

**Minutes of the
Litchfield Budget Committee Meeting
Held on October 20, 2016**

The Litchfield Budget Committee held a meeting on Thursday, October 20, 2016 at Campbell High School, One Highlander Court, Litchfield, NH 03052.

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

Absent: A Cutter, D Miller

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

There were revisions or additions to the agenda.

4. REVIEW/ACCEPTANCE OF MINUTES

• October 13, 2016

Minutes were not available at the time of the meeting.

5. CORRESPONDENCE

Mrs. Couture mentioned the Budget Committee received information regarding their questions on the IT budget, the longevity list for town employees, an updated spreadsheet from Andrew, the library budget, and an updated school district budget review calendar.

6. BUDGET REVIEW

• Town Budget

Fire Department 4220.1

Chief Fraitzl presented the 2017 Proposed Fire budget in the amount of \$575,011 with an increase of \$73,569. Chief Fraitzl presented the budget line items. He noted the Chief's salary change is due to the contract; Firefighter/EMT wages increase is based on the promotion of the Captain to Deputy Chief; Call Firefighter wages increased due to the on call officer stipend and mechanic wages.

Mrs. Couture asked what is remaining for the rest of the year for training as just under \$24,000 has been spent.

Chief Fraitzl indicated that as of today, \$12,763 remains in training wages with four trainings left. He noted that there are some new employees that we did not get into training this fall.

Chief Fraitzl reported the Fire Inspector wages are based on 45 weeks; Overtime is based on 12 hours per month at full time overtime rates and pay rates have increased; Overtime training is based similarly; Health Insurance rates are budgeted at last year's numbers as a placeholder; Fire Software was not done this year because of the default budget; Instructor Services increased for trainings; Electricity is based on this year's history; Heating has decreased; Dues increased based on an increase in memberships; Community Relations increased based on the cost of materials for CPR training in the community and fire prevention activities.

Mrs. Couture asked what postage is used for. Chief Fraitzl indicated it is mostly used for shipping parts for repair.

Chief Fraitzl reported that Repair & Maintenance increased because he would like to begin to upgrade and replace current radios that are 10-15 years old. He explained that they have been discontinued and there are no parts available. He indicated the dispatch console in Hudson that is used for Litchfield is being replaced due to renovation work in Hudson; decrease in Fuel; Uniforms & Accessories include dress uniforms for staff; Protective Gear is based on an increase in the cost of materials and equipment; Equipment Purchase increased due to the replacement of the thermal imaging camera. Chief Fraitzl commented that the Fire Department has two cameras with the new technology and some older equipment, which will be used until they no longer work. He indicated the camera budgeted will make a total of three new cameras. He noted that Equipment Leases are based on historical budgets and Seminars are based on Fire 1 and Fire 2 EMT certifications.

Mr. Keating inquired about budgeting \$40,000 for the radio console. Chief Fraitzl indicated the actual cost is \$80,000. He noted that Litchfield's radio died in July and the department has been working with a loaned radio from Hudson.

Mr. Keating asked if the new radios would be able to patch in with the old one. Chief Fraitzl indicated they will be digital.

Mr. Keating asked if the Chief looked into grant money. Chief Fraitzl indicated there is grant money, but it is only available for multiple community projects.

Mr. Keating asked how many radios the Fire Department will be able to purchase. Chief Fraitzl indicated that mobile radios cost approximately \$4,000 each.

Emergency Management 4290.1

Chief Fraitzl presented the 2017 Proposed Emergency Management budget in the amount of \$14,272 with an increase of \$855. He indicated the Software budgeted is the Code Red notification program, and Haz Mat costs have increased.

Mrs. Douglas indicated the stipend for the Director is new.

Chief Fraitzl indicated for several years the town has tried to budget for a stipend. He noted it is the Chief's contract and is the same as the stipend for the Health officer.

Ambulance 4215.1

Mr. Brown presented the 2017 Proposed Ambulance budget in the amount of \$50,000 with a decrease of \$1,500. He commented the town just recently received an invoice, which appears to be the \$40,000 we planned on budgeting. Mr. Brown indicated it may not be accurate and the number may have to be changed to \$50,000.

Mrs. Douglas asked how much is outstanding debt. Mr. Brown indicated there are two numbers: the amount for services for ambulances and bad debt. He commented it is possible that \$40,000 will not be enough to cover the debt.

