

Advisory Budget Committee  
Meeting Minutes  
Wednesday, January 27, 2016

The following members were present: Darwin Clogston, Barb Dutile, Howard Hatch, Chris Luurtsema, Dick Guy and Dan Brady. Jon Hobbs was excused.

Selectboard members: Tom Friel  
Town Manager: Glenn English  
Finance Officer: Jo Lacaillade  
Clerk: Karen Hyde

Others Present: Tina Hebert, Carrie Quinn, Steve Wheeler, Steve Robbins, Dawn Langley, Patricia Roy, Carole Kendall, Ed Ballam, Phil Blanchard, Justin Henson, Sandra Knapp, Mike Marshall, Richard Morris, Maryellen Kirkpatrick, Joe Kirkpatrick, Deb English, Natalie Mossman, Rich Clifford, and John Landrigran

Chris Luurtsema called the meeting to order at 6:00 pm.

Chris stated that the Committee would be looking at the Libraries and the Fire Departments. He stated that they would start with the Fire Departments because they were sitting in the front row. He then commented that the Committee needed to follow up on the Minutes of the 1/13/2016 meeting. Barb Dutile made a motion to accept the 1/13/16 Minutes of the Advisory Budget Committee; seconded by Dan Brady and all approved.

TM English commented that before the Committee proceeded, there was paperwork that the Committee needed to have. By the time he finished his budget and to get it in on time, the only Fire Department budget he had was North Haverhill. He was passing out the detail for North Haverhill and the other two that he did not receive in time, he put in last year's figures in his budget. They have now provided figures that he recently got. He passed out Woodsville's and Haverhill Corner's budget numbers. TM English commented that North Haverhill was up \$195 from last year; Haverhill Corner is requesting an additional \$7,800; and Woodsville is requesting an additional \$5,500. Dan Brady asked TM English about the Woodsville worksheet having tentative changes in the 2015 column and asked if it was a software or program error. TM English stated that he couldn't answer to it because he just received it a few days ago. Mr. Brady asked if the Woodsville Fire budget group changed the figure from \$145,500 to \$142,940. TM English stated that that was his number and that was what was actually budgeted for them in 2015. Their number was incorrect and also some of the Haverhill Corner numbers were incorrect, which he crossed out and corrected. Dick Guy stated that he could explain that difference. The explanation was that last number surplus the truck amount was what changed it. \$142,940 was the total of that whole column up to that point. \$2,611 was the amount of money left over from the previous year and they were talking about putting that in to pay down the truck a little faster.

**Haverhill Corner Fire Department** - Richard Morris stated that in the Building Maintenance line item, they needed to put a new floor down in the meeting room and the office. This year, they put \$600 more

because they do background checks on all of the new firefighters that are coming in now. Mr. Brady asked what line item that was and was shown where it was. He also asked where the flooring was and Richard told him it was under Building Maintenance. Darwin asked if they were the folks getting a new pumper truck. Richard said hopefully. Darwin Clogston asked to have the funding explained to him because he didn't understand where it was all coming from. Ed Ballam handed out a presentation concerning the new truck. Ed commented that they could go through page by page or go right to the financing. They went to the financing as Darwin had questions about it. The financing was on page 6. Ed explained that they expected to have \$240,000 in cash to purchase the truck. The overall price is \$488,957 and the remainder would be financed through Woodsville Guaranty at 2.99% so the average annual payment would be \$28,000. On pages 15 and 16, there is a statement from Woodsville Guaranty Bank for loan payments. Because most loans are front-loaded, the first year is higher than the rest. It averages out to an annual payment of \$28,000 over the 10-year loan period. It graduates from \$32,000 to \$25,000 over the ten years. They looked at other sources, such as Municipal Bond Bank, but Woodsville had the best rate and they wanted to stay local. Darwin asked what the interest total was and Howard Hatch told him that it was \$40,820. Ed stated that that was on a \$248,000 loan, of which \$40,000 was interest. Ed went on to say that it was vetted by the Highway Apparatus Committee of Haverhill as well. Howard asked when they anticipated receiving the truck. Ed stated that if this is approved and they place the order in March, which he would like to do, it could take up to one year after that or as little as 270 days. Different vendors had different delivery. Howard asked if they had to pre-pay anything on the truck and Ed said no, they didn't have to, but there was a schedule that is spelled out. If they wanted to pre-pay, there were discounts and on page 5, it explained how the discounts break out. The vendor they would like to purchase from is KME and on page 5, it explains the discounts. They have been advised that if there is any kind of money paid up front, they should get a bond to protect the Town and there is a fee for that. Some people say why doesn't the vendor pay for that but, unfortunately, that is not how the industry works. If they want to protect their own money, they buy their own returns. With that all said, they prefer not to pay anything up front and the vendor is perfectly okay with that. They are a big enough company that they don't need the money up front, so a signature is good for them. When the truck is done and meets their satisfaction, they pay them. Howard commented that they should look at a prepayment of some, rather than raise the money. They will still go another year. The first payment is scheduled for October 2016. If it's between prepayment and pay in the year they get it, North Haverhill made a mistake and didn't make a payment until the end and it was pretty costly. If two discounts add up to \$25,000, it should be looked at. Ed commented that they are willing to take advice from the folks there and that is why they were presenting them the information of what they would like to do and that is how they would like to proceed. They need to keep in mind that a bond might be a good idea and the cost was \$3,150 for a bond if they put a down payment on. Howard asked if the bond depended on how much was paid ahead and Ed said that was so. Chris asked why the interest was front loaded on the loan and Ed commented that that was the way that it came through but they could talk with Woodsville Bank and see if they would be willing to have a flat interest. Woodsville Guaranty may be willing to do something different, but that is what they had. They asked for a quote and that was what they were given. Chris stated that he would not want to go

anywhere besides local, but if there was an ability for them to pay the loan off earlier which would save money on interest and paying interest up front negates that. Ed said, of course. Ed also commented that the Chief and the officers have the intention that if there is money left in the budget is to do just like North Haverhill does, and put it right back towards the loan for the truck. Chris was just a little concerned about the front loading and Ed stated that it was just a matter of them asking for a number and that is what they were given. He thinks with some negotiation that they can certainly figure that out. He has never known Woodsville not to be amenable to a reasonable request. Chris said for all intents and purposes, it's a pretty safe note for them to float. He's not proposing to go anywhere else, but if they don't budge on that, they should shop around. Ed agreed. TM English commented that the answer to Howard's question was that the first payment would not be in 2016; that was based on the quote at the time they received the quote. There would be no payments until 2017. Ed stated that that was true and thanked TM English.

