas commented she would agree if the part time position no longer exists after someone retires and this person fills that position. She believes the town wants to backfill the part time position. She asked if we want the voters to think we are trying to get something past them.

Mr. Keating indicated he is torn over this position. He agreed this is a good succession plan, but commented he would not be shocked if we did all this work and the town gets the default budget.

Mrs. Briand commented it is more dangerous if it is on the warrant.

Mr. Cutter commented he views this as a continuation of services and agreed with Mr. Keating regarding the default budget. He indicated that the Budget Committee is faced with a total budget increase of \$400,000. He noted there is also a chance that the default budget is higher than the operating budget.

Mr. Miller indicated he is torn as well. He believes the odds are better if it is on the warrant as that is the group residents interact with more than another other in the town. He commented a succession plan is a dangerous precedent to set because soon you will need another succession plan for another position.

Mr. Pascucci commented he would support it if it is not an expansion of services.

Mrs. Couture agreed a succession plan is a smart thing to do, but she was concerned the position will still exist. She commented this is a new position. She indicated the argument that the people interact with that office more than any other department is a great argument. Mrs. Couture noted that last year every article was approved by the voters and only the operating budget failed. She believes the position is better served on the warrant.

Mr. Lemire commented the idea of back filling the position has not been discussed by the Board of Selectmen. He indicated there are compelling arguments on both sides. He noted the Board of Selectmen will have to review this.

Mrs. Briand commented if we trained for this position and one clerk leaves, this person would fill that position and we would have to reduce some services. She indicated that she does not have a problem with that.

Mrs. Douglas commented we do not know if the employees will retire this year or five years from now.

Mr. Pascucci commented this group is 50/50 on this subject. He indicated if this is expressed as expanding the size and scope of government, it should be placed on the warrant, or just say it is a succession plan.

Mrs. Douglas commented she would still have a hard time supporting it even if it is a succession plan.

VOTE: 5-4-0

The motion carried.

Mr. Miller asked if the increases for the wage implementation plan are included in this budget. Mr. Brown indicated they are not. He explained the increases you are seeing are wage increases granted July 1, 2016. He commented the wage increase for 2017 is in the Personnel budget, which includes the wage increases and retirement taxes.

Mrs. Couture asked why printer cartridges are increasing to \$1,050. She commented that the budget states "anticipated six cartridges". She indicated it appears that this office has averaged two cartridges per year.

Mrs. Briand indicated the Town Clerk's office uses three cartridges for one machine for a full year, and there are two machines. She noted we get them at a lower rate.

Mrs. Couture commented it seems that less was spent in past years and this year it has increased.

Mr. Brown commented we go through three cartridges per year for each machine. He suggested expenditures for this line may have been charged to the wrong line.

Accounting 4150.1

Mr. Cutter commented there are several smaller reductions that can be made, but he would rather wait for the bottom line vote.

Tax Collection 4150.4

MOTION: by Mrs. Douglas

Move to reduce Line 130, Wages, Clerk, in the 2017 Tax Collection budget by \$8,180

SECOND: by Mr. Miller

Mrs. Douglas indicated this was the same reduction she proposed in the Town Clerk's budget for the part time position.

VOTE: 5-4-0

The motion carried.

Legal Expense 4153.1

Mrs. Douglas commented this budget does not include legal services for the PFOA issue or the storm water requirements. Mr. Brown indicated this budget is just for general legal services.

Mr. Miller commented the pipeline article was approved, but the town did not spend any money. Mr. Brown indicated that the town spent funds out of the article, but the amount spent was lower than what was approved.

Mrs. Couture believes the original proposed amount of \$15,000 is closer to what has been spent in the past.

MOTION: by Mrs. Couture

Move to reduce the 2017 Legal Expenses budget by \$3,500

SECOND: by Mrs. Douglas

Mr. Cutter commented the amounts spent in the past have been varied and it is difficult to predict what may be coming in the near future.

Mr. Pascucci commented that Mr. Brown stated the town switched to a new law firm that was more efficient.

VOTE: 7-2-0

The motion carried.

Advertising & Regional Associations 4197.1

Mrs. Couture mentioned that there was a discussion last week that this is a lobbying organization and if that is the case there are RSAs that govern lobbying. She indicated she did some research on the RSA, which she believes is clear. She sent a message to the NHMA Governmental Affairs and Legal Departments asking if the NHMA meets the definition of lobbying and, if so, would the dues need to be approved on the warrant and the money held aside. Mrs. Couture commented the response indicated basically they do hire staff as lobbyists and those staff are registered as lobbyists working under RSAs. She commented the NHMA offers much more than advocating and setting money aside is specific to if we receive state funding [to prevent from using that money for lobbying]. She indicated what we receive from the state is easily distinguishing from the RSA. Mrs. Couture noted there is an RSA that states towns can pay fees to municipal association unless the town stipulates they do not want to pay fees.