Mrs. Douglas asked if the older outstanding bills have been resolved. Mr. Brown indicated the town is meeting with the Hudson Finance staff and with ComStar, the billing vendor. He commented the new Hudson Fire Chief and staff are on top of the monthly bills. Mr. Brown noted we have caught up, but the auditors continue to recommend for the town to write off the bad debt and the Board of Selectmen recently adopted a policy and procedures regarding steps to take prior to writing off debt.

Mrs. Couture commented that there is a notation under bad debt that states the revolving fund has \$16,000 remaining. She asked if that is after applying the bad debt. Mr. Brown commented last year we raised \$11,500, which is part of that \$16,000 and we have not transferred any funds out of it.

Mrs. Couture commented the year to date expenses total \$21,000. She asked if the \$16,000 is what is left after that. Mr. Brown commented \$21,000 has been paid to date and \$16,000 is left in the revolving fund.

Chief Fraitzl commented that he believes there will be an actual historical number is 2017 that will be more realistic than in the past.

Town Insurance 4196

Mr. Brown presented the 2017 Proposed Town Insurance budget in the amount of \$62,000. He indicated the numbers budgeted are for general liability insurance, but the 2017 numbers will be presented to the Board of Selectmen on Monday night.

Mosquito District 4411.2

Mr. Brown presented the 2017 Proposed Mosquito District budget in the amount of \$31,150 with no increase from 2016.

Mrs. Couture commented that contract specifies all payments and mentions a total, but the payments do not equal the total. Mr. Brown indicated the \$30,000 is the correct number. He offered to check with the vendor.

Library 4550.2

Ms. Varrick presented the 2017 Proposed Library budget. She provided a summary of changes to the budget:

- Salary increases are due to the wage implementation plan;
- Heating oil cost is set at \$1.873 per gallon, which will be provided by Burke Oil;

She indicated that they could not take advantage of the lower cost of \$1.573 per gallon because when the vendor delivers to the library it is with smaller trucks than are used to deliver oil to the schools.

- Septic Cleaning appears as an increase when in fact it is budgeted every other year;
- Books and Media increase due to 10% increase in membership to downloadable consortium with the State;
- New service, Lynda.com, which is an online learning service with self-paced courses;

She explained that this online learning service is a good opportunity for the community because we have a large senior population and they always ask about classes. The online learning service can also assist people in the job market. Mrs. Varrick commented the cost is \$2,500 annually, which is free to members with a library card. Individual subscriptions are \$35 per month. She indicated it was actually purchased this year and there are 33 residents taking classes.

Mrs. Couture asked about the cost per month for the downloadable service. Mrs. Varrick indicated it is approximately \$150 per month.

- Decrease in furniture fixtures;
- Increase in equipment purchases for a new computer.

Mrs. Varrick reported the new bottom line for the 2017 Proposed Library budget is \$226,924.

Mr. Pascucci asked why year 2 of the wage implementation plan is not included in the budget. Mrs. Varrick indicated the Budget Committee told us to put it on the warrant.

Mr. Pascucci asked if there was a discussion not to include it in the budget. Mrs. Varrick indicated there was a discussion, but we did not know what the Budget Committee's reaction would be.

Mr. Pascucci commented his reaction is different this year. He believes it should be in the budget because the town included their wage implementation plan in the budget.

Mrs. Douglas commented from a pragmatic standpoint it is more practical to put the second year of the plan on the warrant.

- **VOTING : TOWN BUDGET**
 - **Town Budget**

Police Department 4210.1

Mrs. Couture mentioned the biggest question is whether or not to fund one of the cruisers next year.

Mrs. Douglas asked Mr. Brown what kind of increase would the Budget Committee be allowed to support with the tax cap. Mr. Brown indicated that he has not been able to do the calculation until the tax rate is set.

Mrs. Douglas commented it comes down to justifiable increases, but do we have enough to cover what the police and fire are requesting. She indicated a warrant article for a police officer will put us over the tax cap.

Mr. Brown commented it is the difference between the net amount raised last year vs the net amount raised this year.

Mrs. Douglas commented that she wants to prioritize police and fire, but does not know how much we can consider.

Mr. Brown commented that is why your process of making some adjustment and reserving the bottom line is justified.