Darwin commented that the Town sets aside \$60,000 a year to buy vehicles and so if they waited four years, they would save \$40,000 in interest. Ed responded that the caveat to that was that it's anticipated that the cost of the trucks are going to go up and up over that same time frame. There is a big tax markup in 2017 where the EPA is going to have a number of emission controls for diesel engines and that's going to add at least \$20,000 to the base price for the taxing of engines and transmission plus the cost of inflation. There may be some savings but it would have to be balanced with what it's going cost in that time. Certainly, the materials will go up. This bid that they received in the fall has held through March; that's what the price is guaranteed at. After that, there is already a 5-10% increase if they don't sign then. The vendors have already told them that and it is not the vendors playing scare tactics. Dick asked what the next truck in line for the departments was. Ed stated that it was probably Woodsville. There is a cycle that the Fire Departments are trying to achieve. NFPA has a recommendation that trucks be retired at 25 years old. Their truck is a 1991 and to do that cycle, they are trying to get all the trucks to come in and match up so it's not a burden so that they don't have 2 or 3 trucks at the same time. If they waited four years, all of the trucks have aged four years more - the entire fleet from Haverhill Corner to Woodsville. They might get stuck in a position where Woodsville is going to need some sort of equipment soon and he believes that to be so. They wouldn't want to have to be dealing with two very expensive capital items at the same time, so this way they get into a cycle; half of its already in the bank and it seems to be a reasonable time to do it just because of the way the cycle works and how things are going to play out in the future for expenses. Ed went on to say that it could be very expensive after 2017 and the EPA has said zero emissions on everything and they are not backing down. He was at a conference recently where people were asking how come they couldn't have exemptions for fire trucks or reasonable reactions. The EPA is saying no, they are actually going to force it all the way down to the military, which does have an exemption for emissions. All of the military vehicles are going to have emission controls. He doesn't see any relaxing of that and that makes the price go up as well. Chris asked if they were going to ask for additional funds in 2017 and Ed said that it would be another budget. Chris then asked if a year after that, Woodsville would be asking for a truck. Ed stated that he couldn't speak to Woodsville. It was a reasonable hypothesis that there will other trucks coming due. One thing this will do is all the front-line engines or principal pieces of apparatus will be up to code and in good

shape for a number of years. He suspects that Woodsville is going to have some sort of equipment that they are going to want to buy before that but as far as the front-line engines. Haverhill Corner has their tanker, which was purchased in 2003, that is good to go for a long stretch. Haverhill Corner would not be back before the Committee for quite some time because they will be in the cycle for replacing things. Chris asked about North Haverhill. Phil Blanchard stated that they were all set for quite a while. Phil went on to say that the engine was a 2008, the tank truck was last year and the hose truck got refurbished out of the fleet and that truck doesn't move very often. He went on to say that he didn't see anything for the next 10 or 15 years, unless they had some type of equipment that was just costly to keep repairing. Everything was in good shape at North Haverhill. Darwin asked if someone would speak to him about Woodsville. Steve Robbins stated that they were in good shape for an engine and probably the next piece they would be looking at would be the aerial, but he didn't think the Committee would see that for a number of years. Chris asked if that was the ladder truck and Steve told him was the tower truck. Steve said when they do, it will be expensive. Ed then commented that he would leave the information with the Committee and he would be in the audience if they had any questions. TM English stated that there is a two-step approval process for the truck. One step is the Town and what the Town is contributing is \$120,000 from the reserve. The other reserve belongs to Haverhill Corner and the truck will belong to Haverhill Corner. There will have to be a Precinct vote to actually buy the truck. What this Committee is doing is to approve the Town contribution from the capital reserve of \$120,000. TM English stated that that is in the Fire Department budget under Haverhill Corner fire truck \$120,000. Mr. Brady asked for an explanation of the \$60,000/\$60,000 split that was mentioned. TM English explained that they have been appropriating, as a Town, \$60,000 a year. There is \$60,000 in the account now and appropriating another \$60,000 this year that makes \$120,000 and that gets paid over. Haverhill Corner has their own reserve that they have been adding to for years. Mr. Brady responded with "very well". Chris asked where the \$60,000 reserve was and FO Lacaillade stated that it was under Capital Reserves on page 16. Chris said they hadn't gotten there yet. Chris then went on to say that the overall request for Haverhill Corner is \$86,618. TM English stated that that was not the number; the number they wanted to look at was the last number (\$84,368) under the Town of Haverhill. That is what the request is from the Town. They are raising money in addition to that through a grant and offset from forest fire payments so that makes the total of \$86,000, but they are actually exceeding what the Town is giving them for their total appropriation. He is using the number \$84,368 as the Town request and that is up roughly \$7,800 from the previous year of \$76,515. Chris was a little confused because the 2015 budget says the Haverhill Corner Fire Department total is \$84,418. TM English stated that the Town contributed \$76,515. Chris asked where the rest came from and TM English thought that they had received a grant of \$1,600 that year that shows and that makes up part of the difference and the rest would be Precinct taxes. Mr. Brady commented that the actual budget was \$20,000 less this year than the proposed budget for next year. There is a dramatic drop in firemen's pay between actual and budget and there is a dramatic increase in turnout gear and equipment under the 2015 budget they spent zero. He asked if the likelihood that the firemen's pay will stay in the range of \$10,000 rather than \$16,000. Richard Morris stated that they did not know that because they get paid twice a year and the first quarter was higher than the second quarter, when they didn't have the fires. Mr. Brady commented that the total

