

**Minutes of the
Litchfield Budget Committee Meeting
Held on October 26, 2017**

The Litchfield Budget Committee held a meeting on Thursday, October 26, 2017 at Campbell High School, One Highlander Court, Litchfield, NH 03052.

PRESENT: C Couture (Chair), K Douglas (Vice Chair), R Keating, J Bourque, J Spotts, J Bourque, J Green, E MacDonald (School Board Representative), J Brunelle (Selectmen Representative)

Absent: J Spotts (audio electronically, but could not participate)

1. CALL TO ORDER

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

- **PLEDGE OF ALLEGIANCE**
- **REVIEW/ADDITIONS TO AGENDA**

Mrs. Couture announced one member physically unable to be here, but is can hear by phone.

2. PUBLIC INPUT

There was no public input.

REVIEW/ACCEPTANCE OF MINUTES

- Sept 28, 2017

MOTION: by Mrs. Douglas

Move to approve the September 28, 2017 minutes

SECOND: by Mrs. Bourque

VOTE: 6-0-2 (Roll call: Mrs. Couture, yes; Mrs. Douglas, yes; Mr. Miller, yes; Mr. Spotts, yes; Mrs. Green, yes; Mr. Brunelle, yes; Mrs. Harrison, abstain; Mr. Keating, abstain.)

The motion carried.

- Oct 12, 2017

The minutes were tabled until the next meeting.

Discussion

- Notes of Oct 5, 2017

Mrs. Couture mentioned that she put the October 5, 2017 notes on the agenda in the event Budget Committee members had any input or revisions.

3. CORRESPONDENCE

Mrs. Couture indicated that she received many items of correspondence with regard to town and school business. She announced the school district budget has been delivered.

4. BUDGET REVIEW: TOWN

- Updated Information

Mr. Brown provided copies of the updated 2018 Town budget. He reported the town received the rates for Workers Compensation insurance, Property & Liability insurance, and Unemployment insurance; the Recreation Department has not selected their grounds maintenance yet; the Board of Selectmen is working on the Town Administrator and Prosecutor contracts. Mr. Brown announced there is a meeting with Health Trust tomorrow afternoon to discuss health insurance plans. He noted their rates decreased 6.2% from last year.

Mr. Miller suggested the town look at what other employers provide as they do not provide anything that generous. Mr. Brown commented that there is a union contract and that everyone is aware of the higher deductible plans that are out there.

Mrs. Couture asked why one insurance company has a higher increase than the other. Mr. Brown indicated that Health Trust had some spikes in the past, but the local trust is a small pool and is vulnerable to spikes.

Mr. Keating asked if we can get the town and school together on the same insurance. Mr. Brown indicated a school district representative is coming to the meeting.

Mr. Brunelle commented that the town and school were together a few years ago, but the district left and kept the town hanging.

- Budget Discussion and Decisions

Mr. Brown indicated that Chief Fraitzl is in attendance if any Committee members have questions.

Mrs. Couture noted that the answers to the fire-related questions have been provided along with answers to other questions submitted by Committee members. She indicated that the 2018 Town budget exceeds the tax cap by \$78,000 and there are two warrant articles that have a tax impact.

Mrs. Douglas submitted two fire-related questions:

Q1: What rescue tools are being replaced?

Chief Fraitzl indicated the Jaws of Life and a hydraulic extending ram are being replaced. He noted a link has been provided to the quote of \$31,516.

Mrs. Douglas asked how frequently the equipment is replaced. Chief Fraitzl indicated the equipment is 20 years old, the combination tool failed and parts are no longer available, and other tools are in the same situation.

Q2: How many in-mask cameras are needed for full compliance? What is the life span for these in-mask cameras?

Chief Fraitzl commented there is no life span information available as this technology is brand new. He indicated it is driven by technology and durability and is able to be upgraded. He noted that the Fire Department has 38-40 masks and 9 in-service.

Mrs. Douglas asked if purchasing these cameras will eliminate the need for thermal imaging cameras. Chief Fraitzl indicated it will eliminate the need for the additional imaging cameras.

Mrs. Douglas commented it would make sense, since we already have some cameras, to put these on a warrant article with a purchasing plan. She indicated people can decide if they are in favor of the cameras. She noted putting the items on the warrant holds down the reductions from reallocation or the default budget.

Mrs. Douglas asked about the part time mechanic. Chief Fraitzl commented we have had the part time mechanic for four years who is actually one of our per diem firefighters.

Mrs. Couture commented there appears to be much remaining in some contracts. Chief Fraitzl indicated dispatch service is billed quarterly and we have not received the final bills at this time; some pre-employment bills are still outstanding; the annual firehouse database contract for computer software has not yet been paid; and the bridge between Hudson and our database has not been completed.

Mrs. Douglas commented it appears the default budget is \$400,000 over what it was last year. Mr. Brown indicated that benefits associated with any wage increases contribute to that.