Mr. Keating indicated the budget is where the Chief needs it to be. He commented that he cannot justify removing anything. He suggested the Committee reserve the bottom line and let the Board of Selectmen make the decision on allocation of the funds.

Support Services 4210.5

An error was made on Line 291, Uniforms & Accessories. Five uniform allowances were budgeted and should be reduced to four.

MOTION: by Mrs. Bourque

Move to reduce Line 291, Uniforms & Accessories, by \$250

SECOND: by Mrs. Douglas

VOTE: 7-0-0

The motion carried.

Animal Control 4414.1

There were no changes.

Personnel Administration 4155

Mrs. Couture indicated that she has some adjustments, but prefers to wait until the final voting.

Mr. Brown indicated that he is waiting for the Workman's Compensation rates.

There were no changes.

Parks and Recreation 4520.1

Mr. Brown indicated that there is old data in Line 443, Chemical Toilet Rental. He noted that the cleaning fee and additional service reflect old data. He commented that he called the vendor and discovered the fee is rolled into the rental fee. He asked the Budget Committee to keep at least \$500 in that item for special events.

MOTION: by Mrs. Douglas

Move to reduce Line 443, Chemical Toilet Rental, by \$964

SECOND: by Mrs. Bourque

VOTE: 7-0-0

The motion carried.

Mrs. Bourque asked about Line 615, Field Maintenance. She asked if Parks & Recreation is considering expansion of Jeff Lane.

Mr. Brown commented we already maintain the field, but not at the level for next year. He indicated the Board of Selectmen discussed this and decided they will make it work within their budget. He noted there will be a delay for using field until the grass grows.

Revenues

Mr. Brown reported the revenue numbers are based on last year. He indicated they are estimating for car registrations.

Mr. Pascucci commented registrations increased dramatically in one year, but now seem to be leveling off.

Mr. Brown commented when we see October and November numbers, we may be able to increase that number.

Mrs. Couture asked when the tax rate will be set. Mr. Brown indicated that a number in the school district's calculation had to be corrected and we should see tax rates early next week.

7. REPORTS

• School District

Mr. Bourque reported the Representative for the School District budget will be Paula Izbicki. He noted the Budget Committee should receive the budgets next week.

Mrs. Couture indicated they are posted online with all the changes made by the School Board.

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

8. MEMBER INPUT/NEW BUSINESS

Mr. Brown suggested having a discussion about the tax cap next week. He indicated the Board of Selectmen is looking at a few more warrant articles.

Mr. Pascucci commented assuming the budget is approved and is to the dollar, this committee could be voting no on all warrant articles because of the tax cap.

Mr. Brown confirmed Mr. Pascucci's statement. He indicated the Budget Committee could be in a position where you will either reduce the operating budget to support articles and the tax cap or not recommend articles because you support the budget.

Mrs. Douglas commented the voters could override the tax cap at Deliberative Session.

The question was raised by Mr. Pascucci if the voters suspend the tax cap and add warrant articles to the budget, does that change the recommendation of the Budget Committee on the ballot. Mr. Brown indicated that the number will be set at Deliberative Session. He commented Mr. Pascucci's question is a good one.

Mrs. Couture indicated clarification is needed.

Mr. Pascucci commented we are through reviewing the budget and have not reduced much. He indicated the question is what do we have to remove from this budget to get it approved. He does not believe the Budget Committee can remove enough for those that believe it is too high. He commented the Committee will have to try to sell the budget.

Mrs. Couture read RSA 32:5-V regarding the legislative body overriding the tax cap. She indicated it does not state that the Budget Committee can change their recommendations. She commented the Budget Committee is limited by the tax cap, but the legislative body is not.

Mr. Brown commented the Budget Committee is always going to present a budget through to voting day that meets the tax cap. He indicated at some point the Budget Committee may decide the tax cap is too low and ask the Board of Selectmen to begin the process to raise the tax cap.

Mrs. Couture indicated further clarification on the tax cap is needed.

9. PUBLIC INPUT

There was no public input.

10. ADJOURN

DRAFT

MOTION: by Mrs. Douglas
Move to adjourn the meeting

SECOND: by Mrs. Bourque

VOTE: 7 -0-0

The motion carried.

The meeting was adjourned at 8:26 pm

Next Meeting: Thursday, October 27, 2016

Recorded by: Michele E. Flynn, Recording Secretary