was \$9,800 for the year for both quarters and Richard said yes. Mr. Brady said that in the previous year, they budgeted \$16,000 and spent \$9,800 and in 2016, they are again budgeting \$16,000. He thought that maybe they could consider holding the line in the pay budget with the understanding that if there is a fire, they couldn't go because they wouldn't get paid. Mr. Brady asked, for planning purposes, if they could apply those dollars to equipment and turnout gear and hold the budget a little closer to the actual of 2015 rather than the proposed budget. TM English clarified to Mr. Brady that turnout gear and equipment was broken out into three separate numbers in 2016. In 2015, these were combined as \$15,500 under supplies. They broke that out from supplies and created turnout gear and equipment but the total is the same, so there is no increase from one year to the next. Ed commented that as a bookkeeping item, it kept it more succinct to what they have. Mr. Brady thanked them for letting him know and TM English stated that Rich wanted that broken out for this year. Dick Guy asked Rich if they had paid payroll taxes in 2015 and Ed stated that they had and that it probably was part of the pay line item. Richard explained that they had a new secretary and she started right in the middle of everything. Ed stated that in the 2015 actual column, there should be a figure of \$1,800. Howard commented that referencing Mr. Brady's question on payroll for the firefighters, that is going to be what it is, but he thinks that fire station fuel/propane and fuel for the trucks would be cut without any chance of overspending. Richard agreed that they could cut that to \$1,200. Howard asked what they were paying for propane at the fire station and Richard did not know. Barb Datile commented that it was either \$1.29 or \$1.49; she wasn't sure. Ed thought Barb was right. Chris again stated that in the 2015 budget, total expenditures were \$84,418 and of that the Town of Haverhill contributed \$76,515 according to FO Lacaillade worksheet. Somehow, this year, the expenses are going up \$2,000 and they are being asked to contribute \$8,000 more. TM English stated that was correct and Chris asked what was missing. He saw the grant money of \$1,600 and they are still getting \$1,000 of that and he was still missing the other \$7,000. TM English clarified that there has been some reallocation of cost in the Precinct to the Fire Department to come up with a truer cost of what the Fire Department's burden is on the total budget, but other than that, he couldn't explain it. They didn't spend near \$84,418 last year so they ended the year with a very healthy balance. They may spend more than \$66,700 because they have bills coming in. Richard commented that Building Maintenance is up this year. Chris said that he could see the small increase in the floor and some training. He's trying to understand what he's not seeing on the line item where there is \$8,000 somewhere they are being asked to increase and he's not sure where it's coming from or where it's going. TM English stated that if the budget figures are compared, it's explainable, but if you look at the expenditure figures, what they actually spent, they ended the year with a healthy balance. North Haverhill ended the year with a small balance and, as a matter of policy and he believes that Woodsville developed the same policy. The Town doesn't get any money back; they pay what's appropriated. If there is extra money left over, those two Fire Departments have dedicated it to truck payments, to accelerate truck payments. Chris stated that the difference in expenses is only a few thousand dollars overall, but the Precinct has decided to reallocate funds, so they carry that burden now. TM English stated that they have done some fine-tuning and so has North Haverhill and in all fairness, if a cost can be attributable to the Fire Department, it should be reflected in their budget. They have some fixed costs that can be distributed between the Water Department, the Fire Department and

the Precinct so that's all they are given. Again, look at the firemen's pay, there is \$16,000 budgeted and they didn't have that many calls and they only spent \$9,890 and that was very much under expended, but again do you take the chance and budget it too low and end up paying it. Steve Robbins asked if they are under budget, does the Town and the Precinct have to eat the difference. TM English stated that if they appropriate it, but they can't either unless they appropriate it. Somebody has to appropriate. Steve commented that if they cut their payroll down and make their bottom line go down, then overspend the payroll budget, then it falls back to the Precinct, which is against everything that this budgeting is supposed to be taking care of. Dick said that it didn't fall back on the Precinct. Dick stated that the Precinct will have to make up the difference if they spend more than what the Town gives them. TM English stated that that was the deal. If they over expend, you eat it and if you under expend, you keep it. Mr. Brady didn't think if Haverhill Corner comes back next year and says that they had four major incidences that used up the payroll budget plus, the Committee wouldn't pound on the table and say "they shouldn't have gone to the event". The process of the budget is to plan and in his opinion, it is not supposed to be so ironclad that it can't be changed over time. TM English explained that municipalities cannot overspend. They always have to make sure their appropriations cover their expenses. Mr. Brady commented that that is the Selectmen's role of making transfers during the year from time to time. TM English stated that it was the same for the Commissioners. Mr. Brady thought the Department should consider adjusting their budget and reducing the payroll line; go right ahead with the supplies and turnout gear and any other appropriate needs and hopefully, he will be here next year to listen to the explanations of why the budget has changed, good, bad or indifferent. TM English stated that he wouldn't cut the payroll too much; it could probably be reduced some. Darwin asked if Haverhill Corner would be willing to follow Woodsville and North Haverhill by putting extra money towards the truck and Ed said absolutely. Ed said that they were in an enviable position as they do not have any debt right now. There is \$60,000 saved in an apparatus account in the Precinct coffers. They would have no problem putting the extra on the truck; it was a win-win for everybody. Chris asked if that money was being used to purchase the truck and Ed said that it was. The Precinct level would have to make a separate Warrant Article to see if the Precinct will vote to disburse or release the Capital Reserve of \$60,000 and that would go right towards the purchase of the truck. TM English commented that the other thing they should look at is that the expenditures were way below the budget is what they have in unreserved fund balance because of that and maybe apply a little more to that reserve. Ed said that they would have to talk with the Precinct Commissioners because they control the purse strings, but that was certainly good question to ask. Chris stated that they have had a couple of suggestions, no real motions. A couple of things, such as fuel costs, are going to come under attack from almost all given the fortunate state that they are seeing with fuel costs. Some of the expense reduction can help offset what they are asking for in the increase to fix the floors in Building Maintenance. He is still not 100% understanding how there is \$2,000 more in expense yet they are coughing up another \$8,000. TM English stated that it was explainable and it depends on what they were looking at for last year's budget. Chris was looking at the Town of Haverhill's impact and the Town's impact is going up \$8,000, yet the total expenses of the department are only going up \$2,000. TM English stated that some of that is the reallocation of fixed costs to the Fire Department. He thinks that the Fire Department is paying the biggest burden on the