Mrs. Douglas commented you also have to look at it relative to the default budget. Mr. Miller indicated the law regarding what goes into the default budget states appropriations and other things increased by incurred or mandated by law.

Mr. Brown commented when we grant pay increases there is a document everyone signs; there is an obligation.

Mrs. Couture commented it is standard that whatever the employee makes goes into the default budget.

Mrs. Douglas commented the default budget cannot include the raise. Mrs. Couture commented it is a current expense and goes into the default budget.

Mr. Brunelle commented that raises that will occur in 2018 will not go into the default budget.

MOTION: by Mr. Keating

Move to reduce Account 4220.1, Fire, Line 680, Uniforms/Accessories, by \$1,500

SECOND: by Mrs. Douglas

VOTE: 7-1-0, with Mr. Brunelle opposing

The motion carried.

MOTION: by Mrs. Douglas

Move to reduce Account 4220.1, Fire, Line 740, Equipment Purchase, by \$9,000

SECOND: by Mr. Miller

MOTION: by Mrs. Couture

Move to amend the motion to reduce Account 4220.1, Line 740 by \$5,000

SECOND: by Mrs. Douglas

VOTE ON AMENDED MOTION: 7-1-0, with Mr. Brunelle opposing

The amended motion carried.

VOTE ON THE MAIN MOTION TO REDUCE ACCOUNT 4220.1, LINE 740 BY \$5,000:

7-1-0, with Mr. Brunelle opposing

The motion carried.

MOTION: by Mrs. Bourque

Move to reduce Account 4312.1, Road Maintenance, Line 686, Salt Purchases, by \$5,400

SECOND: by Mrs. Douglas

Mrs. Bourque acknowledged that the town would like to rebuild their salt inventory, but she felt that a reduction is needed.

VOTE: 7-1-0, with Mr. Brunelle opposing

The motion carried.

MOTION: by Mrs. Douglas

Move to reduce Account 4415, Health Agencies, by \$2,320

SECOND: by Mrs. Couture

Mrs. Douglas commented that Health Agencies has been a warrant article for the last five years. Mr. Brunelle clarified that the Board of Selectmen put it on the warrant one year and pulled it out of the budget the subsequent years.

Mrs. Douglas commented the article was overwhelmingly approved.

Mrs. Couture believes all the agencies/organizations should be funded or none at all. She indicated that they all have an impact on our community.

VOTE: 2-6-0

The motion failed.

MOTION: by Mrs. Bourque

Move to reduce Account 4312.1, Road Maintenance, Line 140, Overtime Workmen, by \$5,000

SECOND: by Mrs. Douglas

Mrs. Bourque commented that the actual expenditures were significantly below what was budgeted. Mr. Brunelle indicated that an employee could not work overtime and the road agent was working during the night alone.

Mrs. Bourque commented if we did not spend the majority of it in 2016 and have almost half remaining this year, the town should be able to manage.

VOTE: 5-3-0

The motion carried.

MOTION: by Mrs. Couture

Move to reduce Account 4153, Legal Expenses, by \$10,000

SECOND: by Mrs. Douglas

Mrs. Couture commented that looking at the run rate, there is a good amount remaining in the current budget.

Mrs. Douglas commented that the town cannot keep spending money on legal fees for the water issue.

Mrs. Couture commented that even with the reduction there is still \$25,000 more than was budgeted the year before.

Mr. Brown explained more issues come up every day regarding contamination. He asked what would the financial impact be to the town from the contaminated water if the town wanted to sink a well [one day], treated the water and wanted to sell it to other people. He believes the town will collect some legal fees. Mr. Brown indicated there are questions about the amount of water drawn by new users; questions on devaluation; a groundwater management plan is being drafted. He commented we want to be part of the final remediation with the State with St. Gobain. He noted there are issues with the town and the State and we need to protect the town's interests.

Mrs. Couture commented the reduction proposes an increase of \$25,000 over what was spent this year to date.

VOTE: 7-1-0, with Mr. Brunelle opposing

The motion carried.

MOTION: by Mrs. Couture

Move to reduce Account 4210.1, Police-Administration, Line 199, Community Detail by \$1,500; Line 140, Overtime Officers, by \$4,000 for a total reduction of \$5,500

SECOND: by Mrs. Douglas

VOTE: 7-1-0, with Mr. Brunelle opposing

The motion carried.

MOTION: by Mrs. Couture

Move to reduce Account 4311.1, Road Agent, Line 310, Consulting-Engineering Services, by \$10,000

SECOND: by Mrs. Douglas

Mrs. Couture indicated the \$20,000 budgeted this year was never expended.