Mr. Lemire commented he is on the NHMA Board of Directors and the question is valid. He indicated the NHMA advocates for the cities and towns and have been fighting over the downshift in funds from the state to the towns. He noted they provide training programs for all our agencies. Mr. Lemire commented legislative advocacy directly relates and benefits cities and towns. He indicated the town has saved almost \$5,000 in legal opinions through the NHMA.

Mrs. Douglas commented the legal benefit is more of a selling point. She indicated we have a lot of legislators, but we are saving money using their legal services.

Mr. Pascucci commented that RSA 31:8 was referenced and he is glad the Budget Committee is discussing it, but it does not change his opinion.

Mrs. Couture commented RSA 31:8 is specific to the NHMA.

Street Lighting 4316.3

There were no reductions.

Vendor Payments/Welfare 4445.2

There were no reductions.

Patriotic Purposes 4583.1

There were no reductions.

Debt Service 4723.1

There were no reductions.

Revaluation of Property 4152.1

There were no reductions.

Sanitation Administration 4321.1

Mrs. Douglas asked about the size of the propane tank indicated in the budget. Mr. Brown indicated it is a 250 gallon tank.

MOTION: by Mr. Miller

Move to reduce Line 636, Diesel Fuel, by \$175

SECOND: by Mrs. Douglas

Mr. Miller indicated the town does not pay taxes on fuel. He commented the reduction is still in a good range per gallon with this small reduction.

Mr. Brown commented some towns are starting to budget higher because they are hearing diesel will increase.

VOTE: 8-1-0

The motion carried.

7. REPORTS

- **School District**

Mr. Bourque reported the FY18 budget presentations for the School Board are scheduled on Saturday, October 15. He indicated there will be public input.

Mr. Bourque provided the September 2016 district enrollment and noted that second grade numbers are increasing. He indicated it is possible another second grade teacher may be needed.

Mr. Bourque provided the October 1 enrollment report to the Budget Committee.

Mrs. Couture asked if the October 1 numbers will be used for enrollment projections.

Mr. Bourque indicated that the district has asked NESDEC to provide enrollment projections, as well as NHSBA, to see which are more accurate.

Mrs. Douglas asked why the School Board believes another second grade teacher may be needed. Mr. Bourque indicated if grade one enrollment continues to grow.

Mr. Bourque asked the Budget Committee what would happen with a position that was full time, became part time and was slated to become full time again.

Mr. Lemire indicated it is an existing position.

Mr. Pascucci agreed that can be done. He indicated once the position is there it is able to be moved up or down as necessary, but if you need a new position it should be vetted and go to the voters.

Mr. Bourque asked about a position that is eliminated and reinstated.

Mr. Pascucci commented if the position was eliminated and a few years later you want to bring it back, it has to go through a process.

Mr. Miller pointed out the approved petition warrant article is worded 'if the Budget Committee believes it is needed'.

Mr. Miller cautioned if the original position was proposed as part time on a warrant article and you want to make it full time, you have to be careful because it was originally approved a part time.

- **RSA 32:22; Review of Expenditures**

8. MEMBER INPUT/NEW BUSINESS

Mr. Cutter indicated he will circulate budget adjustments and update the spreadsheet. He commented he does not want to hash old wounds, but he fundamentally disagrees with the IT position in the budget. He believes it is too risky in our town and that the town would be better served with a full time service.

Mr. Pascucci commented we take actions and question warrants that come up. He indicated Mrs. Couture stated budgets fail and warrants pass. He noted it was also stated that people say they do not want articles because we elect people to make those decisions. Mr. Pascucci commented he sees it differently as many people want to vote on the articles. He indicated if we do not allow them to vote, we are taking their votes away.

Mr. Miller commented back in those days it was probably town meeting where they had discussion about the articles and voted. He indicated it was a far different experience voting on warrants with town meeting.

9. PUBLIC INPUT

There was no public input.

10. ADJOURN

MOTION: by Mrs. Douglas
Move to adjourn the meeting
SECOND: by Mr. Keating
VOTE: 9-0-0
The motion carried.

The meeting was adjourned at 9:35 pm.

Next Meeting: Thursday, October 13, 2016

Recorded by: Michele E. Flynn, Recording Secretary