building. The building also contains an office and the Water Department and there is other space in the building that the Precinct uses. He doesn't have any numbers to challenge it. Chris asked if TM English had received this budget earlier or was this one of the ones that was late and TM English stated that he had just received it that day. He got the bottom line number of \$86,368 from Rick Ladd some time ago, but he didn't get the detail until that day. Chris stated that he knows that TM English spends a lot of time getting the budget out and has to make a lot of decisions. The Committee has also made a lot of decisions on budgets prior to this and those decisions are based on a whole group of monies that they have to spend. They make difficult decisions and not necessarily decisions that are favored and to come late in the game asking for increase and changes, it throws a wrench in their work. TM English stated that one of the problems and he would not blame the Fire Department folks because he dealt with the Precinct Commissioners in each of the three Precincts early in the process. He said that he needed to get budgets from their Fire Departments to the Commissioners so that they could clear the budgets first because that was their function and then get them to him in time for his budget. The Woodsville and Haverhill Corner Commissioners did not meet that standard. North Haverhill did; he got theirs in plenty of time to look at it and look at the numbers. He stated that it was not the Fire Departments. The reason that has to happen is because the Precinct Commissioners still run the Fire Departments. It's their budget and they really need to have input to it. Chris stated that he understands that completely, but Ed was saying that they met months ago then the Commissioners throw a wrench into what TM English is trying to do. He's trying to present a balanced budget and now here they are four meetings in and these numbers are going to change that. This gives them less to play with. TM English stated that if he had seen these budgets in time, he probably wouldn't have cut them to back year's level, but he certainly would have cut them. Steve explained that their budget year ends on December 31 and it was January 27, they have to finish their year out, figure out what they spent and present. When their Precinct Commissioners meet, it's probably the second week of January before they meet. Chris stated that they have to come up with something because this has happened the last couple of years. TM English stated that the Town has to do the same thing with the Town budget, the year isn't closed out and they have to make estimates. He said that his budget was done before Christmas; he doesn't wait for the end of the year to do it. Dick Guy commented that what would address this issue would be to change to a fiscal year of December 1 and then they would actually have in December, their final numbers. Howard said maybe close them January 1. FO Lacaillade stated that they couldn't do that by New Hampshire law. If a bill comes in in January and it occurred in December, it has to be paid in the prior year. TM English stated that they either had to use a calendar year or the State fiscal year, which is July 1-June 30. There is no alternative. Mr. Brady suggested making reductions to the fuel and payroll and move on the budget. FO Lacaillade asked how much to move them down and that was what Mr. Brady was asking. Richard suggested changing the Fuel for Fire Trucks from \$1,500 to \$1,200. Ed thought that they could take \$2,500 out of payroll, making it \$13,500. There was a question about reducing the Fire Station Heat/Propane line and Richard didn't dare to change that. Chris commented that propane has gone down significantly. Mr. Brady thought that the Precinct rate for propane was less than a homeowner's rate. Howard commented that the two Fire Departments, Haverhill Corner and Woodsville, could be paying forty cents less per gallon. Chris commented that so far they have only approved a \$300

reduction in truck fuel and asked where they purchased their diesel from. Ed stated that it was from the State garage. They then discussed taking \$2,500 from the Firemen's pay line item. Dick Guy made the motion to reduce firemen's pay to \$13,500 and fuel for fire trucks to \$1,200; seconded by Dan Brady. The new balance for the Town of Haverhill would be \$81,568. Chris wanted to know what they needed to do to ensure that any amount left over in the fund balance would go towards the new truck. TM English stated that they needed to make a recommendation to the Precinct that the Precinct take any unreserved fund balance from 2015 and create a Warrant Article to apply a certain amount of that to their budget as revenue. Mr. Brady suggested a copy of the minutes to go along with the recommendation. Dick Guy amended his motion to include a recommendation to the Haverhill Corner Precinct Commissioners regarding the appropriate use of the fund balance; seconded by Dan Brady. Darwin commented that if there were a lot of fires next year, he didn't think that the budget should be reduced by the \$2,800. The vote was taken and there were three yeas, Darwin Clogston voted nay and Barb Dutile and Howard Hatch abstained. The motion carried. Ed thanked everyone and asked what they would like to see from them regarding the truck. He has more information and knowledge. Chris stated that they still needed to vote on the truck and they would discuss it more when they got to it. Darwin asked if the paint on the truck would say Haverhill Corner on the side of it. Ed said it would say whatever they liked. TM English stated that it was important to understand that the fire trucks belonged to each of the Precincts and not the Town.

**North Haverhill Fire Department** - There were not a lot of changes to this budget. TM English commented that this was a very good budget and he had no problems with it. Chris asked if they overspent last year and was told that they did not. Rich Clifford explained that the extra principal (\$5,727) needed to be subtracted from the total. Mr. Brady commented that they were estimating the repairs on vehicles to be down approximately 30% and was told the trucks were all new. Dick Guy stated that it was a nice job. Dan Brady made the motion to accept the North Haverhill Fire Department budget as submitted; seconded by Dick Guy. Chris commented that there were several repairs last year and they were not anticipating as many this year. Phil Blanchard stated that the way they sit right now, they are in good shape. Phil explained that the \$2,000 in fire truck repairs & supplies was for oil changes and maintenance of the vehicles. Dick commended them that their budget was the same as last year and they put down additional funds on their fire truck note. Mr. Brady asked about the washer for this year and Phil said that it was in there. The vote was taken and all approved.

**Woodsville Fire Department** - Steve commented that their budget was a little bigger. Steve wanted to bring up the gear and equipment and the costs keep going up. They keep falling into more and more regulation and if their equipment is 10 years old, they have to buy new. There is a new regulation within the last few months that states that any hose on any truck that is dated prior to 1987 they are supposed to throw away and buy new. They are required now to test it annually and anything 15 years old has to be replaced. Mr. Brady asked what lines Steve was referring to. Steve stated it was New Gear and New Equipment and those were the two big ones that they have that are pretty high. Dick commented that they include the cost of their truck in their budget and none of the others actually have truck payments in their budgets. The difference isn't as large as it appears; if \$30,000 is backed out of it, it is \$118,000. TM English commented that North Haverhill shows a truck payment. TM English stated that the big