MOTION: by Mrs. Douglas

Move to amend the motion to reduce Account 4311.1, Line 310 by \$20,000

SECOND: by Mrs. Couture

Mrs. Douglas suggested the town encumber the \$20,000 in the current budget for 2018. Mr. Brunelle commented if we reduce it and we need it we will come back to add it back.

Mr. Brown cautioned if the full \$20,000 is eliminated and the town gets the default budget we will have no money the next couple of years. He commented he would rather have a \$10,000 reduction and it will still be in the default budget.

VOTE ON THE AMENDED MOTION: 1-7-0

The amended motion failed.

VOTE ON THE ORIGINAL MOTION TO REDUCE ACCOUNT 4311.1, LINE 310 BY \$10,000: 8-0-0

The motion carried.

MOTION: by Mr. Keating

Move to reduce Account 4210.1, Police-Administration, Line 210, Health Insurance, by \$20,000

SECOND: by Mrs. Douglas

VOTE: 7-1-0, with Mr. Brunelle opposing

The motion carried.

MOTION: by Mr. Miller

Move to reduce Account 4155, Personnel Administration, Line 10-990, Wage Expense, by \$15,000

SECOND: by Mrs. Douglas

Mr. Miller commented the line has been \$0 for many years. He indicated the Board of Selectmen can find the money if they want to fund this pool for raises.

Mr. Brown indicated this money is inclusive to all wages for call firefighters and town office employees.

Mr. Brunelle indicated there are no raises in the 2018 wage line and this money is to reward our employees.

VOTE: 3-4-1

The motion failed.

MOTION: by Mrs. Douglas

Move to reduce Account 4150.2, Information Technology, Line 630, Equipment Maintenance, by \$3,000 (IT Manager)

The motion failed for lack of a second.

MOTION: by Mrs. Couture

Move to reduce Account 4215.1, Ambulance, Line 800, Bad Debt, by \$5,000

SECOND: by Mrs. Douglas

Mrs. Couture commented the town seems to be doing better with the bad debt this year.

VOTE: 7-1-0, with Mr. Brunelle opposing

The motion carried.

MOTION: by Mrs. Couture

Move to reduce Account 4445.2, Welfare, by \$4,000

SECOND: by Mrs. Douglas

Mrs. Couture commented that not much of the account has been expended to date. She indicated she based the reduction on a three year average of expenditures (\$5,600).

Mr. Brown explained that it is good to have a steady bottom line. He commented the account has been reduced over the last couple of years and the town would be better served having money in this account in case of a bad year. He noted we are obligated.

Mrs. Douglas commented every year we are doing the same thing and we are never going to use it.

VOTE: 4-4-0

The motion failed.

MOTION: by Mr. Miller

Move to reduce Account 4150.4, Tax Collection, Line 625, Postage, by \$1,860

SECOND: by Mrs. Douglas

Mr. Brown commented that postage was moved out of the Town Clerk's budget to the Tax Collection budget.

Mr. Miller commented it is still increased \$500. Mr. Brunelle commented postage is increasing and tax bills have to be mailed out.

VOTE: 2-6-0

The motion failed.

MOTION: by Mrs. Couture

Move to reduce all gasoline lines in the budget by a total of \$4,600 based on usage

SECOND: by Mrs. Douglas

The discussion centered on making reductions specific to accounts.

Mrs. Couture withdrew the motion. Mrs. Douglas withdrew the second.

MOTION: by Mrs. Bourque

Move to reduce Account 4312.1, Road Maintenance, Line 635, Vehicle Fuel, by \$1,375

SECOND: by Mrs. Douglas

VOTE: 7-1-0, with Mr. Brunelle opposing

The motion carried.

Mrs. Couture commented there is just under \$15,000 to reduce.

Mr. Keating indicated we can find \$15,000 in health insurance. He commented he feels comfortable taking the reduction out of health insurance, but does not feel comfortable cutting out raises for employees.

Mrs. Couture indicated that the Budget Committee will revisit the 2018 Town Budget in December.

- **Recommended Budget**

7. **SCHOOL**

- **General Updates**

Mrs. Couture commented copies of the district budget are available tonight. Mr. Miller asked for an electronic copy.

- **Budget Process Overview**

Mrs. Couture asked about the budget process schedule and overviews. Mrs. Flynn indicated that the budget schedule will be sent by email to the Committee Chair and the Superintendent's and Business Administrator's overviews will be provided on November 2.

8. **Member Input/Misc Business**

Mr. Miller asked about enrollment projections. Mrs. Flynn indicated that they will be provided to the Budget Committee after the School Board has reviewed them on November 1.

9. Public Input

There was no public input.

10. Adjourn

MOTION: by Mrs. Bourque

Move to adjourn the meeting

SECOND: by Mrs. Couture

VOTE: 8-0-0

The motion carried.

The meeting was adjourned at 9:05 p.m.

Next meeting: November 2, 2017

Recorded by: Michele E. Flynn, Recording Secretary

Approved: