

February 21, 2020

Demetrio F. Aspiras, Esq. – *via email and U.S. Mail*
Drummond Woodsum
670 N. Commercial Street
Suite 207
Manchester, NH 03101-1188

Re: Your Letter of February 11, 2020 and
Underpayment of “Woodsville Road Money” to the Woodsville Fire District

Dear Attorney Aspiras:

I have been asked by the Woodsville District Commission to respond to your letter of February 11, 2020. Contrary to the assertions in your letter, the District has not been overpaid for highway funds in any year. However, the Town of Haverhill is delinquent in the payment of funds owed to the District for 2019.

The calculations attached to your letter indicate that the Town seeks to change the method of allocating highway funds to the District by artificially recalculating the Town of Haverhill’s Highway Budget based on the sources of funds available to the Town. This results in a meaningless number which is at odds with the figures indicated in the Town’s own budget. This approach defies logic and is unsupported by the relevant authority and longstanding previous practice. We do not believe it will be sustained in a court of law.

As you apparently recognize, the payment is calculated pursuant to a formula memorialized in a 2008 Memorandum of Understanding and authorized by legislation in SB 75 (2009). For the year 2019, this formula, as set forth in Attachment A, results in a payment due to the District of \$282,531.00. In fact, this is the number that the Town included in its 2019 Budget as the Woodville Highway Reimbursement. (See attached Exhibit B). While the attached calculation and the Town’s Budget indicates that \$282,531 was due as reimbursement in 2019, in fact only \$211,989.00 was actually paid. This leaves the sum of \$70,632.00 due and owing to the District at this time, using the Town’s own figures.

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However, we understand that the Town acquired a payloader costing approximately \$150,000 in 2019 and, therefore, a corresponding sum needs to be added to the formula determining the reimbursement to the District. Attachment C calculates the formula with the cost of the payloader included, and establishes that in fact, a total of \$328,812.00 was owed to the District for 2019. This leaves \$116,994.00 now due and owing to the District after the Town's partial payments have been applied.

I recognize that it is possible that the payloader cost less than the \$150,000.00. If that is the case, the District would be happy to recalculate these numbers. However, in the absence of any further information about the cost of the payloader, I am authorized to demand that the Town make prompt payment in the amount of \$116,994.00 representing the balance due on the "Woodsville Road Money" for 2019.

With respect to your request pursuant to RSA 91:A, the Commissioners have advised me that they are happy to make the documents requested available for inspection at their office, at a mutually convenient time.

Additionally, in light of the claims asserted in your letter, I demand that the Town of Haverhill preserve all records pertaining to the formulation of the Town of Haverhill Highway Budget including but not limited to the calculation of funds owed to the District pursuant to the "Woodsville Road Money." This would include all years dating back to 2009.

Thank you for your attention to this matter.