increase was payroll. They spent \$46,449 to date out of a budget of \$39,000 and they are requesting \$45,000 in payroll so that seems to have gone up considerably. Chris asked if there were more fires and Steve stated that they ran about 130 fires a year. Chris asked if that was an increase and Steve said no, it was pretty steady. There was discussion about how many firemen sometimes show up to fires; it could be as much as 28-30 firemen. Richard Morris commented that there were a lot of firemen at the fire in Pike. Steve went on to comment that their Heat and Electric was actually 1/3 of the cost because the Ambulance picks up the other 2/3. There is an increase in Building Maintenance because they have windows they have to replace this year. Darwin asked when their truck note expired and Steve thought it was 6 more years. Chris asked which truck that was for and Steve said it was the tower and refurbishing the second engine. He said that they actually owe money on three of their trucks. Chris asked what the Prevention line item was. Steve stated that they do programs in the Elementary School and the daycares. They are out doing something all of the time. They do, out of their own budget, a very successful Operation Santa Claus program in Woodsville. They usually do three or four needy families a year. Mr. Brady commented that they budgeted Prevention at \$1,200, spent \$3,900 and are now requesting \$2,500. Steve said that it is what it says; he can't tell them why they spent \$4,000. Howard asked if it was mostly manpower and Steve said that Prevention is usually supplies. He thinks that their subscription service comes out of that for their NFPA. Mr. Brady commented that the fuel budget reduction mirrors petroleum cost reductions. Chris asked if that was a 1/3 as well and Steve said no, that is metered. There is a tank there and the Highway Department, Water & Light and the Ambulance use some as well as the Fire Department. Someone asked that it's all one building and how did they meter it. Dick explained that it was actual gallons for each department. Chris commented that he was actually thinking about Building Heat, which is a separate line item and was assuming that it is split three ways and Steve said that it was 1/3 Fire and 2/3 Ambulance. Chris asked what the Precinct was spending on Building Heat. He wondered what the price per gallon was and has it gone down since last year. Steve said that it had gone down last year and he didn't know if it had gone down again this winter, but that number in their budget is down over \$1,000. Howard asked if all the departments use the same diesel tank and if it was all on road. Steve said that it's all dyed on road and it's not taxed. Richard Morris said theirs was clear. Steve said that they get their fuel from Jocks and they put dye in it. He doesn't know how the State does it and Barb commented that the State doesn't tax. TM English commented that the only fuel that is dyed is off road and it didn't sound right. Howard commented that that was why they were doing it. Steve said that their warranties would be void if they used off road fuel. TM English stated that he didn't know of any dye in fuel for tax purposes. Steve stated that he knew it was colored and dyed and it was questioned about a warranty. He contacted Jock Oil and they verified everything. Both Haverhill Corner and North Haverhill get their fuel from the State. Steve stated that small engines like the Ambulance would be destroyed if they put #2 in them. Darwin asked if all three departments were to buy it collectively. Both Howard and Mr. Brady commented that they couldn't beat the State. TM English commented that quantity doesn't matter to the State. He also commented that the beauty of the State is if there weren't a tank at a Department. Howard commented that he thought that the only way that fuel can be dyed is if it's dyed in their tank. TM English asked Steve about a bill for inspections and if they were doing them. Steve said that he hadn't billed for them. Dan Brady made the motion to

approve the Woodsville Fire Department budget of \$148,440; seconded by Barb Dutile. Darwin asked Steve Wheeler if he was a Commissioner in Woodsville and Steve said that he was. Darwin then went on to ask if the Budget Committee could ask Woodsville to get their budget in next year appropriately. Mr. Wheeler said that it was his first year doing it and he would try. Howard commented that they had asked for a page of Advisory Budget Committee recommendations to be put in the Town Report. TM English stated that would get a wide distribution to everybody. He also remarked that it would be on the Town website because the Town Report is put on the website. The vote was taken and all approved except Dick Guy who abstained. TM English asked if they wanted to take care of the other Fire Department accounts as they had Library folks waiting. Chris thought they could deal with the Haverhill Corner fire truck appropriation first. He went on to say that this was the appropriation, \$120,000, to be taken out of the current funds assuming they get the approval for the \$60,000 at the end of the budget. He wanted the Committee to keep in the back of their minds if they approve this, they would be approving that at the same time. They have been presented with the information and it appears that a proper analysis has been done. Howard commented that he was on the Fire Committee and when everything was presented to them, it was a really good job done. It seemed that they had done it to get the most for the money at \$488,000 and at the time, he voted to keep the truck under 40,000 lbs. so that it could be legally registered without exemption. He would like to see if it could be adjusted and he doesn't see a 1,500 gallon pump being used to capacity. He wasn't questioning anything else. He has seen fire trucks going by him to fires that are 1973 LaFrancis and they are taking care of city and wonders what the rules are (someone coughed and couldn't understand what was said). He went on to say that they are hearing this 15-20 years on recommendations but how do these cities get away with trucks this old that run every day. This was not to be voted on then, but he was just questioning a truck that big and that heavy, if it's essential that the whole fire station has to go on one truck. Those were his feelings. Ed asked Chairman Luurtsema if he would like a response to that. Ed explained that the recommendations Mr. Hatch spoke about were NFPA (National Fire Protection Association) and they are indeed just that, recommendations. There are no NFPA police, however, they are the industry standard. They are the only national standard that they have and so, in many cases, it becomes the law. If someone were on the witness stand and asked if they recognize the national standards and whether they do or don't, they take the liability and risk. If they say they are aware of NFPA's recommendations, the truck is being retired at 25 years old and they choose not to retire and something happens, they are on the hook because you can't say you are unaware of the standard. Chris asked what would happen and Ed stated nothing; there are no NFPA police. If there is a lawsuit and something happens to that apparatus, something because of age or wear or even if they are not at fault, a lawyer could say that truck was not compliant with standards. The cities take the chance because they are self-insured. They have their own pools of money and are willing to take the risk. It is cheaper for them, rather than have a fleet of 50 trucks, to have them as reserves up to 25 years old. Front-line engines like what Haverhill Corner has should be retired at 50 years and then they spend 10 years in a reserve status. He went on to talk about the weight. The truck is rated at 51,000 lbs. The manufacturer has done a weight analysis at 46 something and that is with equipment, water, and personnel. It will have 6 occupants. It does have a larger water tank than what they have on the current engine. It has a 1,500 gallon tank, which is 500

gallons more and the reason they decided to do that is that they are hoping to retire a very old tanker that is a 1983. That carries 1,800 gallons in order to have rolling water, which is what they use to extinguish fires with. They are going to reduce their rolling stock by retiring the 1983 truck at some point. They are not going to put any more money into it. If it moves and starts, they will keep it, but the minute it breaks down, it is history. The weight for restriction is 40,000 lbs, but the fire apparatus are exempt from that. The State has decided to exempt fire apparatus from the weight restrictions. The truck that they plan to order is designed to carry 46,000 lbs. and the engineers have to certify that and it's their necks on the line. The truck is safe and it can carry 46,000 lbs. because many fire trucks are grossly overweight, the State has decided to have that restriction removed. Chris commented that he didn't think it was so much what the truck weighed, but the roads. Ed stated that the fire apparatus don't roll very often. If they go out 50 times a year, that is a lot. If they go out for training 12 or 15 times, that's less than a 100 times on the road compared to logging trucks or other big trucks that go through carrying lots and lots of weight. He appreciates Mr. Hatch's concern for the roads. However, he thinks that the apparatus is a notable exception to that weight restriction. Dick Guy made the motion to approve the Haverhill Corner Fire Truck as proposed; seconded by Dan Brady. Chris reiterated that he would like to see that there is communication with the Commissioners of the Precinct that any leftover dollars be used to pay off the truck as soon as possible. He was also looking at the interest rate on the loan and it appeared high to him. The amount that they were borrowing wasn't that much and he would lean on them a little bit to (a) no front-loading of interest and (b) if that doesn't work, shop around a little bit. Ed commented that they had done a little bit of shopping on a cursory level and that seemed to be reasonable. The vote was taken and all approved with Barb Dutile abstaining.

Chairman Luurtsema apologized to the Library folks for having to have them wait. TM English stated that he had level-funded the libraries based on last year's amount because of the overall budget situation and the need to reduce taxes. Three of the libraries asked for more money and one did not. He went on to say that the Committee had their reports and requests, which were part of the handouts of the other nonprofits.

**Woodsville Library** - Chris asked if there was a representative from the Woodsville Library. Dawn Langley, Librarian, commented that she was there with two of the trustees and didn't know what the Committee wanted to know. She doesn't set the budget. She gave them all the information about their circulation; they were busy. Darwin commented that they had work done on their building at approximately \$35,000-\$40,000, with no cost to the Town of Haverhill or the Woodsville Precinct. He thought that was great. Dawn stated that it was money from a trust fund and from donations. She went on to say that as time progressed, they had issues with the roof since it was a flat roof so they had the roof done. The roof leaked one year on a Labor Day weekend, and paint came down and was analyzed, it was lead paint. They had that removed also. They had carpeting installed as well. They spent the money and have none in reserve. She stated that they were appreciative of the help that the Town and the Precinct has given them in the past. When she started there 22 years ago, there was money in the bank and now there isn't any in the bank. She stated that they did what they had to do and they didn't say "You have to do this for us". Darwin asked if they had depleted the trust and Dawn said that the treasurer wasn't there so she couldn't answer to what was in the Treasury, but she knows it isn't what it

was. Dan Brady stated that he was going to ask a question that he was sure wouldn't make people comfortable. He understood that in the current Journal Opinion, there was a story about the Haverhill libraries collectively and asked if anybody there had information on that. He hadn't seen the article, but understood that it called for a merger of libraries. He didn't know who the author was or who was interviewed. Someone commented that it sounded like an opinion piece rather than a news story. Joe Kirkpatrick commented that he had it reported to him, secondhand, that it was a story about Mr. Fillion's meeting with the Board. Mr. Brady withdrew the question. Mr. Brady asked if there was any reason why they couldn't work with an appropriation of \$17,917. Dawn said it was fine. TM English stated that Woodsville's request was up \$4,349; the Haverhill Corner request is up \$1,500; the Pike request is up \$1,800 and North Haverhill is flat so the total increase is \$7,649. Barb Dutille made the motion to fund Woodsville Library at \$17,917; seconded by Dan Brady. Barb stated that her motion was because Dawn said that she was fine with the \$17,917. Chris was seeing a \$1,000 increase in expenses and asked what dropped off as far as revenues historically. The bottom line is increasing \$1,000 in expenses and yet the proposed budget increases for over \$4,000. He was confused as to why the Town of Haverhill was suddenly up \$4,000 in expenses and he was only seeing \$1,000 and wanted to know if there was money from somewhere else that he was missing. Dawn stated that she wished the Treasurer was there, because she didn't have the answers to those questions. Dick commented that he was going to guess, it was only a guess, that they looked at what it cost them to run the library last year and they were \$3,000 in the hole and trying to make that up. TM English thought that they were running their endowment down and want to stop that bleeding. Dick said that their expenses were actually \$3,200 and they are trying to raise \$3,200 this year so that they can stay flush. TM English stated that it would be nice to know the balance in the endowment. Chris stated that he questioned the response that they can run at \$17,917 when apparently they can't as they spent more than that last year. Barb commented that they weren't going to do the roof again because they put a membrane on it. Chris said that the roof didn't come out of those funds. Darwin commented that the Committee was meeting again the next night and asked if the Woodsville Treasurer would be available then. Dawn said that she would not. They have lost three (3) of their Trustees and the people that were there were not equipped to answer the Committee's questions. Howard asked if he could bring in copies of the trust funds to the meeting and TM English said sure as it's public information. Howard wasn't sure how many accounts there were, but it's printed in there. Those numbers are in the Town Report. Mr. Brady asked if they should focus on the difference between \$17,900 and \$22,200 because why wrestle with the issue of what's in the trust fund. The Library trustees have the authority to use those dollars. He thought they should focus on the difference between the agency request and the TM budget submission, which totals approximately \$4,300. He thought the library could tell them what the additional \$4,300 would cover. Howard asked if the statement that they could get along with the \$17,000 was null and void. Chris felt that that statement wasn't accurate. TM English commented that there was another funding source, which is the Precinct and asked if the Precinct was being requested to kick in more money in 2016. Mr. Brady thought that was a better question to ask rather than the trust fund question. Chris stated that there was no increase. TM English stated that it should show in their proposed budget and Chris said there was no increase. TM English stated that Woodsville was flat. He wanted to remind the Committee that

these were Precinct libraries; they do serve all of the Town but their customers were primarily in the Precinct. Chris commented that it would be interesting to see if they could split the increase between the two areas and he says that as a Woodsville resident. TM English stated that of all of the Precincts, Woodsville comes up with a sizeable amount for their library, much beyond the others. Darwin asked to table Woodsville because he would like to see the Trust numbers. Dick Guy moved the question. The motion carried, with Chris Luurtsema and Darwin Clogston voting nay. Dick Guy stated that he could throw a little something out there as a Woodsville resident and having a lot of involvement in past history. Woodsville has a huge surplus of money and if the Library asked for \$4,000, he would support that. Mr. Brady said that was all he had to hear. He then told the Woodsville folks to go to the Woodsville Precinct meeting and ask for more. Both Dick and Chris would support that as Woodsville residents.