Sincerely,



Richard C. Nelson

RCN/mjh

Enclosures

cc: District Commissioners

EXHIBIT A

1 Woodsville road funding 2019

2 Items from Haverhill 2018 report

3 ***** EXCLUDING LOADER PURCHASE *****

4

5 Part One - Local Budgets

6

7 HAVERHILL HIGHWAY NON-BLOCK GRANT REVENUES:

8 Highway Non-Block Grant revenues PG 21 \$0

9 TOTAL HNBG REVENUES \$0

10

11 HAVERHILL HIGHWAY BUDGET

12

13 Haverhill Hwy Budget pg 31 \$699,511

14 Hwy Vehicles PG31 \$50,729

15 Health Insurance omitted from budget on pg31 \$67,518

16 HAVERHILL HIGHWAY BUDGET TOTAL \$817,758

17 NET HAVERHILL HIGHWAY OPERATING BUDGET \$817,758

18

19 Woodsville share of Total assessed value is 23.61% pg56

20 Remaining Town's share of assessed value is 76.39 pg56

21

22 Total Highway Budget \$1,070,503 (line 17/76.39%)

23 Woodsville's share of Total Highway Budget \$252,745 (line22*23.61%)

24

25 Part Two - NH Highway Block Grant Allocation

26

27 NH Hwy Block Grant pg21 \$179,000

28

29 One half allocated to population \$89,500 (1/2 of line 27)

30 Woodsville % of Town population is 23.97 \$21,453 23.97% of line 29)

31

32 One half allocated to % of class V roads \$89,500 (1/2 of line 27)

33 Woodsville % of class V roads is 8.31 \$8,332 (8.31% of line 32)

34

35 Total NH Highway Block Grant to Woodsville \$29,786 (line 30+33)

36

37 Total Due to Woodsville \$282,531 (line 23+35)

38 Amount paid to Woodsville \$211,898

39 Overpaid (Underpaid) to Woodsville (\$70,632)

EXHIBIT B

2019 PROPOSED OPERATING BUDGET

Account Number	Account Name	2017 Budget	2017 Actual	2018 Budget	2018 Actual	2019 Proposed Budget
HIGHWAY DEPARTMENT						
01-4312.10-730	HW-CAPITAL OUTLAY	\$0	\$0	\$872,163	\$274,952	\$0
		<u>\$0</u>	<u>\$0</u>	<u>\$872,163</u>	<u>\$274,952</u>	<u>\$0</u>
01-4312.20-110	HW Salaries - F/T	\$212,467	\$216,233	\$213,463	\$220,329	\$222,500
01-4312.20-120	HW Wages - P/T	\$0	\$0	\$0	\$2,863	\$0
01-4312.20-140	HW Overtime	\$30,000	\$39,005	\$30,000	\$30,587	\$32,460
01-4312.20-220	HW Social Security	\$15,033	\$15,612	\$15,095	\$15,330	\$15,811
01-4312.20-225	HW Medicare	\$3,516	\$3,708	\$3,530	\$3,678	\$3,699
01-4312.20-230	HW NH Retirement	\$27,942	\$28,655	\$27,706	\$28,537	\$25,087
01-4312.20-240	HW Mileage/Travel	\$800	\$1,575	\$1,000	\$937	\$1,000
01-4312.20-250	HW Unemployment Ins	\$98	\$83	\$98	\$84	\$84
01-4312.20-260	HW Worker's Comp	\$10,940	\$9,833	\$10,940	\$10,720	\$12,970
01-4312.20-341	HW Telephone	\$1,500	\$1,119	\$1,116	\$1,007	\$0
01-4312.20-390	HW Professional Serv	\$0	\$5,431	\$0	\$3,219	\$0
01-4312.20-410	HW Electricity/Water	\$3,340	\$3,447	\$3,500	\$3,089	\$3,200
01-4312.20-411	HW Heat	\$3,500	\$3,783	\$3,500	\$4,328	\$3,500
01-4312.20-430	HW Vehicle Maint./Repairs	\$45,000	\$57,725	\$51,950	\$74,932	\$51,950
01-4312.20-440	HW Machine hire	\$70,500	\$101,353	\$70,500	\$58,615	\$60,000
01-4312.20-520	HW Insurance	\$9,505	\$10,554	\$11,504	\$10,263	\$11,700
01-4312.20-610	HW Supplies	\$11,000	\$10,395	\$12,000	\$9,236	\$10,000
01-4312.20-635	HW Vehicle Fuel	\$35,000	\$30,406	\$35,000	\$35,236	\$32,000
01-4312.20-640	HW Building Maint/Sup	\$2,100	\$3,853	\$2,100	\$2,588	\$2,500
01-4312.20-690	HW Miscellaneous	\$300	\$967	\$500	\$300	\$300
01-4312.20-740	HW Equip	\$0	\$52	\$0	\$0	\$0
01-4312.20-840	HW Meetings and Training	\$500	\$255	\$500	\$60	\$250
01-4312.20-861	HW Cold Patch	\$1,500	\$806	\$1,500	\$3,174	\$1,500
01-4312.20-862	HW Culverts	\$4,000	\$19,161	\$4,000	\$12,552	\$4,000
01-4312.20-863	HW Concrete	\$20,000	\$0	\$20,000	\$0	\$2,000
01-4312.20-864	HW Sand/Gravel-Summer	\$69,000	\$89,761	\$75,000	\$55,882	\$75,000
01-4312.20-865	HW Lumber	\$500	\$0	\$500	\$710	\$500
01-4312.20-866	HW Tar	\$100,000	\$131,234	\$100,000	\$106,513	\$50,000
01-4312.20-867	HW Signs	\$2,000	\$600	\$2,000	\$2,151	\$2,000
01-4312.20-868	HW Stabilization	\$4,000	\$0	\$4,000	\$5,781	\$4,000
01-4312.20-869	HW Calcium Chloride	\$12,000	\$10,797	\$12,000	\$13,912	\$15,000
01-4312.20-870	HW Salt	\$43,800	\$45,598	\$45,500	\$47,134	\$45,500
01-4312.20-871	HW Sand/Winter	\$11,000	\$10,455	\$11,000	\$13,317	\$11,000
		<u>\$750,841</u>	<u>\$852,456</u>	<u>\$769,502</u>	<u>\$777,061</u>	<u>\$699,511</u>
01-4312.30-730	HW Woodsville Hwy. Reimb	\$306,772	\$306,772	\$429,203	\$429,203	\$282,531
		<u>\$306,772</u>	<u>\$306,772</u>	<u>\$429,203</u>	<u>\$429,203</u>	<u>\$282,531</u>
01-4312.30-760	HW Vehicles	\$53,961	\$50,557	\$51,845	\$51,793	\$50,729
		<u>\$53,961</u>	<u>\$50,557</u>	<u>\$51,845</u>	<u>\$51,793</u>	<u>\$50,729</u>
TOTAL HIGHWAY DEPARTMENT		<u>\$1,111,574</u>	<u>\$1,209,785</u>	<u>\$2,122,713</u>	<u>\$1,533,009</u>	<u>\$1,032,771</u>

EXHIBIT C

1 Woodsville road funding 2019

2 Items from Haverhill 2018 report

3 ***** INCLUDING LOADER PURCHASE *****

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8 Highway Non-Block Grant revenues PG 21 0

9 TOTAL HNBG REVENUES 0

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11 HAVERHILL HIGHWAY BUDGET

12 Highway Capital Outlay p31 150,000 (est loader purchase)

13 Haverhill Hwy Budget pg 31 699,511

14 Hwy Vehicles PG31 50,729

15 Health Insurance omitted from budget on pg31 67,518

16 HAVERHILL HIGHWAY BUDGET TOTAL 967,758

17 NET HAVERHILL HIGHWAY OPERATING BUDGET 967,758

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27 NH Hwy Block Grant pg21 179,000

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