**Patten Library** - Chris stated that the agency request has not changed. This has been the same for many years. With no changes, he didn't have any questions. Barb Dutile approved the Patten Library budget of \$13,400; seconded by Howard Hatch and all approved.

**Haverhill Corner Library** - John Landrigan stated that they had the opportunity to complete the form that the Town provided this year and the Committee had received that along with the budget and a cover memo. He wanted to highlight two things from the cover memo. The first was they were very excited about a new program that they have launched this year and that is the opportunity to borrow electronic books and electronic audiobooks through the downloadable book consortium that the New Hampshire State Library runs. It is a new service and they are administering this service on behalf of the entire Town because the nature of the agreement between the State Library and the service provider is that it can only work with one library in Town so the State Library was very insistent that it be one. Haverhill Corner was very interested in doing it so they stepped up and are handling that for the entire Town. The other thing that he wanted to highlight was that he was not at the meeting last year, but he understood that the Committee expressed interest in the libraries work together more and he was happy to say that they have been doing that as well. They have started a new group called the Haverhill Libraries Communications Committee; it is trustees from all four libraries meeting on a regular basis to talk about issues and ways they can cooperate and do more. There has been cooperative advertising in The Bridge Weekly in the past few months announcing various programs that all of the libraries all on one end. They have put in for a \$1,500 increase and that was driven by two specific things. Number one is that there is a hole in the wall behind where the Librarian sits that needs to be fixed. Number two is they are in drastic need of a technology update. They have old PCs that patrons are complaining about so they need to get some new computer equipment, along with wifi equipment. They did request more money in the budget for those two purposes. Mr. Kirkpatrick commented that they did end the year with a positive bottom line due to some large donations that came in over the year. Dick commented that their expenses were quite a bit under budget and Mr. Landrigan said that they were fortunate in that some things came in less than expected. He also commented that payroll was less than expected because their Librarian was out and in the hospital. Some of that time was covered by the other Librarian, but some of the time was covered by a non-paid volunteer. Mr. Kirkpatrick advised that the budget numbers were as of the end of October. Chris asked about the payroll taxes and they seemed

high. Mr. Kirkpatrick explained that they had gotten behind on their taxes and they had to catch up. It was done now. Darwin asked if he was reading the back page of their report correctly, even with the additional \$1,500, they were showing a deficit. Mr. Kirkpatrick said that was so because it was a proposed draft budget that was submitted in October. Since that time, they have refined some of those numbers and they will only have a budget deficit of \$1,300. Chris asked if that included the requested additional \$1,500 and Mr. Kirkpatrick said it was. TM English asked how much they received from the Precinct and were they asking for an increase from the Precinct. Mr. Landrigan stated that they ask for an increase of \$500-\$1,000 every year but for the past few years, they have been successful in increasing that from the floor to \$1,500. TM English asked if they were going to ask for \$1,500 and Mr. Landrigan said they were going to ask for \$1,500. Darwin asked Howard if they had a trust and Howard said they did. TM English asked Mr. Kirkpatrick what their trust balance was and Mr. Kirkpatrick said that it was \$64,000. Darwin asked in their budget if they were pulling any from that. Mr. Kirkpatrick responded that they will be pulling about \$1,300 from that. Darwin said "your projected shortfall" and Mr. Kirkpatrick said yes. TM English stated that it should also show that the Library is endowed by the Mildred Page Trust and Mr. Kirkpatrick says that it shows in the income. TM English stated that it was a sizeable amount and the other libraries don't have that revenue. He said there were a number of Mildred Page funds: one for the Library, one for the Town to administer to the public buildings in Haverhill Corner and one for the church in Haverhill Corner. Howard Hatch made the motion to fund the Haverhill Corner Library at \$12,000; seconded by Dan Brady. Chris stated that the Committee was looking at curbing expenses. He has a hard time when the Fire Departments, which in his humble opinion, don't need as many and the same thing could be said for the Libraries and he believed that had been mentioned. They don't blink an eye at funding the Fire Departments for their increases, despite the fact that they were late in their submissions. Darwin asked what the money in the trust fund was being saved for. It's rainy day money. Those were his thoughts. Mr. Landrigan would argue that long-term stewardship of the trust fund would be to preserve it and try not to tap it when you can avoid it. There will be plenty of times when you have to. Otherwise, they would be where Woodsville is. Darwin would counter that with their proposal in the budget that they are already running with a deficit for which they are proposing. It seems like they could tweak that. Mr. Landrigan stated that they were trying to be realistic with what the projections are. Howard commented that his tax bill looked like it was getting close to a rainy day. The vote was taken and all approved.

**Pike Library** - TM English revealed to the Committee that the Pike Library had no Precinct and no support from another governmental unit. They rely entirely on the Town money and what they can raise. Darwin asked what happened to their roof and Carrie Quinn, Librarian, stated that it had been compounded wear and tear, tree limbs and snow. It was definitely a necessary repair and that was the only increase they are asking for. They have been level-funded for the past two years and that is the only increase they are asking for. They have no other back-up funds or trust of any kind. They do have a small amount of money which is a discretionary fund, earmarked for Caitlin's Corner, specifically the children's room. She did not know how much was in the Caitlin's Corner fund. TM English stated that that was earmarked for that specific purpose by the donor. Tom Friel stated that he was there when a contractor estimated the roof repairs at \$1,800, which she had included in the budget request. Barb

Dutile made the motion to fund the Pike Library at \$8,800; seconded by Dan Brady. Howard commented that it seemed good to see figures of increased usage, but if you look at it, the hours opened and the usage are not very high. There have been a couple times over the last 35 years that someone has asked for a specific amount, namely Pike Library, because they were in a bind and they said if they can get this much for one year and if it does pass tonight. TM English thought it was another construction job and it was about 5 or 6 years ago. Howard thought it wasn't good business to keep such a small library of that size and the usage operating. Darwin asked if they open to getting another estimate for the roof and Carrie told him that that estimate did not include labor. He is the husband of one of her volunteers. Darwin stated that he didn't think that she had to. Dick Guy moved the question. The vote was taken and all approved. Chris asked if he was too crass today and TM English stated that he and FO Lacaillade thought he was all "great". Chris stated that same thing happened with the Fire Departments last year and the Libraries were going to be dated for \$1,000 and these guys hand their stuff in late after they have done half of the budget. TM English stated that it wasn't their fault; it was the Commissioners' fault. Chris said that he gets that and one of the Commissioners was at the meeting. TM English said that North Haverhill's budget was in. He also told Chris that his opinion was to level-fund all of them because it's a rainy day fund for the taxpayers right now. FO Lacaillade stated that the only offset is that the extra money for the Fire Departments is going against truck note. Chris wanted to make sure of that and it hadn't been decided yet. TM English commented that the way the Fire Departments are funded is very, very expensive because of the duplication of equipment, the three Fire stations for a Town this size and it benefits the towns around us as much as it benefits our taxpayers. That is his gripe; that a lot of towns around us are getting a free ride for protection and they are not paying. Our stuff is always A-1, but theirs isn't if they even have stuff. Tom Friel asked how they could get these guys in on time with the budgets. Dick stated that he could speak for Woodsville because he knew the process a little bit. They don't get their payroll number until 10 days into January because the payroll guy doesn't do their end-of-year stuff until he makes the last payroll. FO Lacaillade commented that they could guesstimate, which is what they have to do. Chris commented that they could quite simply do a rolling forecast. If they do every quarter, they can do October back and chances are that last quarter isn't going to be any different. He gets that there is unforeseen stuff. He battles the same thing when he does their budgets, but they do it based on. He's doing budget work now for a budget that is not due until July and he still has five more months of the year. TM English stated that the other problem is that they don't use a government culture to do their budget. They don't consider themselves government. It's their culture and always the way that they have done their budgets. Howard asked FO Lacaillade about her work as North Haverhill's auditor. He asked how many checkbooks were there now and she believed that there were only two checkbooks, the Fire Department/Precinct and the Water Department. Howard asked how the money that is raised getting outside and Jo said that it was not part of the Town's money. She asked if he meant the money raised by the Fire Department from their auctions and she said that she did not see it and did not know it at all. Howard asked if they had to put in a floor or something, it comes out of the Town budget. Jo responded that some of it came out of the Town's portion and some came out of their fund, which she has not seen because it's not an audited account. It's not owned by the Precinct; it's owned by the Fire Department. TM English stated that that was an issue. They should not

be allowed to have these independent funds. Howard commented that they lose their volunteerism if they raise that money and they used to use that money for gear, boots, pumps and things like that. JO commented that anything that's seen from North Haverhill Precinct Fire does not include any of the money they use out of their fundraising events. It is kept in a separate checkbook. It's not under the control of the Treasurer; it's under the control of their Treasurer. TM English stated that all of that money is coming from the same people, whether it's raised or coming from taxes.

**FD Professional Services-Inspections** – Chris commented that this was an item that they talked about every year and an appropriated amount based off what they don't know – a guess. Every year, he is told that they will get more of these inspections but it doesn't feel like they are. He asked TM English if that was what he was asking Steve Robbins about and TM English stated that there has been one request for payment that was made. There was another request from North Haverhill that was paid. They have only paid out \$2,113 this year and for some reason, they are not getting reports from Woodsville. This concerns him whether inspections are being done and how they are being paid for. Chris thinks that that one item should be reduced to help offset the increases that were put to the other ones. Dick suggested \$10,000. Chris was all for the inspections. TM English explained that the inspections were commercial and multi-family dwellings. From a practical perspective, Dick said they didn't have enough hours in the day to do \$10,000 worth of work throughout the Town. Dick Guy made the motion to fund the Prof Services-Inspections at \$10,000; seconded by Howard Hatch and all approved. Chris agreed that there were a lot of buildings needing inspection, but with the turnover in management, he doesn't see anyone getting their tail in gear.

**FD Mutual Aid** – Dick asked if Mutual Aid was membership in Twin States and both TM English and FO Lacaillade stated that it was. TM English stated that they never get a bill so they usually go with last year's number and usually it's under. Barb Dutile made the motion to approve Mutual Aid at \$1,010; seconded by Dick Guy and all approved.

**FD Dispatch** – Chris asked if this was to cover the expenses that are paid to Grafton County to dispatch the fire departments. TM English noted that the same item will be in the Police budget and it's based on the calls. There is a bill and it is what it is; there is no debate. Dick Guy made the motion to approve Dispatch at \$10,232; seconded by Dan Brady and all approved.

**FD Forest Fires** – TM English stated that the number is probably a little high. If past history is looked at, it's like the Fire Department calls. When they get so many forest fires, they have to pay them, but the history hasn't been \$2,000. Chris asked how that worked. TM English explained that a lot of the firefighters are Forest Fire Wardens and if there is a forest fire, which is now called a wildfire, they go and respond, put it out and if it's eligible, they bill the Town. The Town pays the Fire Department and they pay their guys so what they pay the Fire Departments comes out of this money for labor. Jo commented that she had heard that this year, they may be looking at more forest fires than normal because there has not been the moisture as in a normal winter. Barb Dutile made the motion to approve Forest Fires at \$2,000; seconded by Dan Brady. Darwin asked how the Fire Department guys were paid for the fire in Pike. TM English explained that the Chief who was in control of the fire submits a bill based on the guys that show up. Jo stated that Darwin was talking about a house fire, which is different. Dick said that each department has a payroll internally. Darwin asked if there was money coming from the

State to pay them also and was told that there wasn't. TM English stated that some of the forest fires, they might get reimbursed for but not very often. The person could be charged and they would have to pay, but not very often. It's usually a Town expense. Chris said this further progresses the idea that when they get a call in North Haverhill and a Woodsville guy responds, Woodsville is paying out of their pocket to cover that expense for a Haverhill call, which is all fine and well, but further shows that there should be just one unit. TM English stated that even worse is when they go to Piermont and cover a fire, and the taxpayers pay for that. This includes Benton and Bath as well. Dick commented that Benton does pay now. Jo stated that they pay \$2,500 to the Town. It used to be \$1,250 to North Haverhill and \$1,250 to Haverhill Corner. Chris asked if there was a forest fire that cost \$892 and TM English stated that there was a couple of them last year. They usually get to them pretty quick with a few exceptions. Dick Guy moved the question. The vote was taken and all approved.

Barb Dutile made the motion to adjourn; seconded by Dan Brady and all approved. The meeting was adjourned by Chairman Luurtsema at 8:30 pm.

Minutes transcribed by Karen Hyde